

A G E N D A

Council Meeting

**Fern Room, Mueller Wing
Scenic Hotel
Franz Josef**

**Thursday
28 May 2015
commencing at 10.00 am**

His Worship the Mayor, M.T. Havill (**Chairperson**)
Cr. J.H. Butzbach, Cr. P.M. Cox, Cr. M.S. Dawson,
Cr. D.G. Hope, Cr. L.J. Martin, Cr. M.D. Montagu,
Cr A. P. Thompson, Cr. C.A. van Beek



COUNCIL MEETING

NOTICE IS HEREBY GIVEN THAT AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL WILL BE HELD AT THE FERN ROOM, MUELLER WING, SCENIC CIRCLE HOTEL, FRANZ JOSEF ON THURSDAY 28 MAY 2015 COMMENCING AT 10.00 AM

Tanya Winter
Chief Executive

22 May 2015

COUNCIL VISION

Westland District Council will facilitate the development of communities within its district through delivery of sound infrastructure, policy and regulation.

This will be achieved by:

- Involving the community and stakeholders.
- Delivering core services that meet community expectations and demonstrate value and quality.
- Proudly promoting, protecting and leveraging our historic, environmental and natural resource base to enhance lifestyle and opportunity for future generations.

Purpose:

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

- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
- (b) To 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. MEMBERS PRESENT AND APOLOGIES:

1.1 Apologies

1.2 Interest Register

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Council Meeting – 23 April 2015 (Pages 5-11)

2.1.2 Executive Committee Meeting – 7 May 2015 (Pages 12-17)

2.1.3 Extraordinary Council Meeting – 11 May 2015 (Pages 18-44)

3. PUBLIC FORUM

The public forum section will commence at the start of the meeting.

- Royal Forest and Bird Protection Society, Presentation regarding the Haast-Hollyford Road
- Rob Lash - Chairperson of the Franz Josef Community Council
- Helen Lash - Community Development Officer for Franz Josef Community Council
- Craig Rankin - Chairperson Franz Inc (Business Society)

4. BUSINESS

4.1 Mayor's Report

4.2 Update from Councillors

4.3 Plan Change 7: Managing Fault Rupture Risk In Westland– Commissioners' Decision (Pages 45-88)

Lunch at 1pm

- 4.4 **Use of Waiho River Relocation Funds For Property Purchase** (Pages 89-99)
- 4.5 **Submission on West Coast Regional Policy Statement (RPS)** (Pages 100-123)
- 4.6 **Quarterly Performance Report to 31 March 2015** (Pages 124-185)
- 4.7 **2015 Wildfoods Festival Wrap-Up** (Pages 186-191)

5. **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:

5.1 **Confidential Minutes**

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
4.1	Confidential Minutes	Confidential Report	Good reasons to withhold exists under Section 7	Section 48(1(a))

Date of Next Ordinary Council Meeting
25 June 2015
Council Chambers

MINUTES OF AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 23 APRIL 2015 COMMENCING AT 9.00 AM

His Worship the Mayor welcomed newly elected Cr A.P. Thompson to his first Westland District Council Meeting.

1. **MEMBERS PRESENT AND APOLOGIES**

His Worship the Mayor, M.T. Havill (**Chairperson**)
Cr. J.H. Butzbach, Cr. M.S. Dawson, Cr. D.G. Hope, Cr. L.J. Martin,
Cr M.D. Montagu, A.P. Thompson, Cr. C.A. van Beek.

1.1 **Apologies**

Deputy Mayor P.M. Cox.

Moved Cr Martin, seconded Cr van Beek and **Resolved** that the apology from Deputy Mayor Cox be received and accepted.

Staff in Attendance

T.L. Winter, Chief Executive; P.G. Anderson, Operations Manager (part of the meeting), D. Blight, Community Development Advisor (part of the meeting); G. Borg, Group Manager: Corporate Services; J.D. Ebenhoh, Group Manager: Planning, Community and Environment; V. Goel, Group Manager: District Assets; D.M. Maitland, Executive Assistant.

1.2 **Interest Register**

The Interest Register was circulated and amendments were noted.

1.3& Declaration by Cr Andy Thompson

1.4 Short Address by Cr Andy Thompson

Cr Thompson completed his statutory declaration, witnessed by His Worship the Mayor and Councillors, and also provided a short address to the group present.

The following items were then taken out of order to the agenda papers.

3. PUBLIC FORUM

The following members of the public spoke during the Public Forum Section of the meeting as follows:

3.1 Jenny Keogan, Three Mile Hall Committee

Ms Keogan spoke on behalf of the Three Mile Hall Committee and noted the following:

- The Three Mile Hall Committee have been active.
- In 2013 the bank balance was \$226,000. There should have been three more payments of \$10,000 interest.
- Sale of gravel generated revenue.
- Previous involvement of Council staff.
- Lack of communication and consultation from Council staff.
- Concern that the money from the Three Mile Reserve Fund was transferred to township reserves.
- Concern there was no consultation with the Committee from Council.
- Do not see the benefits of the money being distributed further south of Hokitika. The boundaries were intended to be between the Arahura River and the Hokitika River.
- Requested information panels be erected on the Three Mile site after the hall is demolished, and further discussion regarding the land.

Ms Keogan asked that the Committee be able to discuss the matter further with Council on the way forward to see a fair resolution and have an active role going forward.

3.2 Alan Beaumont

Mr Beaumont spoke on behalf of the Three Mile Hall Committee and noted the following:

- Concern regarding the current situation.
- Council's Vision for Westland.
- The vision that the group had for the Three Mile area that would benefit the whole of Hokitika.
- The huge volunteer hours that have gone into the Committee.
- They did want a children's playground.
- The population growth of the area.
- Concern there was no consultation with the Committee from Council.
- Asked that an adhoc Committee of Councillors, the Mayor and representatives of the Three Mile Hall Committee be established.

3.3 **Max Dowell**

Mr Dowell spoke on behalf of the Three Mile Hall Committee and noted the following:

- Noted the Committee were a nominated Committee of Council and the documentation that he has.
- Concern regarding the current situation.

His Worship the Mayor thanked Ms Keogan, Mr Beaumont and Mr Dowell for attending the meeting and speaking to Council and advised that Council will take the concerns they have raised on board and work on a resolution for all parties.

The meeting adjourned for morning tea at 9.41 am and reconvened at 10.08 am.

2. **CONFIRMATION OF MINUTES**

2.1 **Confirmation of Minutes of Meetings of Council**

2.1.1 **Council Meeting – 26 March 2015**

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that the Minutes of the Ordinary Meeting of Council held on the 26 March 2015 be confirmed as a true and correct record of the meeting.

2.2 **Minutes and Reports to be received**

2.2.1 **Minutes of the Public Excluded Portion of the Westland District Council Ordinary Meeting held on 26 March 2015**

(Refer Public Excluded Minutes).

4. BUSINESS

4.1 Mayor's Report

His Worship the Mayor provided the following update:

- **By-election** – welcomed Cr Thompson to Westland District Council and looks forward to his contribution to Council and the Westland District in general.
- **National Trustpower Awards** – attended by the Mayor and Mayoress and Kumara Residents Trust.
- **Reputation Research and Initiatives, Local Government New Zealand** – Mayor and Deputy Mayor attended the presentation by Malcolm Alexander, Chief Executive, LGNZ and Richard Kempthorne, Zone 5 Chairman, on 1 April 2015.
- **Development West Coast Leadership and Governance Graduation** – attended in Greymouth on the 9 April 2015.
- **Long Term Plan** – work ongoing.

4.2 Update from Councillors

Councillors provided the following updates:

- i) **Cr Martin**
 - **Council commitments** - noted that his Councillor commitments are all taking place during the week of 27 April 2015.
- ii) **Cr Butzbach**
 - **Primary Health Organisation (PHO)** - attended the first Primary Health Organisation (PHO) meeting on the 16 April 2015; noting that the quarterly plan is available.
 - **Council commitments** - noted that his Councillor commitments are all taking place during the week of 27 April 2015.
- iii) **Cr Thompson**
 - **Councillor Induction** - thanked Mayor Havill and Tanya Winter, Chief Executive and team for his Councillor induction.
- iv) **Cr Hope**
 - **Rubbish Disposal at Haast** - concerned regarding the rubbish disposal situation at Haast over the Easter break and discontinuation of the rubbish service at short notice.

- **Public Toilets in Haast** - a large amount of rubbish was left at the public toilets in Haast. The rubbish has subsequently been removed and staff are working on a solution.
- **Landfill at Haast** - concerned regarding access to the landfill at Haast.

v) **Cr van Beek**

- **Safer Community Council Meeting** – noted the next meeting is on the 24 April 2015.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that the verbal reports from the Mayor and Councillors be received.

4.3 **Three Mile Domain Local Purpose Reserve Funds Account**

Moved His Worship the Mayor, seconded Cr Butzbach and **Resolved** that:

- A. The report “Three Mile Domain Local Purpose Reserve Funds Account” from the Group Manager: District Assets be withdrawn from the agenda.
- B. A working group comprised of the Northern Ward Councillors (Crs Montagu, Cr van Beek, Cr Thompson) and Mayor Havill meet with the Three Mile Hall Committee to:
 - a) advance the demolition of the hall and development of the site; and
 - b) determine the financial position of the Three Mile Reserve Fund.

4.4 **Hokitika Seawall Joint Agreement**

The Group Manager: District Assets spoke to this item.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that Council approves and adopts the Hokitika Seawall Joint Agreement attached as Appendix 1 to the agenda report.

4.5 **Class 4 Gambling Venue Policy Review**

The Community Development Advisor spoke to this item.

Moved Cr Martin, seconded Cr Hope and **Resolved** that:

- A) Council approves the draft Class 4 Gambling Venue Policy attached as Appendix 2 to the agenda report, and

- B) Council approves and adopts the Statement of Proposal “Amendment to 2011 Class 4 Gambling Policy” for public consultation under the Special Consultative Procedure in accordance with Section 83 of the Local Government Act 2002.

4.6 Financial Performance Report – Year to Date February 2015

The Group Manager: Corporate Services spoke to this item.

Moved Cr Montagu, seconded Cr van Beek and **Resolved** that Council receives the Financial Performance Report for 2014/2015 for the eight months to 28 February 2015.

5. MATTERS TO BE CONSIDERED IN THE ‘PUBLIC EXCLUDED’ SECTION

Moved Cr Martin, seconded Cr Hope and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 10.45 am.

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

5.1 Minutes

5.2 Tender Approval – Harihari Community Facility Tender

5.3 Tender Approval – Parks, Reserves & Cemeteries

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
5.1	Minutes	Confidential Minutes	Good reasons to withhold exists under Section 7	Section 48(1(a))
5.2	Harihari Community Facility Tender Approval	Confidential Report	Good reasons to withhold exists under Section 7	Section 48(1(a))

5.3	Tender Approval Parks, Reserves & Cemeteries	Confidential Report	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
5.1	Protection of privacy of natural persons/organisations.	Section 7(2)(a)
5.2 & 5.3	Protect information where the making available of the information would be likely unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information.	Section 7(2)(b)(ii)

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that the business conducted in the "Public Excluded Section" be confirmed and accordingly the meeting went back to the open part of the meeting at 11.15 am.

MEETING CLOSED AT 11.15 AM

Confirmed by:

Mike Havill
Mayor

Date

Date of Next Ordinary Council Meeting:
28 May 2015
Franz Josef – Mueller Wing, Scenic Hotel, Franz Josef

MINUTES OF A MEETING OF THE EXECUTIVE COMMITTEE OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 7 MAY 2015 COMMENCING AT 4.03 PM

1. MEMBERS PRESENT

His Worship the Mayor, M.T. Havill (**Chairperson from 5.26 pm**)

Cr. M.S. Dawson (**Chairperson until 5.26 pm**)

Deputy Mayor Cox P.M. Cox, Cr. D.G. Hope (until 4.48 pm), Cr M.D. Montagu, Cr A.P. Thompson, Cr. C.A. van Beek.

1.1 Apologies

Cr. J.H. Butzbach, Cr L.J. Martin.

Moved Cr Hope, seconded Cr van Beek and **Resolved** that the apologies from Cr Butzbach and Cr Martin be received and accepted.

Staff in Attendance

T.L. Winter, Chief Executive; G. Borg, Group Manager: Corporate Services; L. Crichton, Finance Manager; V. Goel, Group Manager: District Assets (for part of the meeting); D.M. Maitland, Executive Assistant.

1.2 Interest Register

The Interest Register was circulated and amendments were noted to the name of the register.

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Executive Committee Meeting

2.1.1 Minutes of the Executive Committee Meeting – 16 October 2014

Moved His Worship the Mayor, seconded Deputy Mayor Cox and **Resolved** that the Minutes of the Executive Committee Meeting held on the 16 October 2014 be confirmed as a true and correct record of the meeting.

The following items were then taken out of order to the agenda papers.

3. WESTLAND HOLDINGS LIMITED

Graeme King, Chairman, Westland Holdings Limited attended the meeting and provided an update on the Half Yearly Report for Westland Holdings Limited for the six months to 31 December 2014.

4. PUBLIC FORUM

No members of the public attended the public forum section of the meeting.

5. BUSINESS

5.1 Omnibus Report

Half Year Result: Westland Holdings Ltd

Moved His Worship the Mayor, seconded Cr Thompson and **Resolved** that the Westland Holdings Limited (Group) half yearly report to 31 December 2014 be received.

5.2 Executive Committee Action Items

The Committee reviewed the Action Items from previous meetings.

5.3 Executive Committee Workplan 2014-15

Moved Deputy Mayor Cox, seconded Cr Montagu and **Resolved** that progress on the Executive Committee Workplan for 2014-2015 be noted, and the Chief Executive draft and circulates a 2015-2016 Workplan, noting that the Chief Executive's Performance Review be moved to August 2015.

5.4 Insurance

The Group Manager: Corporate Services provided a verbal update regarding Council's insurance.

Moved Cr Thompson, seconded Deputy Mayor Cox and **Resolved** that the verbal update from the Group Manager: Corporate Services be received, and an update on insurance be provided to the Executive Committee Meeting in June 2015 regarding refining the data, the LAPP Report and quotes.

Cr Hope left the meeting at 4.49 pm.

5.5 Risk Reporting Process

The Group Manager: District Assets provided a verbal update and demonstration on how Council's Executive Team are currently recording and managing risk within the organisation.

Moved Cr van Beek, seconded Cr Dawson and **Resolved** that the verbal update and demonstration be received, and that the risks identified by the Executive Team as being high or extreme, be reported to the Executive Committee or Council as soon as they are identified.

5.6 Health and Safety

Moved Cr Dawson, seconded Cr Montagu and **Resolved** that by 31 August 2015, a reporting mechanism to Council on health and safety be recommended by the Chief Executive.

5.7 2014-2015 Audit Management Report

The Group Manager: Corporate Services spoke to this item.

He advised that the draft 2014-15 Audit Management Report has been received from Audit New Zealand, and staff are providing comments on this and will return it to Audit New Zealand for finalising.

Moved His Worship the Mayor, seconded Deputy Mayor Cox and **Resolved** that this item be deferred to the June Executive Committee Meeting and June Council Meeting.

5.8 Debt Collection

The Group Manager: Corporate Services and the Finance Manager spoke to this item.

Moved His Worship the Mayor, seconded Cr van Beek and **Resolved** that the verbal update from the Group Manager: Corporate Services and Finance Manager be received.

5.9 Treasury Management

The Group Manager: Corporate Services provided a verbal update.

Moved His Worship the Mayor, seconded Cr Dawson and **Resolved** that the verbal update be received.

5.10 Refining the Monthly Financial Reporting Process

The Group Manager: Corporate Services provided a verbal update and demonstrated how Budget Managers and the Executive Team are providing input into monthly financial reporting to Council.

Cr Dawson left the meeting at 5.26 pm and His Worship the Mayor chaired the remainder of the meeting.

Moved His Worship the Mayor, seconded Deputy Mayor Cox and **Resolved** that the Executive Committee receives the information.

5.11 Post CCO Review Work

The Chief Executive spoke to this item.

The Chief Executive advised that the SOI, the Board Structure and Directors Appointment Policy will be discussed in a Council Workshop.

Moved Deputy Mayor Cox, seconded Cr van Beek and **Resolved** that the Executive Committee receives the information.

6. **MATTERS CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'**

Moved Cr Thompson, seconded Cr van Beek and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 6.00 pm.

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

6.1 **Confirmation of Minutes**

6.2 **Chief Executive's Six Month Performance Review**

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.	Minutes	Confirmation of October Public Excluded Minutes.	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
2.	Report	Chief Executive's Six Month Performance Review.	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
5.1 & 5.2	Protection of privacy of natural persons/organisations.	Section 7(2)(a)

Moved Cr van Beek, seconded Cr Thompson and **Resolved** that the business conducted in the “Public Excluded Section” be confirmed and the public be readmitted at 6.30 pm.

MEETING CLOSED AT 6.30 PM

Confirmed by:

Cr Mark Dawson
Chair

Date

Mayor Mike Havill
Chair

Date

MINUTES OF AN EXTRAORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON MONDAY 11 MAY 2015 COMMENCING AT 9.03 AM

1. MEMBERS PRESENT AND APOLOGIES

His Worship the Mayor, M.T. Havill (**Chairperson**)

Deputy Mayor P.M. Cox

Cr. J.H. Butzbach, Cr. M.S. Dawson, Cr. D.G. Hope, Cr. L.J. Martin,

Cr M.D. Montagu, A.P. Thompson, Cr. C.A. van Beek.

1.1 Apologies

Cr D.G. Hope.

Deputy Mayor Cox (from 9.04 am) for lateness

Cr Murray Montagu (from 9.05 am) for lateness.

Staff in Attendance

T.L. Winter, Chief Executive; G. Borg, Group Manager: Corporate Services; L.A. Crichton (Finance Manager); J.D. Ebenhoh, Group Manager: Planning, Community and Environment; V. Goel, Group Manager: District Assets; W.H. Knightbridge, Environmental Health/Regulatory Officer (part of the meeting); K.A. Jury, Corporate Planner; D.M. Maitland, Executive Assistant.

1.2 Interest Register

The Interest Register was circulated and no amendments were noted.

2. PUBLIC FORUM

No members of the public attended the public forum section of the meeting.

3. **BUSINESS**

3.1 **Rates Remissions and Postponement Policies**

The Group Manager: Corporate Services spoke to this report and tabled an amended Rates Remission Policy.

Moved Cr Dawson seconded Cr Butzbach and **Resolved** that Council adopt the Rates Remission Policy as amended and attached as **Appendix 1** for consultation concurrently with the LTP consultation.

Moved Cr Butzbach, seconded Cr Montagu and **Resolved** that Council adopt the Policy on Remission and Postponement of Rates on Maori Freehold Land as amended and attached as **Appendix 2** for consultation concurrently with the LTP consultation.

Moved Cr Thompson, seconded Cr Butzbach and **Resolved** that Council adopt the Rates Postponement Policy as amended and attached as **Appendix 3** for consultation concurrently with the LTP consultation.

3.2 **Supporting policies and documents to the Revenue and Financing Policy**

The Group Manager: Corporate Services spoke to this report.

Moved Cr Montagu, seconded Deputy Mayor Cox and **Resolved** that Council adopts the draft Funding Needs Analysis, Rating Policy and Funding Impact Statement, as supporting documentation for the Long Term Plan 2015/25 Consultation Document and Revenue and Financing Policy consultations.

3.3 **Revenue and Financing Policy**

The Group Manager: Corporate Services spoke to this report.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that Council adopts the Revenue and Financing Policy, attached as **Appendix 4**, for consultation concurrently with the LTP consultation.

3.4 **Adoption of the draft Council Plan 2015-25 and Consultation Document, and approval to publicly notify the Consultation Document**

The Group Manager: Planning, Community & Environment and the Corporate Planner spoke to this report and tabled a memo to Councillors dated 11 May 2015

titled “Amendments to the Consultation Document for Council Plan, and Supporting Documents”.

Moved Cr Montagu, seconded Cr Butzbach and **Resolved** that Council receives the Audit report for the draft Council Plan 2015-25.

Moved Deputy Mayor Cox, seconded Cr Montagu and **Resolved** that Council adopts the draft components of the Council Plan 2015–2025 and the Consultation Document as amended.

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that Council approves the Consultation Document being publicly notified as a Special Consultative Procedure under s.82 of the Local Government Act 2002.

Moved Cr Martin, seconded Deputy Mayor Cox and **Resolved** that Council approves the components of the Council Plan being made accessible to the public, for a month long public feedback process to occur (from 12 May – 10 June 2015).

4. MATTERS TO BE CONSIDERED IN THE ‘PUBLIC EXCLUDED SECTION’

Moved Cr Butzbach, seconded Cr Martin and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 9.39 am.

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

4.1 Tender Recommendation: Dog Control Contract

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
4.1	Tender Recommendation: Dog Control Contract	Confidential Report	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
4.1	Protect information where the making available of the information would be likely unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information.	Section 7(2)(b)(ii)

Moved Cr Butzbach, seconded Cr Martin and **Resolved** that the business conducted in the “Public Excluded Section” be confirmed and accordingly the meeting be closed at 9.51 am.

MEETING CLOSED AT 9.51 AM

Confirmed by:

Mike Havill
Mayor

Date

Date of Next Ordinary Council Meeting:
28 May 2015
Franz Josef – Meuller Wing, Scenic Hotel, Franz Josef

Appendix 1:

Appendix 4: Current Policies with Tracked Changes

RATES REMISSION POLICY

This policy is prepared pursuant to Sections 109 and 110 of the LGA 2002. Council reviews this policy at least every six years. A summary of this policy is included with every Rates Assessment.

Decisions on remission of penalties will be delegated to committees, sub-committees or officers as set out in the Council's Delegations Manual.

Disputes over the application of the policy shall be in writing addressed to the Chief Executive.

Remissions for Community, Sporting and other Organisations

Objective

~~This policy is intended to~~ To facilitate the on-going provision of non-commercial community services and recreational opportunities for the residents of ~~Westland-the~~ District. The purpose of granting rates remission to an organisation is to:

- Assist the continued existence of non-profit organisations
- Make membership of the organisation more accessible to the general public, particularly disadvantaged groups including children, youth, young families, and the elderly and economically disadvantaged people
- Ensure sports clubs are not penalised for having a liquor licence.

Conditions and Criteria

1. This policy does not apply to organisations meeting the criteria of sSchedule 1 of the Local Government (Rating) Act 2002.

~~1-2.~~ 2. The policy will apply to land owned by Council and/or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation, or community purposes.

~~2-3.~~ 3. The policy does not apply to any body (including a society, associated organisation, whether incorporated or not) that is carried on for the purpose of profit or gain.

~~3-4.~~ 4. The policy does not apply to groups or organisations who engage in recreational, sporting or community services as a secondary purpose only.

~~4-5.~~ 5. No remission will be granted on targeted rates for water supply, ~~or~~ sewage disposal or refuse collection.

~~5-6.~~ 6. Organisations making first applications should include the following documents in support of their application:

~~6-7.~~ 7. Statement of ~~Objectives~~ the organisation's objectives

~~7-8.~~ 8. Full financial ~~Statements~~ statements

~~8-9.~~ 9. Information on planned activities and programmes

~~9-10.~~ 10. Details of membership

~~10.~~ Decisions on remission of penalties will be delegated to officers as set out in the Council's Delegations Manual

- ~~11.~~ All remissions made under this policy will be confirmed by ~~the Audit and Finance Council or a delegated Committee~~ in open meeting.
- ~~11-12.~~ Remissions will continue (requiring no further application) until Council becomes aware of a change in circumstances or Council changes this policy.
- ~~12-13.~~ Annual remissions of 50% will be applied to those societies and associations who ~~meet the criteria, qualify for the 50% non-rateable category under Schedule 1, Part 2 of the Local Government (Rating) Act 2002~~

Remission of Penalties

Objective

~~The objective of this part of the remission policy is to~~ enable the Council to act fairly and reasonably in its consideration of overdue rates which have not been received by the penalty date due to circumstances outside the ratepayer's control.

Conditions and Criteria

1. Automatic remission of penalty will be granted where payment is ~~made received~~ within seven days of the penalty date provided the ratepayer has made no late payments for rates within the preceding three years.
2. Remission of penalty may be granted at the Council's discretion where regular payments are being made in accordance with an agreement ~~which is set up~~ to clear all outstanding rates by the end of the rating year.
3. Remission of penalty will be considered in any one rating year where payment has been late due to significant family disruption. Remission will be considered in the case of death, illness or accident of a family member as at due date.
- ~~4. The remission of a penalty will be considered where a payment is late due to circumstances outside a ratepayer's control.~~
- ~~5-4.~~ A penalty will be remitted where there is an administrative error on the part of Council or an agent acting for Council.
- ~~6-5.~~ Each application will be in writing (including email) and will be considered on its merits ~~and remission will be considered where it is just and equitable to do so.~~
- ~~7. Decisions on remission of penalties will be delegated to officers as set out in the Council's Delegations Manual~~
- ~~8. All remissions made under this policy will be confirmed by the Audit and Finance Committee in open meeting~~

Remission of Wastewater Charges to Schools

Objective

To provide relief and assistance to educational establishments in paying wastewater charges.

Conditions and Criteria

1. The policy will apply to educational establishments as defined in Schedule 1 Part 1 clause 6 (a-b) of the Local Government (Rating) Act 2002.
2. The policy does not apply to school houses or any part of a school used for residential purposes.
3. Wastewater charges for schools will be calculated as follows:

Staff plus pupil numbers ÷ 20 = number of pans. The wastewater charge for the educational establishment will be charged at:
 100% for the first four pan charges then the fifth to tenth pan charges will be discounted by 25% and all pan charges exceeding ten will be discounted by 50%.

3-4. The student numbers is the number of students on the roll on March 1 in the year immediately before the year in which the charge relates.

4-5. The number of staff is the number of full time equivalent and administration staff employed on 1 March immediately before the year in which the charge relates.

5. Decisions on remission of penalties will be delegated to officers as set out in the Council's Delegations Manual

Remission on New Subdivisions

Background

This policy is intended to provide temporary rates relief to subdividers of land from the immediate effect of the Uniform Annual General Charge (UAGC) and unconnected service charges being applied to individual lots before many have been sold.

Objectives of the Policy

- To provide temporary rates relief to new subdivisions to limit the immediate rates impact of multiple Uniform Annual General Charges (UAGC's UAGC) and service charges in the first year.
- To provide a ratings policy that is consistent with accommodating growth expectations for Westland the District.
- To encourage or at least not discourage continued subdivision activity in the District as allowed by the District Plan.

Conditions and Criteria

1. The policy will apply to land that is:
 - a. newly subdivided into 3 lots or more where the titles have been issued; and
 - b. owned by the original developer who is holding the individual titles pending their sale.
 - c. Remission-remission of the Uniform Annual General Charge and unconnected service charges will be actioned quarterly for each unsold lot except one.
 - d. Remission-remission will apply for a period of 2 years, from the first year the properties are entered on the Rating Information Database.
 - d.e. Council or delegated committee may consider, in open meeting, an extension beyond this upon written application from the developer.

Remission for Residential Land in Commercial or Industrial Areas

Objective

To ensure that owners of residential rating units situated in commercial or industrial areas are not unduly penalised by the zoning decisions of this Council and previous local authorities.

Conditions and Criteria

To qualify for remission under this part of the policy the rating unit must:

- Be situated within an area of land that has been zoned for commercial or industrial use. Ratepayers can determine the zoning of their property by inspecting the District Plan, copies of which are available at Council offices
- Be listed as a “residential” property for differential rating purposes. Ratepayers wishing to ascertain whether their property is treated as a residential property may inspect Council’s rating information database at Council offices

If an application is approved Council will direct its valuation service provider to inspect the rating unit and prepare a valuation that will treat the rating unit as if it were a comparable rating unit elsewhere in the district. The ratepayer may be asked to contribute to the cost of this valuation. Ratepayers should note that the valuation service provider’s decision is final and there are no statutory rights of objection or appeal for values done in this way.

The amount of remission granted under this part of the policy will be limited to the difference between the rates charged on the original value, and the rates chargeable on the valuation of the rating unit as a house in a residential area.

Delegations

Applications for remission under this part of the policy will be determined by officers of Council, acting under delegated authority from Council as specified in the delegations manual.

Policy on Uneconomic Balances

Objective of the Policy

To avoid collecting rates which are not economical to collect. Conditions and Criteria

- The policy will apply to rating units which are charged annual rates, excluding metered water, of \$10.00 or less
- Council will notify affected ratepayers that it has decided not to collect the rates
- No application will be necessary in order to qualify for the remission
- The authority to consider and approve remission will be delegated to the Assistant Accountant
- This policy is made under section 54 of the Local Government Rating Act 2002

Policy on Remission of Excess Metered Water Rates

Objective of the Policy

To provide for relief in the event of excess metered water consumption due to no fault of the ratepayer.

Conditions and Criteria

1. The policy will apply to applications from ratepayers who have incur excess metered water rates due to a fault in the internal reticulation as a result of reticulation failure. It does not apply to events occurring because of reckless disregard to the water reticulation systems on the property.

2. All applicants must submit in writing within 30 days of the first invoice showing extraordinary consumption.
- ~~2-3.~~ and proof of repairs must be provided with the application.
- ~~3-4.~~ Where a remission is granted the ratepayer will be charged an amount equal to the maximum consumption at any one time charged for that rating unit in the past three years, provided it has been in the same ownership.
- ~~4-5.~~ Where ownership has been less than six months, staff will monitor consumption for a period of three months to establish a reasonable consumption figure to charge.
- ~~5-6.~~ The balance of the account will be remitted based on the above criteria.
- ~~6-7.~~ Where there is a second application within five years of the first the applicant will pay an additional 50 per cent of the difference calculated and the actual metered consumption during the leak period.
- ~~7-8.~~ Where there is an application for remission following a third or subsequent leak within five years of the first application the application will be reviewed and a remission granted only in exceptional circumstances.
- ~~— The Manager Operations will have delegated authority to approve remissions of water charges in excess of the charges payable according to the policy.~~

Policy on Remission of Uniform Charges of Non-Contiguous Rating Units Owned by the Same Ratepayer

Objective of the Policy

To provide relief from uniform charges for rural land which is non-contiguous, farmed as a single entity and owned by the same person.

Conditions and Criteria

1. Rating units that meet the criteria under this policy may qualify for a remission of the uniform annual general charge and specified targeted rates set on a fixed dollar charge per rating unit
2. The ratepayer will remain liable for at least one of each type of charge.
- ~~2-3.~~ Applications will not be backdated
- ~~3-4.~~ Rates types affected by this policy are:
 - Uniform Annual General Charge
 - Any Community rate
 - Kokatahi Rural Fire-Community Rate
 - Waste Management Rate
 - Glacier Country Promotions Rate
- ~~6-4.~~ Rating units that receive a remission must be held in identical ownership with each other and operated as a single farming or horticultural unit.
- ~~7-5.~~ Applications for remissions must be in writing.
6. Remissions will continue (requiring no further application) until Council becomes aware of a change in circumstances or Council changes this policy.
 - ~~— The authority to consider and approve remissions will be delegated to The Manager: Finance and Policy~~
 - ~~— In the event of any doubt or dispute arising, the application is to be referred to the Audit and Finance Committee for a decision~~

Policy on Remission for Uniform Charges on Residential Properties where a Division is undertaken.

Objective of the Policy

To provide relief from multiple uniform charges for any assessment identified as one record in the District Valuation Role (DVR) and multiple records (through division) on the Rating Information Database (RID) where at least one of which is a residential assessment.

The uniform charges to be considered for remission are the following rates:

- Uniform Annual General Charge
- (Township Zone) Community Rate
- Water Rate
- Sewerage Rate

Conditions and Criteria

1. Remissions will generally be applied to the residential assessment of a divided DVR record. This may be amended with the owner's written consent.
2. 50% of the Uniform Annual General Charge will be remitted on residential assessments.
3. 50% of the appropriate township zone Community Rate will be remitted on residential assessments.
4. 75% of the connected water rate will be remitted on the residential assessment, so long as there is only one physical connection to the water network for the DVR record and the commercial or rural assessment water use is not excessive.
5. 75% of the connected sewerage rate will be remitted on the residential assessment, so long as there is only one physical connection to the sewerage network for the DVR record. Commercial and rural assessments will be charged, as any other property in that category for each water closet or urinal.
6. The authority to consider and approve remissions under this policy will be delegated to the Group Manager: Corporate Services

Policy on Remission for Natural Calamities

Objective of the Policy

To provide relief in the event of a natural calamity occurring.

Conditions and Criteria

Where an individual property has been unduly affected by a natural calamity which affects the rateable value of that property or limits its ability to utilise the services normally provided by Council, then upon application by the ratepayer, Council may, where it considers it to be fair and reasonable to do so, remit

wholly, or in part, any rate or uniform annual charge relating to that property. The ~~General Manager~~Chief Executive shall have authority to remit rates under this section.

~~Policy on Rates Remission on Properties Adversely Affected by Revaluations~~

~~Objective of the Policy~~

~~To provide temporary rates relief to owners of land which have had values increased significantly higher than the sector average, or had rate increases as a result of the property being placed in a different rate category. To achieve this, Council will consider remitting additional rates above the combined amount of last year's rates plus \$400.00. The policy is targeted at residential property owners.~~

~~Conditions and Criteria~~

- ~~— The rates relief will apply to increases caused by the triennial revaluation of Westland District and increases caused by properties being placed in a different rate category.~~
- ~~— The rates relief will only apply to Westland District Council rates.~~
- ~~— The rates relief will apply to any increase which is more than \$400.00 per annum.~~
- ~~— Applicants must have owned and occupied the property for at least 3 years.~~
- ~~— The relief will not apply to any property which has been subdivided within the past 3 years.~~
- ~~— This policy will not apply to properties changing to commercial, or properties which change from Hokitika Residential 1 to Hokitika Residential 2, 3, 4 or 6.~~
- ~~— Council will take into account the financial situation of the applicant, including ability to pay, when considering the rate relief.~~
- ~~— The rates relief will only be applied upon application, and is at the discretion of Council~~

~~Delegations~~

~~Applications for remission under this policy will be determined by the Audit and Finance Committee.~~

~~Funding~~

~~The cost of this remission will be funded from the Uniform Annual General Charge, which will be increased by \$2.00 to cover the loss of revenue.~~

~~Rates Postponement Policy~~RATES POSTPONEMENT POLICY

Policy on Postponement for Extreme Financial Hardship

The policy offers rates postponement to ratepayers that may be suffering or have suffered extreme financial hardship.

Objectives of the Policy

To assist ratepayers experiencing extreme financial circumstances which affect their ability to pay their rates

Conditions and Criteria

- 1-7. When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness and family circumstances.
- 2-8. The ratepayer must be the current owner of, and have owned for not less than 5 years, the rating unit which is the subject of the application
9. The rating unit must be used solely ~~for non-business purposes~~ as the primary residence for the applicant.
10. Ratepayers making application under this policy must provide Council with all information requested.
11. Any postponement of rates shall be for the period specified by Council.
12. The payment of postponed rates shall be as specified by Council.
13. All postponements shall be reviewed by Council every three years.
14. All postponements shall be by written contract signed by all parties.
15. All postponements shall be registered on the title.
16. Should Council determine that any information was provided with dishonest intent the postponement will be cancelled and all postponed rates will become immediately payable and subject to Council's penalty policies.
17. All remissions made under this policy will be confirmed by Council or a delegated Committee in open meeting.

Policy on remission and postponement of rates on Maori freehold land

This policy is prepared under Section ~~102~~108(4) of the LGA 2002.

