

A G E N D A

Council

**Council Chambers
36 Weld Street
Thursday
29 January 2015
commencing at 9.00 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. C.A. van Beek



COUNCIL MEETING

NOTICE IS HEREBY GIVEN THAT AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 29 JANUARY 2015 COMMENCING AT 9.00 AM

Tanya Winter
Chief Executive

23 January 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 **Register of Conflicts of Interest**

2. **CONFIRMATION OF MINUTES**

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

2.1.1 **Ordinary Council Meeting – 18 December 2015** (Pages 5-19)

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 18 December 2015.**

(Refer Public Excluded Minutes)

3. **PUBLIC FORUM**

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

4. **BUSINESS**

4.1 **Mayor's Report**

4.2 **Update from Councillors**

4.3 **Annual Report on Dog Control Policy & Practices 2014** (Pages 20-25)

4.4 **Hokitika RSA- Council Grant for a New Facility** (Pages 26-34)

4.5 **Monthly Financial Report YTD December 2014** (Pages 35-44)

4.6 **Adoption of Annual Report 2013-14** (Pages 45-49)

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 Minutes

5.2 Ross Cemetery - Adjoining Land – Issues and Options

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	Ross Cemetery - Adjoining Land – Issues and Options	Confidential Report	Good reasons to withhold exists under Section 7.	Section 48(1(a))

**Date of Next Ordinary Council Meeting
26 February 2015
Arahura Marae**

MINUTES OF AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN ROSS COMMUNITY HALL ON THURSDAY 18 DECEMBER 2014 COMMENCING AT 10.04 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, Cr. C.A. van Beek.

1.1 Apologies

Nil.

Staff in Attendance

T.L. Winter, Chief Executive; G. Borg, Group Manager: Corporate Services; V. Goel, Group Manager: District Assets; J. Ebenhoh, Group Manager: Planning, Community and Environment; D.M. Maitland, Executive Assistant.

1.2 Register of Conflicts of Interest

The Register of Conflicts of Interest was circulated and amendments were noted.

2. CONFIRMATION OF MINUTES

2.1 **Confirmation of Minutes:**

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that the Minutes of the Ordinary Council Meeting, held on the 27 November 2014, be confirmed as a true and correct record of the meeting.

3. PUBLIC FORUM

3.1 Durham Havill & Bruce Smith – Haast-Hollyford Highway

Durham Havill, Chairman of Haast-Hollyford Highway, and Project Coordinator Bruce Smith attended the meeting and spoke regarding the Haast-Hollyford Highway proposal. Mr Havill and Mr Smith asked Council to adopt, with urgency, the section of road from the Cascade through to the Westland Southern Boundary as legal road.

3.2 Charlie McBeath, Chairman, Ross Community Association

- Mr McBeath spoke regarding the Ross Cemetery and presented a letter “to request Westland District Council purchase back our Cemetery Land that was ‘inadvertently’ sold off in 2008” with 113 signatures of support in relation to the petition.
- Mr McBeath also spoke regarding MDI funding for the re-roof of the Ross Hall.

4. GENERAL BUSINESS

4.1 Mayor’s Report

His Worship the Mayor provided a verbal report as follows:

- Noted it was pleasing to be in Ross for the Council Meeting, and advised he finds value in shifting the meetings around the district
- Financial systems are delivering monthly reports
- Noted that both the CCO and the Rates Review are on the agenda for the meeting
- Success of The Diggers Story book launch
- Visit of the Chinese Consular General – Consul General Jin Zhijian
- Christmas Parade – biggest crowd in downtown Hokitika

4.2 Update from Councillors

i) Deputy Mayor Cox

- West Coast Wilderness Trust Meeting.
 - Ross section planned for completion by the end of April 2015
- AGM of Westland Holdings Limited
- Meeting regarding LTP Guidelines with Bede Kearney

- ii) **Cr Martin**
 - Westland High School Graduation Dinner
 - Love Hokitika Promotion
 - Hokitika Christmas Parade
- iii) **Cr Butzbach**
 - Hokitika Christmas Parade
 - 150th Celebrations
 - Masquerade Ball
- iv) **Cr Montagu**
 - Noted it was great to see members of the Ross Community at the Council Meeting
- v) **Cr Hope**
 - Committee meeting of the Haast Road Opening 50th Anniversary - Completing Westland's link to Otago, celebration on the 6-7 November 2015
 - Knights Point - ongoing monitoring and contingency plans
 - Denis Road Track– track through to the back of the Haast Township
- vi) **Cr van Beek**
 - Rates Review and Hearing Meetings
 - West Coast Wilderness Trust Meeting
 - Safer Community Council Meeting
 - Meeting with Bede Kearney, Audit Director

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

4.3 Consideration of Rating Review Submissions and Decision Making

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that Council confirms it has heard and considered all submissions on the rating review.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that the following matters proposed in the Statement of Proposal be adopted:

- a. Change the rates funding source for each activity to those rates listed in Figure 1 page 10 of the proposal.
- b. That Council changes to a capital value general rate.

- c. That the uniform annual general rate be set at the 30% maximum allowed by legislation.
- d. That there are new community rates, set as differentiated uniform targeted rates.
- e. That the community rates zones for Hokitika, Ross, Harihari, Whataroa and Franz Josef remain as described in the Statement of Proposal.
- f. That there is no change in the way rates are collected for water, sewerage, refuse collection, Hokitika area promotions, Kokatahi community rate, Kaniere sewerage capital contribution and Hannah's Clearing water supply capital repayment rate.

Moved Cr Butzbach, seconded Deputy Mayor Cox that the following matters that are different from the proposal are adopted as a consequence of the consultation.