Background

"Maori Freehold Land" is defined in section 5 of the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by the Maori Land Court by freehold order. Only land that is subject to such an order may qualify for remission under this policy. Schedule 11 of the LGA 2002 identifies the matters which must be taken into account by Council when considering rates relief on Maori Freehold Land. The matters that must be considered are specified in Sch. 11 as:

- a. the desirability and importance within the district of each of the objectives listed below; and
- b. whether, and to what extent, the attainment of any of those objectives could be prejudicially affected if there is no remission of rates or postponement of the requirement to pay rates on Maori freehold land; and
- c. whether, and to what extent, the attainment of those objectives is likely to be facilitated by the remission of rates or postponement of the requirement to pay rates on Maori freehold land; and
- d. the extent to which different criteria and conditions for rates relief may contribute to different objectives.

The objectives referred to above are specified in Sch. 11 as:

- a. supporting the use of the land by the owners for traditional purposes;
- b. recognising and supporting the relationship of Maori and their culture and traditions with their ancestral land;
- c. avoiding further alienation of Maori freehold land;
- d. facilitating any wish of the owners to develop the land for economic use;
- e. recognising and taking account of the presence of waahi tapu that may affect the use of the land for other purposes;
- f. ~~f~~-recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere);
- g. ~~g~~-recognising and taking account of the importance of the land for community goals relating to:
 - ~~a.~~ importance of the land for community goals relating to
 - ~~b-a.~~ The preservation of the natural character of the coastal environment;
 - ~~e-b.~~ the preservation of outstanding natural features;
 - ~~d-c.~~ the protection of significant indigenous vegetation and significant habitats of indigenous fauna;
- h. ~~h~~-recognising the level of community services provided to the land and its occupiers;
- i. ~~i~~-recognising matters related to the physical accessibility of the land;

There is currently no land in Westland District that meets the description of Maori Freehold Land as described above.

Policy

Having considered the above matters Council's Policy on Remission and Postponement of Rates on Maori Freehold Land is:

1. The Council may remit all or part of rates on Maori freehold land if Council is satisfied that the objectives sought to be achieved by the remission of rates are met.

~~1.~~

2. The Council will not postpone the requirement to pay all or part of the rates on Maori freehold land, thereby treating Maori freehold land the same as other rating units in Westland District

3. All remissions made under this policy will be confirmed by Council or a delegated Committee in open meeting.

Appendix 3:



RATES POSTPONEMENT POLICY

Policy on Postponement for Extreme Financial Hardship

The policy offers rates postponement to ratepayers that may be suffering or have suffered extreme financial hardship.

Objectives of the Policy

To assist ratepayers experiencing extreme financial circumstances which affect their ability to pay their rates

Conditions and Criteria

1. When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness and family circumstances.
2. The ratepayer must be the current owner of, and have owned for not less than 5 years, the rating unit which is the subject of the application
3. The rating unit must be used solely as the primary residence for the applicant.
4. Ratepayers making application under this policy must provide Council with all information requested.
5. Any postponement of rates shall be for the period specified by Council.
6. The payment of postponed rates shall be as specified by Council.
7. All postponements shall be reviewed by Council every three years.
8. All postponements shall be by written contract signed by all parties.
9. All postponements shall be registered on the title.

Should Council determine that any information was provided with dishonest intent the postponement will be cancelled and all postponed rates will become immediately payable and subject to Council's penalty policies.

REVENUE AND FINANCING POLICY

The purpose of this policy is stated in s102 is to provide predictability and certainty about sources and levels of funding for Council.

CONTENTS

1. Introduction
2. Funding sources for operating costs
3. Funding sources for capital costs
4. Rates
5. Overall impact funding considerations

Introduction

This policy outlines the choices Council has made about the appropriate funding of operational and capital expenditure from the sources¹ of funds listed in the Local Government Act 2002 (LGA). The policy also shows how Council has complied with section 101(3)². The comprehensive section 101(3) analysis is separately documented in the Funding Needs Analysis.

Determining the appropriate way to fund Council activities is complex. It is a process that takes account of many variables including, but not limited to, the following matters:

- Legal
- Social
- Competition
- Affordability
- Impact of change
- Efficiency
- Equity
- Cost
- Intergenerational equity
- Transparency
- Accountability
- Business
- Strategic Alignment
- Benefit

In determining the appropriate Revenue and Financing Policy, Council plans 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.

Funding Principles

Council has determined the following basic principles to guide the appropriate use of funding sources.

- User charges are preferred when a private benefit can be identified and it is efficient to collect the revenue.
- Subsidies, grants and other income options are fully explored prior to rates being used.
- Each generation of ratepayers should pay for the services they receive and borrowing can assist to achieve this outcome.
- Capital expenditure to replace assets that reach their projected economic life is firstly funded from asset renewal reserves built up over time by funding depreciation, rates and then borrowing.
- Capital expenditure to upgrade or build new assets is funded firstly from other sources (e.g. subsidies, grants, fundraising, financial contributions) and then borrowing.

Complying with these principles can at times be challenging. The Council must apply judgment in assessing many options to determine appropriateness in its development of budgets or acquisition of assets and the choice of funding sources to implement these.

¹ The sources of funds are listed in section 103(2).

² All legislative references are to the Local Government Act 2002 unless otherwise stated.

Related Policies

The Development and Financial Contributions Policy provides further analysis, as required by section 106(2)(c). This explains why Council has chosen to use financial contributions but not development contributions to fund the capital expenditure needed to meet increased demand for community infrastructure.

The Westland District Plan determines those matters that financial contributions are required under the Resource Management Act 2001.

The Liability Management Policy places restrictions on the use of borrowing as a funding source.

The Investment Policy places conditions on how surplus funds should be invested, the reasons for holding investments, the type of investments that may be held, and how they might be used as a source of funds.

The Rating Policy, sits with the Funding Impact Statement, and further clarifies the funding requirements of Council by documenting matters not included in the Funding Impact Statement, rates resolution or this policy. It includes the allocation of activity rates requirements to different rate types, detailed definitions and maps for rating areas.

The Funding Impact Statement is included in each Long-term Plan and Annual Plan as required by clauses 15 or 20 of schedule 10. This statement shows the basis for the rates calculation for the following year.

Together the above documents form the necessary components to lawfully charge under the LGA for the revenue requirements of Council. Council must also comply with other legislation in regard to the setting of some fees and charges and the Local Government (Rating) Act 2002 for the setting of rates.

Previous reviews

In 2004/14 Council prepared its first Long Term Council Community Plan (later to be named the Long Term Plan). A requirement of the plan was to every three years review and consult on the Revenue and Financing Policy. The Funding Needs Analysis was incorporated in its entirety in these previous Revenue and Financing Policies, but is now separated, to enhance clarity of the separate requirements of the parts of the Act.

At each review Council has considered particular activities that may need re-analysis and made incremental changes. In 2013 it became apparent that Council needed to undertake a first principles review of its rating policies. This review was undertaken during 2014 culminating in December 2014 with a decision to change the rating system.

Following the 2014 review, this policy along with the Funding Needs Analysis will be effective from 1 July 2015, subject to Council approval.

Funding Sources for Operating Costs

Operating costs are the day to day spending that maintains the services delivered by Council. This includes contributions to the wear and tear on assets used (depreciation), interest charged on borrowing for capital projects and corporate overheads.

Council must consider the funding of each activity in a way that relates exclusively to that activity. Some activities may be best funded by user charges, such as swimming pool admission fees, others with targeted rates, such as a water rate, and others from the general rate, such as road maintenance. Distinct funding enables ratepayers or payers of other charges to assess more readily whether or not the cost of the service provided to them, either directly or indirectly, represents good value. They can also more easily determine how much money is being raised for the service and spent on the service, which promotes transparency and accountability. The funding sources for operating costs include:

User charges

User charges are used for services where there is a benefit to an individual or group. User charges is a broad group of revenue charged directly to an individual or entity. It includes:

- Entry fees.
- Service charges.
- Hire.
- Rent, lease, licenses for land and buildings.
- Permits
- Regulatory charges.
- Fines and penalties.
- Connection fees.
- Disposal fees.
- Deposits.
- Private works.
- Memberships.
- Planning and consent fees.
- Statutory charges.
- Retail sales.

The price of the service is based on a number of factors, including:

- The cost of providing the service.
- The estimate of the users' private benefit from using the service.
- The impact of cost to encourage/discourage behaviours.
- The impact of cost on demand for the service.
- Market pricing, including comparability with other councils.
- The impact of rates subsidies if competing with local businesses.
- Cost and efficiency of collection mechanisms.
- The impact of affordability on users.
- Statutory limits.
- Other matters as determined by Council.

Council's ability to charge user charges is limited by the powers conferred to it by many statutes and regulations. As a general rule fees for statutory functions should be set at no more than the cost of providing the service. In some cases legislation sets the fees at a level that is below cost and in other cases, where provided by legislation (e.g. Waste Minimisation Act 2008) Council may set fees at greater than the cost of providing the service. Council considers it appropriate to incorporate overhead charges in the determination of the cost of providing a service.

Where Council is charging for the sale of goods or services not required by statute, Council's preference is to charge a market price, having regard to the powers conferred by section 12. This includes leases, rents and licenses for land and buildings.

Fees and charges may be set by Council at any time and are reviewed by Council annually. A list of regular fees and charges is maintained on Council's website.

User charges revenue is allocated to the activity which generates the revenue.

Grants, sponsorship, subsidies and other income

Grants, sponsorship and subsidies are used where they are available. Many of these items are regular and predictable and therefore can be budgeted. Some items of other income are unexpected or unpredictable and may not be able to be prudently budgeted (e.g. reparation payments, Civil defence and other reimbursements, legal settlements and insurance pay-outs)

Council expects to continue receiving substantial subsidies for road maintenance from government or its agencies.

Investment income

Council has an Investment Policy which determines the types of investments Council has and procedures for the management of these. These investments generate income such as dividends, interest, forestry returns, rents and surpluses on disposal. The policy places some restrictions on the use of revenue generated from some investments.

Each source of income is receipted to the activity that owns the asset.

Council maintains reserves funds and much of the income received by Council is allocated to reserve balances and is not used to reduce rates requirements for operating costs.

Financial contributions

Council collects financial contributions under the Reserve Management Act 2001. The purpose of these contributions is outlined in the Westland District Plan and Development and Financial Contributions Policy. Most contributions are made by vesting assets in Council. Some contributions are paid in cash and the Westland District Plan allows for some of these contributions to be used for operating expenses.

Council's approach is to deposit receipts into a reserve fund and to withdraw from that fund for specific projects. These projects are generally in addition to the normal operating budgets but may not meet the accounting definition of capital expenditure (e.g. the establishment of a garden).

Development contributions, proceeds from the sale of assets and lump sum contributions

Council does not collect revenue from lump sum contributions and development contributions to fund operating costs. Low value proceeds from sale of assets may be used to fund operating costs.

Reserve funds

Council maintains reserve funds. These cash reserves have generally come about from unspent rates, investment income, bequests or other revenue sources in a previous year. Many of these reserve funds are for capital expenditure however some of these reserve funds are available to meet operating costs.

Council generally uses these funds for the purposes that the reserve was created and usually for new projects additional to normal operating expenditure. Council at times may use these funds to minimise or smooth changes in rates.

Borrowing

Council may in exceptional circumstances borrow to fund operating costs where it is prudent to do so. Council has budgeted to not require borrowing for operating expenses, except as part of a major capital project, where accounting rules determine a project cost cannot be capitalised.

If an unexpected event occurs, Council has limited reserves and may during a financial year resolve to fund some operating expenses from borrowing.

Rates

Having been prudent and appropriately exhausting all other funding sources, Council funds its remaining operating expenses from rates. For many activities this is the main funding source.

Council must determine whether the portion of an activity to be funded from rates is to be funded from a general rate or a targeted rate.

In doing this, while considering all the matters of section 101(3), Council placed emphasis on developing a simple more easily understood rating system. Council has taken the view that rates are more akin to a tax and are not a payment for services received.

As a result the default stance is that an activity should be funded from the general rate unless Council determines a targeted rate is justified to more appropriately allocate the rates to a community or sector or connected property.

Summary of sources of funding for operating expenditure by activity

Council has developed the above preferences for the use of the funding sources after completing the activity analysis for each activity in its Funding Needs Analysis. Table 2 describes the extent each funding source is used expressed in ranges. These ranges are expressed as a percentage of the cost of the activity. A key to interpret the graphics follows the table.

Table 2: Summary of funding sources by activity

Activity	User charges	Grants, subsidies & other income	Invest. Income	Fin. Cont.	Reserve Funds	Borrowing	General Rates	Targeted rates
Leadership:								
Democracy	x	x	x	x	x	x	P	x
Corporate Services	P	x	x	x	x	x	P	x
Council Controlled Organisations	x	x	P	x	x	x	x	x
Planning & Regulatory Services:								
Inspections & Compliance	P	x	x	x	x	x	P	x
Resource Management	P	x	x	x	x	x	P	x
Emergency Management & Rural Fire	x	P	x	x	x	x	P	x
Animal Control	P	x	x	x	x	x	P	x
Community Services:								
Community Development & Assistance	x	P	x	x	x	x	P	P
Community Halls	P	x	x	x	x	x	P	P
Township Development Fund	x	P	x	x	x	x	x	P
Leisure Services & Facilities:								
Library	P	P	x	x	x	x	P	x
Museum	P	P	x	x	x	x	P	x
Swimming Pools	P	x	x	x	x	x	x	P
i-Site	P	x	x	x	x	x	x	P
Parks & Reserves	P	x	x	P	P	x	x	P
West Coast Wilderness Trail	x	x	x	x	x	x	x	P
Public Toilets	x	x	x	x	x	x	P	x
Land & Buildings	P	x	P	x	x	x	P	x
Cemeteries	P	x	x	x	x	x	P	x
Elderly Housing	P	x	x	x	P	x	P	x
Wild Foods Festival	P	P	x	x	x	x	P	x
Infrastructure:								
Transportation	x	P	x	x	x	x	P	P
Water Supply	x	x	x	x	x	x	x	P
Wastewater	P	x	x	x	x	x	x	P
Stormwater	x	x	x	x	x	x	x	P
Solid Waste	P	x	x	x	P	x	P	P

Key

Range Name	Range	Key
Unlikely	0	x
Minimal	0% -20%	P
Low	20% -40%	P
Moderate	40% - 60%	P
High	60% - 80%	P
Most	80% - 100%	P
All	100%	P

Council budgets will normally be set within these ranges. As these ranges are expressed as a percentage of the cost of the activity they may change over time because of changes in expenditure rather than changes in revenue. Budgets are set within these ranges, it is however likely that actual funding sources may be different from budgeted funding sources due to unexpected events happening during a financial year. In years subsequent to 2015/16, if budgets were marginally outside these ranges, it is unlikely that Council will consider this to be a matter with a high degree of significance. As such Council is unlikely to update the policy. Significant changes are required to have the policy updated and these may require to be consulted upon.

Council will review and update this policy in 2018.

Funding Sources for Capital Costs

Capital costs are those costs associated with the purchase and improvement of assets and for the repayment of debt. The funding sources for capital costs include:

User charges

User charges are generally not available for capital costs as individual user contributions would generally be too large to be affordable. Borrowing and charging users annually for financing costs (interest and principal) via rates is often a more affordable method of charging users contributions.

Council does charge for capital works that are solely for private benefit (e.g. a network extension to a single dwelling) or where capital works are undertaken outside of asset management plans at the request of individuals (e.g. a rural seal extension for dust suppression).

Grants, subsidies, and other income

Council relies on a significant subsidy for capital works in its roads and bridges activity. Other activities are able to access grants and subsidies from time to time. Other income can be from many and varied sources and is unlikely to be predictable enough to budget for in advance. Other income used to fund capital expenditure could include bequests, insurance payouts, and legal settlements.

Grants, subsidies and other income are used wherever they are available.

Development contributions

Council has chosen not to collect development contributions.

Financial contributions

Council collects financial contributions under the Resource Management Act 2001. The purpose of these contributions is outlined in the Westland District Plan and Development and Financial Contributions Policy. Most contributions are received as revenue by the vesting of assets in Council; some contributions (reserve contributions) are paid to Council.

Council's approach is to deposit receipts into a reserve fund and to draw funds from that account for specific projects that meet the purpose for which the funds were collected.

Council has a Development and Financial Contributions Policy that, in addition to the requirements of sections 101(3) and 103 describes funding matters further as stipulated by section 106(2)(c).

Proceeds from the sale of assets

From time to time Council disposes of assets. Many of these are low value items and the revenue is received by the activity that owns the assets.

Council's property activity holds some higher value assets that are intended for sale. Unrestricted proceeds from the sale of these assets will be used to repay debt, unless resolved otherwise by Council. Restricted revenues will be placed in a reserve fund and used for the purpose required by the document that imposes the restriction (e.g. endowments).

Reserve funds

Council maintains various reserve funds for capital projects and will approve the use of the funds when a project meets the specific criteria for the reserve. These reserve funds may include bequests, depreciation or asset renewal reserves and financial contribution reserves.

Borrowing

For larger capital projects that provide a long-term benefit to the community, Council may determine that borrowing the funds is an appropriate method of allocating the costs of a project over time to users.

Borrowing, both the capital (principal) and interest components, is generally repaid by future rates. Council may resolve to capitalise interest repayments on some debt, where it considers it most likely (prudent) that another funding source (e.g. property sales or grants) will be able to repay the accumulating debt.

Where it is not practical to obtain third party revenue and where reserve funds haven't previously been set aside, Council prefers borrowing as a funding source. Borrowing spreads the cost of the project over a longer period, smoothing changes in rates and contributing to intergenerational equity.

Lump sum contributions

Council has the option when undertaking a major project to seek lump sum contributions to the capital cost of the project from those who are identified in the projects "capital project funding plan"³. Lump sum contributions are provided for in the Local Government (Rating) Act 2002 and have stringent requirements placed on how they are used. Where a lump sum payment option is proposed ratepayers choose to participate or not. Council has previously used these provisions and may do so in the future.

Council will consider for major projects, requiring funding from borrowing, whether it wishes to seek lump sum contributions.

Rates

Rates are used firstly to fund the day to day operational expenses including depreciation and borrowing interest costs. A portion of rates funds the capital (principal) repayments of debt, generally using table loan calculations. Rates will be used to fund some small items of capital expenditure. Rates are not a practicable method to fund large projects in the year of expenditure.

Council funds some capital projects, for maintaining service levels, in advance by collecting rates for depreciation (an operating expense). These funds are placed into depreciation or asset renewal reserve funds.

Analysis for capital expenditure by activity

Council has developed the above preferences for the use of the funding sources for capital costs after completing the activity analysis for each activity in its Funding Needs Analysis. Council will fund capital costs on the same basis as determined by the operating costs funding policy, unless Council resolves otherwise. Such a resolution that follows the following funding guidelines will be considered consistent

³ Local Government (Rating) Act 2002 - s.117A
Council Agenda – 28 May 2015

with this policy and not require amendment to the policy. It is not practicable to determine a funding policy for an unknown future project at this time.

Council uses the following guidelines when considering the funding of capital projects:

- A Funding Needs Analysis will be completed.
- All projects are first funded from grants, subsidy or other income.
- Renewal projects that maintain the same service level are then funded from reserves set aside for this purpose.
- Other reserve funds (e.g. financial contributions) are considered.
- Lump sum rating options are considered.
- Capital projects that have exhausted previous funding sources or are for new or increased service levels or for growth are then funded from borrowing.

A single project may have a mix of each of these funding options.

Generally it is not practical to create separate funding policies for each and every capital project. Council will only do this when a project is particularly large, affects a particular group or does not fit with an existing funding policy or activity. Whenever Council resolves to consider funding for a capital project Council will consider the sources of funds above and the guidelines for applying those to a capital project. Generally Council will resolve the funding policy at the time the project is proposed in an Annual Plan or Long-term Plan.

Overall impact funding considerations

Council is required by section 101(3)(b) to consider the overall impact of the allocation of liability for revenue needs on the community. It allows Council, as a final measure, to modify the overall mix of funding in response to these considerations.

1. Council may use accounting provisions and reserve funds to spread the costs of activities over multiple years for the purpose of smoothing the cost to users and ratepayers.
2. While an unbalanced budget is neither prudent nor sustainable in the long term, Council may choose to not fund some operating costs in the short term:
 - a. In order to phase costs and set rates at affordable levels.
 - b. Where short term expenditure [projects] is expected to deliver long term savings
3. Council may waive or discount fees and charges where it considers it appropriate to do so. Some matters Council may consider in deciding whether it is appropriate to waive fees are for social reasons, for the promotion of events and facilities, for commercial reasons, or to compensate for poor service.
4. Council may remit rates where it considers it appropriate to do so and as documented in the Rates Remissions Policy. These policies address social matters as well as adjusting rates for benefits that differ for some rates assessments (e.g. additional or no provision of some services).
5. Council having determined to use a differentiated rate will modify the rate to adjust the rate for different rating categories. This adjustment is complex and takes account of the matters raised in paragraph two of the introduction to this policy.

RATES

Council's final consideration of revenue and financing policy for rates comes:

- After consideration of how the funding source will be used to fund operating and capital costs, and
- After that has been applied to activities in the Funding Needs Analysis, and
- After being adjusted for the overall funding considerations

The following section outlines the revenue and financing policy requirements that are relevant to setting rates. To have a full understanding of rates they should be read having regard to the analysis above and in conjunction with the Rating Policy, Funding Impact Statement and Rates Resolution.

General rates

Council has chosen to have two general rates; a uniform annual general charge (UAGC) and a general rate based on the value of the property.

Council has chosen capital value as the basis by which to calculate the general rate and to apply a differentiated general rate based on the use of a rating unit. The Rating Policy documents how Council calculates the general rate differentials.

Council has determined in its Funding Needs Analysis that all or part of the following activities should be funded from the general rate:

- | | | |
|------------------------------|--|----------------------|
| • Democracy | • Emergency management | • Public toilets |
| • Corporate services | • Animal control | • Land and buildings |
| • Inspections and compliance | • Community development and assistance | • Cemeteries |
| • Resource management | • Library | • Transportation |
| | • Museum | • Solid Waste |

The UAGC is assessed on each rateable rating unit and is used to fund all activities funded from general rates. The Rating Policy document describes how Council calculates the UAGC.

Targeted rates

Council has determined in its Funding Needs Analysis that all or part of the following activities should be funded from targeted rates:

- | | | |
|-----------------------------|-------------------------------|----------------------|
| • Community halls | • i-Site | • Land and Buildings |
| • Township development fund | • West Coast Wilderness Trail | • Transportation |
| • Swimming pools | • Water supply | • Wastewater |
| | • Parks and Reserves | • Stormwater |
| | | • Solid Waste |

In funding the above activities from targeted rates Council uses the following types of targeted rates. More information on the calculation of each rate, including the percentage of the rate requirement of an activity to be collected for each rate and the rating area maps, can be found in the Rating Policy.

Table 1: Targeted rate types

Name	Activities funded
Community rates	Activities where Council considers every property in a community zone receives a benefit.
Tourism promotions rate	Tourism promotion activities where Council considers businesses should contribute a greater portion.
Refuse collection rate	To fund the cost of kerb-side refuse collection, recycling and disposal.
Water rates	To fund water supply.
Sewerage rates	To fund wastewater treatment and disposal.
Kokatahi community rate	To fund projects in the Kokatahi community.
Kaniere sewerage capital contribution rate	To recover the capital cost of the extension of the sewerage system to Kaniere.
Hokitika area promotions rate	To fund Enterprise Hokitika.
Emergency Management Fund rate	To accumulate a reserve in case of an emergency.
Hannahs Clearing water supply capital repayment rate	To recover the cost of installing water supplies.

Differentiation by Use

Council has chosen to differentiate the general rate and each community rate using the following categories of use:

- Residential
- Rural Residential
- Commercial
- Rural

Each year Council will determine the rating differential factors when it adopts its Rating Policy prior to the adoption of the Funding Impact Statement as part of an Annual Plan or Long-term Plan.

When setting the differential Council shall consider the following matters to determine the appropriate rating differential factors:

- Council's approach to rates funding as documented in this Revenue and Financing Policy.
- The activities funded by each rate.
- The effect (if applicable) of changes in valuations.
- The rates differentials and revenue collected from each sector for the previous year and the implications of changing those differentials as it affects individual ratepayers.
- For community rates the mix of properties and nature of services funded in each community.

Report



DATE: 28 May 2015

TO: Mayor and Councillors

FROM: District Planner

PLAN CHANGE 7: MANAGING FAULT RUPTURE RISK IN WESTLAND– COMMISSIONERS’ DECISION

1 SUMMARY

- 1.1 The purpose of this report is to update Council on the release of Plan Change 7, to inform Council of matters raised by the Franz Josef community and Commissioners during the hearing and submission process, and to make suggestions for further consideration by Council.
- 1.2 This issue arises from the requirement in the Council’s Delegations Manual for plan change decisions to be reported back to the next Council meeting, as well as comments received by Council officers and comments made by Independent Commissioners Gary Rae and John Lumsden within the decision issued on Plan Change 7.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council receives this summary report and notes the further projects required to be progressed in Franz Josef.

2 BACKGROUND

- 2.1 Plan Change 7 is an amendment to Council’s District Plan that creates two Fault Rupture Avoidance Zones (FRAZ) within Westland: a General Fault Rupture Avoidance Zone throughout the District, and the Franz Josef/Waiau Fault Rupture Avoidance Zone in the township of Franz Josef.

- 2.2 Plan Change 7 was publicly notified on 24 August 2012, and for further submissions on 19 April 2013. A total of 22 submissions and 9 further submissions were received.
- 2.3 The Council approved an extension to the two year timeframe to complete a plan change at their meeting in July 2014.
- 2.4 On 30 March 2015 Independent Commissioners Gary Rae and John Lumsden heard submissions on the plan change in Franz Josef.
- 2.5 Following pre-circulation to Councillors, the Commissioners' decision on Plan Change 7 was released to all submitters and the media on Monday 18 May. The Council's Delegations Manual delegates the ability to make decisions on plan changes and submissions on plan changes to independent commissioners, subject to reporting the decision at the following Council meeting. This agenda item achieves that intent.
- 2.6 The Commissioners' decision approved the plan change with amendments following submissions, to allow the construction of buildings of low building importance category, and to add additional clarity to the rural rules that were not proposed to be altered as part of the plan change.

3 CURRENT SITUATION

- 3.1 The decision on Plan Change 7 has been notified to all parties and the appeal period is open for 30 working days: approximately 30 June. Following the resolution of any appeals, a further agenda item will be brought to Council to formally adopt the plan change into the Westland District Plan.
- 3.2 During the submission process and also very clearly at the hearing, submitters expressed a strong dissatisfaction with the plan change, matters that weren't addressed by the plan change, and the lack of mitigation of the perceived effects of the plan change. Many of these issues were outside of the scope of the plan change, and were therefore not considered or addressed by the Commissioners. The intent of the second part of this report is to record this feedback of the Franz Josef community, to allow Council to begin considering methods of addressing these issues in the future.
- 3.3 The Commissioners noted within their decision that many topics of discussion were outside of the scope of the hearing, and made the recommendation to Council that it "actively pursue the strategic planning for the Franz Josef settlement, including matters of possible relocation and financial assistance, in consultation with the community, so PC7 can be clearly seen to be the first

necessary step in a package of measures to manage the risk of fault rupture in the affected areas.”

Consideration of wider hazards

- 3.4 Plan Change 7 proceeded solely to reduce risk caused by fault rupture during an earthquake, and not management of other hazards facing Franz Josef/ Waiau such as flood risk from the Waiho, Callery and Stony Creek rivers, or landslides following an earthquake or heavy rain. Submitters spoke strongly about the need to address all hazards within Franz Josef rather than focus on fault rupture, although this was outside the scope of the plan change. Submitters were of the view that in order to adequately plan for the future of Franz Josef, all hazards needed to be addressed. This is accepted by Council staff, who viewed Plan Change 7 as an initial step in this process.
- 3.5 Council staff have attended two scoping meetings for a participant-led study on community resilience in the Glacier Country. It is considered that a further multi-agency and cross-Council response is needed to progress hazard planning for Franz Josef further.
- 3.6 This approach is consistent with the statements within the Council’s proposed 2015-2025 Long Term Plan, Civil Defence Plans, and in relation to planning for the future of the Council’s oxidation ponds, the helipads and the Council’s future involvement in rating districts for protection works.
- 3.7 Council planning staff are utilising the Regional Policy Statement submission process to ensure that clear guidance is provided for joint Council hazard management examples such as this. It is likely that any approach should also include District Assets staff, Civil Defence, Hokitika Airport Ltd, the New Zealand Transport Agency and the Department of Conservation.
- 3.8 It is likely that any further technical reports required to identify hazards or proposed response will require contribution from the Council. Any future Council responses to shift infrastructure or undertake works will similarly require funding.

Financial assistance to relocate out of identified hazard area

- 3.9 Submitters within the Fault Rupture Avoidance Zone felt that the Council should be providing compensation in relation to the lost development opportunity and effects of the plan change. Submitters acknowledged that whilst the Council may not be able to offer this to residents, either directly or through rates relief, the Council should advocate to the Government to provide assistance to landowners and businesses to relocate out of the hazard area.

- 3.10 Submitters acknowledged the initial approaches to the Government by previous mayor Maureen Pugh and previous Franz Inc Chair Marcel Fekkes. It was understood that following this meeting John Key referred the matter to the Ministry for Civil Defence. The community was aware that discussions were had with the WCRC and WDC, however had not progressed further.
- 3.11 It is noted that recent comments from the Minister for Building and Housing, Dr Nick Smith, during question time were not immediately supportive of the suggestion to provide support to owners within the fault rupture avoidance zone. However Dr Smith did suggest that he would be open to further discussion. It is also suggested that although there are many other communities within New Zealand that are located on fault lines and have fault rupture avoidance zones within the District Plan, it is considered that the importance of Franz Josef to the tourism economy of New Zealand, along with the ratio of tourists to residents, and significant hazard exposure to the Alpine Fault and flood risk from the Waiho River, means that a case could be made for additional assistance.
- 3.12 It is suggested that Council work with Franz Josef residents to advocate for central government assistance to Franz Josef for hazard management, whether this is provided in the form of assistance to residents within the identified hazard area, or through funding of further hazard assessments or planning processes.

Desire for continued development of Franz Josef, and continuation of the Franz Josef Urban Revitalisation Master Plan process.

- 3.13 At the time the plan change was approved for notification, the Council noted the need to continue to work with the Franz Josef community to ensure that the township continued to develop and thrive. This was a clear desire from Franz Josef for this to occur, as submitters felt that the Council was simply 'red zoning Franz and walking away'.
- 3.14 After contributing to the earlier stages of the Franz Josef Urban Revitalisation Master Plan (FJURMP), Council staff suggested that the FJURMP be amended to reflect the identified Franz Josef Fault Rupture Avoidance Zone, and the fact that development was naturally extending north following development of the Hot Pools, Health Centre and Te Waonui Retreat. The implementation of the FJURMP is seen as a key method of shaping the development of Franz Josef and minimising the potential effects of changing development within the Franz Josef/ Waiau Fault Rupture Avoidance Zone.
- 3.15 There is currently \$100,000 set aside from the reserve development fund in 2014/2015 for the implementation of the "Franz Josef Urban Revitalisation Plan". It is suggested that this is formally approved to be carried over to the

2015/16 year, with actual expenditure subject to a further formal report to a future Council meeting. It is noted that the use of this fund will be limited to the specified purpose of developing or upgrading public recreational facilities.

- 3.16 Aside from upgrades to recreational facilities, the Council can also consider whether standards of infrastructure such as footpaths are suitable for the increased levels of development along Cron Street. Similarly, as the Master Plan is implemented, additional funding will be required to provide some of the higher levels of service such as footpath treatment, lighting and landscaping proposed within the Master Plan. Possible funding mechanisms for this work, such as the creation and use of development contributions, or the Annual and Long Term Planning process will need to be further explored.

4 OPTIONS

- 4.1 This report is administrative and does not require immediate response or decision from Council. However Council may decide to provide feedback to staff, immediately commence advocacy at a political level, or begin consideration of funding additional work programmes through the 2015-2025 Long Term Plan, in response to any submissions on this topic.

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 This report provides a summary of feedback provided during the consultation and submission process of Plan Change 7.
- 5.2 This report is administrative and is of low significance. No options are required to be assessed or recommended.

6 RECOMMENDATION

- A) **THAT** this report “Plan Change 7 (Managing Fault Rupture in Westland) Commissioners’ Decision is received.

Rebecca Beaumont
District Planner

Appendix 1: Plan Change 7 Commissioners’ Decision

Appendix 1

Commissioners' Decisions on

PLAN CHANGE 7

Managing Fault Rupture Risk in Westland



**Decisions of the Hearing Panel appointed by Westland District
Council pursuant to Section 34A of the Resource Management Act
1991**

5 May 2015

CONTENTS

1.0 INTRODUCTION	3
Context.....	3
Role of Commissioners	3
Preliminary Comments.....	4
2.0 BACKGROUND.....	4
Context.....	4
The Plan Change.....	6
Notification and Submissions.....	7
3.0 THE HEARING.....	7
Minute of Commissioners.....	8
Hearing Closure.....	8
4.0 PROCEDURAL MATTERS.....	8
5.0 EVALUATION OF ISSUES.....	9
Overview.....	9
Evaluation Preamble.....	9
Issue 1: Is PC7 the appropriate planning response?.....	10
Issue 2: Detailed provisions of the Plan Change.....	13
Issue 3: Other matters raised in submissions.....	16
6.0 STATUTORY CONSIDERATIONS.....	17
7.0 OVERALL CONCLUSION & DECISIONS	20
Overall Conclusion	20
Decision	20

SCHEDULE OF APPENDICES

- **APPENDIX 1:** Summary of decisions on submissions received
- **APPENDIX 2:** Amendments to Plan Change provisions
- **APPENDIX 3:** Minute Issued by Commissioners
- **APPENDIX 4:** Response from District Planner

Westland District Council Decision Report of the Hearing Commissioners

Proposal Description:

Proposed Change 7 to the Westland District Plan –
Managing Fault Rupture Risk in Westland

Commissioners:

Gary Rae (Independent Commissioner, Chair), John Lumsden (Independent Commissioner)

Date of Hearing:

30 March 2015

1.0 INTRODUCTION

Context

- 1.1 We were appointed by the Westland District Council ("the Council" or "WDC") to hear submissions to, and to consider and make a decision on, Proposed Plan Change 7 ("PC7" or "the Plan Change"). PC7 seeks to introduce additional rules and definitions, and alterations to the planning maps of the Westland District Plan ("WDP" or "the District Plan") in order to establish two fault rupture avoidance zones.
- 1.2 The Plan Change has an extensive background, which we will canvas in due course, and has been the subject of a Council "Section 32" report, consultation with affected land owners, and of course the public notification and hearing, culminating in this Decision.
- 1.3 Before discussing the details of the Plan Change and the submissions to it, there are some preliminary matters that we will address, beginning with our role as Commissioners.

Role of Commissioners

- 1.4 We were appointed by the Council (via the District Planner) and in terms of the delegation contained in the Westland District Council Delegations Manual (amended in February 2014). The relevant delegation is Clause 25 "Jurisdiction of the Resource Management Commissioners". This empowers us, as qualified Hearings Commissioners to hear and make decisions on submission to this proposed Plan Change. We are required to report our decisions back to the next meeting of the Council.
- 1.5 Having familiarised ourselves with the proposed Plan Change and the background material, read all submissions and evidence, conducted the hearing and heard from the submitters and the appointed Council advisors, as well as having visited the locality on several separate occasions, we hereby record our decisions.

Preliminary Comments

- 1.6 In advance of setting out the more substantive background matters of relevance, we make some initial general comments. Principally, we wish to record our appreciation at the manner in which the hearing was conducted by all the parties taking part. In this respect, we would like to acknowledge the following:
- the constructive input provided by all submitters appearing before us; and
 - the assistance from Council Officers and Advisors within the s42A report, at the hearing, and in the response to our further information request.
- 1.7 It was clear at the outset that many of the submitters are personally affected by the known fault hazard present in the Franz Josef settlement. The fault line goes directly under properties owned by several of the submitters, and given the accurate mapping that has taken place, it is possible to see precisely which parts of properties and buildings are affected. In this circumstance, we were impressed with how the submitters were able to present themselves in a professional manner and were able and willing to answer questions and engage in discussion at the hearing in a rational, open and frank manner.
- 1.8 As will be discussed in later sections of this report, there may have been some misunderstanding amongst submitters about our role as Commissioners and the precise matters that we are required to consider and make decisions with respect to. However, the manner in which the hearing was conducted greatly assisted us in assessing and determining the issues we are required to consider.

2.0 BACKGROUND

Context

- 2.1 PC7 is a planning response to the hazard (in terms of rupture) posed in Westland District by the Alpine Fault. This section provides a contextual summary of the recent work that has led to the development of the Plan Change.
- 2.2 The Alpine Fault is New Zealand's most active fault and it traverses the entire length of the West Coast region, spanning all three districts. It is recognised on land from Milford Sound to the Nelson Lakes area. The Alpine Fault will generate large magnitude ($M_w > 8$) earthquakes in the future with the potential to rupture the Earth's surface, causing damage to built structures across or adjacent to the fault zone.
- 2.3 The Alpine Fault is classified as a Recurrence Interval Class I (RI <2000 yr) fault along its entire length, and has an average recurrence time of c. 300-500 years. While the Alpine Fault has not ruptured during the modern period of New Zealand history (since the beginning of European colonisation in AD 1840), the consensus from paleoseismic studies of the fault points towards the last earthquake rupture having occurred around AD 1717.
- 2.4 In 2010, the Institute of Geological and Nuclear Science (GNS) predicted that the probability of an Alpine Fault earthquake event, with a fault rupture to the surface occurring, was 20% within the next 30 years. Along the fault rupture, it is

estimated that there will be approximately 8-9 metres of horizontal displacement on the west (Australian plate) side, and 1-2 metres of vertical uplift on the east (Pacific plate) side.

- 2.5 In March 2010, a report¹ was prepared for West Coast Regional Council [WCRC] by GNS scientists, Dr. Robert Langridge and William Ries. This mapped the location of the Alpine Fault within the West Coast Region and overlaid a suggested Fault Avoidance Zone utilising the guidelines set within the Ministry of Environment's (MfE) 2004 guidance *Planning for Development of Land on or Close to Active Faults*. Precise data on the location of the Alpine Fault was not available and, thus, variable exclusion zones were proposed of between 100 and 340 metres in width depending on the risk.
- 2.6 The Franz Josef/Waikau township is directly located within the 190 metre Fault Rupture Avoidance Zone as identified in the GNS report. It was considered that further study was required to enable more precise identification and reduction of the proposed fault rupture avoidance zone. Accordingly, the WCRC supported by WDC obtained Environlink funding to enable further research to be carried out. The additional work included GPS geo-referencing and airborne LiDAR to create a digital elevation model and, ultimately, Geographic Information System [GIS] maps, all meaning that the fault line was now "well-defined" under the MfE guidelines and the fault rupture avoidance zone within this area was consequently reduced.
- 2.7 This work was published in a second GNS report² in September 2011. Individual and merged Fault Avoidance Zones were developed for the town. Individual reverse fault traces have a Fault Avoidance Zone width of 130 m that comprises a ± 30 m Fault Location Uncertainty, which is doubled on the hanging wall side of the fault, due to the likely asymmetric nature of deformation. A ± 20 m Margin of Safety buffer is added to this 90 m wide zone.
- 2.8 Concurrent with the work undertaken by GNS, which resulted in the two underlying reports, the Council engaged in consultation with the affected communities and prepared a draft plan change. According to Ms Beaumont's Section 42A Staff Report, meetings were held with the Franz Josef Community Council and Franz Inc in February 2012 and April 2012, and there were presentations to the Planning and Development Committee of Council in October 2010 and the Strategy Committee of Council in November 2011, February 2012, May 2012, and August 2012.
- 2.9 Following that process, WDC considered it held sufficient detailed information on the areas considered to be most at risk of ground deformation during an earthquake event and it resolved to notify the proposed change to the District Plan.

¹ Langridge, R.; Ries, W. 2009. Mapping and fault rupture avoidance zonation for the Alpine Fault in the West Coast region, *GNS Science Consultancy Report 2009/19* 47 p.

² Langridge, R.M.; Behan, J.G. 2011. *Planning for a safer Franz Josef-Waikau community, Westland District: considering rupture of the Alpine Fault*, *GNS Science Consultancy Report 2011/21* 7 61p.

The Plan Change

Introduction

- 2.10 PC7 provides a framework to avoid the intensification of land use activities in this area of known hazard. Two distinct zones are proposed, these being the "General Fault Rupture Avoidance Zone" (affecting the length of the Westland District), and the "Franz Josef/Waiatu Fault Rupture Avoidance Zone" (affecting the settlement itself).

General Fault Rupture Avoidance Zone (GFRAZ)

- 2.11 The GFRAZ is a proposed new zone introduced through Rule 5.9.2.1. In recognition that in some areas the location of the fault is not well defined, landowners are given the opportunity to obtain further technical advice regarding the fault location on specific sites. New non-residential buildings are permitted, and buildings to be used for residential activity may be considered as a Controlled Activity, subject to, in both instances, a specialist engineering report identifying the area of predicted fault rupture to a greater level of accuracy, and confirming the building is outside that area and that it contains suitable buffers for uncertainty.
- 2.12 For situations where a report cannot make these findings, i.e. where the proposal is entirely within the area affected by the fault rupture area, the proposal will be considered as a Non-Complying activity. The Explanation section notes, such applications "are unlikely to be approved".

Franz Josef/ Waiatu Fault Rupture Avoidance Zone (FFRAZ)

- 2.13 The new zone for the Franz Josef settlement reflects the fact that the fault is much more "well-defined", as per the findings of the 2011 GNS report. Accordingly, developments, and increases or alterations to activities within this area, are "heavily restricted" under proposed Rule 5.9.2.1 in order to ensure the health and safety of residents and visitors.
- 2.14 The construction of new buildings, or extensions to existing buildings, or change or increase in an activity within a building, are all classed as a Non-Complying activity. Ancillary commercial and residential activities that do not require buildings are permitted. However any structure will be unlikely to be approved, as per the Explanation for the GFRAZ.
- 2.15 Subdivision of land that is partly within the FFRAZ is a Discretionary activity, and subdivision of land entirely within that zone is a Non-Complying activity.

Other Provisions

- 2.16 The Plan Change proposes no change to the settled objectives and policies of the Westland District Plan.
- 2.17 The Planning maps are proposed to be amended to show the location of the FRAZ's.

Notification and submissions

- 2.18 The Plan Change was publicly notified on 24 August 2012. A total of 20 submissions were received: 13 on behalf of Franz Josef residents and businesses, 4 from statutory bodies, and 3 in relation to the General Fault Rupture Zone.
- 2.19 Two late submissions were received from M and K Williams and D Bristowe (these are discussed in the Procedural Matters part of this report).
- 2.20 The summary of submissions was notified on 19th April 2013. Four parties made further submissions in support of 9 original submissions.

3.0 THE HEARING

- 3.1 The hearing was held on Monday 30th March 2015 in the Scenic Circle Mueller Wing, Franz Josef. We heard from the following parties:

Council Advisors

- Rebecca Beaumont - District Planner
- Jim Ebenholz - Group Manager, Planning, Community and Environment
- Dr Robert Langridge - scientist, GNS

Submitters in attendance

- Mr Kim Smith, Scenic Circle Hotels Ltd
- Mr Craig Rankin, Ms Helen Lash, Franz Josef Community Committee
- Mr Gavin Molloy, property owner
- Mr Mark Williams, property owner
- Mr Frank Hocken (on behalf of Andrew Hocken), Aspen Court Motel
- Mr Grant Bissett, The Helicopter Line
- Ms Dianne Ferguson, Alpine Glacier Motels Ltd
- Ms Cushla Jones and Mr Chris Ruy, property owners

- 3.2 We started proceedings by asking Ms Beaumont to set out the background to the Plan Change, and to show us on maps the areas affected by the proposed FRA2's.
- 3.3 We then heard from those submitters in attendance who had indicated they wished to be heard (as set out in the list of submitters above). We asked those submitters a number of questions for clarification and to test the opinions being raised, and where appropriate we asked the Council representatives for clarification and comment.
- 3.4 For completeness we note that we had, prior to the hearing, also read in full the notices of submissions from those submitters who were unable to, or chose not to, attend the hearing.
- 3.5 Following the submitters' presentations, we heard from Council advisors, Ms Beaumont (author of the Staff Report); Mr Ebenholz (who answered questions

relating to Council functions and processes); and Dr Langridge (who answered technical questions on his GNS reports).

- 3.6 After hearing all the evidence, we advised the parties that we would adjourn the hearing, conduct a site visit to the Franz Josef settlement, and then consider whether we had sufficient information to make our deliberations.

Minute of Commissioners

- 3.7 On 7 April 2015, we issued a Minute (refer Appendix 3) to the parties to request that the following information be provided by the District Planner, Ms Beaumont:
- A copy of The Franz Josef Urban Revitalisation Plan, and a statement as to its current status and any programme Council may have to progress and further develop this plan;
 - Advice on whether, under the Building Act, building consents would be issued for new buildings and/or extensions/renovations to existing buildings in the areas of Franz Josef affected by the known fault line, irrespective of proposed Plan Change 7; and
 - Confirmation on whether the Council, as a rule, provides advice of the fault rupture risk on its LIM and/or PIM reports for properties affected by the known earthquake fault line through Franz Josef and/or the proposed zoning.
- 3.8 This information (refer Appendix 4) was sent to us on 10 April 2014, and we advised the District Planner that the hearing could now be closed.

Hearing Closure

- 3.9 The information was forwarded to the submitters on 13 April 2015, together with advice that the hearing was formally closed.

4.0 PROCEDURAL MATTERS

- 4.1 Before we turn to our evaluation of substantive issues, we wish to record our findings on one procedural matter that arose. This was the matter concerning the two late submissions by:
- (a) M and K Williams on behalf of the Fern Grove Trust and Fern Grove Holdings Ltd - 3 days after the closure of submissions;
 - (b) D Bristowe on behalf of Taipo Farm - 1 day late.
- 4.2 Ms Beaumont's Staff Report recommended that the late submissions be accepted, as they did not raise additional topics to those received as part of other submissions.

- 4.3 In our view, in light of the lengthy planning and notification process, the fact these submissions were lodged between only one and three days late, and given that the matters raised had also been canvassed by other submitters, it was appropriate that these submissions are accepted as valid submissions.

5.0 EVALUATION OF ISSUES

Overview

- 5.1 We have grouped our discussion of the submissions (and the reasons for accepting, rejecting, or accepting them in part) by the *matters*⁽³⁾ to which they relate – rather than assessing each issue on a submitter by submitter basis.
- 5.2 We have also provided a submitter-by-submitter summary of decisions requested in Appendix 1, which includes our decisions on each matter raised by the submitters. Those specific decisions have been derived from our issues assessment below.
- 5.3 Our discussion is distilled into the following three main issues/topic areas:

Issue 1: Is PC7 the appropriate planning response?

Issue 2: Detailed provisions of the Plan Change

Issue 3: Other matters raised in submissions

Evaluation Preamble

- 5.4 As a precursor to our detailed evaluation of the key issues, we wish to signal a few key matters that have underpinned our discussion below, and which we have kept very much at the 'front of mind' throughout the hearing.

Statutory framework

- 5.5 Firstly, we note that the requirements of the Resource Management Act 1991 [the Act], which underpin our role, these being principally contained in Sections 74 and 75 of the Act. We provide a summary evaluation of these statutory considerations at the close of this report (at Section 6), and our discussion of issues is essentially a running commentary of our examination of the Plan Change within that statutory context. These considerations include whether or not the proposed Plan Change:

- has been designed to accord with, and assist the territorial authority to carry out its functions so as to achieve the purpose of the Act;
- gives effect to the Regional Policy Statement (RPS);
- is consistent with any regional plan;

⁽³⁾ Clause 10(2)(a) of Schedule 1 of the Act sets out that a plan change decision may address submissions by grouping them according to either the provisions of the plan to which they relate, or to the matters to which they relate.

- has had regard to any relevant management plans and strategies under other Acts;
- rules implement the policies of the Westland District Plan;
- methods (including each rule), having regard to their efficiency and effectiveness, are the most appropriate method for achieving the objectives of the district plan taking into account a) the benefits and costs of the proposed policies and methods (including rules); and b) the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules, or other methods; and
- rules will result in any actual or potential effect of activities on the environment.

5.6 In considering these questions, our decisions are based on the notified Plan Change documentation, the submissions and further submissions received, the Council Staff Report, and the evidence of all parties appearing before us. It is not for us to introduce our own 'evidence', and we have not done so – rather, our role has been to test the evidence and opinions of others, and to determine the most appropriate outcomes based on the views we consider best achieve sustainable management.

Section 32

- 5.7 We are aware that Parliament has recently amended the Act, including proposed changes to provisions that are relevant to our recommendation. However, we understand that the 2013 Amendment Act provisions do not apply in this case.
- 5.8 Ms Beaumont's Staff Report assessed PC7 against the previous Section 32 requirements, which continue to apply as PC7 was already notified and past the further submission period by the date that the amendment provisions took effect.

Issue 1: Is PC7 the appropriate planning response?

- 5.9 The fault rupture hazard risk in the Franz Josef settlement, and along the wider fault line, is now well established and was not at issue during the hearing. The overriding general issue for us to determine was whether the proposed Plan Change was the appropriate planning response to managing the risk.
- 5.10 The Staff Report, after having reviewed the Section 32 assessment (which contained an assessment of costs and benefits of various options) came to the conclusion that:
- "Plan Change 7 is an appropriate method to manage fault rupture risk in the Westland District".*
- 5.11 There was also support from submitters (e.g. *West Coast Regional Council, Community and Public Health*). Those submissions concluded that the restrictions on building in the area affected by the fault rupture hazard is a significant step towards ensuring public health in this area, and they agreed with the evidence-based methodology in PC7.

- 5.12 We consider that the Section 32 evaluation in PC7, and as summarised in the Staff Report, is robust and well-reasoned. It relies on the two technical reports from GNS, and follows the Ministry for the Environment's guidelines. We heard no evidence to challenge the credibility or methodologies used in those reports. In terms of the options, we concur with Ms Beaumont that it is not tenable to 'Do Nothing' (Option 1), as the current Westland District Plan's provisions are not adequate in this regard, and do not provide an appropriate means to discourage inappropriate development or to deal with applications for further development in the affected areas. In addition, the District Planner's response to our Minute confirmed that the provisions of the Building Act 2004 will not, by themselves, be able to prevent building activity in the area of risk.
- 5.13 The proposed Plan Change provides a specific set of provisions to manage development that can occur within the areas susceptible to fault rupture. Therefore in general terms, and subject to detailed analysis of the specific plan change provisions, we consider that the Plan Change is an appropriate response having regard to the Council's functions and responsibilities under the Act in terms of Sections 71 and 72, in particular.
- 5.14 We accept that the additional restrictions brought about by the Plan Change will impact on those people who own or occupy land within the proposed hazard zones. However, those businesses and activities can continue to operate, and upgrade and renovate their buildings under the Plan Change. We consider the Plan Change itself does not change the risk to those buildings and activities - that risk already exists. It would not be appropriate or responsible for the Council to ignore that risk and allow development to occur in those areas.
- 5.15 For those reasons we do not concur with submissions seeking to reject the Plan Change outright because of its economic and financial effects, or because the risk should be borne by landowners and managed through insurance (*South Westland Salmon, Colmat Motors, Helen Jones, Franz Josef Community Centre, D Bristowe, R and J Nicholl, and M and K Williams*).
- 5.16 Several submissions requested some other responses should instead be initiated. (*Anje Kremer, South Westland Salmon, Colmat Motors, Gavin Molloy, R and J Nicholl, M and K Williams, and Franz Josef Community Centre*) requested that the following actions be pursued:
- Relocation of the settlement outside of the fault risk area; and
 - Acquisition of affected properties or financial compensation to be paid to owners of affected properties.
- 5.17 In relation to the first point, there was much discussion at the hearing on the current and future town planning for the Franz Josef settlement. As a follow up we requested a copy of the relevant plan (the 'Franz Josef Urban Revitalisation Plan' or sometimes referred to as the 'Master Plan'). Whilst this is of interest to us, we are obliged in terms of the Statutory Framework to consider the particular Plan Change proposal that is in front of us, and cannot make any determinations on matters outside of that.
- 5.18 In relation to the second point, there was also discussion on previous central and local Government responses to the evacuation and relocation of residents.

affected by flooding of the Waiho River south of the settlement. On the basis of that particular response to a significant hazard event, some submitters asked that consideration be given to similar evacuation and relocation procedures for properties most affected by the earthquake hazard in Franz Josef, with financial assistance from central and government authorities.

- 5.19 As we explained at the hearing, our role as Commissioners is to consider PC7 in light of the Statutory Framework outlined in an earlier section of this decision report. Regardless of our own thoughts on matters of relocation, or long term planning for Franz Josef settlement, we must test the Plan Change against those provisions, and cannot make determinations on matters outside of the scope of the proposed Plan Change itself.
- 5.20 In questioning the submitters at the hearing, it became apparent to us that the depth of feeling of those opposed to the Plan Change was generally not so much in relation to whether there should be restrictions placed on new development and investment in an area at risk of fault rupture. The concerns were more that the Council had not carried out proper consultation with the affected community, and had focused entirely on the Plan Change at the expense of investigating the issue on a wider front. As we understand the concerns, the Plan Change should have been promoted together with a range of measures to provide an all-embracing solution to the problem (such as the matters we highlighted above, including a Master Plan for the relocation of the settlement, and potential mechanisms for relocation).
- 5.21 For the reasons outlined above, we have no doubt that PC7 is an appropriate planning response to the known hazards in the Westland District. Whilst we have explained the limitations of our role as Commissioners, and the matters upon which we can deliberate, we certainly have some sympathy for those strongly held views amongst several of the submitters.
- 5.22 In our view PC7 should be seen as only one (first) step in the right direction. We consider it is incumbent upon the Council to pursue with some urgency the ongoing development of the Master Plan for this settlement, in consultation with the Franz Josef Community Committee and affected landowners. We requested advice from the Council following the hearing on that matter and the response was encouraging.
- 5.23 The District Planner has advised that Council's involvement with work on the Master Plan has been on hold whilst Plan Change 7 is being processed and that a revised version of the plan, consistent with the Plan Change, may need to focus more on issues of growth/relocation to the north of the settlement. The advice was that:
- "It has been suggested that the Council carry over \$100,000 set aside in the 2013/2014 Annual Plan for the implementation of the 'Franz Josef Urban Revitalisation Plan' into the following financial year following the resolution of Plan Change 7. It has been suggested that Council meets with Franz Inc and the Franz Josef Community Council at that point to discuss the future and implementation of the FFURP."*
- 5.24 As part of that on-going process, issues raised by submitters regarding possible financial assistance or compensation, in conjunction with central government agencies, may be able to also be investigated as appropriate.

DECISION [D1]	
D1.1	Those submissions in support of the Plan Change on the general grounds it is an appropriate planning response but with some wording changes for clarity are accepted in part . The Plan Change is amended as per Appendix 2.
D1.2	Those submissions seeking that the Plan Change be declined on the general grounds it is an inappropriate planning response, or that other responses outside of the scope of the Plan Change should be pursued in its place, are rejected.
<p><i>Note:</i> <i>We recommend to Council that it actively pursue the strategic planning for the Franz Josef settlement, including matters of possible relocation and financial assistance, in consultation with the community, so PC7 can be clearly seen to be the first necessary step in a package of measures to manage the risk of fault rupture in the affected areas.</i></p>	

Issue 2: Detailed provisions of the Plan Change

Overview

- 5.25 Most of the discussion at the hearing focused on the wider issues addressed above. There were also several submissions on matters of the detail in the Plan Change, mainly the proposed rules. The submissions ranged from a direct challenge to the rules through to suggested amendments to the wording of rules to address specific areas of interest. These 'sub-issues' on the detailed provisions of the Plan Change are addressed below:

Sub - Issue 1: Rules too restrictive

- 5.26 *Scenic Circle Hotels* suggested that the proposed rules are unnecessary and are unduly restrictive. The submitter was of the view that new rules should be adopted to permit modern buildings and techniques that can withstand earthquakes without risk to life or unacceptable damage.
- 5.27 Mr Smith elaborated on this at the hearing. He said building owners, such as his company, are disadvantaged by prescriptive rules that do not provide flexibility when it comes to designing buildings and upgrading buildings to meet relevant building codes to withstand earthquakes. The Submissions by *Community Public Health, Franz Josef Community Committee* and *Cushla and Chris Roy*, on a similar vein, were also concerned that the rules will prevent strengthening of buildings to occur.
- 5.28 On questioning, Ms Beaumont advised that the renovation, upgrading and strengthening of buildings in the affected areas can take place without restriction under the provisions of the Plan Change (and we note the further information provided by Ms Beaumont post-hearing confirmed that building

consents would generally be issued for strengthening work). The key determinants are whether a building extension is proposed, or whether an increase in activity (i.e. intensification) is proposed, and in both of those scenarios a resource consent for a Non-Complying activity would be required.

- 5.29 In our view the proposed rules achieve the correct balance between discouraging intensification in a known hazard area whilst allowing renovation and strengthening works to take place so that existing businesses can continue to operate.

Sub - Issue 2: Other activities covered by rules

- 5.30 The submission of *West Coast Planning* (with a supporting further submission from *Westpower*) raised a concern that clarification is required so that existing rural-based activities in the Rural Zone will retain their status as Restricted Discretionary or Discretionary Activities. The submissions of *Community and Public Health* and *Andrew Hocken* were also concerned that infrastructure may not be provided for in the proposed zones, and *The Helicopter Line* requested that the term 'temporary building' should be defined.
- 5.31 The Staff Report states that the Plan Change does not alter the provision of infrastructure within this area. It also stated that there had been no intention to amend provisions relating to prospecting, mining and vegetation clearance as there is scope to address hazard risk, or they can be controlled through regional plans. As a result, additional rules have been added to the General Fault Rupture Zone to clarify this. The Staff Report noted that reference to 'temporary buildings' should be changed so it reads as 'temporary activities', but no change is required to the existing definition of 'temporary building'.

- 5.32 We accept these are the appropriate outcomes to provide clarity to the plan.

Sub - Issue 3: Deficiencies and inaccuracies of the Plan Change

- 5.33 The submission of *Franz Josef Community Committee* expressed concerns that the Plan Change has been promulgated under urgency, has material deficiencies, does not include discussion about acceptable risk and it also questions the accuracy and adequacy of the width of the FRA2. *Rob and Jan Nicholl's* submission is that the General Fault Hazard Zone does not have sufficient details, and local residents have greater knowledge of the location of the fault and rupture area. The submission of *Diane Ferguson* also raises the concern that the Plan Change does not utilise the correct risk-based approach suggested from the NES report.
- 5.34 The Staff Report confirms that the Plan Change has been informed by best practice regarding hazard planning in New Zealand, and this includes the use of risk-based planning. Utilising the risk-based matrix from the GNS reports⁴ results in a risk of 30, or 'Intolerable', and this corresponds to a Non-Complying Activity (or even a Prohibited Activity). It also states that the FRA2 has been created as narrow as possible (especially for the Franz Josef settlement) and has been developed with all available technical information and with appropriate margins of error relating to where the fault may rupture, and with a 20 metre buffer.

⁴Langridge, R.M and Behan, J.C, 2011, Figure 2.1

- 5.35 We are satisfied from our reading of the GNS reports, and from the responses of Dr Langridge to technical questions we asked, that the science and methodology that has led to the creation of the fault rupture avoidance zones is consistent with accepted practice. We note also that the Ministry for Environment guidelines have been followed.
- 5.36 We note the dissatisfaction expressed by these and other submitters on the time taken in implementing the Plan Change, and the consultation process itself. It is noted that the Staff Report states that, whilst the proposed provisions of the Plan Change were implemented promptly, consultation did take place including public meetings and circulation of drafts of the Plan Change. Whilst these are not matters that we can place any weight on in our deliberations, our recommendations regarding on-going consultation and development of the Master Plan are recorded in an Advice Note to Decision D1 above.

Sub - Issue 4: Heritage buildings

- 5.37 *Heritage New Zealand's* submission requested a change in activity status to facilitate actively promoting maintenance and repair of heritage structures within the zone.
- 5.38 We concur with the Staff Report that heritage buildings themselves have no specific activity status and that the Plan Change encourages maintenance and repair of all heritage listed buildings in any event. There is no need for any amendment to the Plan Change in this regard.

Sub - Issue 5: Provisions for non-habitable and other buildings

- 5.39 *The Helicopter Line's* submission expressed the view that the Plan Change does not adequately provide for non-habitable buildings. It requested that non-habitable buildings should be provided for as Restricted Discretionary Activities in order to achieve a balance between avoiding and mitigating effects while also providing for the economic well-being of the owners. At the hearing Mr Bissett elaborated on the submission, including his concern that the Plan Change is too restrictive and puts owners in a difficult position.
- 5.40 We agree that some non-habitable buildings will have low consequence of failure. However, the proposed Plan Change clearly discourages larger scale investment and development in the affected areas, and we support that (as per our discussions decisions on Issue 1). For this reason it would be incongruous to provide for commercial buildings, even if they are non-habitable, as Restricted Discretionary Activities. We concur with the Staff Report on that matter. In the event that a developer can establish that, by location and specific design, a new building is able to mitigate the risk then that can be assessed as part of a resource consent for a Non-Complying Activity. It is appropriate that the bar is set very high, in this way, for assessing new commercial developments in this well-defined rupture hazard area.
- 5.41 The submission of *Federated Farmers* requested that buildings in 'Building Importance Category 1' should be permitted. The Staff Report recommends a change whereby buildings in 'Building Importance Category 1' will be permitted activities, and we accept that buildings such as small storage sheds, farm

buildings, and non-commercial buildings should be permitted activities, due to the minor consequence of failure in an earthquake rupture event.

DECISION [D2]

- D2.1 Those submissions seeking that the Plan Change be withdrawn on the basis the proposed rules are unnecessary and unduly restrictive are **rejected**.
- D2.2 Those submissions seeking clarity on other activities within the Rural Zone, and temporary activities, are **accepted in part** and those submissions seeking to continue to provide for infrastructure in the affected areas are **accepted**.
- D2.3 Those submissions seeking that the Plan Change be withdrawn on the basis that it has deficiencies, is inaccurate, and does not use the appropriate risk-based approach, are **rejected**.
- D2.4 The submission seeking a change to the activity status of heritage buildings is **rejected**.
- D2.5 The submission seeking new provisions for non-habitable buildings is **rejected**, and the submission seeking that buildings in 'Building Importance Category 1' should be permitted is **accepted**, with the Plan Change **amended** as per Appendix 2.

Issue 3: Other matters raised in submissions

- S4.2 Some other matters raised in submissions go beyond the scope of what we can deliberate on but for completeness are addressed in this Issue topic.
- S4.3 The submissions of *Robert Glennie, C Jones and C Roy, and Diane Ferguson* requested that all the hazards affecting Franz Josef/Waiatu need to be addressed comprehensively. It was suggested that the Tataru River be rezoned as 'General Flood Hazard' and Prohibited Activities be introduced in the Severe Flood Hazard Zone.
- S4.4 The Staff Report notes that an earthquake event will create significant hazard in addition to fault rupture, such as aggradation for the rivers in the area. The report states that District Council is continuing discussion at a regional level on how to address these hazards in addition to the fault rupture, and Council is embarking on a 'whole hazard' approach in this respect. We consider that this work needs to be done, but it is not within the scope of PC7, and we cannot consider this issue further.
- S4.5 The submission by *G Tripe and C Ashton* requests clarification on whether the 30-year timeframe discussed in the GMS report begins in 2011. We accept the advice of the Staff Report, which notes that this is just a technical expression of risk, and this may change over time, but has no real bearing on the detailed provisions of the Plan Change.
- S4.6 *Heritage New Zealand* requests that a database of contact details of all heritage building owners is established, and this can be provided to Civil Defence.

Management to assist decisions to be made quickly on the damage status of buildings following an earthquake event. We accept this is a worthwhile course of action, and note from the Staff Report that this submission has been discussed with the WDC Civil Defence Officer for further action.

- 5.47 *Rand J Nicholl* have requested that WDC provide further technical advice directly to landowners rather than leave it to developers to obtain this. The Staff Report noted that landowners intending to develop their properties in the affected areas may incur additional costs to obtain reports, but the Plan Change at least provides a method for owners who wish to utilise their land beyond the permitted activity allowances in the zone. The Council has supported the studies by GNS to date but it would be uneconomic for it to obtain individual reports for all properties in the affected areas.

DECISION [D3]

- D3.1 Those submissions seeking other matters outside of the scope of Plan Change 7 are rejected.

6.0 STATUTORY CONSIDERATIONS

- 6.1 In its *Long Bay* decision¹⁵, the Environment Court set out a summary framework for the matters to be evaluated in respect to a proposed Plan Change. For completeness, we restate that framework here and discuss the extent to which PC7 accords with the individual framework elements.

A district plan (change) should be designed to accord with, and assist the territorial authority to carry out its functions so as to achieve the purpose of the Act.

- 6.2 PC7 involves the establishment of new planning methods to manage development within areas recently identified in a definitive way as having a significant hazard risk. This will assist in achieving integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the Westland District (and in particular the area affected by fault rupture risk in the Franz Josef settlement).
- 6.3 Accordingly, we find that the Plan Change is generally designed to accord with and assist the Council to carry out its Section 31 functions.

When preparing its district plan (change) the territorial authority must give effect to any national policy statement (NPS) or New Zealand Coastal Policy Statement (NZCPS).

- 6.4 No NPS, nor the NZCPS, are relevant to the Plan Change.

¹⁵ Decision No. A079/2009, pp.29-31

When preparing its district plan (change) the territorial authority shall: a) have regard to any proposed regional policy statement; and b) give effect to any regional policy statement.

- 6.5 The West Coast RPS became operative on 10 March 2000, and is currently under review. The proposed West Coast RPS was notified on 16th March 2015 and so is very early in its process and cannot be afforded much weight in the assessment of PC7.

- 6.6 The Staff Report concludes that the introduction of the two proposed fault rupture avoidance zones will achieve the intent of Objective 11 from the operative RPS, and its associated policies, which is:

Objective 11

"The protection of human life and the avoidance or mitigation of damage to property and environmental values resulting from natural hazards".

- 6.7 We concur with that assessment.

In relation to regional plans: a) the district plan (change) must not be inconsistent with a regional plan for any matter specified in Section 30(1) for a water conservation order; and b) must have regard to any proposed regional plan on any matter of regional significance etc.

- 6.8 The Staff Report advises that the West Coast regional plans (i.e. for Land and Water; Coastal; and Discharge to Air) do not contain any specific provisions relating to earthquake risk. The Plan Change cannot therefore be inconsistent with any regional plan.

When preparing its district plan (change) the territorial authority must also: a) have regard to any relevant management plans and strategies under other Acts, and to any relevant entry in the Historic Places Register and to various fisheries regulations, and to consistency with plans and proposed plans of adjacent territorial local authorities; b) take into account any relevant planning document recognised by an iwi authority; and c) not have regard to trade competition.

- 6.9 The only document we consider are relevant are:

- The Ministry for the Environment (2004) document entitled "Planning for Development of Land on or Close to Active Faults. A guideline to assist resource management planners".

- 6.10 PC7 was developed to be consistent with those guidelines.

- Australia New Zealand Standard 1170: Structural Design Applications

- 6.11 This document introduces Building Importance Categories, and these have been incorporated into PC7.

- West Coast Regional Civil Defence Plan.

- 6.12 PC7 is consistent with the Civil Defence Plan in that it identifies an area of increased hazard risk and restricts development within that area.

The district plan (change) must be prepared in accordance with any regulation (there are none at present).

The formal requirement that a district plan (change) must also state its objectives, policies and rules (if any) and may state other matters.

- 6.13 This requirement is met in respect of PC7. The Plan Change includes new rules and other methods, and relies on the settled objectives and policies of the Westland District Plan.

Each proposed objective in a District Plan (change) is to be evaluated in terms of the extent to which it is the most appropriate way to achieve the purpose of the Act.

- 6.14 The Plan Change does not include any new objectives. The settled objectives of the operative District Plan have already been deemed to be the most appropriate way to achieve the purpose of the Act through prior First Schedule processes.

The policies are to implement the objectives, and the rules are to implement the policies.

- 6.15 We consider that the proposed rules (as amended in Appendix 3) implement the aim of the key objective (Objective 1.1) of the District Plan, and its associated policy, to provide rules for the avoidance and mitigation of natural hazards.

Each proposed policy or method (including each rule) is to be examined, having regard to its efficiency and effectiveness, as to whether it is the most appropriate method for achieving the objectives of the district plan taking into account: a) the benefits and costs of the proposed policies and methods (including rules); and b) the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules, or other methods.

- 6.16 This requirement has underpinned our evaluation of issues in Section 5 above. In particular, we do not accept the 'Do Nothing' option is tenable, and that PC7 is the appropriate planning response to the identified hazard risk in this area. We have concluded that the most efficient and effective method to achieve the settled objectives and policies of the District Plan is through the adoption of PC7 with modifications as set out in Appendix 3.

In making a rule the territorial authority must have regard to the actual or potential effect of activities on the environment.

- 6.17 As per our conclusion in relation to the efficiency and effectiveness of the proposed methods, we have concluded that the proposed Plan Change as amended in Appendix 2 will appropriately manage any actual and potential adverse effects of activities on the environment, principally by restricting new intensified development within the hazard prone areas.

Finally, territorial authorities may be required to comply with other statutes.

- 6.18 The only other statute relevant in this case is the Building Act 2004. We have discussed this in our evaluation of issues in Section 5 of this Decision Report, and have referred to the additional information provided by the District Planner following the hearing, which outlines the requirements for building and re-building in the affected areas.

7.0 OVERALL CONCLUSION & DECISIONS

Overall Conclusion

7.1 In terms of the three main issues/topics we have evaluated in Section 5 of this decision report, and based on the assessment of the relevant statutory matters in Section 6 of the report, we conclude that:

- Plan Change 7 is the most appropriate planning response to managing the risk posed by fault rupture in Westland District;
- The detailed provisions in the Plan Change are generally appropriate and, subject to the amendments in Appendix 3, will manage potential effects of the land uses and development anticipated by the new zone; and
- There are some other matters raised by submitters that are outside the scope of Plan Change 7 but are nevertheless worthy of investigation and follow up by the District Council as it progresses the Franz Josef Urban Revitalisation Plan, and other initiatives. Those initiatives may ultimately lead to the relocation of parts of the settlement and/or financial assistance for property owners most affected by the hazard.