The motion was lost.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that the rating categories be Residential, Rural Residential, Commercial, and Rural.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that the definitions for the rating categories be as defined as follows:

“Residential Rating Category means:

- a) Land not identified as commercial, rural or services and either:
 - located in Kumara, Hokitika, Kaniere, Ross, Harihari, Whataroa, Franz Josef Resort, Franz Josef, Fox Glacier or Haast and has a District Plan zone of residential, residential mixed, coastal settlement, small settlement, tourist; or
 - land containing a dwelling with a District Plan zone of rural and connected to a reticulated Council township water supply and less than 5ha; or
 - Land predominantly used as a dwelling with a District Plan zone of commercial core;
 - Land located at Seaview.
- b) A residential purpose is land that is primarily used for the purposes of residential accommodation in a dwelling, apartment or institutional home, not more than 5 extra people are boarding

with the residents, and no persons are employed or contracted other than for the purposes of caring for residents or boarders.

Rural Residential Rating Category means:

- a) Land not identified as commercial, rural or services and either:
 - located in Sanctuary Place, Arahura, Lake Kaniere, Woodstock, Rimu, Kokatahi, Ruatapu, Okarito, Bruce Bay, Okuru, Hannah's Clearing, Neil's Beach and Jackson Bay and has a District Plan Zone of coastal settlement, small settlement, tourist; or
 - land containing a dwelling with a District Plan zone of rural and less than 10ha.
- b) The rural residential category is a subset of the residential sector.

Commercial Rating Category means:

- a) Any land used for a commercial purposes and any land in a commercial/tourism or industrial zone unless it is identified that its primary use is residential, services or rural.
- b) A commercial purpose exists where land is used for the purposes of the sale of food, services and other commodities (excluding those identified as rural) and merchandise or the provision of services or professional advice.

For example this includes taverns, restaurants, utility networks, electricity generation activities, agricultural contractors, mineral processing (not extraction), timber milling (not felling), tourism activities and accommodation for more than 5 extra people with no persons employed for the purpose of caring for the residents or boarders.

Council will identify commercial purposes where advertising of the commercial activity is undertaken. Advertising includes: signage on or near the property, on vehicles, in print, radio, TV or other media, on websites or other electronic media or by direct mail. Commercial does not include any part of rural zoned land that meets the definition of rural purpose.

Commercial purposes does not include small hobbies, sale of personal items or the occasional provision of services from a home where only one person is involved in the activity, no other persons are employed or contracted and turnover is assessed as minimal and incidental to the household income.

- c) Any residential or rural zoned land used for commercial purposes. Where a rating unit has more than one use, a division of the rating unit will be undertaken.

Rural Rating Category means:

- a) Any land used for rural purposes and any land in a rural zone unless it is identified that its primary use is residential, services or commercial.
- b) A rural purpose is land that is used for the purpose of agricultural, forestry and mining exploration and extraction activities. It includes mineral valuation assessments. An agricultural activity is land used for the primary purpose of producing livestock or vegetative matter and includes horticultural and pastoral farming. It does not include rural zoned land where 75% of the rating unit is covered and used for intensive farming or horticulture. These are considered commercial use for rating purposes.
- c) Residential, Commercial, Industrial and Tourism zoned land with an area of greater than 4ha used exclusively for rural purposes. Where a rating unit has more than one use, a division of the rating unit will be undertaken.

Services Rating Category means any rating unit assessed as meeting the following definition:

- a) All land subject to Schedule 1 of the Local Government Rating Act 2002 (LGRA).
- b) Any land receiving a remission under Council's remissions policy for service organisations."

Cr van Beek abstained from voting.

Moved Cr Dawson, seconded Deputy Mayor Cox and **Resolved** that the general rate differentials be set at:

i. Commercial	1.88
ii. Residential	1.00
iii. Rural Residential	0.80
iv. Rural	0.75

Cr van Beek abstained from voting.

Moved Cr Dawson, seconded Cr Martin and **Resolved** that the general rate differential for the rural residential category be set at 80% of the residential rate.

Moved Cr Dawson, seconded Cr Butzbach that the community rates differentials be amended as shown in Appendix 4.

The motion was lost.

The meeting adjourned at 11.30 am and reconvened at 11.41 am.

Moved Cr van Beek, seconded Cr Montagu and **Resolved** the rural residential differentials for the community rate from Hokitika be changed to:

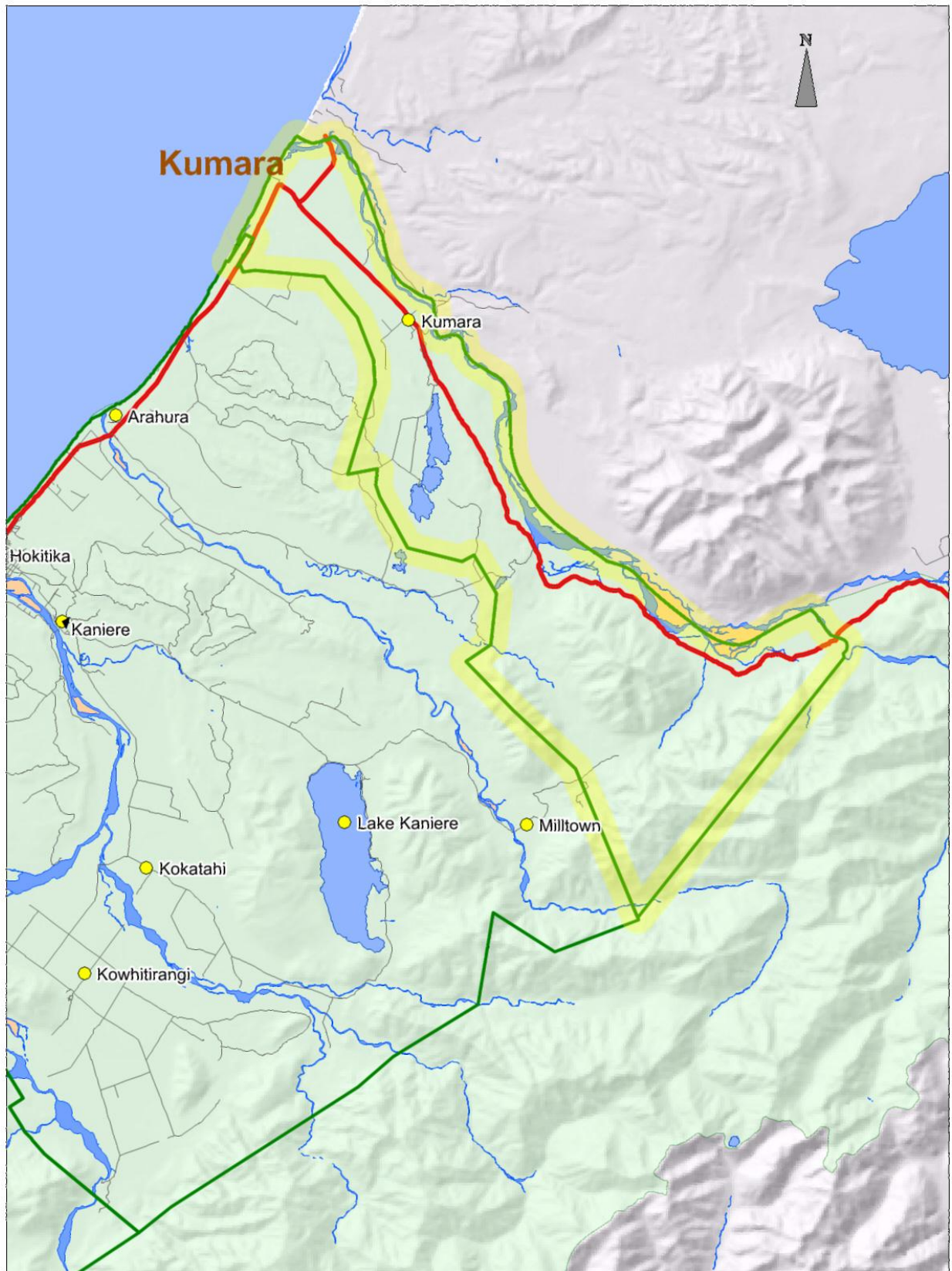
- Commercial Ratepayers - 1.57
- Residential - 1
- Rural Residential - 0.5
- Rural - 0.9

Moved Cr Dawson, seconded Deputy Mayor Cox and **Resolved** that the community rate differentials, excluding Hokitika, be amended as follows:

Township Zone	Residential	Rural Residential	Rural	Commercial
Kumara				
Indicative Rate	\$108.30	\$105.00	\$105.00	\$114.80
Differential	1.00	0.97	0.97	1.06
Hokitika				
Indicative Rate	\$436.70	\$410.40	\$410.40	\$528.30
Differential	1.00	0.94	0.94	1.21
Ross				
Indicative Rate	\$281.50	\$275.80	\$275.80	\$309.60
Differential	1.00	0.98	0.98	1.10
Harihari				
Indicative Rate	\$90.60	\$87.00	\$87.00	\$102.50
Differential	1.00	0.96	0.96	1.13
Whataroa				
Indicative Rate	\$152.80	\$137.50	\$137.50	\$168.10
Differential	1.00	0.90	0.90	1.10
Franz Josef				
Indicative Rate	\$424.60	\$382.10	\$382.10	\$1,154.80
Differential	1.00	0.90	0.90	2.72
Fox Glacier				
Indicative Rate	\$401.50	\$361.40	\$361.40	\$831.20
Differential	1.00	0.90	0.90	2.07
Haast				
Indicative Rate	\$93.40	\$86.00	\$86.00	\$100.90
Differential	1.00	0.92	0.92	1.09