Decision

7.2 Based on our consideration of all the material before us, including the Section 42A report, the GNS reports, submissions and further submissions, statements presented at the hearing, and following consideration of the requirements of Section 32 and other relevant statutory matters, our decision pursuant to Clause 10 of the First Schedule of the Resource Management Act 1991, is that:

- (a) the Plan Change is accepted, as amended in Appendix 2, and
- (b) all submissions on the Plan Change be accepted or rejected to the extent set out in the decision summary tables above (D1, D2 and D3) and as further detailed in Appendix 1.

DATED THIS 5th DAY OF MAY 2015



Gary Rae
Commissioner (Chair)



John Lumsden
Commissioner

APPENDIX 1

Summary of decisions on submissions

Submission number	Submitter	Decision
0	West Coast Planning	Accept in part
1	Robert Glennie	Reject
2	Scenic Circle Hotels	Reject
3	West Coast Regional Council	Accept in part
4	Anje Kremer	Reject
5	South Westland Salmon	Reject
6	Helen Jones	Reject
7	Community Public Health	Accept in part
8	Colmat Motors Ltd	Reject
9	George Tripe and Clare Ashton	Reject
10	Franz Josef Community Committee	Reject
11	Heritage New Zealand (formerly NZHPT)	Accept in part
12	The Helicopter Line (a) Temporary Buildings (b) Restricted discretionary status for non-habitable buildings	(a) Accept in part (b) Reject
13	Cushla Jones and Chris Roy	Reject
14	Rob and Jan Nicholl	Reject
15	Gavin Molloy	Reject
16	Federated Farmers	Accept
17	Dene Bristowe	Reject
18	Diane Ferguson	Reject
19	Mark and Kelsey Williams	Reject
20	Andrew Hocken	Reject
P01	Robert Glennie	Accept in part
P02	Colmat Motors	Reject
P03	Colmat Motors	Reject
P04	Colmat Motors	Reject
P05	Colmat Motors	Reject
P06	Dene Bristowe	Accept
P07	Dene Bristowe	Reject
P08	Westpower Ltd	Accept in part
P09	Westpower Ltd	Accept

APPENDIX 2
Amendments to Plan Change provisions

The proposed changes to the Westland District Plan as a result of Proposed Plan Change 7 are set out below.

Where changes have been made as a result of decisions on submissions these are shown in blue.

Where words are underlined, but not in blue, this represents amended wording to the existing provisions of the District Plan brought about by the Proposed Plan Change and not changes as result of decisions on submissions. New sections and definitions to be inserted are not underlined.

- Add additional wording into Policy 4.14 Explanation, page 99

The Alpine Fault is located within Westland and there is significant risk posed by the next ~~an~~ Alpine Fault earthquake rupture which has a probability of occurrence calculated at 20% over the next 30 years (Langridge, RM; Beban, JG 2011).

- Amend Rule 5.6.2.2 B, (Page 153) Controlled Activities in the Rural Zone to include reference to the General Fault Rupture Avoidance Zone and the Franz Josef/ Waiau Fault Rupture Avoidance Zone. New wording is underlined.

"The establishment of new buildings for the purposes of any residential activities except in

- the Waiho River General Flood Hazard Area as shown on Planning Map 14A,
- the Franz Josef/Waiau Fault Rupture Avoidance Zone; or
- within the General Fault Rupture Avoidance Zone.

Applications may be considered without the need to obtain the written approval of affected persons or publicly notify the application. The matters over which control is reserved are:

- Add new Section 5.8 General Fault Rupture Avoidance Zone and Section 5.9 Franz Josef/Waiau Fault Rupture Avoidance Zone (detailed on following pages).

5.8 General Fault Rupture Avoidance Zone

5.8.1 Description

The General Fault Rupture Avoidance Zone is an area of between 20 and 200 metres wide located on either side of the Alpine Fault as it runs through the length of Westland District. This zone is the area that is predicted to be seriously affected by fault rupture during an earthquake on the Alpine Fault.

The zone has been created and mapped by the Institute of Geological and Nuclear Sciences (GNS) utilising data from a number of sources. The width of this zone depends firstly on the type of fault at any given point and therefore its performance during an earthquake event, and secondly, variations in the accuracy of data available at any particular location.

GNS predict the probability of the next an Alpine Fault earthquake event occurring, with fault rupture to the surface, ~~occurring~~ is 20% within the next 30 years. Along the fault rupture it is estimated that there will be approximately 8-9 metres of horizontal displacement (to the north) on the west (Australian plate) side, and 1-2 metres vertical uplift on the east (Pacific Plate) side. As land deformation will be greater on the vertical lift or "hanging wall" side of the fault rupture, the Fault Rupture Avoidance Zone is wider on the east (Pacific Plate) side.

In order to manage the risk to human life and reduce effects on the long term recovery of the Westland District from an Alpine Fault earthquake event, it is necessary to restrict the types of activities that can occur within areas susceptible to fault rupture. However, in recognition of the fact that in some areas the location of the fault is not well defined, landowners are given the opportunity to obtain further technical advice regarding the fault's location on specific sites. If the further report identifies a narrower area of predicted fault rupture, then this may be approved through consent. Subdivision, commercial activities, and dwellings are discouraged in the General Fault Rupture Zone due to the increased hazard risk and the lack of available mitigation measures. Buildings with low consequence of failure remain permitted activities. There is similarly no alteration to general activities within the rural zone.

5.8.2 Zones

5.8.2.1 General Fault Rupture Avoidance Zone

A. Permitted Activities

- Any agricultural or forestry activity, subject to:
 - (1) Compliance with the standards for permitted activities in the Rural Policy Unit Rules 5.6.2.2 and set out in Table 5.7;
 - (2) Compliance with the general rules in Part 8;
 - (3) Any buildings that meet the definition of Building Importance Category I.
 - (4) Any buildings that are not considered Building Importance Category I and are not used for residential purposes, subject to:
 - (a) The provision of a report to Council from a suitably qualified person in geology or geotechnical engineering with specialisation in earthquake risk assessment that :
 - i. Records the survey and mapping of the site to identify and indicate as accurately as possible the location of the surface position of the plane of any active fault.
 - ii. Establishes the area that is likely to be subject to fault rupture and includes any buffers for uncertainty and establishes that the proposed building is located entirely outside of this area.
 - (a) Compliance with all other rules in Part 5.6.2.2A, 5.7 and Part 8 of the Plan.
- Prospecting activities as defined by the Crown Minerals Act 1991 and all reconnaissance exploration activities up to and including drilling, scout trenching and geophysical surveys, subject to compliance with all rules in Part 5.6.2.2A, 5.7 and Part 8 of the Plan.

B. Controlled Activities

- The establishment of new buildings for the purposes of any residential activities that are accompanied by:
 - (a) A report from a suitably qualified person in geology or geotechnical engineering with specialisation in earthquake risk assessment that :
 - i. records the survey and mapping of the site to identify and indicate as accurately as possible the location of the surface position of the plane of any active fault.
 - ii. Establishes the area that is likely to be subject to fault rupture and includes any buffers for uncertainty and

establishes that the proposed building is located entirely outside of this area.

Applications may be considered without the need to obtain the written approval of affected persons or publicly notify the application. The matters over which control is reserved are:

- financial contributions relating to the provision of potable water and roading
 - location of access points
 - method of effluent disposal
 - distance from existing activities which may have nuisance effects
 - visual and aesthetic values
- Advanced exploration activities (i.e. matters subject to reconnaissance exploration, but still able to be carried out under an exploration permit) including geophysical surveys using explosives and machine scout trenching, subject to compliance with the standards for controlled activities (Table 5.7), general rules in Part 8. Control matters are listed within rule 5.6.2.2B.

C. Discretionary Activities

- Forestry above an altitude of 1000m.
- The clearance of more than 2000m² of indigenous vegetation per 5 years per site:
 - (a) Where the contiguous land is managed for conservation purposes, or;
 - (b) From an area of indigenous vegetation in excess of 5 hectares.
 - (c) From a natural wetlandThis rule does not include:
 - (a) Exotic plantation forest area
 - (b) The clearance of regrowth vegetation to maintain existing tracks and stock crossings
 - (c) The incidental clearance of indigenous vegetation to control gorse, broom or other exotic plant pests.

D. Restricted Discretionary Activities

- Mining. The matters over which discretion is restricted is set out in rule 5.6.2.2D.

E. Non complying activity

Any new building, building extension or alteration of an activity to increase the scale of effects of an activity within a building located within the Fault Rupture Avoidance zone.

Explanation

Through restricting the use of land subject to fault rupture, Council is managing natural hazard risk and providing for the health and safety of the residents and visitors to Westland.

Farming activities may occur without consent, and prospecting, vegetation clearance and mining activities receive no additional restriction. However, any buildings over building category 1, including farm sheds require consent, in addition to the risk to occupants of these buildings during rupture, these buildings can be significant investments in the infrastructure of a farm and will have significant economic effects if destroyed by fault rupture. This in turn will adversely affect Westland's recovery from an Alpine Fault Earthquake.

Council acknowledges that the detail and accuracy of the underlying information that formed the Fault Avoidance Zone was varied, so in situations where the fault is not well defined, a further report can be presented that provides additional detail into the location of the fault on the specific site, and the risk of fault rupture. This will allow the margins of error to be reduced and may allow the development to proceed without consent.

Development of new buildings within the General Fault Rupture Avoidance Zone that are not established through further study to be outside of fault rupture and are not considered of low risk are non-complying and are unlikely to be approved.

5.9 Franz Josef / Walau Fault Rupture Avoidance Zone**5.9.1 Description**

The Alpine Fault passes through the township of Franz Josef/Waiiau and subsequently the town is subject to significant risk from fault rupture. A detailed study has been undertaken to map the location of the Alpine Fault through Franz Josef/Waiiau and the surrounding area utilising LIDAR imagery and RTK GPS mapping. Within this area, the fault is considered "well defined" ~~in this location~~ and it is unlikely that further study would reduce the area of land identified as subject to fault rupture risk any further than that set out in the 2011 GNS report. New developments and increases or alterations to activities within this area are heavily restricted in order to ensure the health and safety of residents and visitors.

5.9.2 Zones**5.9.2.1 Franz Josef / Walau Fault Rupture Avoidance Zone****A. Permitted Activities**

Any commercial or residential activity, subject to:

- (1) No buildings other than temporary activities buildings or buildings of Building Importance Category 1 are permitted in association with these activities;
- (2) Compliance with the standards for permitted activities in the Tourist Policy Unit or Franz Alpine Resort;

- (3) Compliance with the general rules in Part 8;

B Non complying activities

The construction of any new building not permitted under Section 5.11.2.1A(1) above or Section 6 of this Plan, or extension of any existing building, or change or increase in an activity within a building on site within the Franz Josef Waiau Fault Rupture Avoidance Zone.

Explanation

Existing use rights under Section 10 of the Resource Management Act are not impinged by the above rules.

The location of the fault line within Franz Josef/ Waiau is well defined and therefore there is no opportunity for additional information to be provided in order to reduce the margin of error of the predicted rupture risk area.

Ancillary commercial and residential activities that do not require buildings are permitted, along with structures with a minor consequence of failure such as small storage sheds and non-commercial or residential buildings will be permitted. This allows activities such as carparking, storage, recreation areas, art installations and gardens to occur without consent. ~~however any buildings that do not meet this classification will be unlikely to be approved due to the risk to human safety and to reduce the risk of social, economic and environmental effects caused by a fault rupture event~~.

- Make the following alterations and additions to the subdivision section (Part 7.3 of the Plan, from page 1B2). New wording is underlined.

7.3.3 Discretionary Activities

Any subdivision which complies with the rules for discretionary activities in Table 7.1. All subdivision in the Waiho River General Flood Hazard Area as defined on Planning Map 14A. Any subdivision that is partially located within the Franz Josef/Waiiau Fault Rupture Avoidance Zone or the General Fault Rupture Avoidance Zone.

7.3.4 Non-complying Activities

Any subdivision which is not a permitted, controlled or discretionary activity. All subdivision in the Waiho River Severe Flood Hazard Zone as defined on Planning Map 14A. Any Subdivision of land that is entirely located within either the Franz Josef/Waiiau Fault Rupture Avoidance Zone or the General Fault Rupture Avoidance Zone.

7.6 Assessment of Discretionary Subdivision

- When a proposed subdivision includes land partially within the Franz Josef/Waiiau Fault Rupture Avoidance

Zone, or the General Fault Rupture Avoidance Zone, whether a report has been provided from a suitably qualified person in geology or geotechnical engineering with experience in earthquake assessment to demonstrate that any buildings are located outside of the relevant fault rupture avoidance zone, whether access can be achieved, if ground topography will cause additional adverse effects during fault rupture and whether any mechanisms have been volunteered to prevent development within the Fault Rupture Avoidance Zone.

- Insert the following definitions into Part 9: Definitions section of the Plan:

Franz Josef/Waiiau Fault Rupture Avoidance Zone: means the area encompassing the active fault system within Franz Josef/ Waiiau and suggested to be subject to elevated risk of a fault rupture hazard. This section of the Alpine Fault has been accurately determined utilising LIDAR and GPS mapping. Shown on the planning maps as Franz Josef/ Waiiau Fault Rupture Avoidance Zone

General Fault Rupture Avoidance Zone: means the area encompassing the active fault systems in the District and suggested to be subject to elevated risk of a fault rupture hazard. Shown on the planning maps as General Fault Rupture Avoidance Zone

Building Importance Category I: means structures presenting a low degree of hazard to life and property. These include:

- Structures with a total floor area less than 30m².
- Farm Buildings
- Isolated Structures
- Towers in rural situations
- Fences
- Walls
- In-ground swimming pools.

- Replace the existing planning maps with new maps (shown on following pages) into Part 10 Appendices indicating the General Fault Rupture Avoidance Zone within the Westland District, and the Franz Josef/ Waiiau Fault Rupture Avoidance Zone within Franz Josef/Waiiau and the surrounding area

APPENDIX 3

Minute issued by Commissioners

WESTLAND DISTRICT COUNCIL**PLAN CHANGE 7****MINUTE OF COMMISSIONERS****Introduction**

1. The hearing of submissions on proposed Plan Change 7 was held on 30 March 2015. At the conclusion of the presentation of submissions and evidence I announced that Commissioner Lumsden and I intended to walk the settlement focusing on properties affected by the proposals for Franz Josef settlement, and that following that we would consider whether we had sufficient information with which to make our deliberations and prepare Decisions on the submissions.
2. Following our walk around the affected area we determined that we require some additional information, and this Minute is to direct that the information described below is made available to us before we consider formally closing the hearing.

Directions to the Council

3. We direct that Westland District Council, through its District Planner, provides us with the following information:
 - (a) A copy of The Franz Josef Urban Revitalisation Master Plan, and a statement as to its current status and any programme Council may have to progress and further develop this plan;
 - (b) Advice on whether, under the Building Act, building consents would be issued for new buildings and/or extensions/renovations to existing buildings in the areas of Franz Josef affected by the known fault line, irrespective of proposed Plan Change 7; and
 - (c) Confirmation on whether the Council, as a rule, provides advice of the fault rupture risk on its LIM and/or PIM reports for properties affected by the known earthquake fault line through Franz Josef and/or the proposed zoning.
4. We direct that this information is provided by 13 April 2015, and that it is also sent on that day to the parties to the hearing for their information. No further evidence from submitters will be required.

Conclusion

5. It is anticipated the hearing will then be formally closed on receipt of this information, and that the decisions will be released within 15 working days of that date.

DATED this 6th day April 2015



GM Rae, Hearing Commissioner (Chair)
for and on behalf of Commissioner Lumsden

APPENDIX 4

Response received from District Planner

FILE REF: RMA 7 - PC7

10 April 2015

Westland District Council Plan Change 7 : Response to Minute of Commissioners

I have provided the information requested below. Please let me know if you would like any further clarification.

1. Franz Josef Urban Revitalisation Master Plan (FJURMP)

Copies of the following documents have been transferred by "Dropbox" to you on 31st March:

- Franz Josef Urban Revitalisation Master Plan Preliminary Design 7 December 2010.
- Franz Josef Urban Revitalisation Master Plan Design Details October 2011
- Franz Josef Urban Revitalisation Master Plan Westland District Council – District Plan / URMP Interface November 2011.
- Franz Josef Urban Revitalisation Master Plan 29 September 2014
- Franz Josef Urban Revitalisation Master Plan Design Guidelines and Details September 2014.

Due to document size, I do not intend to post or email these documents to submitters but will provide copies on request.

The Strategy Committee, a Council committee, considered presentations of various versions of the FJURMP and heard presentations from a previous Chairman of Franz Inc., Marcel Fekkes, in November 2011 and August 2012. The Committee supported the intent of the FJURMP, however asked that the Master Plan be amended to reflect the identified Fault Rupture Avoidance Zone and the proposed Plan Change 7. The Council paid the \$50,000 cost of the development of the FJURMP.

Franz Inc. raised the progression of the FJURMP with the Group Manager: Planning Community and Environment Jim Ebenhoeh in July 2014. Mr Ebenhoeh supported the future planning exercise for Franz Josef and the design elements included. He reiterated the difficulty that Council would have to adopt the Master Plan when it was directly in conflict with the Council's District Plan Change 7. He also suggested that following the relocation of the Department of Conservation and the Glacier Guides, that the focus of the FJURMP could be broadened to cover the northern end of Franz Josef in greater detail. An

amended FJURMP was provided in September 2014. It was suggested by Council staff that works within Franz Josef could follow the intent of the FJURMP as they occurred, but a formal approach be made to Council following the outcome of Plan Change 7 to request formal adoption of the FJURMP, although this was expected to be a further amended version.

The Council has set aside \$100,000 from the recreation contribution fund in the 2013/2014 Annual Plan for the implementation of the "Franz Josef Urban Revitalisation Plan". This has been suggested to be carried over into the following financial year to allow its use following the resolution of Plan Change 7. It is suggested that Council meets with Franz Inc. and the Franz Josef Community Council at that point to discuss the future and implementation of the FJURMP.

2. Provisions of Building Act

The application of Building Act provisions to future building consent applications within the proposed FRAZ is outlined within 6.09 – 6.11 of my section 42A Hearing report. Eddie Newman, District Building Inspector has assisted me to confirm the following:

I attach a copy of an email from Dennis Monastra of the Ministry for Building Innovation and Employment. This information confirms that the provisions of the Building Act do not provide for a specific setback distance from a faultline. The email refers to "near-fault factors" set out within New Zealand Standard 1170. The near-fault factor applied is the same throughout the Westland District due to the proximity to the Alpine Fault. Buildings within the proposed Fault Rupture Avoidance Zone (FRAZ) may be able to meet the foundation requirements of the Building Code B1 Structure through use of the Verification Method. This method is an engineering calculation and will require landowners to obtain expert certification. If buildings are designed to New Zealand Standard 3604 Light Timber Framed Construction, then no specific above foundation design will be required.

Applications to undertake earthquake strengthening will be subject to the standard provisions of the Building Act. There will be no specific provisions required due to the location in an identified area of Fault Rupture risk and building consents will be processed consistently with locations elsewhere in the District outside the proposed new zones. Under Westland District Council's policy for Dangerous, Earthquake Prone and Insanitary Building Policy, once an application is lodged for over 30% of a non-residential building, an engineering assessment will be required to address the standard of the building.

Applications for building consent for new buildings, or rebuilds of Commercial buildings following fire or disaster will be required to satisfy the provisions of the Building Act and Building Code. This will require use of the verification method explained above to establish ground bearing and foundation design. Building extensions outside of the existing footprint will be required to satisfy ground bearing and foundation design for the extension portion of the building only. Rebuilds of non-commercial outbuildings within the same or lessor footprint are exempt.

It is further noted that the provisions of New Zealand Standard 1170 require consideration of a "moderate earthquake" only, rather than specific consideration of the Magnitude 8 predicted for the Alpine Fault.

3. Information supplied on LIMs

LIMs issued after October 2010 in relation to land located within the areas identified by GNS to be subject to fault rupture deformation risk contain specific wording identifying this risk, and reference made to the relevant GNS reports (received by Council in October 2010 and October 2011). Following the notification of this plan change in August 2012, the standardised wording placed on LIMs is:

- The Alpine Fault traverses this land. A Fault Avoidance Zone of variable width has been identified.
- This land is in close proximity to the Alpine Fault trace.
- The land is within an identified Fault Rupture Avoidance Zone (FAZ) which is an area of land most likely to be subject to deformation in the event of an earthquake involving the Alpine Fault. The Council has notified a Proposed Change to the Westland District Plan that controls additional development in this area.

Following the release of the decision on the plan change, the standardised note relating to the FAZ will be amended to either remove reference to the plan change in process and retain the first sentence referring to the risk of deformation only, or to refer to the new zones within the District Plan, dependent on outcome of the plan change.

Sincerely,

Rebecca Beaumont
District Planner

Eddie Newman

From: Dennis Monastra <Dennis.Monastra@mbie.govt.nz>
Sent: Wednesday, 8 October 2014 6:08 p.m.
To: Eddie Newman
Subject: RE: Building close to faults. [UNCLASSIFIED]

Hello Eddie

Thanks for your email of 19 June re the above matter. My apologies for the delay in getting back to you.

I have discussed the matter with others here including our structural people and confirm the Ministry's view that design to verification method B1/VM1, which includes the citation of the 1170 suite of Standards for design loadings, is considered to provide a building that complies with Building Code Clause B1 'Structure'. In other words, design to B1/VM1 is considered to result in a building with an acceptably low probability of failure from likely loads including earthquake. In relation to your query it is noted that NZS 1170.5 includes factors (see the Standard's Clause 3.1.6 Near-fault factor) which specifically account for the proximity of the building to faults. While it must be acknowledged that it is not possible to design a building with zero risk of failure, design to B1/VM1 is considered to provide an acceptable level of risk.

Noting the above then the answer to your specific question is that the Building Act allows a building to be constructed anywhere, irrespective of proximity to a fault, provided the requirements of verification method B1/VM1 are met.

I hope this assists.

Regards

Dennis Monastra, Senior Advisor Building Standards
 Building and Housing Group, Ministry of Business, Innovation and Employment
 DD1 (04) 901 8705
 Level 8, 33 Bowen Street, PO Box 1473, Wellington 6145

Ministry of Business, Innovation and Employment

From: Eddie Newman
[\[mailto:eddie.newman@westlanddc.govt.nz\]](mailto:eddie.newman@westlanddc.govt.nz)
Sent: Thursday, 19 June 2014 10:40 am.
To: Dennis Monastra
Subject: Building close to faults.

Hi Dennis,

I have been trying to find in NZS 1170 how close to a fault line people can build. I would like to know this since we have information that predicts there will be hanging cliffs created when the Alpine Fault corrects itself. There is nothing that we can build within that area that will not be likely to rupture, overturn or even collapse. As this is part of B1 Structure how close to a fault line should we let people build and know that the standard they are built to will be sufficient to do the job?

Regards, Eddie,

Eddie Newman
Building Inspector

Westland District Council

36 Weld Street, Private Bag 704, Hokitika 7842 | www.westland.govt.nz
P +64 3 756 90101 F +64 3 756 90451 eddie.newman@westlanddc.govt.nz
"Westland — The Last Best Place"

WARNING: The information in this message is confidential and maybe legally privileged. If you are not the intended recipient, please notify the sender immediately by return e-mail, delete this e-mail and destroy any copies. You may not use, review, distribute or copy this message.
Be green - read on the screen

This email has been scrubbed for your protection by SMX. For more information visit smxemail.com

Report



DATE: 28 May 2015

TO: Mayor and Councillors

FROM: Group Manager: Planning, Community & Environment

USE OF WAIHO RIVER RELOCATION FUNDS FOR PROPERTY PURCHASE

1 SUMMARY

- 1.1 The purpose of this report is to seek Council approval of funds from the Waiho Relocation account towards the purchase of the Glacier Gateway Motel and subsequent demolition and disposal costs.
- 1.2 This issue arises from the West Coast Regional Council's decision on 12 May 2016 to purchase the Glacier Gateway Motel, due to its location in a severe flood hazard area. The purchase price included \$300,000 of funds provided by central government in 2003 to Westland District Council for the relocation of properties on the south bank of the Waiho River. The Regional Council is now expecting the District Council to transfer these funds to reimburse it for the property purchase.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council agree to release \$300,000 of the \$302,875 in the Waiho Relocation Fund to the Regional Council as partial funding for the purchase of the Glacier Gateway Motel, and that Council agree to provide the remaining amount in that Fund to the Regional Council at a future date as a contribution towards the costs of demolition and disposal of the motel building material.

2 BACKGROUND

- 2.1 The Glacier Gateway Motel in Franz Josef township is located in a high hazard area on the south side of the Waiho River. According to the West Coast Regional Council (WCRC), the Franz Josef Rating District Stopbank which protects the motel will be overtopped in a theoretical 1-in-10 year flood event.
- 2.2 In March 2003, a Cabinet Paper (attached) identified the motel and other properties on the south side of the Waiho River as being at significant risk from a landslide dam formation in the Callery River catchment. The Cabinet Paper outlined this risk and agreed contributions from the Westland District Council, the WCRC, and Central Government towards the purchase or relocation of the properties.
- 2.3 In May 2003 a total of \$766,222 plus GST was paid to Westland District Council, consistent with the Cabinet Paper. Since the Cabinet Paper, negotiated settlements were reached with all the accommodation businesses referred to in the paper except the Glacier Gateway Motel, and the majority of buildings were relocated or demolished. Efforts to reach a settlement with the previous owners of the Glacier Gateway Motel failed, until ownership changed in 2012.
- 2.4 Since the 2003 Cabinet Paper, the hazard situation has become much worse, with severe aggradation occurring in the Waiho River. In addition, the warning system in the Callery River operated by the WCRC was left inoperable following the December 2010 floods.
- 2.5 In light of the increased hazard situation, and the new owners of the Glacier Gateway Motel being open to the possibility of relocation or sale, the WCRC has led negotiations that have resulted in a signed sale and purchase agreement between the WCRC and the current owners. The purchase offer consists of contributions from the New Zealand Transport Agency (NZTA) and the WCRC, as well as \$300,000 in central government funds held by the Westland District Council. Ownership of the property will transfer to the WCRC on 30 July 2015.

3 CURRENT SITUATION

- 3.1 Now that the sale and purchase agreement has been finalised, the WCRC is seeking a transfer of \$300,000 of the central government funding that the Council holds in its Waiho Relocation Fund. The balance in that fund is currently \$302,874.95.
- 3.2 The original Memorandum of Understanding between the Ministry for the Environment and the Council around the granting and use of the central

government funds expired on 30 June 2004, but central government has not asked for these funds to be returned, and it is a reasonable assumption that the funds are still available for their original purpose.

- 3.3 The rest of the original package referred to in the 2003 Cabinet Paper is no longer considered feasible or appropriate. This included Westland District Council's offer of \$234,000 for property purchase, plus \$300,000 to \$500,000 in loan finance, plus the cost of all building consent fees and resource consent fees for relocation.
- 3.4 It is not known yet whether the owners will re-establish a motel elsewhere in Franz Josef. They have been granted a resource consent by Council for a motel operation on Cron Street, but it is understood that the current buildings at the Glacier Gateway Motel site are to be demolished rather than relocated.
- 3.5 There will be costs incurred by the WCRC for demolition of the motel buildings, and disposal of the building material. These costs have not yet been estimated in detail, but the WCRC would like the Council to share the costs of this. The remaining \$2,875 in the Waiho Relocation Fund could be made available for this purpose.
- 3.6 The ownership of the site is not likely to transfer to the Westland District Council, unlike the former Black Sheep Lodge and motor camp further downstream. It is likely that the WCRC will use the site for river management purposes or allow NZTA to do the same in order to protect State Highway 6. The Council's District Plan does not permit new buildings on the site, which is in a severe flood hazard zone.
- 3.7 The WCRC will be seeking a Memorandum of Understanding with the Council to confirm the future use of the site and any building consent or resource consent requirements.

4 OPTIONS

- 4.1 Option One is to approve the transfer of \$300,000 to the WCRC towards the purchase price of the Glacier Gateway Motel, and to approve the future transfer of the remaining \$2,875 to the WCRC as a contribution to demolition and disposal costs.
- 4.2 Option Two is to decline to transfer these funds to the WCRC.

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 This decision has a low level of significance as it involves the transfer of funds originating from central government towards an agreed purpose. No rates funding is required.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 In terms of Option One, this funding was specifically given to the Council for the relocation of commercial properties on the south side of the Waiho River, and this is the last remaining commercial property in that area. The removal of the Glacier Gateway Motel from this location will considerably reduce the risk of loss of life from the Waiho River flood hazard. No ratepayer contribution is required, unless at a future point the Council agrees to share the costs of demolition and disposal of the motel beyond the \$2,875 remaining in the Waiho Relocation Fund after the transfer to WCRC for the motel purchase. Should a request be made for further funding this would come back to Council for a formal decision.
- 6.2 Option Two: There is little to be gained from this option, as the funds cannot legally be used for anything else. The relationship between Council at WCRC would be damaged, and legal action might be taken to force the Council to release the funds.

7 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is Option One: that Council approve the transfer of \$300,000 to the WCRC towards the purchase price of the Glacier Gateway Motel, and the future transfer of the remaining \$2,875 to the WCRC as a contribution to demolition and disposal costs. The reasons, as outlined above, are that this funding was specifically given to the Council for the relocation of commercial properties on the south side of the Waiho River, this is the last remaining commercial property in that area, and the risk of loss of life will be considerably reduced through this purchase.

8 RECOMMENDATIONS

- A) **THAT** Council approve the transfer of \$300,000 of the \$302,875 in the Waiho Relocation Fund to the West Coast Regional Council as partial funding for the purchase of the Glacier Gateway Motel.
- B) **THAT** Council approve the release of any remaining amount in the Waiho Relocation Fund (currently \$2,875) to the West Coast Regional Council at a future date, as a contribution towards the costs of demolition and disposal of the Glacier Gateway Motel building material.

Jim Ebenhoh

Group Manager: Planning, Community & Environment

Appendix 1: March 2003 Cabinet Paper on Relocation of properties from the south bank of the Waiho River at Franz Josef



Office of Hon Amy Adams

Member of Parliament for Selwyn

Minister for the Environment

Minister for Communications and Information Technology

23 SEP 2014

OIA 154

Michael Meehan
Planning and Environment Manager
West Coast Regional Council
mm@wrc.govt.nz

Dear Mr Meehan

Thank you for your email of 18 August 2014 to Loma Pedro, Department of Prime Minister and Cabinet, requesting the following:

'... a copy of the Cabinet Paper from March 2003 regarding a package to relocate properties on the Waiho River, Franz Josef on the West Coast... The Cabinet Paper outlines the decision to support the [West Coast Regional Council and Westland District Council] in funding the relocation of the properties.'

Your request has been considered under the Official Information Act 1982 (OIA). The Cabinet paper you refer to was prepared by the Ministry for the Environment and submitted to Cabinet by the Minister for the Environment and the Minister of Civil Defence. Therefore, your request for this paper was transferred to me under section 14(b)(ii) of the OIA.

The Cabinet paper is being released to you in full and a copy is attached.

Yours sincerely

Hon Amy Adams
Minister for the Environment

Chair
Cabinet Policy Committee

Relocation of properties from the south bank of the Waiho River at Franz Josef

Proposal

1. This paper sets out the settlement proposed by the West Coast councils and officials to assist the removal of five flood-prone accommodation businesses from the area. The paper then seeks the Committee's approval of the Government's financial contribution to the package.

Background

2. The Waiho River is a short-run, glacial river on the Southern Fault Line in an area of very high rainfall. In a fresh or flood, it is a very powerful and dangerous river. In addition to this, a moderate to strong earthquake could lead to the river changing its course or cause landslides in the Callery Gorge, which could lead to a dam-burst resulting in a sudden and very fast flood.
3. Four properties on the south of Waiho River at Franz Josef pose a particular risk. They are a motel, a camping ground, a lodge and a dwelling (commonly known as the "holiday park" area) that are situated on the lee of the stopbank some 1-3 metres below the riverbed. They are at risk both from regular flooding and also sudden damburst (from a landslide). Continuing aggradation of the Waiho River is contributing to an increase in the flooding hazard to this area.
4. We wish to see the businesses removed from this locality and the reasons for the Government's financial intervention to ensure this objective is achieved are set out below.
 - a. We wish to maintain the image that New Zealand is a safe place to visit.
 - b. The latest report shows the risk to people staying at the accommodation offered on the south bank of the Waiho to be well above the levels of societal risk that are tolerated both overseas and elsewhere in New Zealand.
 - c. The Westland District Council (WDC) and the West Coast Regional Council (WCRC) do not have the resources or power to adequately deal with this risk.
 - d. The Government has funded river control works in the Franz Josef area in the past and may have aggravated the recent riverbed aggradation.
 - e. The Government has no liability in relation to the hazards that the properties face but it has stated its interest in maintaining a viable community at Franz Josef.
5. At its meeting on 11 December 2002, the Cabinet Policy Committee noted the contents of the paper under POL (02) 198 on the enhanced monitoring and civil defence procedures

established for the Callery River (a tributary of the Waiho River) and on a proposed Government contribution towards the relocation of the holiday park area to a safer locality in the vicinity of Franz Josef. The Committee also noted that we were giving further consideration to the amount of the proposed Government contribution and would report back to the Committee in due course [POL Min (02) 22/15 refers].

Proposed settlement package

6. Staff and councillors from Westland District Council (WDC) and West Coast Regional Council (WCRC) in conjunction with officials from the Ministry for the Environment (MfE), Department of Prime Minister and Cabinet and Ministry of Civil Defence and Emergency Management (MCDEM) have held a number of meetings in January and February with the affected property owners for the closure and disuse of the affected accommodation businesses on the south bank of the Waiho River. The Prime Minister, Minister of Finance and we were consulted about a Government contribution to the relocation package of \$766,000 (plus GST). The Government's contribution represents some 37% of the rateable value of the properties and along with the cash contribution from the Westland District Council amounts to \$1 million (plus GST). On the basis of the combined cash contribution and the loans made available by the West Coast councils, a settlement package that allows the businesses to operate safely at their current site while they reconstruct their businesses elsewhere in Franz Josef Village has been agreed.
7. We are advised that Transit NZ has agreed to purchase the private house for a sum that allows the owner to purchase a suitable section in the village and remove the house to the new site.
8. The key elements of the proposed relocation package are:
 - The owner of the Glacier Gateway Motel is to receive \$350,000 (plus GST) plus all the available loan finance from the WDC and WCRC. Both the WDC and WCRC have committed to provide \$300,000 each in loan finance, and will seek to increase this to \$500,000, thus making up to \$1 million available. The lessee's business interests in the motel are to be preserved in the relocated business.
 - The owners and leaseholders of the motor camp and the Black Sheep Lodge have formed a consortium and are to receive \$650,000 (plus GST) to assist relocation.
9. It is now known that the land acquisition, resource consent processes and relocation of businesses combine to mean that, realistically, it will take up to two years to effect final relocation. Hence the relocation package also proposes, and is conditional on, the extension of the current enhanced river monitoring arrangements and the public warning signs not going up until 30 June 2004. This is the earliest practical date that the businesses can be reconstructed and final relocation can be achieved. The Director of Civil Defence has agreed to this extension subject to the WDC:
 - undertaking an independent review of the monitoring regime and the response plan;
 - reviewing progress towards relocation by the affected parties in June 2003, October 2003 and February 2004, with the consideration of earlier erection of notices if insufficient progress towards agreed milestones is demonstrated.
10. In addition to the above, the WDC has agreed to assist the relocation of the businesses by

- meeting all building consent fees, and Council resource consent fees up to (but not including) Environment Court stage, incurred as part of the relocation of the Motel, Lodge and Holiday Park;
 - using its best endeavours to expedite applications resulting from the relocation, including building consents, resource consents and liquor licence applications;
 - funding the enhanced monitoring of the Callery Gorge to the end of June 2004 through ratepayer funds.
11. The relocation package will be administered by the WDC, with the Government financial contribution secured by way of agreement between MfE and the WDC. MfE will ensure that restrictions placed on the title to the land will prohibit future residential or commercial accommodation. MfE will also monitor progress with the settlement package and ensure that payment of the cash component to the affected businesses will be staged and based on agreed targets being achieved. Property owners will be required to reach agreement with their leaseholders to be eligible for the package, with the view that existing leaseholders will transfer with the relocated businesses. The WDC will receive unencumbered title to the land. Failure to achieve satisfactory progress will lead to the withholding of funds and, if necessary, the erection of public warning signs.