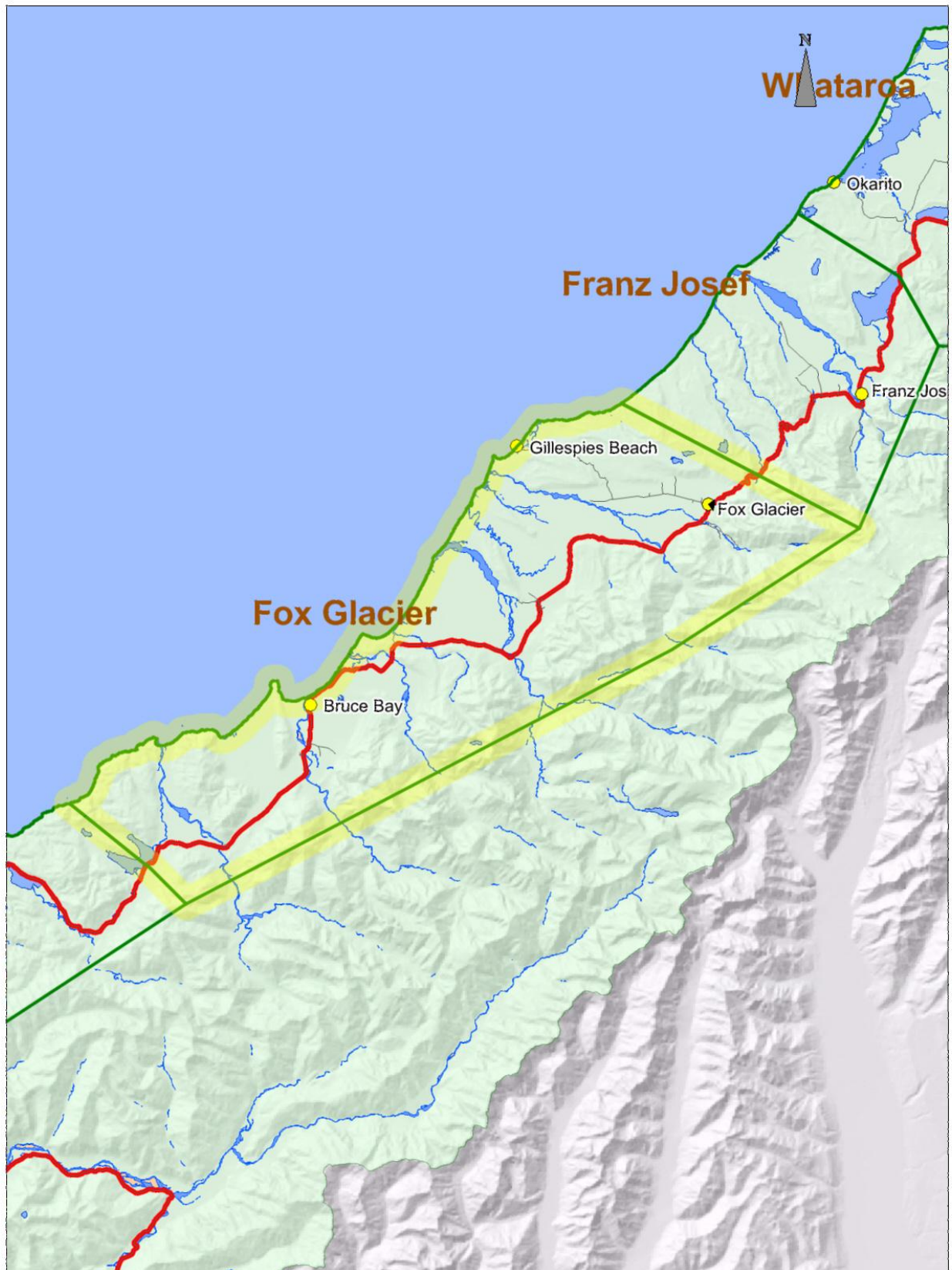
Cr Butzbach abstained from voting.

Moved Deputy Mayor, seconded Cr Martin and **Resolved** that the community rates zones for Kumara, Fox Glacier and Haast are amended to those as follows:



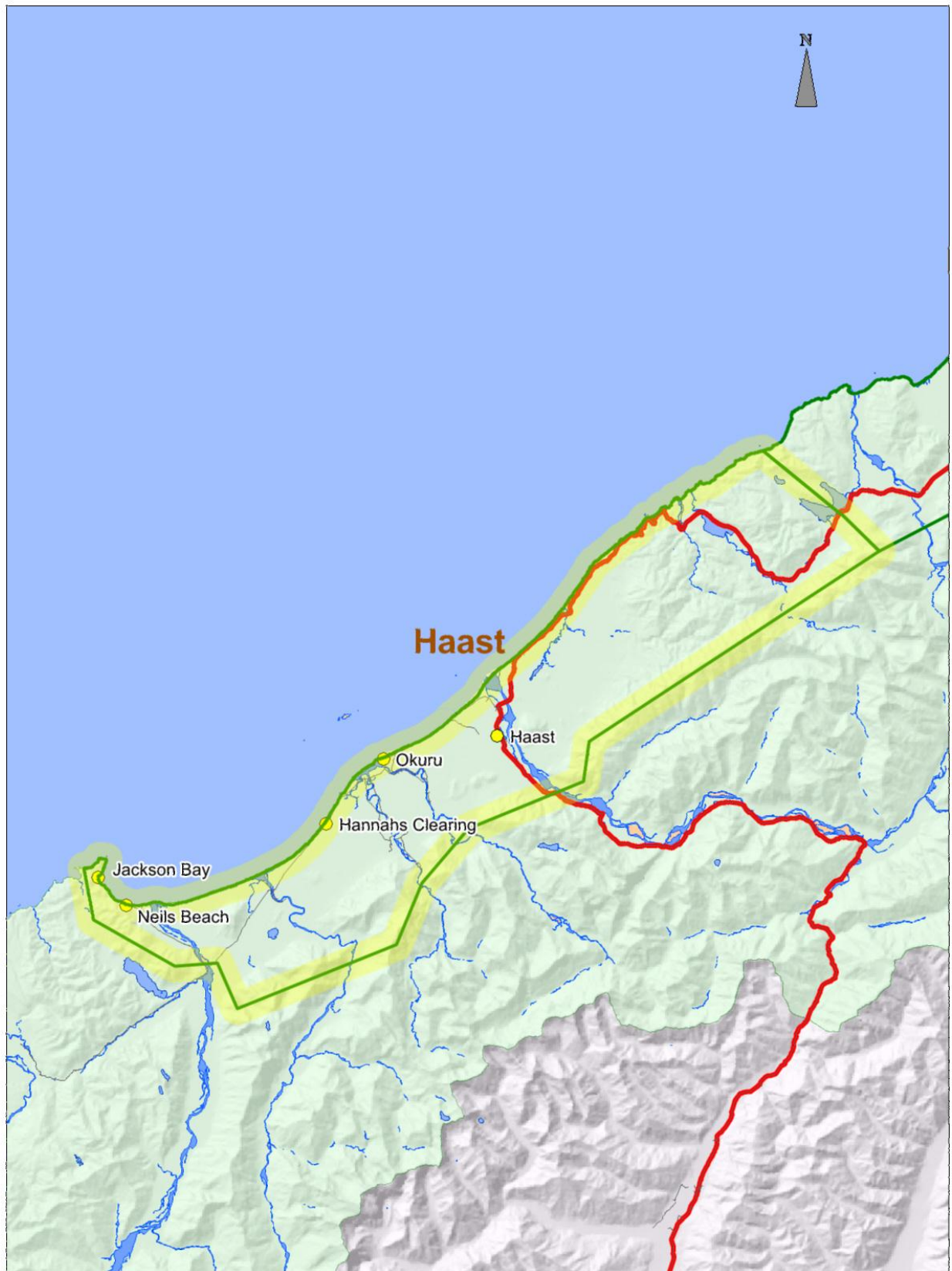
Kumara Zone
For Community Rating Purposes





Fox Glacier Zone *For Community Rating Purposes*





Haast Zone

For Community Rating Purposes



Moved Cr Butzbach, seconded Cr Martin and **Resolved** that staff develop the necessary technical policies to enable implementation of the amended rating system to take effect on 1 July 2015.

4.4 CCO Review Statement of Proposal

Moved Cr Butzbach, seconded Deputy Mayor Cox and **Resolved** that the Statement of Proposal to reorganise Westland Holdings Ltd and subsidiaries be adopted for consultation in accordance with the consultation plan.

Moved Cr Martin, seconded Cr Montagu and **Resolved** that the consultation plan be adopted.

4.5 Financial Performance YTD November 2014

Moved Cr Montagu, seconded Cr Dawson and **Resolved** that Council receives the Financial Performance Report to 30 November 2014.

4.6 Wildfoods Festival Funding Application

Moved Cr Butzbach, seconded Cr Dawson and **Resolved** that Council supports the Wildfoods Festival Team in seeking external funding of \$70,000 from Air Rescue Trust for the Wildfoods Festival 2015.

4.7 2015 Council Meeting Schedule

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that the amended schedule of Council Meetings for 2015 be adopted as follows:

Month	Meeting Date	Venue
January	29	Chambers
February	26	Arahura
March	26	Chambers
April	23	Chambers
May	28	Franz Josef
June	25	Chambers
July	23	Chambers
August	27	Chambers

September	24	Chambers
October	22	Haast
November	26	Chambers
December	17	Chambers

4.8 **Significance and Engagement Policy**

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

- Council considers the submission on the draft Significance and Engagement Policy.
- Council adopts the amended Significance and Engagement Policy attached to the report, subject to the addition of the West Coast Wilderness Trail to Page 89, Council's Significant Assets.

The meeting adjourned for lunch at 12.36 and reconvened at 1.26 pm.

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

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 1.26 pm.

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 **Resealing Westland District – Contract 14/15/02**

5.3 **Hokitika Water Treatment Plant Upgrade Procurement**

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	Resealing Westland District – Contract 14/15/02	Confidential Report	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
5.3	Hokitika Water Treatment Plant Upgrade Procurement	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 Deputy Mayor Cox and **Resolved** that the business conducted in the “Public Excluded Section” be confirmed and accordingly the meeting be closed at 2.10 pm.

MEETING CLOSED AT 2.10 PM

Confirmed by:

Mike Havill
Mayor

Date

Next Meeting:

29 January 2015 - Ordinary Council Meeting at Hokitika.

Report



DATE: 29 January 2015

TO: Mayor and Councillors

FROM: Group Manager: Planning, Community and Environment

ANNUAL REPORT ON DOG CONTROL POLICY AND PRACTICES

1.0 SUMMARY

- 1.1** The purpose of this report is to allow Council the opportunity to adopt an Annual Report on Dog Control Policy and Practices for the year ending 30 June 2014.
- 1.2** This issue arises from the statutory duty pursuant to the provisions of Section 10A of the Dog Control Act 1996 to provide an Annual Report.
- 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. The matters raised in this report relate to those elements of the vision identified in the following table:

Vision's Objectives	Achieved By
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: <ul style="list-style-type: none">• Involving the community and stakeholders.	Keeping the public informed on dog control in the District.

- 1.4** This report concludes by recommending that Council adopt the annual report for the year ending 30 June 2014 on Dog Control Policy and Practices (attached as **Appendix 1**).

2.0 BACKGROUND

- 2.1** It is a requirement of Section 10A of the Dog Control Act 1996 to prepare a report on Dog Control Policy and Practices. It has been a statutory duty to supply such a report for ten years. After the adoption of the report by Council, a copy is required to be posted on the Council's website and made available to the Secretary for Local Government.
- 2.2** The report for the year ending 30 June 2014 was prepared in the second half of 2014 but it was only recently confirmed by the report's author that the report needs to be formally adopted at a Council meeting.

3.0 CURRENT SITUATION

- 3.1** Council last adopted a report for the year ended 30 June 2013. That report has been available on Council's website and a copy was forwarded to the Secretary for Local Government.

4.0 OPTIONS

- 4.1** This is a statutory duty and Council is required to adopt a report. The report itself, however, can be in any form within the statutory requirement. The options are therefore about the content of the report.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1** There is some public interest in dog control generally, but the adoption of the annual report is considered to be of low significance in accordance with Council's Significance and Engagement Policy.
- 5.2** The report is recommended to be adopted without consultation. It is available to inform and advise the public on Dog Control Policy and Practices in Westland.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1** This is a statutory function, so the Council does not have any choice about whether or not to adopt a report.

- 6.2 Council does, however, have a choice on the contents of the report. A draft report is attached for consideration, and recommended for adoption.

7.0 PREFERRED OPTION AND REASONS

- 7.1 The adoption of the draft report is the preferred option so that the legislative requirement can be met. Amendments are permissible for clarity, as long as they are factually correct.

8.0 RECOMMENDATIONS

- A) THAT the attached report on Dog Control Policy and Practices for the year ending 30 June 2014 be adopted, a copy forwarded to the Secretary for Local Government and the report be made available on Council's website.