Comment

12. This was the most pragmatic agreement that could be reached given the limited financial resources available from the Government and local government to assist the businesses relocate. Officials believe the apportionment to be fair and reasonable to all the parties and will give them all a chance to re-establish elsewhere. However, the owners themselves are faced with a considerable cost in re-establishing their businesses within Franz Josef. It is therefore important to the overall settlement that they are able to operate in their current location for a further year while their businesses are established on higher land elsewhere in Franz Josef.
13. The Director of Civil Defence is satisfied that the Enhanced Civil Defence Response Plan for the Waiho River currently provides adequate warning mechanisms to enable the businesses to operate safely until 30 June 2004 to enable the orderly removal and relocation of the businesses. His decision is subject to satisfactory progress being made in the relocation programme and assurance that the Enhanced Plan is being effectively implemented.
14. Cabinet previously directed the Director of Civil Defence to arrange for the Department of Conservation visitor centres at Franz Josef and elsewhere not advertise or otherwise refer visitors to the accommodation businesses on the south bank of the Waiho River [POL Min (02) 17/7 refers]. Given that some residual risk remains, notwithstanding the provisions of the Enhanced Plan, the Director of Civil Defence advises that this Cabinet directive should continue.
15. The Government financial contribution to the WDC to relocate the businesses is required over the next two months and would be administered through the Ministry for the Environment. This time imperative means that it is necessary to consider this expenditure outside of the normal Budget process. The funds would need to be treated as new expenditure for 2002/03 and appropriated to Vote Environment through Supplementary

Estimates.

Consultation

16. Officials from the Department of Conservation, the Department of Prime Minister and Cabinet, and the Treasury have been consulted during the preparation of this paper and support its recommendations. The Ministry of Tourism has been informed of the content of this paper given its earlier involvement with this issue.

Recommendations

17. We recommend that the Cabinet Policy Committee:

1. note that an Enhanced Civil Defence Response Plan is currently in place for the Waiho River and is valid until 30 April 2003;
2. note that the Director of Civil Defence is satisfied that the Enhanced Plan may safely continue in operation until 30 June 2004, in order to provide for the orderly relocation of businesses;
3. note that the Director of Civil Defence has agreed to defer the erection of public warning signs until 30 June 2004 subject to satisfactory progress being made in the relocation programme and to being assured, by reported monitoring to the Ministry for the Environment or the Director of Civil Defence, that the Plan is being effectively implemented;
4. note that both the Westland District Council and West Coast Regional Council have committed to provide \$100,000 each in loan finance, and will seek to increase this to \$500,000, thus making up to \$1 million available to assist the owners to relocate elsewhere in Franz Josef;
5. note that the Westland District Council has agreed to contribute \$234,000 to the purchase of land on the south bank of the Waiho River;
6. note that the Westland District Council will oversee the purchase of the businesses, land and removal of the at-risk accommodation;
7. agree that:
 - the Ministry for the Environment will ensure that restrictions are placed on the titles to the land to prohibit future residential or commercial accommodation,
 - the Ministry for the Environment will monitor progress with the settlement package and ensure that payments to the affected businesses will only be made when agreed targets are achieved,
 - failure to achieve satisfactory progress will lead to the withholding of funds and, if necessary, the erection of public warning signs;
8. agree to provide a Government contribution of \$0.862 million (GST inclusive) towards the relocation of the motel, camping ground and the lodge to a safer locality in the vicinity of Franz Josef Village;

9. agree to establish a new appropriation item for Other Expenses to be incurred by the Crown item in Vote Environment for *Franz Josef Risk Mitigation*;
10. approve the following changes to appropriations to provide funds for risk mitigation at Franz Josef, with a corresponding impact on the operating balance:

	\$m – increase/(decrease)					
Vote Environment	2002/03	2003/04	2004/05	2005/06	Outyears	GST
Other Expenses to be incurred by the Crown: Franz Josef Risk Mitigation	0.862	-	-	-	-	Incl.

11. agree that the changes to appropriations for 2002/03 above be included in the 2002/03 Supplementary Estimates and that, in the interim, these expenses be met from Imprest Supply.

Marian L. Hobbs

Hon Marian L Hobbs
Minister for the Environment

George Hawkins

Hon George Hawkins
Minister of Civil Defence

Report



DATE: 28 May 2015

TO: Mayor and Councillors

FROM: District Planner

SUBMISSION ON WEST COAST REGIONAL POLICY STATEMENT (RPS)

1 SUMMARY

- 1.1 The purpose of this report is to gain Council approval for the submission from Westland District Council on the proposed West Coast Regional Policy Statement (RPS).
- 1.2 This issue arises from Council's delegations manual which delegates the ability to make a submission on any Plan or Policy Statement notified by the West Coast Regional Council to staff, however states an expectation that "major changes to a Plan or Policy Statement will be considered by the Council."
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council adopts the submission drafted by staff and approves it for submission to the West Coast Regional Council.

2 BACKGROUND

- 2.1 The West Coast Regional Council is required to review the Regional Policy Statement every 10 years. The existing RPS was made operative in March 2000. The West Coast Regional Council commenced public consultation on the draft RPS in December 2013 with the notification of an issues paper for comment.
- 2.2 The Council heard a presentation from the West Coast Regional Council at its June 2014 meeting which outlined key themes of the RPS.

- 2.3 Council staff provided comment on a circulated draft in September 2014. Two meetings have also been held with West Coast Regional Council staff at the request of WDC, to discuss comments on the draft RPS in further detail. The WCRC resolved to notify their finalised RPS for public submission at their March meeting.

3 CURRENT SITUATION

- 3.1 The West Coast Regional Council notified the Regional Policy Statement on 16 March 2015 for submissions, closing 22 May 2015. The Westland District Council has been granted an extension until 29 May 2015 to enable this submission to be considered by Council at its regular meeting.
- 3.2 As this is a submission on a plan change, the Council can support any aspects of the plan change or provide comments on any amendments sought or omissions. Following the submission process, the Council will be given the opportunity to submit on any other lodged submissions, and then a hearing date will be set by the Regional Council to hear and decide on the submissions and the RPS.

4 OPTIONS

- 4.1 Approve the draft prepared by staff for submission to the West Coast Regional Council.
- 4.2 Direct amendments to the draft and approve the amended draft for submission.
- 4.3 Elect not to make a submission on the Regional Policy Statement.

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 The Regional Policy Statement is a very important document under the Resource Management Act. The Westland District Plan is required to give effect to the provisions of the operative Regional Policy Statement.
- 5.2 The decision to adopt a submission on the RPS is administrative and therefore is assessed as being of low significance against Council's Significance and Engagement Policy. However, the ramifications of not submitting could be far reaching in the long term when Council comes to review its District Plan.

- 5.3 District Council staff have previously provided comments and met with Regional Council staff twice following submission of comments on the draft RPS. Comments provided by staff have been based on feedback from Councillors and our community during District Plan review consultation, hearings on resource consents and feedback from members of the public to Council officers.
- 5.4 The RPS has now been notified by the WCRC for a public submission process under the Resource Management Act.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 Council staff have drafted the attached submission following Council workshops on 28 August 2014, 11 May 2015 and an assessment under the Resource Management Act and against the District Plan. It is considered that the submission supports the intent of the RPS to encourage the use and development of resources on the West Coast and the consideration of the positive benefits that this brings, and asks for further clarity within the RPS to provide an appropriate balance.
- 6.2 If the Council elected not to make a submission on the RPS, it is considered that the Council would not be providing leadership to its community and the region. The RPS is a significant guiding document to all Resource Management documents prepared by the West Coast Regional Council and Westland District Council. The Westland District Plan review will be required to give effect to the RPS.

7 PREFERRED OPTION AND REASONS

- 7.1 Option 4.1 is the preferred option by staff as it is considered that the submission supports the ongoing balanced development of the District and region.

8 RECOMMENDATION

- A) **THAT** the attached draft submission on the West Coast Regional Policy Statement with any suggested amendments is approved for submission to the West Coast Regional Council.

Rebecca Beaumont

District Planner

Appendix 1: Draft submission on the West Coast Regional Policy Statement to the West Coast Regional Council

Appendix 1

SUBMISSION

TO **PROPOSED RPS**
WEST COAST REGIONAL COUNCIL
PO BOX 66
GREYMOUTH 7840

Submission made under Schedule 1, Part 1 Section 6 of the Resource Management Act 1991

SUBMISSION OF:

Westland District Council
Private Bag 704
HOKITIKA 7842

Contact Person: Rebecca Beaumont
District Planner
Westland District Council
Private Bag 704
Hokitika 7842

Telephone: (03) 756 9086
Email: rebecca.beaumont@westlanddc.govt.nz

The Westland District Council will not gain an advantage in trade competition through making a submission.

The Westland District Council does wish to be heard in support of their submission and would consider presenting a joint case with others who have made a similar submission.

Tanya Winter
Chief Executive

Date: 29 / 05 /2015

This is a submission on the following:

The Proposed West Coast Regional Policy Statement

The specific provisions of the proposed this submission relates to are:

The whole document

The decision sought is:

The Westland District Council supports the intent of the RPS, however recommends amendments to better reflect the outcomes sought by Westland District Council.

The reasons for the submission are:

Please refer below

Introduction

The Westland District Council (WDC) is supportive of the concepts promoted by the Proposed West Coast Regional Policy Statement (RPS). The RPS is an extremely important document which guides how the Regional and District Councils will mould and develop various statutory documents that have a significant bearing on the future of the West Coast Region.

We would like to see the importance of the RPS and what it means for the people of the Region to be even more strongly reflected. Recognition needs to be given to the importance of this document and its wide level of influence. The RPS is not a Regional Council document, it is a document for everybody and the District Councils will be looking to it for guidance as to how we carry out many of our functions. As submitters we wish to both promote the plan as notified but to suggest ways that it can be further improved.

Strong direction from the RPS will enable Councils to clearly work together as we strive to implement the projects set out in the West Coast Economic Strategy and the Triennial Agreements which seek to align our policy and regulatory documents, work towards one District Plan for the West Coast, and ensure that regulation is consistent, efficient and reduced where possible. Further detail and clarity within the methods, implementation and explanation sections would enable and inform these processes further and we have suggested amendments in the body of this submission.

There is a strong theme throughout the plan of enhancing business and development opportunities. The Westland District Council is extremely supportive of the enhancement of the Region including the promotion of business which leads to the betterment of our people. However, in enhancing business opportunities some balance will be required as some activities may affect the viability of other activities, including other businesses.

Recent case law has further confirmed the importance of an RPS to set out how Part II matters of the RMA will be provided for at a regional level. Ensuring that the RPS

addresses and contains provisions for all Part II matters, will provide further clarity for plan users as we apply the requirements of the RMA to proposals on the West Coast. The RPS as notified misses the opportunity to provide this regional guidance due to omissions of a number of sections.

Accordingly the following sections contain suggestions, including amendments, as to how the RPS could be further improved. Where changes to wording are suggested these are shown in bold and are underlined or struck through.

SUBMISSION POINTS

1. Positive Reinforcement

Across the course of the RPS there are important themes including:

- The encouragement and promotion of the development of resources in the Region;
- To provide for employment and development opportunities;
- Streamlined regulation;
- Regional Collaboration; and
- The creation of strong resilient communities.

The WDC supports these themes and concepts that will, together with other factors, lead to the strengthening and revitalisation of the West Coast. It is agreed that an important part of assisting in strengthening the economic position of the West Coast is to enable the utilisation of resources and it is recognised that the West Coast is resource rich. Resources include minerals, water availability, pastoral areas, the rich natural environment and features and our townships and residents. These features can be utilised in different ways to enable stronger economic viability and strong resilient communities.

The approach within the RPS to recognise the broader definition of environment, as set out in the RMA is supported. This approach reflects the existing Westland District Plan, and the direction that Council intends to progress in when reviewing the Westland District Plan over the next ten years. The recognition of the importance of community and the importance of increasing the resilience and sustainability of our townships is also supported and encouraged.

It is recognised that there are several tools to support economic growth and the creation of strong resilient communities and the RPS is but one of these tools. The provisions of the RPS should complement other strategies and initiatives being developed by Councils and the community so that these various documents work together towards an end goal. It is pleasing to see that reference to the West Coast Regional Economic Development Plan has been included in the RPS as this demonstrates a consistency of documents. The proposed RPS will reflect and give statutory weight to much of the work that is being jointly progressed by the local authorities on the West Coast.

Ensuring the availability of resources for their utilisation also provides clear guidance as to how a district council should approach the imposition of regulatory controls. This could include the simplification of land use controls but also stronger regulations to ensure other activities do not impose limitations on potential development. For example, ensuring that lifestyle developments will not impact or limit other activities, such as mining to occur. In the preparation of future regulatory documents such as a new district plan the WDC will be looking towards the guidance of the RPS and like the WCRC we will be looking at how a district plan will also assist in the promotion of development in our district including the strengthening of our communities.

The role of the RPS is also to set the environmental bottom lines for the region. Through setting the minimum baseline values at the overarching level of the RPS, the expectation for management of activities through Regional and District Plans can also be made clear. This in turn provides consistency between plans within the region, certainty to plan users, and to our community about the outcomes that are acceptable. The RPS as drafted is clear in its intent to promote development throughout the region, and the management of reverse sensitivity for industries and infrastructure. With additional clarity provided through policies relating to the management of effects on the natural and physical environment and promoting the mitigation of adverse effects, it is considered that the RPS will shape the positive development of our Region.

Overall the WDC is extremely supportive of enabling the development and enhancement of the West Coast. The benefits of doing so are clear. The WDC also suggests the WCRC should consider further how the promotion of development and enhancement of the Coast can be further promoted through the RPS particularly in reference to methods. Guidance should be provided as to the next steps that could be taken and the RPS further amended to include this.

2. Maintaining Opportunities

The RPS is supportive of the development opportunities across the region for the purpose of supporting and encouraging business, creating stronger and resilient communities and creating employment opportunities. The WDC is supportive of these concepts but it is suggested that in some instances in order to foster development it will be necessary to consider what environments need to be protected and enhanced.

We need to make the West Coast an attractive place to live and provide opportunities for those people who live here. Substantial weight needs to be given to the impacts of tourism and the significant positive benefits it can have. People visit the West Coast for a variety of reasons but one of the key reasons is the seemingly untouched, wild, natural beauty. It is possible to develop tourism opportunities, such as the West Coast Wilderness Trail, Treetop Walkway, Waiatoto Jet, and Glacier Guiding based on this natural beauty. Tourism activities, and their multiplier effects, contribute significantly to the Westland and regional economy.

It is not enough to rely on the 86% of the Region which is vested in Conservation ownership. We want to see the Region as a whole being the best that it can.

It is therefore suggested that a balance needs to be incorporated into the RPS to ensure we retain all business and development opportunities including those that necessitate a protection and enhancement of our environment.

As part of this we also need to promote that on the West Coast we do things well. A development can be undertaken in various ways which will have varying levels of impact. For example a well-managed and designed mining activity may well have far different impacts compared to a poorly designed and managed activity. Development can occur in areas of natural beauty with appropriate controls to ensure that this beauty is not irrevocably impacted on, and it is important to ensure that the RPS is promoting the consideration of these values. This is not to say that the West Coast is a museum that should not be altered. It is simply stating that a “development at any cost” approach will be damaging to Westland’s development over time.

It is recognised that there is a careful balance required and in accordance with the overall thrust of the RPS it is also recognised that development to maintain and enhance the region is of primary importance. This does not alter the fact that we need to use these resources wisely such that a maximisation of opportunities is available so that undertaking one activity does not negatively influence another. An example of this could be significant adverse visual impacts of a development negatively affecting local tourism.

If we can achieve an appropriate balance and do things well we will maximise the opportunities for the enhancement of our region.

Currently we question whether the RPS provides the appropriate balance, as it seems to be only promoting development without considering how it should actually be done. On this basis, the WDC encourages the following changes:

Economy and Environment

The Regional Policy Statement is developed giving weight, and finding the balance, between economic and environmental considerations. It recognises that a healthy West Coast economy needs a healthy environment. This Regional Policy Statement is enabling, balancing improving the economy and using our resources wisely, with managing and investing in the environment to achieve our future aspirations for improvement throughout the West Coast. **This includes ensuring that developments do not significantly limit or negatively impact other opportunities, and that when development is carried out it is done so in a manner that manages environmental effects.**

Issues	
Use and Development	<p>1. Recognising the central role of resource use and development on the West Coast.</p> <p>2. Managing conflicts arising from the use and development of resources.</p> <p><u>3. Ensuring developments are carried in accordance with best practice so as to ensure the qualities of the West Coast are maintained where possible.</u></p>
Biodiversity and Landscapes	<p>1. The RMA requires Councils to provide protection to significant indigenous vegetation and significant habitats of indigenous fauna.</p> <p>2. While the protection of significant indigenous vegetation and habitat of significant indigenous fauna is provided for within regional and district plans, in the context of the current abundance of conservation land it would be sensible for ownership of all such significant areas to be within the Department of Conservation's land portfolio.</p> <p>3. The relatively unmodified environment of the West Coast provides a wealth of outstanding natural features and landscapes, and outstanding natural character. Management of these areas should not unnecessarily restrict future employment, regional growth or development.</p> <p><u>4. Attracting and maintaining residents and visitors requires suitable management of potential impacts on the amenity and character of the West Coast, including its biodiversity and landscapes.</u></p>
Land and Water	<p>1. Managing adverse effects on water quality arising from point source and diffuse source discharges to waterbodies from activities on land.</p> <p>2. Potential overuse of water resources can occur in certain areas during drier seasons.</p>

	<p>3. Integrating the management of subdivision, use and development activities on land with the potential effects on water quality.</p> <p><u>4. Managing activities on land and water to reduce impacts on other potential activities, including developments, and to ensure the attractions of the West Coast environment are maintained and enhanced.</u></p>
--	--

Page 14, Fourth Paragraph

The relatively recent emergence of the strengthening dairy and tourism sectors have provided alternatives to the mineral extraction industries. But the future of the region cannot rely on these three sectors alone. Further diversification of the economy is crucial - to counteract fluctuations in the commodities market, exchange rates and the needs and wants of our export and tourism markets. The dispersed nature of the West Coast means that even small to medium-sized investment can have significant positive impacts. The West Coast needs to present itself as an attractive place to live and do business, inviting diversification of the key industries and providing alternatives from the cornerstones of the traditional earners. This diversification will come in part from providing reliable access to regional resources, **an availability of quality living environments, an assurance that other activities that may affect a development are suitably controlled,** as well as ensuring sound, consistent and reliable regulatory processes.

Page 15, Policy 2

2. Regional and District Plans shall:
 - a) Only contain regulation if it is the most effective and efficient way of achieving resource management objective(s), taking into account the costs, benefits and risks;
 - b) Be as consistent as possible;
 - c) Be as simple as possible;
 - d) Use or support good management practices;
 - e) Minimise compliance costs where possible;
 - f) Assist in the enhancement of the Region through the encouragement of the area being an attractive place to live and visit;**
 - g) Enable subdivision, use and development that accords with the Regional Policy Statement; and**
 - h) Focus on effects and, where suitable, use performance standards.**

Page 17, Anticipated Environmental Results

ANTICIPATED ENVIRONMENTAL RESULTS

1. Improved coordination and collaboration with resource management and related functions between the Regional and District Councils, using shared services principles.
2. Simplified application of regulation, using a light touch wherever possible.
3. New use and development fits within the context of the surrounding environment and provides a range of lifestyle choices.
- 4. Development is encouraged and promoted within the Region while ensuring such development will not significantly impact other potential development opportunities, and the use of best practices are also encouraged to manage environmental impacts.**

Page 20, Methods:

METHODS

1. Provide for sustainable use and development of natural resources through Regional and District Plan rules, and resource consents.
- 2. When encouraging the development of resources, ensure such use and development will not significantly impact other development opportunities and that best practices are incorporated into a development to manage environmental impacts.**

It is also considered that Policy 3(c) in Section 7 Biodiversity and Landscapes requires amendment to recognise the benefit obtained from our Outstanding Landscapes in the Region. There are sufficient policies elsewhere within this RPS that ensure that during consideration of any proposal, the benefit obtained from the use and development will be considered alongside any effects. It is not necessary therefore to have the consideration of the benefits derived from use and development being assessed as a criteria when considering if subdivision, use and development of an outstanding landscape or feature is appropriate. This duplication weakens, rather than strengthens the clarity of the RPS.

3. Heritage

As promoted in the introduction of this submission the RPS covers issues of significance to both the Regional Council and the District Councils. The RPS is designed to guide all of the Councils and in fact requires Councils to follow specific directions through other documents including District Plans. The Westland District Council considers that a significant resource management issue for the region is heritage.

Our Council's vision includes "proudly promoting, protecting and leveraging our historic, environmental and natural resource base to enhance lifestyle and opportunity for future generations". We consider that heritage is valued by this Council and the Westland community. The RPS does not consider the protection of heritage values to be a regionally significant issue and states that guidance can be provided for within the Regional and District Plans without mention within the RPS. We disagree and consider the RPS should include provisions reflecting the contribution of heritage to our region, and promoting the protection of significant heritage items.

As previously stated, the RPS provides the guidance as to the implementation of the RMA at a Regional level. Through not including guidance on a matter stated within the RMA as a matter of national importance, the RPS has missed an opportunity to set consistent regional direction as to how each Council will manage how potential effects of the use and development of land and resources on heritage values and amenity will be managed, and to set out methods for the positive benefits brought about by protecting our significant historic heritage can be enhanced.

It is our view that Westland's heritage forms a core part of our identity, and is leveraged for tourism and associated commercial development. Heritage buildings and features also add to the character and amenity of our towns.

The West Coast has an abundance of heritage and archaeological sites, of varying significance. In order to facilitate use and development within the region, whilst protecting heritage values, the RPS could contain provisions relating to the importance of protecting and preserving significant heritage items, places, buildings and archaeological sites, and the ability to work with and advocate to Heritage New Zealand to study, record or relocate other items of less significance.

It is important to acknowledge that ongoing use of heritage buildings allows for their protection, and avoids "demolition by neglect". The requirement to strengthen earthquake prone buildings to meet the current Building Code is a significant challenge for communities across the Region.

However heritage is also more than built structures, and in addition to Part II, the New Zealand Coastal Policy Statement requires additional matters to be provided for within Regional Policy Statements and Plans in relation to historic heritage within the coastal environment. It is considered that even if the WCRC does not agree that the protection of heritage is a significant matter for the Region, that the RPS should contain provisions relating to heritage values as part of providing for integrated management within the Region and to meet the requirements of the Act.

It is therefore proposed that a new section is incorporated into the RPS which is set out below. The Council considers that the provisions strike the right balance by recognising the contribution of heritage to our communities, while ensuring that the focus is on significant heritage.

Issues	
<u>Cultural and Historic Environment</u>	<u>1. Recognising the history of the West Coast and ensuring its pivotal role in the creation of the Region are recognised, protected and enhanced.</u>

12. Heritage

Background to the Issues

Historic heritage contributes to the West Coast's unique identity. The West Coast's communities each have sites and areas, both natural and built and including areas within past and present settlements, which have particular cultural and heritage value. The contribution that such sites, and their associated values, have on cultural well-being are often not recognised or appreciated until they are lost forever.

Section 6(f) of the Resource Management Act 1991 (RMA) recognises the protection of historic heritage from inappropriate subdivision, use and development as a matter of national importance, which must be recognised and provided for. The definition of Historic Heritage in Section 2 of the RMA is broad and inclusive and includes the management of the relationships and linkages of historic heritage sites, places and areas in their whole context as historic landscapes. Historic landscapes in the coastal environment are specifically recognised in Policy 17 of the New Zealand Coastal Policy Statement.

The significant issues in relation to the management of heritage for the West Coast are:

1 – LOSS OR DEGRADATION OF HISTORIC HERITAGE - Inappropriate use, development or subdivision can lead to loss or degradation of historic heritage values that make a significant contribution to a regional sense of identity.

2 – HISTORIC CULTURAL AND HISTORIC HERITAGE LANDSCAPES - Historic cultural and historic heritage landscapes can be adversely affected by inappropriate subdivision, use and development.

Based on these issues, the following Objectives, Policies and Methods are suggested:

Objective 1 – Protection of historic heritage

Historic heritage values are identified and protected from inappropriate subdivision, use and development.

Explanation/Principal Reasons

Historic heritage supports the cultural, social and economic wellbeing of the community. For example, many community activities celebrate the historical characters, industries and other activities in the region. Protecting this resource will ensure that the opportunity to benefit from historic heritage is open to both current and future generations.

Objective 2 – Built heritage

The built heritage of the West Coast is appropriately recognised, and where possible utilised.

Explanation/Principal Reasons

The West Coast's built heritage supports community identity and wellbeing and is integral to the character of the region. Recognising the West Coast's built heritage and utilising it in a manner that provides for contemporary use while integrating the resource into the streetscape and landscape, and ensuring that the values of the resource are retained, will increase the community's understanding and appreciation of built heritage and enable the resource to be protected for future generations.

Objective 3 – Historic heritage values

Historic heritage values are appropriately managed to avoid or mitigate the potential adverse effects of natural processes and climate change.

Explanation/Principal Reasons

Natural hazards may pose a risk to historic heritage (for example, flooding, earthquakes, storms). Climate change may intensify the effects of certain natural hazards (for example, coastal erosion because of sea level rise). Avoiding these effects may be achievable in certain circumstances, but it may be impractical and even undesirable in others. Therefore, it is important to improve knowledge around the threats that natural hazards and climate change pose to the West Coast's heritage, so that priority and resources can be given to protecting and managing the region's most important historic heritage.

Policy 1 – Public awareness and appreciation

Promote public awareness and appreciation of the West Coast's historic heritage.

Explanation/Principal Reasons

Raising public awareness and increasing the understanding of historic heritage will help protect the resource for future generations. Non-regulatory methods such as providing information, education and financial incentives for protection where possible are important because much of the region's historic heritage is on privately owned land.

Policy 2 – Protection of historic heritage

Protect historic heritage values from inappropriate subdivision, use and development.

Explanation/Principal Reasons

On the West Coast, there are a wide range of historic heritage resources including built heritage, heritage landscapes, archaeological sites and cultural heritage resources significant to tangata whenua. Some heritage values are being modified or damaged by subdivision, use and development. Local authorities have an obligation under Section 6(f) of the Act to protect historic heritage values.

Policy 3 – Integration with new use

Encourage the integration of historic heritage with new subdivision, use and development in both rural and urban areas.

Explanation/Principal Reasons

Integrating historic heritage with new subdivision, use and development can help retain heritage values as well as enhance contemporary developments. Provided that the values and integrity of the historic heritage site are not compromised, redevelopment should sympathetically extend the life and enhance appreciation of the site's historic heritage. For example, upgrading an old house may involve the restoration of the original design, material and fabric of the building, or restoring the surrounding gardens.

Policy 4 – Consultation

Consult tangata whenua, Heritage New Zealand Pouhere Taonga, and the community in the management of historic heritage.

Explanation/Principal Reasons

Tangata whenua have occupied the West Coast for 700 years or more. Therefore, a significant proportion of the region's heritage (including wāhi tapu, wāhi taonga and other sites of cultural significance) is associated with Māori occupation. To recognise the sensitivity associated with some historic heritage resources this policy affirms the need to consult with tangata whenua, as kaitiaki, when managing the West Coast's historic heritage resources.

Heritage New Zealand Pouhere Taonga is the Crown entity that promotes the recognition, protection and promotion of New Zealand's historic and cultural heritage. It is also the consenting authority for all pre-1900 archaeological sites and compiles Rarangi Taonga: the Register of Historic Places, Historic Areas, Wāhi Tapu and Wāhi Tapu Areas. The Register is established under the Historic Places Act 1993, therefore consultation with Heritage New Zealand Pouhere Taonga is not only valuable, it is often a legal requirement.

Many historic heritage values are determined at a community level. These values may also be significant at a local level. Local significance should not necessarily be considered as of lesser importance than regionally, nationally or internationally recognised values. To determine local values and their significance, consultation with the community is essential.

Policy 5 – Natural processes and climate change

Manage the adverse effects of natural processes and climate change on historic heritage values.

Explanation/Principal Reasons

Many of the West Coast's historic heritage sites are located along the coastline, so they are particularly vulnerable to coastal erosion. Natural processes such as flooding and changing weather patterns and alterations associated with climate change, such as sea level rise, can erode and break down the physical structure of heritage sites and modify the surrounding landscape. Natural hazards may also pose a risk to historic heritage (for example flooding, earthquakes and storms.) A number of methods are available to manage historic heritage values at risk from natural processes and climate change, for example salvage, relocation or excavation; and methods to obtain information from the site for records such as augering and radio carbon dating.

Policy 6 – Collaborative management

Provide for the West Coast's historic heritage resources to be managed in a regionally consistent, collaborative and integrated manner.

Explanation/Principal Reasons

A number of agencies including the West Coast Regional Council, the territorial authorities, the Department of Conservation, Heritage New Zealand, Te Runanga o Makaawhio, Te Runanga o Ngati

Waewae and Te Runanga o Ngai Tahu have roles and responsibilities regarding the management of historic heritage on the West Coast. For example, Heritage New Zealand maintains a register of historic and wāhi tapu places and areas. This aids the management of historic heritage by providing information to local authorities and the community. However, each agency has skills, interests and values that contribute to heritage management. To ensure the resources of each agency are employed to greatest effect and the best outcome is achieved, open communication and the free flow of information between all parties is important.

Policy 7 – Adaptive reuse

Encourage the adaptive reuse of historic heritage.

Explanation/Principal Reasons

Adaptive reuse involves modifying historic heritage buildings or structures that may require new architectural interior/exterior features to allow for a compatible new use with the least possible loss of historic heritage. It is an effective way to prevent historic heritage buildings and structures from becoming degraded due to neglect and to retain the usefulness of the building or structure to conserve historic heritage for future generations. This policy recognises the direct relationship between social, cultural and economic wellbeing and the ability to repair, reconstruct, seismic strengthen, conserve and maintain historic buildings, while being sensitive to the historic values of the buildings and their surrounds. Economics will often be a factor as to how quickly or easily re-use can be achieved, and will need to be considered on a case-by-case basis.

Policy 8 – Decisions relating to protection

Ensure that decisions relating to the protection of historic heritage take into account factors such as any heritage values, financial cost and technical feasibility.

Explanation/Principal Reasons

The contribution of an historic heritage resource to the West Coast's identity and culture will depend on the nature and significance of the resource. It may be appropriate to allocate funding to protecting only those resources of significance to the community. However, such a decision must take into account the values of the resource, the cost of protecting the resource and the technical feasibility.

METHODS

The West Coast Regional Council will:

Method 1 - Regional heritage inventory

The West Coast Regional Council will collaborate with the territorial authorities, tangata whenua, Heritage New Zealand, Department of Conservation and other relevant stakeholders to facilitate, develop and provide access to a GIS-based inventory of Historic Heritage (Regional Heritage Register) for the West Coast region.

Local Authorities will:

Method 2 – District Plans and Regional Plans

Establish and maintain provisions in regional plans and district plans that:

- a) Provide for the protection of Historic Heritage from the potential adverse effects associated with natural processes and climate change.
- b) Provide for the protection of historic heritage from inappropriate subdivision, use and development.

Mechanisms may include:

- i) Archaeological and heritage assessments.
- ii) Heritage alert layers.

- iii) Accidental discovery protocols.
- iv) Cultural value assessments and/or cultural impact assessments.
- v) Conservation, open space and other appropriate covenants.
- vi) Heritage orders; and
- vii) Financial and other incentives.

Method 3 – Identification, prioritisation and protection of historic heritage.

Work collaboratively to identify known historic heritage sites, structures, areas, landscapes or places that require protection from inappropriate subdivision, use and development.

Local Authorities will be encouraged to:

Method 4 - Regional heritage forum

Collaborate with regional and territorial authorities, tangata whenua, Heritage New Zealand, Department of Conservation, Te Runanga o Makaawhio, Te Runanga o Ngati Waewae, and Te Runanga o Ngai Tahu, the New Zealand Archaeological Association and other stakeholders (as relevant) to facilitate the establishment of a Regional Heritage Forum. This forum will develop and assess options for a framework for the management of Historic Heritage.

This framework may include recommendations such as:

- a) the development and management of the West Coast Coastal Heritage Inventory Project;
- b) new or additional provisions in regional or district plans;
- c) heritage schedules;
- d) the development of regional and local heritage strategies;
- e) the development of protocols for dealing with cross-boundary issues;
- f) identification of available incentives or grants;
- g) identification and monitoring of threats and recommendations to address or respond to those threats.

Method 5 - Education, information, advocacy and consultation

- a) Advocate for appropriate recognition and consideration of specialist assessment and other resources, including the Heritage New Zealand Guidance Series.
- b) Undertake and support education programmes and the provision of information that promote awareness, understanding and conservation of Historic Heritage.
- c) Consultation shall be undertaken to ensure the views of interest groups and the public are taken into account in preparing documents and prior to making decisions on non-statutory matters.
- d) Advocate for the protection and, where possible, the enhancement of Historic Heritage to landowners and developers, and consult and engage with Heritage New Zealand, tangata whenua, the Department of Conservation and other relevant interest groups concerned with Historic Heritage.
- e) Actively encourage and support tangata whenua to identify areas and values of cultural, spiritual and traditional significance (including appropriate protocols and access) and to monitor and manage such areas by providing technical advice, information and/or administrative support.

Method 6 – Other Methods

Collaborate with other local authorities to investigate additional methods that may be used to implement the policies of this chapter of the West Coast Regional Policy Statement.

Explanation/Principal Reasons

The methods provide a means of achieving a council's objectives and policies in relation to meeting their statutory obligations under the Act. The costs of adopting these methods are outweighed by the benefits, particularly where the sustainable management of the natural and physical environment in relation to Historic Heritage is concerned. These methods are considered to be most appropriate for achieving the West Coast Regional Council's objectives and policies, and meeting their wider statutory obligations.

4. Natural Hazards

Natural hazards have been identified as a significant resource management issue in the RPS and this is supported. There is growing understanding of the risks and effects of natural hazards and the importance of attempting to reduce the substantial effects that a natural event can have. The Westland District Council has been working on potential hazard controls in the Franz Josef area and attempting to control or reduce the effects of fault rupture during an Alpine Fault earthquake event. We expect that these kinds of attempts will be supported through the RPS.

A review of the provisions of the RPS identifies strong objectives and policies relating to the need to increase community awareness, improving planning to reduce the susceptibility of the West Coast community, avoiding the need for protection works, and avoiding the adverse effects of climate change through the location and protection of new development. These provisions are supported.