Jim Ebenhoh

Group Manager: Planning, Community and Environment

Appendix 1: Report on Dog Control Policy and Practices for year ended 30 June 2014.



REPORT ON DOG CONTROL POLICY AND PRACTICES

This report is prepared pursuant to the provisions of Section 10A of the Dog Control Act 1996 for the year ended 30 June 2014. This is the tenth annual report prepared pursuant to the Act.

Statistics:

	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14
The number of registered dogs in the District.	1472	1455	1449	1441	1489	1484	1511	1458	1561	1729
The number of probationary owners and disqualified owners.	0	0	0	0	0	0	0	0	0	0
The number of dogs classified as dangerous.	0	0	0	0	0	0	0	0	0	0
The number of dogs classified as menacing.	0	0	0	0	0	0	0	2	9	9
The number of infringement notices issued by the Council.	56	26	10	11	18	26	19	16	70	60
The number of dog related complaints received by the Council and (since August 2007) the Contractor.	34	47	51	130	109	86	110	133	184	212
The number of prosecutions taken by the Council under the Act.	10	6	3	11	18	13	12	1	27	26

Staff

The Council continues to employ a contractor to undertake dog control duties throughout the District. The contractor has, since August 2010, been the Hokitika Branch of the Royal New Zealand SPCA. The contract was renewed in June 2012 for a three year period after a review of contractual arrangements, and it is due to be reviewed again shortly as part of a retender process which will allow other interested parties to bid for the contract. The Council values the contractual relationship with the SPCA, as Council believes that a better standard of dog control can be achieved by having an emphasis on animal welfare as well as the statutory dog control function. The contractor's performance is monitored on a monthly basis.

Policy on Dogs

The current Policy on Dogs was adopted in April 2010 after completing the Special Consultative Procedure.

The Policy highlighted the movement towards a more effective relationship with the SPCA, with a strategic alliance focusing on animal welfare. The Council has always regarded "dog control" as the statutory minimum, and the policy seeks an overall improvement in animal welfare knowledge and practice, leading to an improvement in dog control.

The Policy on Dogs has not been amended during the year ending 30 June 2014 and is considered to be accurate, with the exception of a couple outdated references to the relationship with the SPCA.

Dog Control

Dog Control continues to be concentrated on Hokitika and Kaniere. Periodic control functions are undertaken at Ross and Kumara, with other areas of the District being covered on an as-required basis.

The number of complaints received about dogs has continued to increase. This is most likely due to more effective record systems as well as a more determined approach by the Contractor to ensure that all dog complaints are properly recorded. This analysis may be clearer when the next external satisfaction survey has been completed.

In the year ending 30 June 2014, Council focused on the menacing dog provisions of the Act and utilised this regulatory regime to more effectively monitor issues around menacing dogs. As of 30 June 2014, there were 9 dogs classified as menacing; 2 by virtue of breed and 7 by virtue of behaviour.

Dog Registration

Dog control fees for the year remained at \$74.00 for dogs registered within the Hokitika and Kaniere Townships and \$58.50 for dogs registered in other areas. Dog registration fees also included a 50% penalty additional to the registration fee for late payment. The costs associated with dog registration and dog control are funded entirely by dog registration fees.

External Satisfaction Survey

An external satisfaction survey has generally been undertaken on a biannual basis but was not undertaken in 2014 due to Council's financial constraints. The results of the last biannual external satisfaction survey in 2012 indicated that 35% of residents are 'very satisfied' or 'just satisfied' with the control of dogs in the District, 27% were 'not very satisfied' or 'not at all satisfied,' and 38% did not know. The Council looks forward to the results of the next external satisfaction survey, planned for 2015 or 2016 (subject to funding availability).

Adopted 29 January 2015

Report



DATE: 29 January 2015

TO: Mayor and Councillors

FROM: Group Manager: District Assets

HOKITIKA-WESTLAND RSA (RETURNED SERVICES ASSOCIATION) – COUNCIL GRANT FOR A NEW FACILITY

1.0 SUMMARY

- 1.1 The purpose of this report is to advise Council on the possibility of making a grant to the Hokitika-Westland RSA (“the RSA”) towards the construction of a new community facility on the Sewell Street war memorial reserve land.
- 1.2 The issue arises as a result of request from the RSA for a grant from the 3 Mile reserves account and a request from elected members that a report is brought to Council advising options on providing a grant to the RSA.
- 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. The matters raised in this report relate to those elements of the vision identified in the following table:

Vision's Objectives	Achieved By
<p>Westland District Council will facilitate the development of communities within its district through delivery of sound infrastructure, policy and regulation.</p> <p>This will be achieved by:</p> <ul style="list-style-type: none"> • 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. 	<p>Ensuring Council's financial reserves are utilised for their legislative purpose, which in this case is to support or develop new community recreation facilities.</p>

- 1.4 This report concludes by recommending that Council makes a grant of \$50,000 to the RSA, funded from the "Reserve Development" reserve account on the condition that the new RSA facility is a community facility.

2.0 BACKGROUND

- 2.1 The current RSA building on Sewell Street located on War Memorial land is to be demolished in 2015. Funds have been made available for this project in the current 2014/15 Annual Plan.
- 2.2 Council has also resolved to allow RSA to construct a purpose built facility at the same site. This resolution was made on 24 July 2014 and reads as follows:

*Moved Cr Montagu, seconded Cr Butzbach and **Resolved** that:*

- *Council gives approval to the Hokitika-Westland RSA to build a new facility at the War Memorial site on Sewell Street at no cost to Westland ratepayers; and*

- *Council resolves to disestablish the current working group and acknowledges that the group has met its purpose; and*
- *A memorandum of understanding be developed with Hokitika-Westland RSA for the future maintenance of this new facility to be the responsibility of the Hokitika-Westland RSA.*

2.3 Council will note in the first resolution there was a clear expectation that the new facility would be built at no cost to Westland ratepayers.

2.4 RSA members have undertaken a fundraising campaign in the community and as on date have raised approximately \$100,000.

2.5 Currently the RSA operates from rent free office space provided within the Council headquarters building on Weld Street.

3.0 CURRENT SITUATION

3.1 RSA members presented to Council at the monthly meeting on 27 November 2014 in Whataroa.

3.2 A request for a Council grant has been made by RSA members. Specifically the request is to draw the balance of monies available in the 3 Mile reserve account.

3.3 Following the request and subsequent articles in the local media, Council staff were approached by the 3 Mile residents, who raised concerns regarding the 3 Mile reserve account and the funds held in this account.

3.4 There are multiple opinions on the role of the 3 Mile Reserve Committee. Past committee members have expressed serious concerns regarding the possibility of approving any grants from this reserve. They have also raised concerns about the funds already approved for various projects in the 2013-14 Annual Plan. This matter is currently being dealt with and is beyond the scope of this report. A separate

report will be presented to Council addressing these issues around 3 Mile reserves account.

- 3.5** At its December 2014 Council meeting, elected members instructed staff to bring a report to the January 2015 Council meeting advising the possibility of approving a grant to the RSA from either the 3 Mile reserve account or Reserve Development funds.
- 3.6** Table 1.0 presents the current status of these reserve accounts as on 31/12/2014. The Reserve Development funds have been generated through financial contributions from new development in the District as per the District Plan, specifically Section 7.7.12: "Contribution Towards Recreation Facilities." These funds are available for the purpose stated in the District Plan, i.e. "to upgrade public recreational facilities and reserves for public recreation and enjoyment where a subdivision results, or will result, in additional housing or commercial or industrial activities either in the urban or rural policy units." In other words, the funds are to go towards improvement of public recreation facilities for the community in order to cope with the effects of growth. This improvement does not necessarily have to occur on Council reserve land, despite the "reserve development" title of the account in the Annual Plan. It does, however, have to be for recreation purposes, not just general community purposes.

Table 1.0: Reserve Account Balances as at 31 December 2014

Name	Balance at 30/6/2014 per Draft Annual Report	Deposits + interest from 1/07/2014	Commitments (listed below)	Available balance at 31/12/2014
Reserve Development (Monies allocated from developments, Imposed by RMA / District Plan)	\$ 672,894	\$33,336	\$448,000	\$258,230
3 Mile Domain (To fund 3 Mile Domain Costs)	\$206,712	\$2,943	\$ 53,500	\$156,155

3.7 Commitments resolved by Council 2014 (carry overs) :

3.7.1 Reserve Development Fund:

3.7.1.1 Harihari Community Facility	-	\$100,000
3.7.1.2 Fox Community Facility	-	\$200,000
3.7.1.3 Franz Josef Urban Revitalisation Plan	-	\$100,000
3.7.1.4 Franz Josef Cycle Trail	-	\$ 48,000

3.7.2 3 Mile Domain (community reserve allocations) :

3.7.2.1 Whataroa	-	\$35,000
3.7.2.2 Fox Glacier	-	\$15,500
3.7.2.3 Haast	-	\$ 3,000

Not all of the above have been withdrawn to date.

3.8 The RSA have indicated that they intend to apply to the New Zealand Lottery Grants Board for additional funding for their building project.

3.9 Based on their current fundraising and the grant application to New Zealand Lottery Grants Board it has been recommended that Council grant be \$50,000. This has been discussed with the RSA.

4.0 OPTIONS

4.1.1 Option 1: Do Nothing

4.1.2 Option 2: Council provides a grant from the 3 Mile Domain reserve account

4.1.3 Option 3: Council provides a grant from the Reserves Development account

5.0 SIGNIFICANCE AND CONSULTATION

5.1 In accordance with Council's Policy on Significance this decision has been assessed as being of medium significance. The grant if Council resolves to approve one, is not budgeted and is not included in the current Annual Plan. There is a high level of community interest in the project with local support for the members of the RSA.

5.2 Limited consultation has taken place with some residents of 3 Mile Domain or more commonly known as the 3 Mile Hall reserves committee members. Discussions have been ongoing with the RSA. Public consultation is not required.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1.1 Option 1: Do Nothing.

This option means that Council does not provide any funding to the RSA.

Advantages of this option:

A. No financial cost to Council and the reserve balances remain intact.

Disadvantages or Risks:

- A. A perception in the community that Council does not support the RSA project and negative press for a limited time.
- B. The RSA have more fundraising to do before approaching the Lottery Grants Board

This is **NOT THE PREFERRED** option.

6.1.2 Option 2: Council approves a grant of \$50,000 from the 3 Mile Domain reserves account

Advantages:

- A. Council will gain the support of the RSA members as well as its supporters in the community.

Disadvantages:

- A. Council could see objections raised from the members of the ex-3 Mile Hall reserves committee. The purpose of these funds primarily was to fund the Domain costs and any associated works.

This is **NOT THE PREFERRED** option.

6.1.3 Option 3: Council approves a grant of \$50,000 from the Reserves Development account.

Advantages:

- A. The decision to approve a grant will be in line with historic decisions, like Fox Community Centre and Harihari Community Facility. However, in both of these cases public consultation was undertaken as part of the Long Term or Annual Plan.
- B. Council will improve goodwill with the Hokitika RSA and its supporters.

- C. The RSA will be in a better position to make an approach for funding to the Lottery Grants Board.