The Franz Josef/Waiau community has expressed a strong desire for an 'all hazard' approach to hazard identification and mitigation to facilitate the future development of Franz Josef, a critical contributor to the regional economy. This will require a cross Council, multi-agency approach. Clear direction set within the methods of the RPS would provide clarity as to how the Councils intend to work together to plan for the future of communities such as Franz Josef/Waiau that are subject to multiple hazards. It is also an important function of the RPS under section 62(1)(i)(i) to set out local authority roles in the region in relation to setting out objectives and policies in relation to the "*control of the use of land to avoid or mitigate natural hazards or any group of hazards*". The present provisions within the 'reasons' section of this chapter simply state that the WCRC will control functions under the Land and Water Plan and activities within the CMA or beds of lakes and rivers and other waterbodies. This does not give any clarity as to how the Regional and District Plans will jointly address a hazard such as the Waiho River. It is our view that the requirements of section 62(1)(i)(i) and section 30(i)(c)(iv) of the RMA have not been met in this regard.

It is also considered that in promoting the development of the region consideration needs to be given to those areas which are appropriate for development and will not be susceptible to significant natural hazards. A developer would expect to have this information readily available in considering the establishment of an activity.

It is suggested that the methods of implementation could be further strengthened to better reflect the objectives and policies.

On this basis the following amendments are recommended:

METHODS

1. Increase understanding and public awareness of natural hazards, including the potential influence of climate change on natural hazard events.
2. Use the most up to date and accurate information available in areas potentially affected by natural hazards.
- 3. The Regional Council shall, with the support of District Councils, develop or support programmes, where necessary, to investigate the following:**
 - a. Identify areas subject to coastal erosion;**
 - b. Identify areas subject to coastal inundation including at risk from a tsunami;**
 - c. Determine areas subject to 1% AEP flood events;**
 - d. Delineate fault avoidance zones along known active fault traces;**
 - e. Delineate areas susceptible to liquefaction and lateral spreading; and**
 - f. Identify those built up areas at risk from land slippage and erosion.**

4. The Regional and District Councils will work together to investigate and define potential high hazard areas where information is uncertain or insufficient.

- 53.** Include provisions in regional and district plans that address natural hazard issues including the control of the use of land to avoid or mitigate natural hazards. Particular methods may include:
- a) Special hazard controls, including rules and zones
 - b) Identification of natural hazards on maps and registers;
 - c) General building and development controls or criteria;
 - d) Subdivision controls.

- 64.** Take into account the location, nature and potential extent of natural hazards when providing and planning for the provision of essential lifeline utilities.

- 75.** The Regional Council will maintain detailed regional flood response strategies in priority catchments as well as initiating and maintaining flood protection works where communities are willing to fund such works.

8. The Regional and District Councils will promote the development and use of guidelines to guide the design and assessment of new development in relation to hazards.

- 96.** The Regional and District Councils will maintain and implement the Civil Defence Emergency Management Group Plan for the West Coast, and Local Arrangements, setting out regional and district emergency responses and contingency provisions in the event of a natural hazard event as members of the Civil Defence Emergency Management Group.

- 107.** The Regional and District Councils will maintain a civil defence emergency management response capability, which includes the ability to assist in the establishment and coordination of disaster relief and recovery assistance programmes.

- 11. Both the Regional and District Councils request applicants for privately initiated plan changes or resource consents, where relevant, to provide baseline information or fund investigation on risks or impacts of natural hazards such as flooding, land instability, coastal hazards or active faults at a local scale, in order that the environmental effects of the proposal or change can be adequately assessed at an appropriate level of detail. This may include the applicant working with the West Coast Regional Council to gather information.**

- 12. Initiate, coordinate and promote activities that assist communities to build resilience to the effects of natural hazards**

- 13. Assist vulnerable communities to adapt to the consequences of natural hazards, including those that are likely to be adversely affected by climate change and resultant sea level rise.**

5. Coastal Environment

The coastal area is a significant part of the West Coast and it is important that there is a clear understanding of the roles and responsibilities between councils particularly in relation to cross boundary issues and how they will be managed.

It is noted that the RPS provides direction that the coastal environment is not limited to the area below Mean High Water Springs (MHWS) and it instead covers those areas where there is a coastal influence. This is supported. It is considered that the WCRC has a broader role within the management of the Coastal Environment than stated in the introductory paragraphs of this section which seems to state that management of the Coastal Environment above the Coastal Marine Area is the “jurisdiction of district councils”. The efficient management of the coastal area is a cross boundary issue for the West Coast, and the RPS could be a document to clearly set out how the multitude of requirements set out within the NZCPS and RMA will be managed within the coastal environment. The WCRC needs to review this section of the RPS to ensure that the requirements of the NZCPS are met in full.

Following the West Coast Regional Council’s release of the draft Coastal Plan, there appears to be a policy gap in managing the coastal environment between the draft Coastal Plan and the Land and Water Plan. It may be that some of these matters could be resolved through greater discussion and collaboration between Councils and additional guidance within the RPS.

One method of cross boundary management is that the current methods state that the Coastal Plan will identify hazards within the CMA only. Given that an area of hazard is unlikely to terminate at the Mean High Water Spring, and indeed has most likely been considered a hazard area because of effects occurring above Mean High Water Spring, it is considered that this method should be amended to address hazards within the Coastal Environment. Alternatively, if the WCRC does not wish this component to be within the Coastal Plan, then it could create an additional schedule to this RPS in relation to Coastal hazards and then state that Regional and District Plans will address hazard risks within those areas.

Although it may be considered to have been addressed within the Natural Hazards section, it is considered that in areas of significant hazard risk, new development and use should be avoided where possible. The current method 2 utilises resource consent, building consents, and rating districts only to manage hazard risk when in some situations plan provisions would provide greater certainty.

Page 33, Methods

METHODS

1. Allow appropriate use and development in the coastal environment, and manage adverse effects of activities by provisions in the Regional Coastal Plan, the Land and Water Plan, and district plans.
2. Use provisions in regional and district plans, resource consent, building consent, and rating district processes to assess and manage the risk of coastal hazards affecting development in the coastal environment.
3. Identify Coastal Hazard Areas in the Regional Coastal Plan, including areas at high risk of being affected by a coastal hazard.
4. Consider using expert advice where there may be a medium or high risk of significant existing development being affected by a coastal hazard.

5. Review and amend the Coastal Plan and the Land and Water Plan to ensure the area influenced by the coastal environment is addressed by both documents including direct connections and overlap between the two documents.

6. Management of Activities

The provisions relating to recognising the importance of the use and development of resources and the need to manage potential conflicts of interest with these are supported.

A significant issue for District Council generally is the management of activities including their location so as to ensure resources, particularly infrastructure, are used to their potential. A common issue in regards to this is the locating of commercial activities. It is preferable to group similar activities together such that potential effects can be contained to an area. This has a more controlled effect compared to commercial activities being scattered over a wider area amongst areas such as residential.

Given the common and ongoing issues with the management of activities and their groupings including retention of a commercial area it is sought that support is provided through the RPS.

Within Westland District there is perceived conflict between mineral extraction, commercial activities, and their residential or rural residential neighbours. Encouraging specific methods within District and Regional Plans to address this is supported. However, in order to implement the proposed policies into the District and Regional Plans, it is considered that further work will be required to obtain sufficient information to identify where significant mineral resources exist within each District. This information will also benefit the Councils to promote opportunities within each District and could be undertaken as an economic development initiative. It is considered necessary that this information is collated by the Council, as alternatively individual landowners will be required to obtain this information themselves which will increase costs and deter development for rural activities that may be required to establish whether or not a mineral resource is present prior to further development of agricultural activities. If an additional method was added to clarify that the Region was collating this information and will make this publicly available, then it will enable clear precise implementation of this policy.

It is also considered that there is a lack of clarity as to how plan users will determine if land is “likely to be needed for regionally significant infrastructure” due to the broad definition of what regionally significant infrastructure is.

Accordingly amendments are suggested to be incorporated into the RPS as set out below:

Page 11, Table 2, Second Point:

Issues	
Use and Development	<p>1. Recognising the central role of resource use and development on the West Coast.</p> <p>2. Managing conflicts arising from the use and development of resources.</p> <p><u>3. Ensuring developments are carried in accordance with best practice so as to ensure the qualities of the West Coast are maintained as best as possible.</u></p> <p><u>4. Encouraging activities of a like nature to be grouped together to ensure potential effects are controlled and infrastructure is efficiently utilised.</u></p>

Page 19, Policies

POLICIES

1. Recognition will be given in resource management processes to the role of resource use and development on the West Coast and its contribution to enabling people and communities to provide for their economic, social and cultural wellbeing.
2. To recognise that natural and physical resources important for the West Coast's economy need to be protected from significant negative impacts of new subdivision, use and development, and land protection with particular emphasis on either:
 - a) Reverse sensitivity for:
 - i) primary production activities;
 - ii) industrial and commercial activities;
 - iii) minerals extraction*;
 - iv) significant tourism infrastructure; and
 - v) existing and planned regionally significant infrastructure.
 - b) Sterilisation of:
 - i) land with significant identified mineral resource; or
 - ii) land which is likely to be needed for regionally significant infrastructure.
- 3. Activities shall be managed, including through the use of zoning's to ensure activities of a like nature are grouped together so as to manage potential effects and also to enable the efficient use of infrastructure.**

Method –

The West Coast Regional Council shall, with the support of Minerals West Coast, Development West Coast and the District Councils undertake a study to collate information held on the mineral resource of the West Coast, to be utilised to confirm whether the resource is considered 'significant' in relation to Policy 2(b).

7. Integrated Management

A theme through the RPS is the integrated management of activities. For example a significant issue in section 8 (Land and Water) is identified as follows:

“3. Integrating the management of subdivision, use and development activities on land with the potential effects on water quality.”

An integrated management approach is considered appropriate and should be encouraged as it provides the opportunity for all aspects of a proposal to be considered together at the same time. Likewise an integrated approach would mean that regional and district councils should work together to consider an issue and how that issue is managed. The WDC supports the promotion of integrated management in the RPS and encourages that the concept is progressed further through additional changes to the RPS such as the additional provisions suggested in this submission to add further clarity to Council roles and responsibilities. Section 1.3.2 and 1.3.3 could also be rewritten to provide further clarity in this regard. This will enable all four Councils to progress towards our combined plans with more efficiency and ease.

Report



DATE: 28 May 2015

TO: Mayor and Councillors

FROM: Group Manager: Corporate Services

REPORT TO COUNCIL – QUARTERLY PERFORMANCE REPORT TO 31 MARCH 2015

1 SUMMARY

- 1.1 The purpose of this report is to inform Council of its financial and service delivery performance for the nine months ended 31 March 2015 (Q3).
- 1.2 This issue arises from a requirement for a local authority to demonstrate accountability and exercise financial prudence in delivering on its commitments to the community, as contained in the Annual Plan 2014/15.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council receives the Quarterly Performance Report to 31 March 2015, attached as **Appendix 1**.

2 BACKGROUND

- 2.1 The service delivery targets were set for each activity in the Long Term Plan 2012/22.
- 2.2 The most recent, and thus realistic financial comparator, is the Annual Plan 2014/15.

3 CURRENT SITUATION

- 3.1 The quarterly report examines Council's progress in delivering municipal services within its prescribed financial framework.
- 3.2 This will be the final quarterly report before construction of the Annual Report 2014/15.
- 3.3 This quarterly report contains the following information:
 - 3.3.1 Whole of Council Financial Summary
 - 3.3.2 Statements of Service and Financial Performance for each group and activity
 - 3.3.3 Projects
 - 3.3.4 Treasury
 - 3.3.5 Reserve Funds

4 OPTIONS

- 4.1 Receive the report.

5 SIGNIFICANCE AND CONSULTATION

- 5.1 This report is for information only.
- 5.2 The decision to receive the report is of low significance and requires neither consultation nor assessment of options.

6 RECOMMENDATION

- A) **THAT** Council receives the Quarterly Performance Report to 31 March 2015 attached as **Appendix 1**

Gary Borg
Group Manager: Corporate Services

Appendix 1: Quarterly Performance Report to 31 March 2015



QUARTERLY PERFORMANCE REPORT TO 31 MARCH 2015

CONTENTS

WHOLE OF COUNCIL FINANCIAL SUMMARY

Variance analysis

Graphs

LEISURE AND CULTURAL ASSETS GROUP

Library

Museum

Swimming Pools

I-SITE

Events

Community Halls and Buildings

Parks and Reserves

Cemeteries

Elderly Housing

COMMUNITY SERVICES GROUP

Community Development

Community Assistance

PLANNING AND REGULATORY SERVICES GROUP

Inspections and Compliance

Resource Management

Animal Control

Emergency Management

TRANSPORTATION GROUP

WILDERNESS TRAIL

WATER SUPPLY GROUP

WASTE WATER GROUP

STORMWATER GROUP

SOLID WASTE MANAGEMENT GROUP

OTHER INFRASTRUCTURAL ASSETS AND SERVICES GROUP

Community Township Development

Land and Buildings

Public Toilets

Democracy Services

Corporate Planning

CORPORATE SERVICES GROUP

CE Administration

Information Services

District Assets Group Admin

In-house Professional Services

Planning and Regulatory Admin Group

Council Headquarters

Vehicle Operations

Corporate services admin

PROJECTS REPORT

TREASURY REPORT

RESERVE FUNDS REPORT

WHOLE OF COUNCIL FINANCIAL SUMMARY

WESTLAND DISTRICT COUNCIL	Year to March			Full year 2014-2015	
	Actual	Budget	Variance	Budget	FY Forecast
Operating revenue					
User fees and charges	2,976,759	1,541,399	1,435,360	1,967,048	3,317,003
Grants and subsidies	990,659	1,176,860	(186,200)	3,059,974	2,950,028
Other income	670,122	839,185	(169,062)	894,687	890,211
Total revenue (A)	4,637,540	3,557,443	1,080,098	5,921,709	7,157,242
Operating expenditure					
Personnel costs	2,281,503	2,352,268	70,765	3,128,999	3,060,493
Administrative costs	368,778	351,399	(17,379)	541,419	558,798
Operating costs	6,131,799	6,671,853	540,054	8,901,924	9,307,985
Grants and donations	441,214	279,370	(161,844)	352,909	451,096
Total operating expenditure (B)	9,223,294	9,654,891	431,597	12,925,251	13,378,372
Net operating cost of services - surplus/(deficit) (A - B)	(4,585,753)	(6,097,448)	(1,511,695)	(7,003,542)	(6,221,130)
Other expenditure					
Interest and finance costs	665,577	675,534	9,956	900,711	900,711
Overheads	3,685,437	3,966,995	281,558	5,289,327	4,898,479
Depreciation	4,244,614	3,896,042	(348,572)	5,194,722	5,488,200
Total other expenditure (C)	8,595,628	8,538,570	(57,058)	11,384,761	11,287,390
Total expenditure (D = B + C)	17,818,922	18,193,461	374,539	24,310,012	24,665,762
Funded by					
Rates	7,877,759	8,539,607	(661,848)	11,386,142	11,386,142
Overhead recoveries	3,824,444	4,114,036	(289,592)	5,485,381	5,195,789
Total funded (E)	11,702,203	12,653,643	(951,439)	16,871,523	16,581,931
Net cost of services - surplus/(deficit) (A + E - D)	(1,479,178)	(1,982,376)	503,198	(1,516,780)	(926,589)

Revenue

User fees and charges:

- Received \$1.2k higher metered water charges, (\$1.1k Hokitika, rest Franz and Fox)
- Liquor licence fees, I-site retail sales and Museum admissions all above budget
- Lower than budgeted Inspections fees (\$20k)
- Lower visitor numbers to Wild Foods festival resulting in lower admission fees and other revenues.

Grants and Subsidies:

- NZTA subsidy actual/budget timing (\$131k received April)
- Events not now eligible for grant (\$36k)

Other Income:

- Museum Received \$16k donation not budgeted in annual plan.
- Overall reduction in other income, lower Events revenue, I-Site commission, HQ other rental income, resource management recoveries

Expenditure

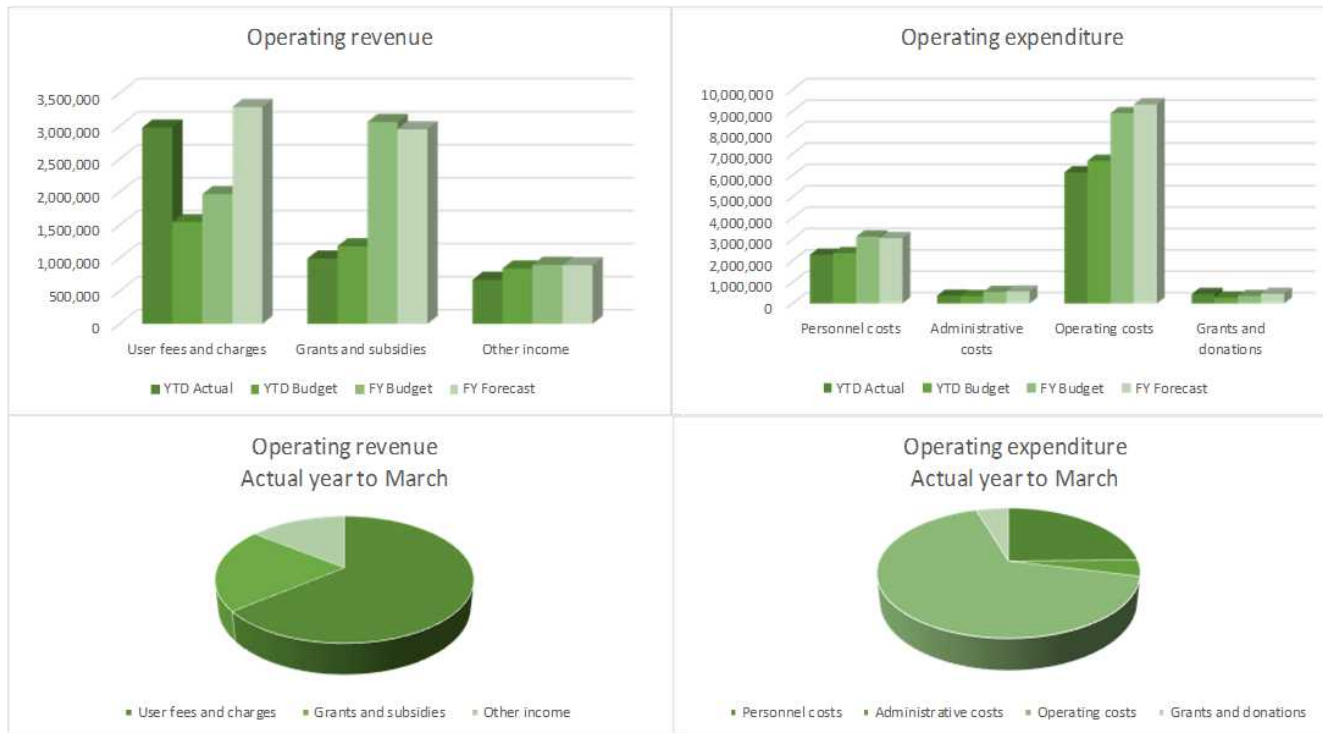
Operating costs:

- Solid waste expenditure tracking below budget, due to lower costs of collections, monitoring fees and management contracts.

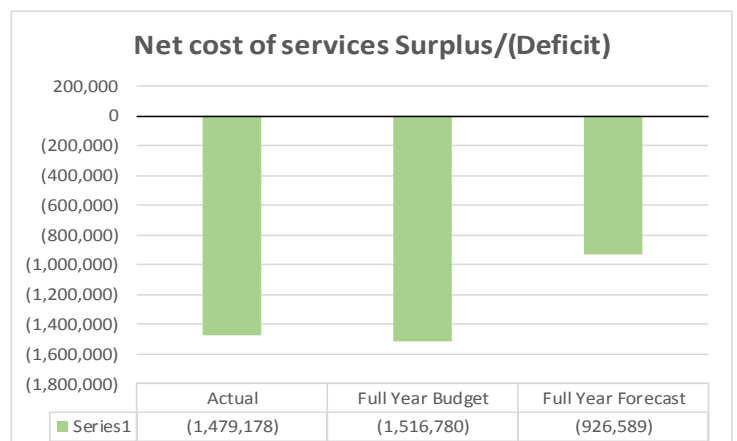
- Repair and maintenance charges lower than anticipated, however this is expected to catch up during the final part of the financial year.
- Resource management Legal fees consultant expenditure lower than budget to date.
- Glacier grant not yet fully utilised.
- Promotional grant not yet utilised.
- Still some re classes and investigations to take place that may result in further re classes.

Grants and donations:

- \$100k grant for Fox community centre not in budget.
- \$50k Franz and Haast development fund expenditure.



Net cost of services Surplus/(Deficit)	
Actual	(1,479,178)
Full Year Budget	(1,516,780)
Full Year Forecast	(926,589)



LEISURE AND CULTURAL ASSETS GROUP

Library

Museum

Swimming Pools

i-SITE

Events

Community Halls and Buildings

Parks and Reserves

Cemeteries

Elderly Housing

	LEISURE & CULTURAL ACTIVITIES SUMMARY				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	2,210,425	1,845,402	1,850,333	(4,931.)	(u)
Expenditure	2,321,973	1,772,453	1,756,113	16,340	(u)
Surplus/(Deficit)	(111,548)	72,949	94,221	(21,272)	(u)

Commentary

Small unfavourable variances in both revenue and expenditure relates to lower than expected revenues with Wild foods festival, offset by higher revenues in other activities.

LIBRARY

Vision

Library services contribute to our vision for Westland by providing a first class service accessible to all residents and by providing a space to involve the community in decision making and getting connected with each other. This activity contributes to our over arching vision relating to innovation, world class service, community and stakeholder involvement and expanded development opportunities. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and sustainability.

What we do

The library collection consists of adult fiction, adult non-fiction, large print, children's and young adults', reference and heritage books, magazines, newspapers, talking books, music CDs and DVDs. The Aotearoa People's Network Kaharoa provides internet access, software applications and wireless capability.

A library website www.westlib.co.nz is available 24 hours per day, 7 days a week providing access to electronic databases, library catalogue and customer access to their individual account.

Other services include household deliveries, inter-library loans, story time for various age groups, youth book club, out-reach story time sessions, school class and group visits, training workshops.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 2014
Opening hours are convenient for users of District Library services	% of customers satisfied with opening hours	Resident Satisfaction Survey and Internal Survey	65%	90%	Not measured.
Library services are utilised	Number of physical visits to Library	Recorded visitor numbers	58,406	90,000	59,867
Library services are utilised	Increased use of Library facilities	Membership	3,578	3,600	3,845
Library services are utilised	Increased use of Library facilities	Issues	61,124	88,000	59,092
The Library environment is comfortable and user friendly	% of customers satisfied with library environment	Resident Satisfaction Survey	92%	90%	Not measured.
A wide range of up to date material is available in a variety of formats and relevant to the community	% of customers satisfied with the selection of material available in print, E-format, audio/visual and IT services	Resident Satisfaction Survey	95%	90%	Not measured.
A wide range of up to date material is available in a variety of formats and relevant to the community.	Increased awareness in the community of availability of material	Hits E-Service 'Overdrive'	958	1,224	1,182
A wide range of up to date material is available in a variety of formats and relevant to the community.	Increased awareness in the community of availability of material.	Hits on website.	8,729	32,242	9,428
The Library meets National Public Library Standards	The Library lending collection is up to date and relevant for the community	Meets NZ Public Library Standard D 3.1. <ul style="list-style-type: none"> • Issues per capita. • Turnover of lending collections. • % of operating budget allocated for purchase of collection material. 	0 out 3 measures. (measured on an annual basis)	3 out of 3 measures.	3 out of 3 measures. (measured on an annual basis)

The Residents survey was not undertaken in the March quarter 2015. An Internal survey was completed in September 14 - 305 responses.

	Library				
	Budget	Actual	Budget	Variance	
	FYR	YTD	YTD	\$	f/(u)
	\$	\$	\$		
Revenue	318,681	322,347	318,681	3,666	(f)
Expenditure	461,341	376,464	352,101	24,364	(u)
Surplus/(Deficit)	(142,660)	(54,118)	(33,420)	(20,698)	(u)

Commentary

The favourable revenue variance is mainly due to increased DVD rental, the unfavourable expenditure variance is due to an increase in the building rental and insurance after the budgets were set, and also higher building maintenance costs than expected.

MUSEUM

Vision

The Hokitika Museum successfully cares for its collection and shares Westland's stories and heritage through high quality exhibitions and other public programmes. The Hokitika Museum is recognised as a place to discover Westland's tales and treasures and contributes to the marketing of Westland, its heritage experiences and to the community's sense of identity. This activity contributes to our overarching vision relating to world class service, community and stakeholder involvement and '100% Pure NZ'. The core values that underlie these parts of our vision are customer focus, quality, reliability, responsiveness, accessibility, building relationships and sustainability.

What we do

The Hokitika Museum manages the community's heritage collection and shares Westland's stories with visitors and residents through exhibitions, displays, publications and public programmes.

The museum has an extensive and valuable collection of objects, archives and photographs that relate to Westland and the wider West Coast region. Along with exhibiting part of this collection the Museum also provides access to it through catalogues and indexes. Copies of archives and photographs are available on a cost recovery basis.

The museum also manages the Carnegie Gallery which is an important space for local artists to exhibit their work and for the museum to house touring shows or temporary exhibitions produced in-house.

The Museum engages with the community by providing assistance and expertise to both local interest groups and individuals on a wide variety of heritage matters.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 2014
Users of the Museum visitor service are satisfied with their experience.	% of visitors satisfied with the museum displays and exhibitions.	Resident Satisfaction Survey.	Not measured.	90%	Not measured.
The Museum environment is comfortable and user friendly.	% satisfied with the museum environment, availability, opening hours and remote access.	Resident Satisfaction Survey.	Not measured.	90%	Not measured.
The Museum provides a good quality experience.	Maintain visitor numbers.	Museum visitor records.	11,058	23,539	11,519
The Museum reflects the history and character of the people of Westland.	Maintain number of exhibitions and programmes per annum.	Number of exhibitions or programmes that relate to Westland.	6	8	11
Research and heritage advisory or related information services are easily accessible.	Requests for service are responded to within 5 working days.	The Museum enquiries register.	99.5%	100%	98.0%
Collection objects, archives and photographs are cared for to industry standard	Museum Collection is maintained and preserved.	Number of objects damaged due to poor climate and pests.	Not measured.	0	New measured.
Collection objects, archives and photographs are cared for to industry standard.	Museum Collection is maintained and accessible.	Number of donated items catalogued per annum.	5.0%	6.09%	14.0%
The Museum knows who their visitors are and will develop to meet their needs.	Analyse visitor profiles	Visitor survey.	726 completed surveys	Completed by June 2013.	689 completed surveys
The Museum will develop to reflect its stakeholders and the wider community	Strategic review within first year of plan	Plan tabled and recorded in Council minutes	Not completed.	Completed by June 2013.	Not completed.

The Residents survey was not undertaken in the March quarter 2015.

Poor climate and pest damage can happen over a 10 year period. There is no collection survey in place to gather this information at this time.

	Museum				
	Budget	Actual	Budget	Variance	
	FYR	YTD	YTD	\$	f/(u)
	\$	\$	\$		
Revenue	291,787	274,945	222,220	52,725	(f)
Expenditure	292,325	232,104	218,270	13,834	(u)
Surplus/(Deficit)	(538)	42,841	3,950	38,890	(f)

Commentary

Favourable revenue variance due to increased visitor numbers producing higher than expected admission fees, an unbudgeted donation \$16k was received, and increased retail sales which has an offset of higher retail purchases in expenditure.

SWIMMING POOLS

Vision

The swimming pools in Westland provide an important recreation facility for residents and visitors contributing to our vision of top class infrastructure. This activity contributes to our over arching vision relating to innovation, world class service and top class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness and safety.

What we do

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 2014
Users have the maximum usage if the pool during the year.	Minimum season October to April.	Opening times	38 weeks.	43 weeks.	24 weeks.
The water is a comfortable temperature for swimming.	Water temperature to be maintained at between 27.5 and 28.5 Celsius.	Monthly Report	Generally between 27-28.5 ^c	28 ^c	Generally between 27-28.5 ^c
Pool use is maximised by the community.	Increase pool usage by 1% pa.	Annual Report.	16,409	13,947	16,606
Learn to swim courses are available for the community to utilise.	A minimum of 5 courses to be held each year in either swim or exercise programme.	Annual Report.	Swimming lessons are offered 6 days per week. Aqua classes 6 times per week	6 Courses.	18 Courses. 6 Aqua classes per week.
Pool water is safe for swimming.	Tests compliant with NZS5826:2010	Monthly report for Hokitika Pool	Tests generally compliant. 5000 readings per year in the pool and 3000 per year in the spa	100%	99%
Pool water is safe for swimming.	Tests compliant with NZS5826:2010	Monthly report for Ross Pool.	99%	100%	99%
The pool environment is safe.	Lifeguard supervision provided in accordance with Swimming Pool Guidelines published by New Zealand Recreation Association.	Pool Safe Accreditation.	Pool safe accreditation Hokitika re awarded March 2015 and is valid for 6 months	100%	100%
The future of the pool facility is planned for.	Strategic review within first year of plan.	Plan tabled and recorded in Council minutes.	Under WDPL management.	Plan completed and tabled by June 13.	Under WDPL management.

	Swimming				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	255,266	191,513	176,675	14,838	(f)
Expenditure	255,266	200,097	191,924	8,173	(u)
Surplus/(Deficit)	-	(8,585)	(15,249)	6,665	(f)

Commentary

The favourable variance is due to targeted rates, offset by unbudgeted insurance premiums.

I-SITE

Vision

The i-Site contributes to our vision of Westland as a world class tourist destination. This activity contributes to our over arching vision relating to innovation, world class service and '100% Pure NZ'. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, building relationships and sustainability.

What we do

- Promoting and selling Westland as the last best place to visit, explore and play.
- Working with our tourism community to develop reasons for visitors to stay longer and spend more.
- Investigate ways to increase visitor numbers and the dollars they spend while here.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Increase number of activities and accommodation booked and purchased.	Increase sales of Westland activities and accommodation by 3%.	Recorded information from the IBIS booking and sales system used by i-SITE.	\$445,505	\$669,234	\$503,178
Provide excellent customer service.	Maintain customer satisfaction levels at 90%	Bi Annual mystery shopper assessment. Bi Annual Qualmark Assessment	Not measured in this Quarter. Not measured until April 15	90%	AA-centre 90% Not measured until April 15
Increase visitor numbers to Westland.	The number of Visitors handled by Hokitika i-SITE Visitor Centre maintained.	Recorded information from i-SITE.	45,967	53,470	43,587

I-SITE NZ no longer conduct mystery shopper assessments, this is replaced with the bi annual qualmark assessment.

	I-Site				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	298,360	276,644	243,422	33,221	(f)
Expenditure	305,773	273,078	234,232	38,846	(u)
Surplus/(Deficit)	(7,413)	3,565	9,190	(5,625)	(f)

Commentary

The favorable income variance includes \$11k AA commission, \$21k V-serve ticket sales and higher than expected retail sales, offset by higher retail purchases. Advertising, equipment and depreciation are all higher than budget.

EVENTS

Vision

Brilliant, vibrant and fun events will help drive our vision of being a top class tourist destination by 2030. This activity contributes to our overarching vision relating to innovation, expanded development opportunities and '100% Pure NZ'. The core values that underlie these parts of our vision are affordability, customer focus, quality, accessibility, building relationships and sustainability.

What we do

We work on developing and growing our iconic major event – the Hokitika Wildfoods Festival. As it continues to flourish and prosper our focus will turn to developing at least one other new and iconic event experience by the close of 2013.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Increase visitor numbers to Westland.	Grow the estimated economic impact to the District of major events.	BERL Impact report will not be undertaken in the 2014 year.	Not measured.	Baseline from 2011/12.	Not measured.
Increase visitor numbers to Westland.	The number of events and the estimated attendance.	The number of events.	1	1	1
Increase visitor numbers to Westland.	The number of events and the estimated attendance.	The number of estimated attendance.	6,242	11,847	8,514
Provide excellent and well attended events.	% of residents satisfied with events and festivals.	% of residents satisfied with events and festivals.	Not measured.	90%	Not measured.

Residents survey and the BERL economic survey was not undertaken in the March quarter 2015.

Total of tickets sold for the 2015 WFF Festival 5,345, complimentary tickets 897.

95% of attendees were satisfied with the 2015 Wildfoods Festival surveyed via an online survey after the 2015 Festival.

	Events			
	Budget FYR	Actual YTD	Budget YTD	Variance
	\$	\$	\$	\$ f/(u)
Revenue	415,500	250,270	414,374	(164,104) (u)
Expenditure	368,647	249,297	282,719	(33,422) (f)
Surplus/(Deficit)	46,853	973	131,655	(130,682) (u)

Commentary

Lower visitor numbers with corresponding decrease in revenue and loss of grant income. Some offsetting saving in expenditure.

COMMUNITY HALLS AND BUILDINGS

Vision

Community Halls and Buildings contribute to our vision of having top class infrastructure and involving our stakeholders and communities by engaging them to help care for and use them. This activity contributes to our over arching vision relating to world class service, community and stakeholder involvement and inspirational leadership. The core values that underlie these parts of our vision are customer focus, quality, reliability, responsiveness, accessibility and building relationships.

What we do

Provide and manage various buildings and halls to be used by the community.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Buildings and halls provide a safe and useful resource for the local community.	Buildings have current WOF where required.	WOF issued.	100%	100%	100%
Buildings and halls provide a safe and useful resource for the local community.	% of residents satisfied with the standard of their hall or community building.	Resident Satisfaction Survey.	Not measured.	80%	Not measured.
Requests for service are dealt with promptly.	Service requests are responded to within 3 working days.	Service Request support system.	0% 2 service requests not responded to within the timeframe.	100%	No requests.

The Residents survey was not undertaken in the March quarter 2015.

	Community Halls & Buildings				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	142,387	131,919	106,790	25,129	(f)
Expenditure	147,288	103,053	108,118	(5,065.)	(f)
Surplus/(Deficit)	(4,901)	28,866	(1,327)	30,194	(f)

Commentary

The favourable income variance of \$25k relates mainly to RSA income and rental income.

PARKS AND RESERVES

Vision

Parks and reserves that are well maintained and used contribute to our vision for top class infrastructure for all our communities. This activity contributes to our over arching vision relating to world class service, community and stakeholder involvement and top class infrastructure. The core values that underlie these parts of our vision are customer focus, quality, reliability, responsiveness, accessibility, affordability, building relationships and safety.

What we do

The Council manages and maintains a number of parks and reserves throughout the District for active and passive recreation. Recreation and Local Purpose Reserves are managed under the Reserves Act 1977. For the past 18 years the main sports ground in Hokitika, Cass Square, has provided the venue for the famous Wildfoods Festival.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Reserves are pleasant, enjoyable and safe places.	% of residents satisfied with parks and reserves.	Resident Satisfaction Survey.	Not measured.	80%	Not measured.
Reserves are pleasant, enjoyable and safe places.	Reported injuries.	Number of reported injuries.	1	0	1
Reserves are pleasant, enjoyable and safe places.	Playground equipment and furniture meet Health and Safety standards.	Playground warrant of fitness.	WOF	WOF issued	Inspected weekly
Requests for service are dealt with promptly.	Service requests are responded to within 1 day.	Service Request System.	100%	100%	100%
We want to keep the community safe so parks and reserves are maintained to a good standard and in an environmentally sensitive manner.	All necessary consents for maintenance and capital projects are applied for, held and monitored accordingly.	Monthly management reports	90%	100%	100%

The Residents survey was not undertaken in the March quarter 2015.

	Parks and Reserves				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	339,393	292,139	256,382	35,756	(f)
Expenditure	349,805	201,873	262,603	(60,729.)	(f)
Surplus/(Deficit)	(10,412)	90,265	(6,220)	96,485	(f)

Commentary

The favourable income variance is due to reserve contribution money received in the first half of the year. We do not budget for reserve contribution income.

The favourable expenditure variance is due to lower repairs and maintenance costs, this budget is expected to be used in full by the end of the year,

CEMETERIES

Vision

Our beautiful historic cemeteries provide a peaceful resting place for our loved ones who have died. Westland District Council is privileged to provide this service to the people of Westland. This activity contributes to our vision of top class infrastructure for our community. This activity contributes to our over arching vision relating to innovation, world class service and top class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, affordability and safety.

What we do

The Council manages cemeteries which:

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Cemeteries are accessible and safe for the community.	% of customers feel safe in cemetery grounds.	Resident Satisfaction Survey.	Not measured.	80%	Not measured.
Requests for service are dealt with promptly.	Service requests are responded to within 5 working days.	Monthly meeting and audit report from contractor	No service requests.	100%	No service requests.
The Cemetery grounds are clean and tidy.	% of customer's satisfaction with state of all cemetery grounds.	Resident Satisfaction Survey.	Not measured.	90%	Not measured.
Burials adhere to relevant legislation.	Standards for burial are adherence to Cemeteries & Cremations Act 1964.	Cemetery records.	100%	100%	100%
Cemeteries are accessible and safe for the community.	Opening hours are well advertised and adhered to.	Cemetery opening hours	No service requests.	No service requests.	No service requests.

The Residents survey was not undertaken in the March quarter 2015.

The cemetery is open 24 hours.

	Cemeteries				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	149,051	105,626	111,788	(6,162.)	(u)
Expenditure	141,528	79,996	106,146	(26,150.)	(f)
Surplus/(Deficit)	7,523	25,630	5,642	19,988	(f)

Commentary

The unfavourable revenue variance is due to lower burial fees than budget, the favourable expenditure variance is due to lower maintenance costs, however this budget is expected to be used in full.

ELDERLY HOUSING

Vision

Providing housing for the elderly gives the community infrastructure to support the elderly. Housing for the elderly that is safe, clean, functional and provides a network of close neighbours and friends is infrastructure that promotes our vision for Westland by making this a great place to live.

What we do

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
The units are safe to live in.	Maintenance program is completed each year.	Monitoring against Maintenance Programme	100%	100%	100%
The units are clean and comfortable.	% of satisfaction of tenants with living conditions.	Resident Satisfaction Survey.	100%	95%	100%
Tenants receive prompt response to their requests for service.	% of requests for maintenance or complaints actioned within 7 working days.	Service Request System.	100%	100%	100%.

WDPL undertakes repairs and maintenance to the pensioner flats as the need arises.

An annual satisfaction survey is personally undertaken in August of each year.

Requests for service are actioned within 2-3 working days and outcomes are recorded.

	Elderly Housing				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	-	-	-	-	
Expenditure	-	56,489	-	56,489	(u)
Surplus/(Deficit)	-	(56,489)	-	(56,489)	(u)

Commentary

The unfavourable variance relates to expenses paid by Council and not yet reimbursed.

COMMUNITY SERVICES GROUP

	Community Services				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	252,719	361,085	194,926	166,159	(f)
Expenditure	392,588	266,435	321,830	(55,395.)	(f)
Surplus/(Deficit)	(139,869)	94,650	(126,904)	221,554	(f)

Commentary

The source of the variances in Community Services is within Community Assistance with Community Development tracking budget.

COMMUNITY DEVELOPMENT

Vision

Community Development involves the community and provides inspirational leadership for the community making Westland a great place to live, work and play. This activity contributes to our overarching vision relating to world class service, community and stakeholder involvement and inspirational leadership. The core values that underlie these parts of our vision are customer focus, quality, reliability, responsiveness, accessibility, and building relationships.

What we do

We create educational opportunities for the community around emergency management and waste minimisation.

We communicate with the residents of Westland and ask them to have their say on issues and projects that are important to them.

We manage programmes that contribute to health and well-being and approve requests from Community Groups and Organisations and individuals to assist with recreational and cultural activities and other special events or activities. Provide advice to the community regarding other funding alternatives.

Service Levels and Performance Measures

SAFER COMMUNITY COUNCIL					
Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Build capacity in the community to reduce reported crime.	Maintain low level of family violence, vandalism, and burglary.	Number of reported crimes in Family Violence.	67	70	42
Build capacity in the community to reduce reported crime.	Maintain low level of family violence, vandalism, and burglary.	Number of reported crimes in Vandalism.	34	10	81
Build capacity in the community to reduce reported crime.	Maintain low level of family violence, vandalism, and burglary.	Number of reported crimes in Burglary from NZ Police reports.	32	40	44
Build capacity in the community to reduce reported crime.	At least three programmes are delivered throughout the year that meet the requirements of the funder.	Number of programmes that meet the requirements of the funder.	3	3	4
Create opportunities for the community through building relationships with outside groups and agencies.	Meetings with the Police and other government agencies regarding prevention and programming.	Number of meetings per annum.	11	15	10
Protect the environment from littering.	Monitor freedom campers.	Number of infringements issued.	Not achieved.	50	Not achieved.

7 The Council revoked the Westland District Freedom Camping Bylaw 2012 in September 2013.

	Community Assistance				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	136,048	273,535	107,423	166,112	(u)
Expenditure	275,804	186,313	234,103	(47,790.)	(f)
Surplus/(Deficit)	(139,756)	87,222	(126,680)	213,902	(f)

Commentary

Small savings in expenditure across all expenditure.

	Community Development				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	116,671	87,550	87,503	47	(u)
Expenditure	116,784	80,122	87,727	(7,605.)	(f)
Surplus/(Deficit)	(113)	7,428	(224)	7,652	(f)

Commentary

Favourable revenue variance relates to the Promotional tourism rate. The favourable expenditure variance related to the Glacier grants which have not yet been fully utilised.

PLANNING AND REGULATORY SERVICES GROUP

Inspections and Compliance
Resource Management
Animal Control
Emergency Management

	Planning & Reg				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	1,537,083	1,222,084	1,128,006	94,078	(f)
Expenditure	1,554,872	933,833	1,156,928	(223,095.)	(f)
Surplus/(Deficit)	(17,788)	288,251	(28,921)	317,172	(f)

Commentary

The main source of the positive variance is due to higher inspections and compliance revenue. Favourable expenditure variance due to lower consultants and legal costs for both inspections and compliance and resource management. Most other operating expenses tracking below budget at end of March.

INSPECTIONS AND COMPLIANCE

Vision

Regular inspections and ensuring compliance with standards assists in Westland becoming a world class tourist destination and aiming towards 100% Pure NZ brand. This activity contributes to our over arching vision relating to world class service, community and stakeholder involvement and expanded development opportunities. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and sustainability.

What we do

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

This activity comprises of:

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Process all applications lodged under the Building Act 2004 within the timeframes specified in the Act.	All building consent applications will be processed within 20 working days.	Monthly Reports.	89%	100%	100%
Process all applications lodged under the Building Act 2004 within the timeframes specified in the Act.	All Project Information Memoranda applications will be processed within 20 working days.	Monthly Reports.	87%	100%	100%
Users of the service receive appropriate advice regarding their enquiry.	% of users are satisfied with advice.	Resident Satisfaction Survey.	Not measured.	100%	Not measured.
Encourage compliance with health standards by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.	All licensed and registered premises are inspected at least annually.	Monthly Reports.	6 premises inspected out of 133	100%	58 premises inspected out of 142
Encourage compliance with health standards by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.	Work with Police and Community Public Health to reduce the negative impacts of alcohol abuse through an annual meeting.	Quarterly Report.	100%	100%	100%

The Residents survey was not undertaken in the March quarter 2015.

	Inspections & Compliance				
	Budget FYR \$	Actual YTD \$	Budget YTD \$	Variance \$	f/(u)
Revenue	789,985	645,528	545,183	100,346	(f)
Expenditure	792,307	538,717	604,588	(65,871.)	(f)
Surplus/(Deficit)	(2,322)	106,811	(59,405)	166,216	(f)

The favourable income variance is due to higher than budgeted liquor licence fees, food registration and building consent processing fees but lower than expected building inspection revenue, the favourable expenditure variance relates to lower contractor fees, legal costs and general savings across all expenditure.

RESOURCE MANAGEMENT

Vision

The District Plan provides the regulatory framework to encourage and direct development in Westland. The processing of Resource Consents allows consideration of development against our vision and performance framework and ensures adverse environmental effects are mitigated. This activity contributes to our over arching vision relating to world class service, inspirational leadership and expanded development opportunities. The core values that underlie these parts of our vision are customer focus, quality, reliability, responsiveness, accessibility, building relationships and sustainability.

What we do

Day to day activities include:

- Development and review of District Plan, by-laws and policy.
- Processing Resource Consents.
- Issuing Land Information Memoranda (LIM).
- Answering general enquiries.
- Ensuring activities within the District comply with the Resource Management Act and the District Plan.
- Performing environmental monitoring.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
To ensure customers can get on with their project or business opportunities we process Resource Consents within statutory timeframes as specified in Resource Management Act.	100% of Resource Consent processed within the timeframes of the Act.	Monthly Report.	95%	100%	87%
Public complaints relating to environment are investigated and responded to in a timely manner.	Council respond to within 10 days.	Monthly Report.	91%	100%	80%
Provide and maintain a District Plan which is reflective of the community.	Work Plan is developed on changes required to the District Plan and these are effected.	Work plan developed and updated annually.	Plan change 7 hearing held.	Reviewed annually.	The District Plan is expected to progress upon appointment of the vacant Planner position
Process all applications lodged under section 44A of the Local Government Official Information and Meetings Act 1987 within the timeframes specified in the Act.	100% of LIMs processed within 10 working days.	Monthly Reports.	100%	100%	100%
Process all applications lodged under section 44A of the Local Government Official Information and Meetings Act 1987	% of fast-track LIMS processed within 3 days.		94%	100%	100%

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
within the timeframes specified in the Act.					

	Resource Management				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	510,528	368,851	382,896	(14,045.)	(u)
Expenditure	511,087	219,030	376,114	(157,083.)	(f)
Surplus/(Deficit)	(559)	149,821	6,782	143,038	(f)

Commentary

The unfavourable revenue variance is due to timing differences in recoveries offset by lower consent fees. Lower than budgeted consultants fees.

ANIMAL CONTROL

Vision

Sensible animal control and well behaved and registered dogs make the experience of living and residing in Westland much more pleasant and enjoyable. This assists Westland become a world class tourist destination. This activity contributes to our over arching vision relating to world class service, community and stakeholder involvement and inspirational leadership. The core values that underlie these parts of our vision are customer focus, quality, reliability, responsiveness, accessibility and building relationships.

What we do

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Requests for service are dealt with promptly.	All service requests are responded to within 1 working day.	Customer complaint form.	100%	100%	100%
The public are safe from dogs.	That the public are satisfied with the service.	Resident Satisfaction Survey.	Not measured.	95%	Not measured.
The public are safe from dogs.	Records will be kept relating to dog numbers, location, sex and breed and in conformity with the National Dog Database (NDDB).	NDDB.	100%	100%	100%

	Animal Control				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	124,440	123,607	115,830	7,777	(f)
Expenditure	124,706	93,095	92,272	823	(u)
Surplus/(Deficit)	(266)	30,512	23,557	6,954	(f)

Commentary

The favorable income variance is due to the higher registration fees and fines.

EMERGENCY MANAGEMENT

Vision

Good emergency management and leadership will allow Westland to recover quickly in the event of an emergency or natural disaster. This activity involves the community and stakeholders. This activity contributes to our over arching vision relating to world class service, community and stakeholder involvement and inspirational leadership. The core values that underlie these parts of our vision are customer focus, quality, reliability, responsiveness, accessibility and building relationships.

What we do

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

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

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

- Preventing fires through education, management of hazards and risks, enforcement and administration.
- Maintaining a level of preparedness which complies with the legislation and meets recognised national standards.
- Responding to out of control fires in the Council Rural Fire Zone with the objectives of minimising loss of human life, and minimising fire damage to property, land, and vegetation.

Service Levels and Performance Measures

CIVIL DEFENCE					
Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
An excellent response to all disasters and emergencies across the District.	Number of exercises held each year.	Monitoring of these measures will be achieved through the management reports at Council's monthly meetings. Two exercises per annum.	0	2	2
An excellent response to all disasters and emergencies across the District.	Maintain community awareness.	Management reports at council monthly meetings of school visits.	Not achieved.	12	Not achieved
An excellent response to all disasters and emergencies across the District.	Standard Operating Procedures (SOP's) documents are reviewed annually and signed off.	Latest signed documents held on file.	Documents are being reviewed and updated	1	100%
An excellent response to all disasters and emergencies across the District.	Plans updated annually and on Council website.	Reports to Regional Civil Defence Emergency Management group.	Documents are being reviewed and updated	Plan available on website at all times.	Plan available on website at all times.
An excellent response to all disasters and	% of residents that believe they are prepared for a civil defence emergency.	Resident Satisfaction Survey.	Not measured.	70%	Not measured.

CIVIL DEFENCE					
Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
emergencies across the District.					

The Residents survey was not undertaken in the March quarter 2015.

RURAL FIRE					
Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
The public is aware of Fire Permits and understands how to maintain a controlled fire.	Number of permitted fires that become out of control.	West Coast Rural Fire Authority reports.	0	0	0
The public is aware of Fire Permits and understands how to maintain a controlled fire.	Number of permits issued.	Number per year.	187	200	171
Fires can be fought and extinguished efficiently and effectively.	Equipment complies with NRFA audits.	Compliance.	100%	100%	100%
Fires can be fought and extinguished efficiently and effectively.	Number of training sessions is at least two per year.	Number of training sessions recorded.	6 Haast 8 Kaniere 17 Kokatahi	10	9 Haast 2 Kaniere 18 Kokatahi

	Emergency Management				
	Budget FYR \$	Actual YTD \$	Budget YTD \$	Variance \$	f/(u)
Revenue	112,131	84,098	84,098	-	(f)
Expenditure	126,772	82,990	83,953	(963.)	(f)
Surplus/(Deficit)	(14,641)	1,108	145	963	(f)

PROVIDING ESSENTIALS FOR THE COMMUNITY

Transportation Group

Water Supply Group

Waste Water Group

Stormwater Group

Solid Waste Management Group

	Infrastructure				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	5,591,270	6,875,334	3,209,784	3,665,551	(f)
Expenditure	12,011,907	8,204,104	8,907,446	(703,342.)	(f)
Surplus/(Deficit)	(6,420,637)	(1,328,769)	(5,697,662)	4,368,893	(f)

Commentary

Favourable revenue variance due mainly to metered water and targeted rates. Favourable expenditure variance relates to budgeted finance costs charged centrally and timing differences on costs.

TRANSPORTATION GROUP

Vision

Good roading is essential for our vision of top class infrastructure and opportunities for expanded development. This activity contributes to our over arching vision relating to innovation, world class service, community and stakeholder involvement and top class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety.

What we do

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

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
The transportation network is constructed and maintained so that it is safe and good to use.	Number of Police reported vehicle crashes per year on Council maintained roads involving injury where the contributing factor is "road factor".	NZTA Crash Analysis System.	Not measured.	Less than 50	Not measured.
The transportation network is constructed and maintained in a prompt manner.	Contractors respond to and repair faults within timeframes that are specified within the maintenance contract.	Reporting from Contractors.	100%	90% compliance rate.	100%
Transportation activities are managed at a standard that satisfies the community.	% satisfied with Council's roading network.	Resident Satisfaction Survey.	Not measured.	80%	Not measured.
Transportation Activities are managed at a standard that satisfies the community.	The number of service requests received regarding roading and transportation assets.	Service Request System.	17	Less than 12.	16

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Transportation activities are managed at a standard that satisfies the community and legislation.	Consents are applied for held and monitored.	Compliance with West Coast Regional Council resource consent conditions.	100%	100%	100%
Roads are comfortable to drive on.	Roads in Westland meet the national average according to the Smooth Travel Index Guide. This is the comparison of the condition of roads across New Zealand, measuring smoothness relative to traffic volume and whether the road is rural or urban.	Road Assessment and Maintenance Management system as a requirement by the New Zealand Transport Agency.	94% Westland 85.7% National Average	Better than the National Average.	94% Westland. 85.7% National Average.
The surface condition of roads in Westland is good quality.	Road surfaces meet the national average according to the surface condition index. This represents surface condition of roads and demonstrates Council is maximising the life of road surfaces.	Road Assessment and Maintenance Management system as required by the New Zealand Transport Agency.	98.7% Westland 97.9% National Average.	Better than the National Average.	98.7% Westland. 97.9% National Average.
The transportation network is constructed and maintained so that it is safe and good to use.	The road network is accessible subject to planned or emergency works closure.	Service Request System.	0	0 requests for service.	0
The transportation network is maintained so that failures are prevented as much as possible.	A customer service system is managed for handling emergency calls after hours promptly and efficiently.	Service Request System.	5	0 requests for service.	6
Footpaths are maintained and in good condition.	Service requests regarding the state of footpaths.	Service Request System.	8	12 requests for service.	13

The Residents survey was not undertaken in the March quarter 2015.

	Transportation				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	4,367,160	2,121,318	2,275,370	(154,052.)	(u)
Expenditure	5,309,330	3,571,108	4,022,798	(451,690.)	(u)
Surplus/(Deficit)	(942,170)	(1,449,790)	(1,747,428)	297,638	(u)

Commentary

The unfavourable income variance is largely unclaimed NZTA subsidies which are expected to catch up in April/May. The unfavourable expenditure variance is mainly due to higher maintenance costs than budgeted.

	Wilderness Trail				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	55,605	48,119	41,704	6,415	(f)
Expenditure	55,605	276,155	41,704	234,452	(u)
Surplus/(Deficit)	-	(228,037)	-	(228,037)	(u)

Commentary

The expenditure variance is due mainly to the depreciation expense being higher than budgeted, depreciation is only funded on the structures on the cycle trail which amounts to approximately 17%.

WATER SUPPLY GROUP

Vision

Clean and healthy water is vital for our vision of top class infrastructure for our communities. This activity contributes to our over arching vision relating to innovation, world class service, community and stakeholder involvement and top class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety.

What we do

Manage the supply of clean, safe drinking water.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Requests for service are dealt with promptly.	% of disruptions to water supply are responded to within 4 hours of reporting.	Monthly reports from contractors.	No disruptions reported	90%	83%
Council supplied potable water is safe to drink.	The number of illnesses confirmed to be attributed to consuming from Council treated water supplies.	Information provided to Council from the Health Protection Officer, Community Public Health.	None reported	No illnesses.	No illnesses.
Council supplied potable water is safe to drink and tastes good.	% satisfied with water supply and quality.	Resident Satisfaction Survey.	Not measured.	90%	Not measured.
All Council water supply sources are managed in an environmentally sensitive manner.	All necessary consents for maintenance and capital projects are applied for, held and monitored accordingly.	Monthly reports.	100%	100%	100%

	Water Supply				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	-	2,114,706	-	2,114,706	(f)
Expenditure	2,766,641	1,842,185	2,081,822	(239,637.)	(f)
Surplus/(Deficit)	(2,766,641)	272,521	(2,081,822)	2,354,343	(f)

Commentary

The favourable revenue variance is mainly due to metered water, the favourable expenditure variance relates to finance costs charged centrally but budgeted in activity, and lower repairs and maintenance costs.

WASTE WATER GROUP

Vision

The management of wastewater contributes to our vision of top class infrastructure. This activity contributes to our over arching vision relating to innovation, world class service, community and stakeholder involvement and top class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety.

What we do

Provide wastewater services to the townships of the District.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Requests for service are dealt with promptly.	% of disruptions to the wastewater system are responded to within 2 hours.	Monthly reports from contractors.	No disruptions reported	90%	100%
Properties that are within the wastewater reticulation system are able to connect to it.	% of properties within urban areas where a reticulated wastewater system is provided by Council have the ability to connect to the system at their boundary.	Number of properties with service laterals to boundary providing the building is no more than 60m away.	100%	100%	100%
Council wastewater systems are managed in an environmentally sensitive manner and are reliable.	No service requests received with regard to odours from Councils wastewater reticulation.	Service Request System.	No service requests.	No service requests.	No service requests.
Council wastewater systems are managed affordably and appropriately.	All necessary consents for maintenance and capital projects are applied for, held and monitored accordingly.	Monthly reports.	100%	100%	100%

	Waste Water				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	45,500	588,706	45,500	543,206	(f)
Expenditure	951,156	675,850	706,338	(30,488.)	(f)
Surplus/(Deficit)	(905,656)	(87,143)	(660,838)	573,694	(f)

Commentary

Increased targeted rates in revenue and lower repairs and maintenance costs in expenditure giving an overall favourable variance.

STORMWATER GROUP

Vision

The management of storm water contributes to our vision of top class infrastructure.

What we do

Provide water supply, wastewater and stormwater services to the townships of the District. This activity contributes to our overarching vision relating to innovation, world class service, community and stakeholder involvement and top class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Stormwater systems have the capacity to resist major storms and flooding events.	No flooding of properties will occur in events with a return period of 1 in 20 years.	Service Request System.	0	Less than 5	0
Stormwater systems have the capacity to resist major storms and flooding events.	No reports of flooding of properties.	Service Request System.	0	Less than 5	0
Requests for service are dealt with promptly.	% of problems with the Council stormwater system investigated within 24 hours of reporting, prioritised and a remedial plan prepared within 48 hours.	Service Request System.	100%	100%	88%

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Council stormwater systems are managed affordably and appropriately.	All necessary consents for maintenance and capital projects are applied for, held and monitored accordingly.	Monthly reports.	100%	100%	100%

	Stormwater				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	417,880	313,410	313,410	-	(f)
Expenditure	578,399	427,064	426,174	889	(u)
Surplus/(Deficit)	(160,519)	(113,654)	(112,765)	(889)	(u)

Commentary

SOLID WASTE MANAGEMENT GROUP

Vision

Solid Waste Management contributes to our vision of top class infrastructure for our community. This activity contributes to our overarching vision relating to world class service, community and stakeholder involvement and top class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility building relationships and safety.

What we do

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
A reliable refuse and recycling collection service is provided to customers.	% of customers satisfied – Collection.	Resident Satisfaction Survey.	Data not available.	100%	Not measured.
A reliable refuse and recycling collection	% of customers satisfied – Recycling.	Resident Satisfaction Survey.	Data not available.	100%	Not measured.

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
service is provided to customers.					
A reliable Transfer Station service is provided to customers.	% of customers satisfied – Opening hours at sites.	Resident Satisfaction Survey.	Data not available	100%	Not measured.
Solid waste is managed affordably and appropriately.	All necessary consents for the solid waste activities and capital projects are applied for, held and monitored accordingly.	Monthly reports.	Data not available.	100%	Not measured
Waste diversion increases.	Waste diverted from landfill from recycling.	Tonnes recycled.	Data not available	970 tonnes	249 tonnes
Recycling and diversion of waste increases.	Increased use of recycling and reuse services.	Calculate diversion rate for all waste through Hokitika Transfer Station based on tonnages reported.	Data not available	30.7%	31%
Education about waste minimisation is provided to the Community.	Number of visits to schools and community groups.	Monthly reports to Council.	Data not available	6 Schools 3 Community Groups	1 School 0 Community Groups

A reliable refuse and recycling collection service is provided to customers.
Education about waste minimisation is provided to the Community.
Due to restructure this position was made redundant.

	Solid Waste				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	705,125	1,689,075	533,800	1,155,275	(f)
Expenditure	2,350,776	1,411,742	1,628,610	(216,868.)	(f)
				-	
Surplus/(Deficit)	(1,645,651)	277,333	(1,094,810)	1,372,143	(f)

Commentary

Favourable income variance is due to higher refuse site fees and refuse collection fees Hokitika/Rural, favourable expenditure variance is due to finance costs charged centrally but budgeted in activity.

OTHER INFRASTRUCTURAL ASSETS AND SERVICES GROUP

Community Township Development
Land and Buildings
Public Toilets
Democracy
Corporate Planning

	Other Assets				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	2,085,690	1,605,021	1,564,643	40,378	(f)
Expenditure	2,114,351	1,690,120	1,640,473	49,647	(u)
Surplus/(Deficit)	(28,661)	(85,099)	(75,831)	(9,268)	(u)

Commentary

Favourable revenue variance relates to timber sales to DOC, this is offset by 50% commission to DOC on sale, Franz funding offset by timing differences with Long Term Plan audit.

COMMUNITY TOWNSHIP DEVELOPMENT

Vision

Community township development supports our vision for Westland by providing maintenance and creating opportunities for communities to upgrade and develop their town environment. By involving the community and stakeholders we can create beautiful places that are fun to visit and awesome to live in. This activity contributes to our over arching vision relating to innovation, community and stakeholder involvement and expanded development opportunities. The core values that underlie these parts of our vision are affordability, customer focus, quality, accessibility, building relationships and sustainability.

What we do

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
The community contributes to decision making.	Consultation occurs with each plan and projects completed to schedule.	Management reports to council.	2	Consultation occurs through a priority list signed off by Council.	Full consultation in Annual plan, followed by each community associated being contacted for a full list of projects
Community township development is understood and the community contributes to the process.	% satisfied with town planning services.	Resident Satisfaction Survey.	Not measured.	70%	Not measured.

The Residents survey was not undertaken in the March quarter 2015.

	Community Township Development				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	452,148	375,547	339,111	36,436	(f)
Expenditure	465,826	443,327	370,594	72,733	(u)
Surplus/(Deficit)	<u>(13,678)</u>	<u>(67,781)</u>	<u>(31,483)</u>	<u>(36,297)</u>	(u)

Commentary

Favourable income variance is due to Timber sales, unfavourable expenditure variance is largely due to commission to DOC for sale of Timber and Franz development funding.

LAND AND BUILDINGS

Vision

We manage land and buildings to serve the community. We do this by providing spaces for emergency management, cultural heritage and the space to do business for the community. We do this with the values of service and affordability at the core of our commitment to this activity. This activity contributes to our over arching vision relating to innovation, world class service, community and stakeholder involvement and expanded development opportunities. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and sustainability.

What we do

These cover land and buildings managed commercially. Included are:

- Council Headquarters building.
- Emergency Centre Haast.
- Carnegie Building/Museum.
- Forestry Land at Kaniere and Kumara, managed in conjunction with PF Olsen.
- Licenses to Occupy legal road.
- Three Mile Hall.
- Leased land.
- Westland Industrial Heritage Park.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Maintain buildings so they are safe for the people who work and visit them.	Buildings get current Warrant of Fitness where required.	Warrant of Fitness issued.	75%	100%	75%
Requests for service are dealt with promptly.	Service requests are responded to within 3 working days.	Services request support system.	0% 1 service request not responded within the timeframe	100% compliance.	No requests.
Leased buildings or spaces are managed commercially.	Obtain market rental for offices leased.	Market review gained.	100%	100%	100%

The RSA building is now closed and due for demolition in April 15, The Westland District Council does not have a warrant of fitness and is operating with a public use certificate, a consent has been lodged to meet WOF compliance standards.

	Land and Buildings				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	107,081	83,751	80,311	3,440	(f)
Expenditure	111,459	192,245	87,324	104,921	(u)
Surplus/(Deficit)	(4,378)	(108,495)	(7,014)	(101,481)	(u)

Commentary

Unfavourable income variance due to \$100k Grant for Fox Community Centre.

PUBLIC TOILETS

Vision

The provision of clean, safe and convenient facilities contributes to our vision for Westland as a first class tourist destination and somewhere that has top infrastructure for our community. This activity contributes to our over arching vision relating to world class service, community and stakeholder involvement and top class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety.

What we do

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
Requests for service are dealt with promptly.	Service requests are investigated and responded to within one day.	Service Request System.	0% 2 complaints not responded to within the timeframe	Under 5 complaints.	1 complaint not responded to within the timeframe.
Public toilets are clean and safe to use.	% residents satisfied with toilet facilities.	Resident Satisfaction Survey.	Not measured.	90%	Not measured.

The Residents survey was not undertaken in the March quarter 2015.

	Public Toilets				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	216,504	162,378	162,378	-	(f)
Expenditure	222,987	149,567	152,724	(3,157.)	(f)
Surplus/(Deficit)	(6,483)	12,812	9,655	3,157	(f)

Commentary

The favorable variance for expenditure mainly relates to lower maintenance charges.

	Democracy Services				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	1,015,902	762,804	762,302	502	(f)
Expenditure	1,020,024	745,675	777,100	(31,425.)	(f)
Surplus/(Deficit)	(4,122)	17,129	(14,798)	31,927	(f)

Commentary

The unfavorable variance for expenditure relates to LGNZ subscription and rating review timing differences.

	Corporate Planning				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	294,055	220,541	220,541	-	(f)
Expenditure	294,055	159,305	252,731	(93,426.)	(f)
Surplus/(Deficit)	(0)	61,236	(32,190)	93,426	(f)

Commentary

Favourable expenditure variance due to timing differences on the Long Term Plan audit fees.

CORPORATE SERVICES GROUP

Corporate Services Admin Group
Information Services
In-House Professional Services
Council Headquarters
Vehicle Operations

CE Office Administration
District Assets Group Admin
Planning and Regulatory Admin

GOVERNANCE

Vision

Governance is a key area for Council to deliver on its vision of inspirational leadership. Another key aspect is involving the community in decision making. This activity contributes to our over arching vision relating to innovation, community and stakeholder involvement and inspirational leadership. The core values that underlie these parts of our vision are affordability, customer focus, quality, accessibility and building relationships.

What we do

The Council is an elected body of representatives who assist in the running of the District. Responsibilities of their role include:

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

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q3 March 2015	LTP Target 2014/15	Actual Q3 March 2014
The community contributes to decision making.	Public notifications of Council meetings must be at least 10 working days before each meeting.	Adverts placed in local newspaper.	11%	100%	100%
Council decision making is open and transparent.	At least 90% of items on the agenda are conducted in open meetings.	Review agendas for Council.	73%	90%	76.9%
Council decision making is open and transparent.	Local Government official information and Meetings Act 1987 (LGOIMA) requests are complied within the 20 working days.	Review of requests and written replies.	36 requests, 3 were withdrawn 19 were complied within 20 working days, 6 over 20 working days. 8 requests are pending	100%	95.7%
Council decision making is open and transparent and promotes accountability.	Elected Representatives attend 90% of all meetings and workshops.	Number of meetings attended.	91%	100%	94%
The Community understands what Council does.	% of residents who understand how Council makes decisions.	Resident Satisfaction Survey.	Not measured.	50%	Not measured.

Meetings of Council are publicly notified in accordance with the Local Government Official Information and Meetings Act 1987. The Residents survey was not undertaken in the March quarter 2015.

	General Council Management				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	827,000	434,642	744,500	(309,858.)	(u)
Expenditure	560,522	742,476	425,391	317,084	(u)
Surplus/(Deficit)	266,478	(307,834)	319,109	(626,943)	(u)

	Administration				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	827,000	434,642	744,500	(309,858.)	(u)
Expenditure	560,522	742,476	425,391	317,084	(u)
Surplus/(Deficit)	266,478	(307,834)	319,109	(626,943)	(u)

CORPORATE SERVICES

Vision

Corporate Services provides support and expertise to Council and to staff who work for Westland District Council. We provide the foundation for our vision to be fulfilled through first class customer service, innovation and leadership. This activity contributes to our overarching vision relating to innovation, world class service and inspirational leadership. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, and building relationships.

What we do

Corporate Services provides professional services to other Council departments. This includes human resources, finance and information technology. Corporate Services work closely with Community Development in the creation of the Long Term Plan and Annual Plan by consulting the community about their wants and needs. Corporate Services also provides advice on Policy and Strategy. We manage administration and collection of rates and monies for the smooth operation of Westland District Council. In general, the cost of providing these services is charged to the activity receiving the benefit of that service. This means that when reviewing the Council activities and Services pages in this LTP the costs of each activity include the cost of support departments. However, there are some Council wide costs and income which cannot be considered to be part of any activity. These income and expenditure items are included in this Corporate Services section.

Service Levels and Performance Measures

Level of Service	Performance Measure	Information we will use to measure success	Actual Q2 Dec 2014	LTP Target 2014/15	Actual Q2 Dec 2013
The community contributes to decision making.	The annual Plan and LTP must be adopted using the special consultative process, within statutory requirements.	Date of council meeting for adoption.	Not measured until June 2015	100%	Not measured until June 2014.
Council decision making is open and transparent.	The Annual report must be adopted within statutory requirements 31st October.	Date of council meeting for adoption.	2013-14 annual report was adopted on 29 th January 2015	100%	2012-13 Annual report was adopted on 28 November 2013..
Service and information is provided to the Community.	% satisfied with service at front-line of Council.	Resident Satisfaction Survey.	Not measured.	90%	Not measured.
To provide value for money for residents and businesses who pay rates.	% reduction in rates arrears per annum.	Quarterly reports.	Increase 0.64%	Reduce arrears by 5% per year.	Increase 7.5%

The Residents survey was not undertaken in the March quarter 2015.

	Corporate Services				
	Budget	Actual	Budget	Variance	
	FYR \$	YTD \$	YTD \$	\$	f/(u)
Revenue	5,607,130	3,991,931	4,205,347	(213,417.)	(u)
Expenditure	5,353,791	4,092,227	3,985,274	106,954	(u)
Surplus/(Deficit)	253,339	(100,297)	220,074	(320,370)	(u)

Commentary

Lower overhead recovery costs offset by higher consultant's costs related to Long Term Plan

	CE Office Administration				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	410,168	316,195	307,626	8,569	(f)
Expenditure	410,391	329,576	306,948	22,628	(u)
Surplus/(Deficit)	(223)	(13,382)	678	(14,060)	(u)

Commentary

This cost centre mainly supports Council's HR function such as the Best Workplace Survey, Strategic Pay salary information, generic training, EAP Services, and Grow HR, and has been under budgeted.

	Information Services				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	303,307	229,259	227,480	1,779	(f)
Expenditure	273,307	224,869	172,928	51,941	(u)
Surplus/(Deficit)	30,000	4,390	54,552	(50,162)	(u)

Commentary

Unfavourable expenditure variance is due to the timing of software licences budgeted throughout year, however in practice due earlier.

	District Assets Group Admin				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	978,244	655,598	733,683	(78,084.)	(u)
Expenditure	978,712	665,969	696,823	(30,854.)	(f)
Surplus/(Deficit)	(468)	(10,371)	36,859	(47,230)	(u)

Commentary

The unfavourable income variance is due to lower overhead recoveries than anticipated. Expenditure variance due to lower costs across the cost centre.

	In-House Professional Services				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	1,064,127	690,987	798,096	(107,109.)	(u)
Expenditure	1,067,290	721,703	802,275	(80,572.)	(f)
Surplus/(Deficit)	(3,163)	(30,717)	(4,179)	(26,537)	(u)

Commentary

The unfavorable variance for income relates to lower overhead recovery costs, favourable expenditure variance relates mainly to under resourcing resulting in lower salary costs than anticipated.

	Planning and Regulatory Admin				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	605,152	395,143	453,864	(58,721.)	(u)
Expenditure	605,820	455,693	455,460	233	(u)
Surplus/(Deficit)	(668)	(60,550)	(1,597)	(58,953)	(u)

Commentary

The unfavorable revenue variance relates to lower overhead recovery costs.

	Council Headquarters				
	Budget FYR	Actual YTD	Budget YTD	Variance \$	f/(u)
	\$	\$	\$		
Revenue	225,805	162,120	169,353	(7,233.)	(u)
Expenditure	225,805	156,511	177,521	(21,010.)	(f)
Surplus/(Deficit)	-	5,609	(8,168)	13,777	(u)

Commentary

The unfavourable income variance relates to overhead recoveries and recharges not yet made. The favourable expenditure variance relates to lower maintenance and electricity costs than budgeted.

Vehicle Operations					
	Budget FYR \$	Actual YTD \$	Budget YTD \$	Variance \$	f/(u)
Revenue	-	46,520	-	46,520	(f)
Expenditure	-	61,564	-	61,564	(u)
Surplus/(Deficit)	-	(15,044)	-	(15,044)	(u)

Commentary

The favourable income variance is due to higher plant hire income, expenditure is due to on-charging of vehicle usage not being completed within the second quarter.

Corporate Services Admin Group					
	Budget FYR \$	Actual YTD \$	Budget YTD \$	Variance \$	f/(u)
Revenue	2,020,328	1,496,109	1,515,246	(19,137.)	(u)
Expenditure	1,792,466	1,476,342	1,373,318	103,024	(u)
Surplus/(Deficit)	227,862	19,767	141,928	(122,161)	(u)

Commentary

Unfavourable expenditure variance is due mainly to consultant's fees in relation to assistance with the Long Term Plan.






























































PROJECTS						Legend - Key	
		Forecast on Budget				 Project Delayed - Will not be completed by 30th June 2015	
		Forecast over Budget				 Project on-Track - Will be completed by 30th June 2015	
						Project Complete - 100% Progress	
Project / Activity	YTD exp	2014-15	Forecast	Budget Track	Progress / Track	Progress comments	
	\$0	\$0	\$0				
Museum							
Heat Pump for Drummond Hall	-	5,000	16,000			Works in Progress. Costs are high and operational budgets from Museum will be used to cover any extra budget requirements	
Total	-	5,000	16,000				
Corporate Services							
Rates Review	42,509	55,000	42,509			Project Complete	
CCO Review Implementation	62,006	100,000	100,000			The CCO Review has been concluded, however staff are working on recommendations in the review as identified in the table below. Some of this work will be contracted out and budget is required for that.	
Website Development	15,266	15,000	15,266			Works Complete	
IT upgrades	2,772	30,000	30,000			Works committed. Invoices yet to come.	
Total	122,553	200,000	187,775				
WATER SUPPLY							
Power to Reservoirs - Hari Hari	37,313	50,000	45,000			(invoice paid in March) WIP. One more invoice to come April.	
Whataroa rural water supply (Mint creek)	525	50,000	50,000			On-Track - Waiting on the local community - Works quotation received.	
Haast WTP Upgrade	259,141	400,000	400,000			Work-in-progress	
Kumara Capital Assistance Programme Funding Application	4,783	15,000	10,000			Project Complete. Invoices yet to come.	
Condition assessments - Water	8,259	20,000	20,000			Works in Progress	
Hokitika Water Supply (Consultation-only project)	75,000		5,100,000			This is WMP project. Works are underway. Un-budgeted works. Paid by WMP	
Total	385,020	535,000	5,625,000				
WASTEWATER							
Fitzherbert Street Pump Upgrade #2	58,121	100,000	100,000			WIP. Invoice paid March.	
Fitzherbert street - Sewer Pipeline upgrade	658	350,000	350,000			WIP. Invoices due through to June.	
Haast Ponds Improvements	32,574	150,000	150,000			for this financial year. Appears GL has carried over 35,992 from last years budget. New budget set in 14/15, shouldn't included 13/14 expenditure.	
Condition assessments - Wastewater	9,814	20,000				No more invoices to come.	
Total	101,166	620,000	600,000				
STORMWATER							
Stormwater Pipe repairs	41,549	50,000	50,000			Work in progress	
Condition assessments - Stormwater	10,927	20,000	20,000			Work in progress	
Total	52,475	70,000	70,000				
SOLID WASTE							
Improvements at Hokitika Landfill	-	20,000	20,000			Works in Progress	
Kumara Landfill	23,600	25,000	23,600			Works Complete	
Franz Josef Landfill	-	25,000	25,000			Work in progress	
Total	23,600	70,000	68,600				
BUILDINGS							
Pensioner Housing - re-roofing	23,719	20,000	23,719			Works done	
RSA Hall Demolition	-	25,000	25,000			Works in Progress	
Council HQ re-roofing	-	125,000	125,000			Contracts getting signed - On track	
Total	23,719	170,000	173,719				
SWIMMING POOLS							
Hokitika Pool - Thermal liner	-	20,000	20,000			Works complete.	
Total	-	20,000	20,000				
EMERGENCY MANAGEMENT							
Kaniere Rural Fire Party (Pump replacement)	4,038	11,000	15,038			Works in progress	
Total	4,038	11,000	15,038				
DISTRICT ASSETS							
GIS & Asset plans	7,807	25,000	25,000			Development of 3 Waters and Transportation complete. Land & Buildings in progress	
Asset valuations (as required)	-	30,000	30,000			In Progress	
Total	7,807	55,000	55,000				
TOWNSHIP DEVELOPMENT							
Hokitika Beachfront Landscape Project (collaboration with Westland Arts Incorporated)	-	-					
Total	720,379	1,756,000	6,831,132				

Table 1: Work to be Completed Post CCO Review

PRIORITY	WORK	RATIONALE	TIMEFRAME
1	CCO's invited to Council meetings	Improved communication	Started & ongoing
2	Review of CCO Board Structure	Improved Governance	Current
3	Director Appointment Policy	Improved Governance	Current
4	Statements of Intent	Clarity on CCO direction	Current
5	Management Contract with WDPL	Clarity on operational expectation	30-Jun-15

TREASURY REPORT

1. SUMMARY

The purpose of this report is to provide an update on Council's Treasury Position as at 31 March 2015.

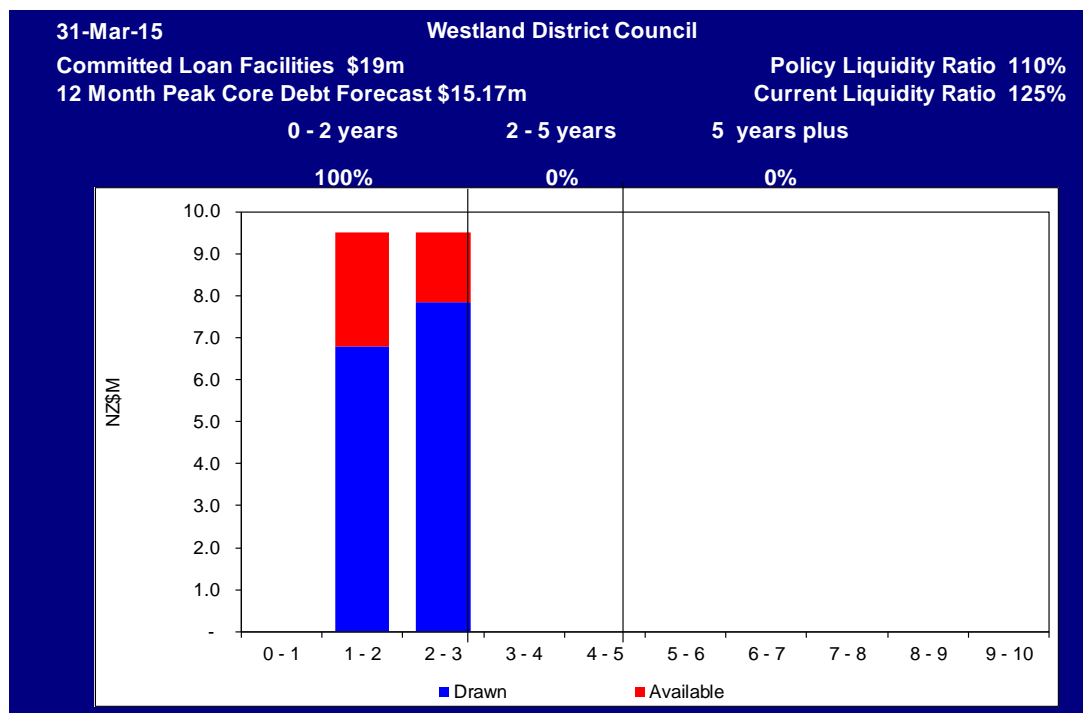
This report shows the Council's position for the following items:

Loans
 Other Borrowings (if any)
 Swaps
 Internal borrowing
 Cash Investments
 Deposits
 Bonds
 Debtors

Council has contracted PWC as an independent treasury adviser.

2. LOANS

This chart illustrates the Council's position in relation to the debt facility :



Council resolved in August 2013 to approve the revised Multi-Option Credit Lines (MOCL). Council originally had one loan facility of \$15.5m. From June to September negotiations with the Westpac bank resulted in two Multi-Option Credit Lines (MOCL) of \$9.5 million each. In order to meet the criteria of the WDC Liquidity and credit risk management policy the facility expiry dates are 1st July 2016 and 1st July 2017. This facility is essentially a series of short-term borrowings.

Council's policies require that we have liquidity cover of 110% of forecast debt. There are now two facilities in place, both with borrowing limits of \$9.5m, providing a total facility of \$19m. The forecast debt for the current year is \$17.7m with liquidity coverage at 129%.

As at 31st March, the Money Market Lending Statement shows:

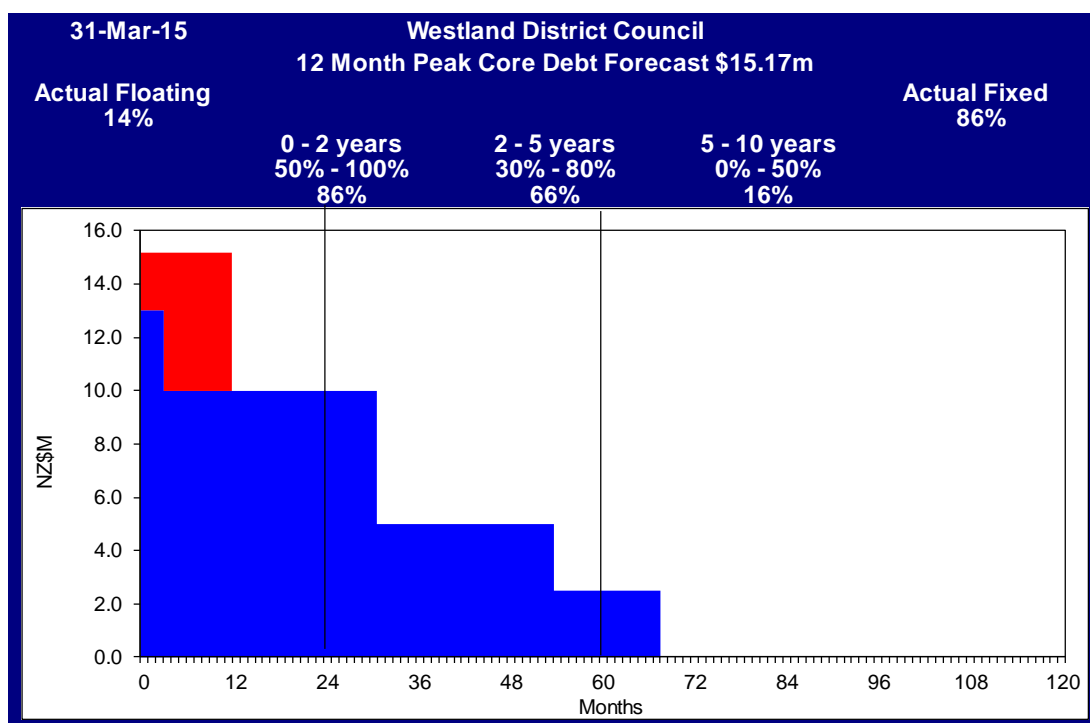
Amount	Rate	Maturity
\$6,803,352	4.68%	01/05/2015
\$6,068,000	4.68%	17/06/2015
\$1,789,000	4.68%	17/06/2015
\$15,498,352	Total	

(This does not include the 1% margin charged by the bank)

Swaps in place to protect against fluctuating interest rates are as follows:

Amount	Rate	Maturity
\$3,000,000	5.52%	17/06/2016
\$2,500,000	4.55%	17/11/2020
\$5,000,000	5.99%	01/10/2017
\$2,500,000	5.77%	17/09/2019
\$13,000,000	Total	

The following shows our current debt position and the amount of debt protected by interest rate swaps:



- 2.7 Some changes were made to further protect Council treasury from rising interest rates. A \$3m swap was extended by \$2m through to June 2016. A new swap was put in place for \$2.5m with an expiry Sept 2019. The Council is now protected to \$13m until June 2016, and \$12m until June 2017. Council policy requires interest rate risk management within the ranges specified in the chart.

3. INTERNAL BORROWING

Kaniere Sewerage \$192,057.59

4. CASH INVESTMENTS

Cash Deposits as at 31 March 2015

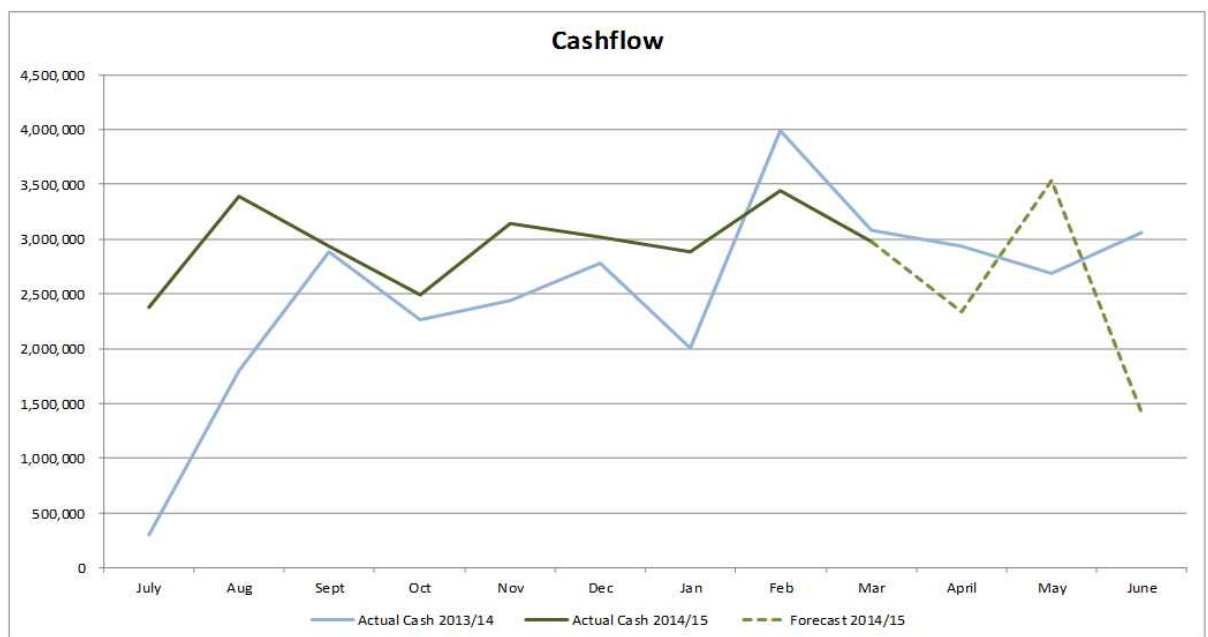
Cashflow is managed on a weekly basis. The highest spend is expected over the next quarter with many operational projects scheduled for the summer months.

The following analysis excludes bond monies.

Closing balance of WDC Operational Account: \$580,594

Savings account balance of: \$989,516

Term Deposit balance of: \$1,410,077



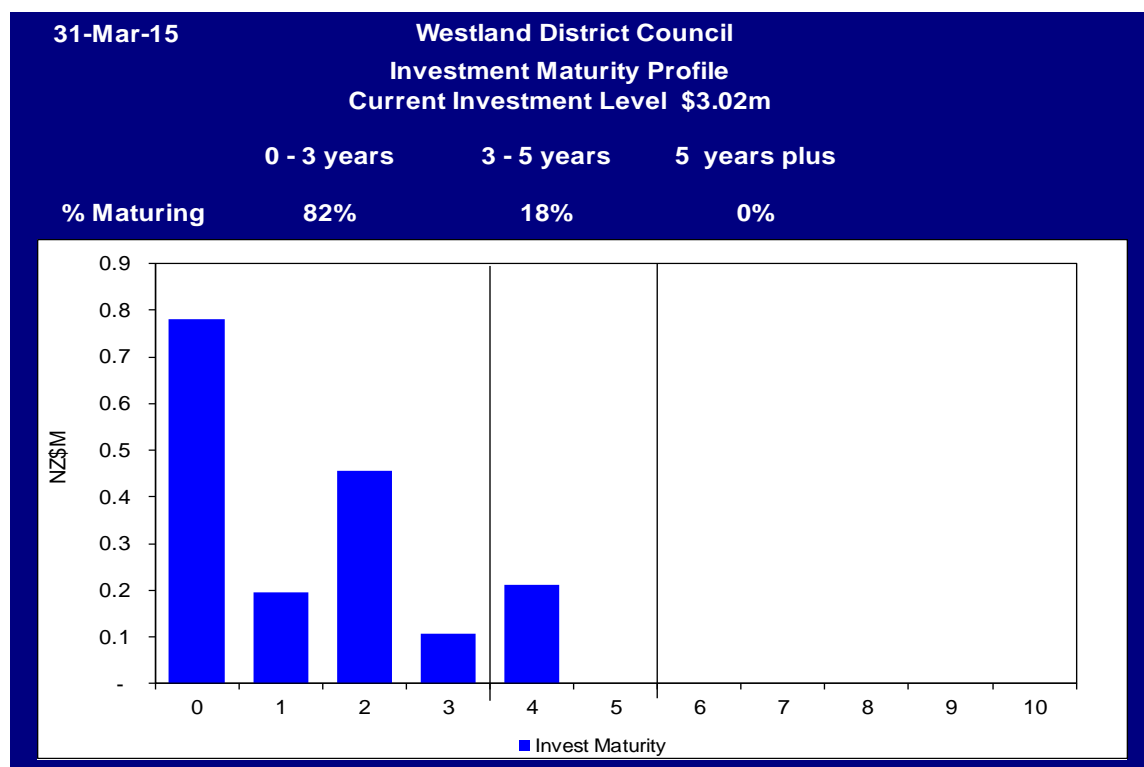
Bonds

WDC Westpac Bond Portfolio valued at \$1,752,575 as at 31 March 2015. This is made up of \$0.97m in bonds and \$0.78m in cash from matured bonds.

Westland District Council Investment Counterparty Credit Limits				
Minimum Credit Rating is A-1/A (A+ for corporates)				
Counterparty Credit Risk	Credit Rating	Policy Limits		Counterparty Exposure
		NZD\$m	NZD\$m	
ANZ	AA-	1.00	0.10	Y
ASB	AA-	1.00	0.00	Y
Auckland Council	AA	1.00	0.11	Y
Auckland Int Airport	A-	1.00	0.20	N
BNZ	AA-	1.00	0.21	Y
Rabobank	A-	1.00	0.25	N
Telstra Corporation	A	1.00	0.00	Y
Westpac	AA-	1.00	0.88	N
TOTAL			1.75	

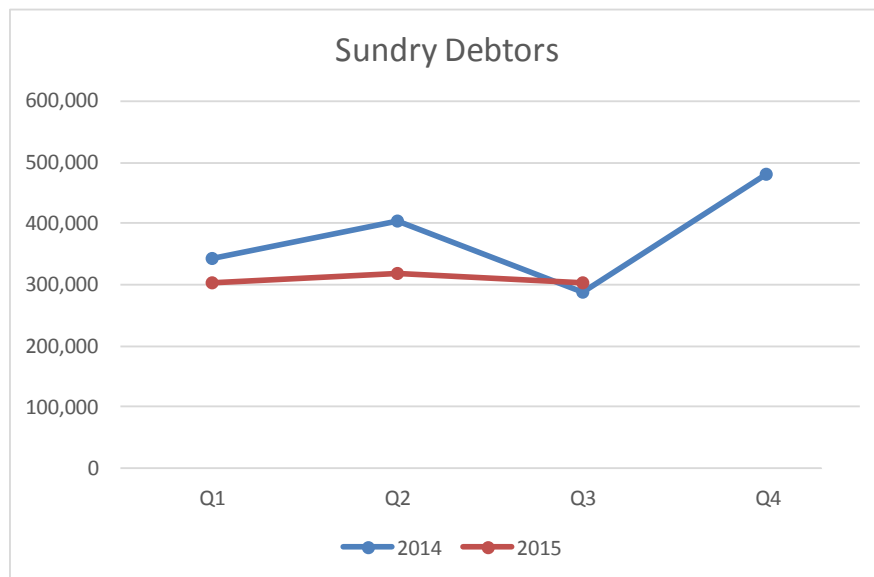
The policy requires that bond investments are with parties that have a credit rating of S&P A or better. Two bonds have rating below this limit. Council resolution decided to retain the bonds in the portfolio until maturity due to the high yields. The policy also has a limit of \$1m exposure per entity; all exposures are within this limit.

The following chart illustrates the maturity profile of the WDC investment portfolio:

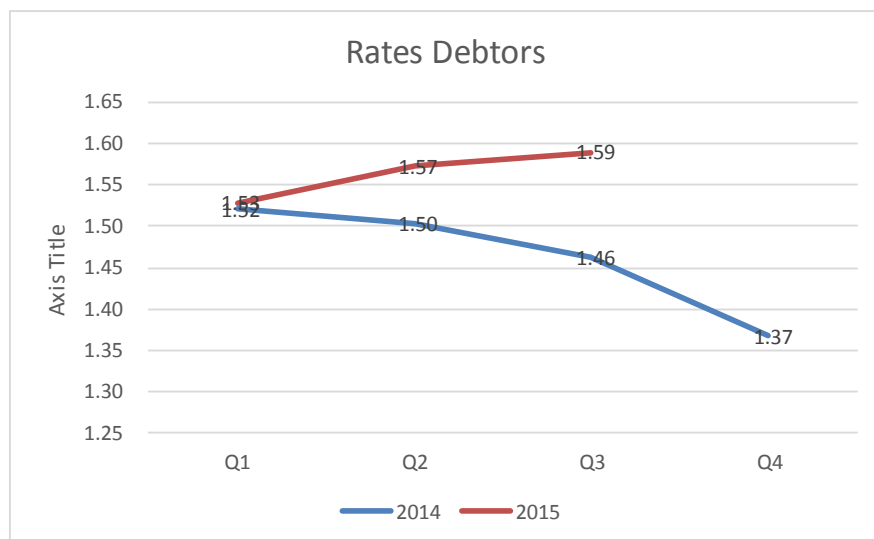


5. DEBTORS

Council received an update on Council's outstanding receivables and rates in March 2015. Outstanding Sundry debtors as at 31 March 2015 is \$302,577 of which 43% is current. Sundry debtors are 5% below the balance at Q3 2014.



5.2 At 31 March 2015, rates debtors figure is \$1,595,626 which is an 8.8% rise from Q3 2014.



6. Debt Collection

Prior to the end of the quarter, rates penalty notices and final notices were sent out. Further notices are to be sent at the beginning of quarter 4. A response in recoveries is expected in quarter 4.

The rating sales properties (2) have been handed to the High Court to arrange disposal but are yet, unresolved. The abandoned land disposal policy remains stalled between WDC and WDPL.

Credit Recoveries performance as at 31 March:

Date Debt Sent	Original Debt	Collected	Recovery Rate
Pre-2013	232,904	42,938	18%
2013	58,316	14,157	24%
2014	202,527	71,910	36%

Currently approximately \$25k per month is received from these debtors. Another substantial list of debts will be handed to Credit Recoveries in Q4.

Recovery rates are lower than previous quarter, this is due to new debts not being sent to credit recoveries till Q4. It is expected that the recovery rate will rise when new debts are received.

Automated Debt Recovery system should make the collection of debts and timely handling of delinquent debts more efficient.

The forecast rates write-off at year end is expected to be similar (\$92k) to last year.

RESERVE FUNDS REPORT

7. SUMMARY

Council adopted a revised reserves position in February 2013, aligning reserve balances with available funding.

Reserves are divided into two categories:

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

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

Financial Management Principles for Reserve Funds

Reserves are funded from the Westpac Bonds.

During the course of the year the bonds are expected to gain in value, but not deliver a cash return.

Reserves currently not funded, will be funded from the growth in the bonds.

Reserve balances will grow by interest calculated at the weighted average 90 day bill rate, paid quarterly into the reserve.

The interest growth for the reserves will be funding from the growth in value of the bonds.

During 2014/15 new depreciation reserves will grow quarterly. Interest will be earned on those reserves calculated based on the average 90 day bill rate. This will be funded from external interest revenue (or deficit reserves – internal borrowing) for 2014/14.

Interest will be charged on any reserve in deficit at Council's weighted average cost of asset term debt.

No funds shall be withdrawn from the Westpac Bonds or any reserve unless provided for in the Annual Plan or by Council resolution.

Restricted reserves					
Name	Purpose/Activities	Balance 1 July 2014	Deposits Q1 - Q3	Withdrawn Q1 - Q3	Balance 31 Mar 2015
		\$000	\$000	\$000	\$000
Offstreet Parking	Off-street parking. Imposed by RMA/District Plan	29	1	-	30
Reserve Development	Monies collected from developments. Imposed by RMA/District Plan	673	46	(100.)	619
Museum Assistance Fund	Museum Bequest Fund & Carnegie Furnishings.	18	1	-	19
Kumara Endowment Fund	Proceeds from the sale of endowment land for the purpose of the borough.	453	13	-	466
Euphemia Brown Bequest	From the estates of Euphemia & William E Brown, to provide christmas cheer, comfort for orphan children, or aged/infirm persons residing in Hokitika.	21	1	-	22
Mayors Trust Funds	Contributions from James & Margaret Isdell Trust, Coulston Herbert Trust.	3	1	(0.)	4
Ross Endowment Land	Proceeds from the sale of endowment land for the purpose of the borough.	207	7	-	213
Three Mile Domain	To fund three mile domain costs.	242	6	-	248
Big Brothers/Big Sisters	Grant funding received	(1)	(0)	-	(1)
Community Patrol	Grant funding received	0	0	-	0
Graffiti	Grant funding received	1	0	(2.)	(1)
Taxi Chits	Grant funding received	0	2	(2.)	0
Hokitika War Memorial		0	-	-	0
Total Restricted Reserves		1,647	76	(104)	1,619

Council Created	Purpose / Activities	Balance 1 July 2014	Deposits Q1 - Q3	Withdrawn Q1 - Q3	Balance 31 Mar 2015
		\$000	\$000	\$000	\$000
Kumara Township Fund	Township funding for the purpose of community related projects	-	14	(14)	0
Harihari Township Fund	Township funding for the purpose of community related projects	14	11	-	25
Whataroa Township fund	Township funding for the purpose of community related projects	15	11	-	26
Ross Township Fund	Township funding for the purpose of community related projects	-	10	(14.)	(4)
Haast Township Fund	Township funding for the purpose of community related projects	14	10	(31)	(6)
Franz Township Fund	Township funding for the purpose of community related projects	36	26	(70)	(8)
Fox Township Fund	Township funding for the purpose of community related projects	6	42	(40)	8
Kokatahi/Kowhitirangi Community Rate	Allowing the community to have funds for various community related projects	16	6	(24)	(2)
Foreshore Protection Fund	Foreshore Protection for groyn replacement on the foreshore.	25	1	-	25
Glacier Country Promotions	Targeted rates collected from Glacier Country to provide funding for marketing projects.	0	49	(39)	10
The Preston Bush Trust	Mr Preston donated the reserve to Council. This fund was for the community to beautify the bush with tracks and interpretation boards.	8	3	(4)	7
Harihari Community Complex	Harihari Pony Club land was sold and fundinf allocated towards a new community complex. (Another \$100,000 is allocated from the Reserve Development Fund.)	297	8	-	306
Guy Menzies Day	Surplus from Guy Menzies Day Event.	1	-	-	1
Cycleway	Road Reserve sold to Westland Diaries allocated to fund towards construction of Wilderness Trail.	249	7	-	256
Emergency Contingency Fund	Rates collected to support Westland in a Civil Defence emergency.	47	1		48
Transportation Asset Renewal	For funding the renewal of roads and bridges.	-	664	479	1,143
Water Renewal	For funding the renewal of water supplies networks	350	496	(300)	546
Waste Water Renewal	For funding the renewal of sewerage and sewage networks	199	189		387
Stormwater Renewal	For funding the renewal of stormwater systems	192	148	(42)	298
Solid Waste Renewal	For funding the renewal of Refuse transfer Stations and landfills.	-	-	-	0
Landfill Post Closure Provision	For funding the aftercare costs for closed landfills.	33	26	-	59
Parks Renewal	For funding Parks, Reserves, Public Toilets, Ross Pool and Cemeteries Asset Renewal	18	10	-	28
Buildings Renewal	For renewal of all Council operational buildings.	77	64		142
Administration Renewal	For renewal of office equipment, furniture, technical equipment, vehicles and technology	33	57	(3)	87
Library Book Renewals	To replace library books	(4)	40	(48)	(12)
Cycle partner programme contributions	Contributions towards maintenance of cycleway	21	7	-	28
Total Council created reserves		1,648	1,902	(150)	3,400

Report



DATE: 28 May 2015

TO: Mayor and Councillors

FROM: Chief Executive

2015 WILDFOODS FESTIVAL WRAP-UP

1 SUMMARY

- 1.1 The purpose of this report is to provide Council with the financial outcome of the 2015 Hokitika Wildfoods Festival.
- 1.2 This issue arises from the need for the Council to be fully aware of the outcomes and final result of the 2015 Wildfoods Festival, which could also assist with decisions about the Festival's future.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council receives this report for information.

2 BACKGROUND

- 2.1 March 2015 saw the 26th annual staging of the iconic Hokitika Wildfoods Festival. It was the first under a new management and operational structure. As in 2014 this year's Festival operated on the Festival Day only, away from the previous Friday and Saturday night events.
- 2.2 Over the past five years the Festival has seen decline in total attendee numbers, and 2015 was no different to this. This trend has been accelerated by the Christchurch earthquakes and subsequent recovery, along with a plethora of new events and festivals that dominate the summer months.

- 2.3 Due to the change in the way the Festival was managed, there was a significant delay in securing a Co-ordinator and therefore promoting and marketing the Festival was later than usual. It was reported that many people did not know whether the Festival was actually on in 2015 or not.

3 CURRENT SITUATION

- 3.1 Festival financials as at end April 2015 show that overall the event produced a deficit against budget of \$80,298. The Festival was budgeted to make a surplus of \$46,853, whereas the actual loss for 2015 is \$33,445.
- 3.2 A financial breakdown for the 2015 event is included as **Appendix 1** of this report.
- 3.3 A comparison of the last three years financial result is included as **Appendix 2**. It is worth noting that overall the Festival's financial performance in 2015 has improved since 2013. While revenue was lower in 2015, expenditure was also significantly reduced.
- 3.4 The Festival budget was based on a ticket sales figure of 7,500. While attendance at the Festival was 6,242, actual tickets sold totalled 5,345. This has resulted in a deficit of \$91,798 against this budget line.
- 3.5 Total revenue was \$157,147 lower than expected. However, prudent management by the Festival organising team created savings in expenditure of \$76,849 which has offset the lower than expected revenue.
- 3.6 It was identified early in the piece that the event is no longer able to apply for grant funding which created a \$36,000 deficit in the grants budget.
- 3.7 The Festival is without a major sponsor, or a family of sponsors to support the Festival with cash, contra product and other benefits derived from such relationships.
- 3.8 The reduction of complimentary tickets continued with 897 given, down from 1,112 in 2014 and 1,608 in 2013.
- 3.9 Hokitika and wider Westland remain the major beneficiaries of the Festival with huge economic impact achieved from the Festival for local community groups. Many groups report that they make 90% of their annual total income by being part of the Festival. A BERL report produced in 2012 estimates the value to the West Coast economy at over \$6.5million.

- 3.10 The future of the Festival is a consultation topic in the Long Term Plan 2015-25. Feedback from the community is being sought on whether Council should continue with this event or not, and if so, what format it should take.

4 OPTIONS

Options are not relevant to this report. It is for information only.

5 SIGNIFICANCE AND ENGAGEMENT

This matter is administrative and therefore of low significance.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

Assessment of options is not required.

7 PREFERRED OPTION AND REASONS

There is no preferred option.

8 RECOMMENDATION

- A) **THAT** the report “2015 Wildfoods Festival Wrap-up” be received.

Tanya Winter
Chief Executive

Appendix 1: 2015 Wildfoods Festival Financials-Budget vs Actuals

Appendix 2: Wildfoods Festival Results for 2013-2015

Appendix 1

Appendix 1 - 2015 Wildfoods Festival Financial Result			
	Actuals	FY Budget	
Income			
User fees and charges	-178,345	-267,500	
Grants and subsidies	-16,235	-40,000	
Other income	-63,773	-108,000	
	-258,353	-415,500	
Expenditure			
Administrative costs	10,232	19,708	
Personnel costs	34,908	48,531	
Operating costs	219,914	266,973	
Overheads	24,866	30,885	
Depreciation	1,879	2,549	
	291,798	368,647	
Net Surplus/(Deficit)	-33,445	46,853	
Reconciliation			
Net Surplus/(Deficit)	Per budget Surplus	46,853	
	Admission fees	-91,798	Lower attendance than anticipated
	Stallholder fees	673	
	Campsite commission	-3,050	10% of campsite fee, lower attendance, less campers
	Retail sales	-981	Lower merchandise sales volume
	Grants	-28,000	Not eligible for \$30k grant, offset by \$2k sponsorship
	Wine tent revenue	10,235	Offsets loss on purchases
	Cash out fees	1,946	Fee revenue for customer cash withdrawals, no budget
	Beer tent revenue	-43,173	Lower sales than anticipated, in line with lower admissions
	Refunds	-3,000	
	Computer operating charges	435	
	Postage/printing/photocopying	8,230	Postage costs only, no courier costs, Grey star advertising, books and maps, lower than anticipated

	Telephone costs	1,012	Lower telephone usage
	Printer consumables	1,500	No Printer costs
	Photography	-1,700	Photos and video
	Personnel costs	13,623	
	Accommodation, travel, training	2,465	Not used
	Contractor/consultant costs	4,908	
	Beer tent purchases	24,833	Actual costs less due to refunds
	Wine tent purchases	-7,355	Overspend on wine purchases offset by increased wine revenue
	Entertainment	12,876	Lower Entertainment costs than budget
	Electricity	6,000	
	Rent Cass square	6,000	
	Security	618	
	Advertising	2,525	
	Office space and storage rental	-520	Storage costs
	Graphic design	-3,820	Stage design, signs
	Website design	-1,786	Website migration and updates
	Maintenance costs	699	
	Building consents	-383	Building consents for tents
	Depreciation	670	Depreciation office equipment
	Overheads	6,018	Council overheads
Actual Deficit		-33,445	

Appendix 2

Appendix 2: Wildfoods Festival Results 2013-15	2015	2014	2013
	Actuals		
Income			
User fees and charges	-178,345	-236,208	-276,968
Grants and subsidies	-16,235	-32,010	-29,830
Other income	-63,773	-109,858	-108,072
	-258,353	-378,076	-414,870
Expenditure	291,798	459,118	476,109
Net Surplus/(Deficit)	-33,445	-81,042	-61,239