Disadvantages:

- A. The option could set a precedent, and other groups may approach Council for support for similar projects.
- B. This may be seen as contrary to the resolution of 24 July 2014 where Council indicated that there would be no cost to Westland ratepayers.
- C. Hokitika RSA will have to ensure that the facility proposed fits the criteria for a recreation facility as described in the Westland District Plan. The building needs to be publicly accessible for recreation purposes.

This is **THE PREFERRED** option.

7.0 PREFERRED OPTION AND REASONS

7.1 The preferred option is Option 3 – Approve a grant of \$50,000 to the Hokitika RSA from the Reserves Development account.

7.1.1 The option presents a grant decision in line with historic decisions of Council to support community facilities.

7.1.2 The funds are available in the Reserves Development account.

7.1.3 There is no external borrowing required.

7.1.4 The decision recognizes the fund raising efforts undertaken by Hokitika RSA members.

8.0 RECOMMENDATIONS

A) **THAT** Council alters the resolution of 24 July 2014 as follows:

Original Resolution:

THAT Council gives approval to the Hokitika-Westland RSA to build a new facility at the War Memorial site on Sewell Street at no cost to Westland ratepayers

Proposed Resolution:

THAT Council gives approval to the Hokitika-Westland RSA to build a new facility at the War Memorial site on Sewell Street

B) **THAT** Council approves a grant of \$50,000 to the Hokitika-Westland RSA funded from the “Reserves Contributions” reserve account, subject to the requirement that the RSA ensures that the building provides a permanent public recreation component at a scale commensurate with the size of the grant.

Vivek Goel

Group Manager: District Assets

Report



DATE: 29 January 2015

TO: Mayor and Councillors

FROM: Group Manager: Corporate Services

FINANCIAL PERFORMANCE: YTD DECEMBER 2014

1.0 SUMMARY

- 1.1** The purpose of this report is to provide an indication of Council's financial performance for the half year to 30 December 2014.
- 1.2** This issue arises from a requirement for sound financial governance and stewardship with regards to the financial performance and sustainability of a local authority.
- 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. The matters raised in this report relate to those elements of the vision identified in the following table:

Vision's Objectives	Achieved By
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: <ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Providing timely, accurate and meaningful financial information.• Examining the costs of providing core services, management of budgets, and progress on key projects.

base to enhance lifestyle and opportunity for future generations.	
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- 1.4 This report concludes by recommending that Council receives the Financial Performance Report to 31 December 2014.

2.0 BACKGROUND

- 2.1 Council identified monthly financial reporting as one of its three key priorities of the triennium to ensure its commitment to financial stability and sustainability was being upheld.

3.0 CURRENT SITUATION

- 3.1 For the first time in more than two years there are no vacancies in the Finance Team.
- 3.2 There is much work to be done to develop Council's financial systems and reporting tools to a suitable standard. However sufficient progress has been made to facilitate the monthly reporting of Council's financial performance.
- 3.3 The Financial Performance Report to 31 December 2014, attached as **Appendix 1** contains the following elements:
- 3.3.1 Whole of Council Cost of Service Statement
 - 3.3.2 High level variance analysis
 - 3.3.3 Segmental graphs for operating revenue and expenditure
 - 3.3.4 Cost of Service Statement by Activity
 - 3.3.5 Capital expenditure statement
 - 3.3.6 Aged debtors – NEW
- 3.4 The following enhancements, communicated in December 2014, are also planned, but have been deferred due to the Long Term Plan:
- 3.4.1 A review of budget phasing to facilitate:
 - 3.4.1.1 Improved variance analysis
 - 3.4.1.2 Reliable forecasting to year end
 - 3.4.2 Projects and carry over tracking

4.0 OPTIONS

4.1 Receive the report

5.0 SIGNIFICANCE AND CONSULTATION

5.1 This report is for information only and, while feedback is invited from Council in order for staff to continuously improve the quality of information provided, no assessment of significance or consultation, and no analysis of options is required.

6.0 RECOMMENDATION

A) THAT Council receives the Financial Performance Report to December 2014

Gary Borg

Group Manager: Corporate Services

Appendix 1: Financial Performance YTD December 2014



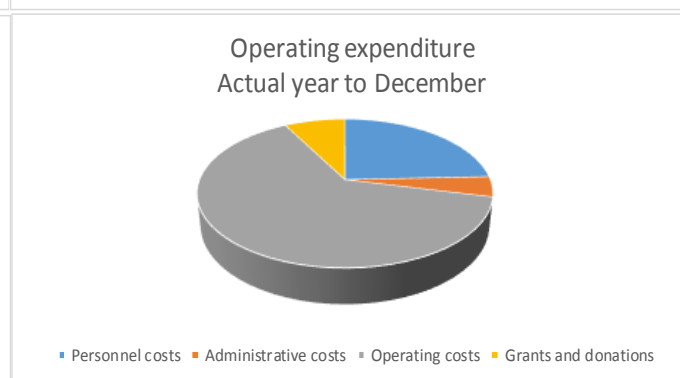
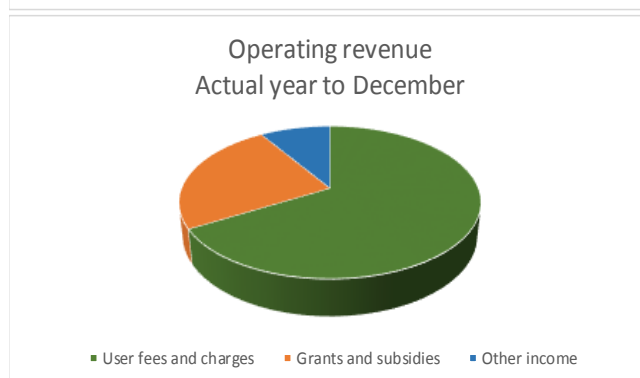
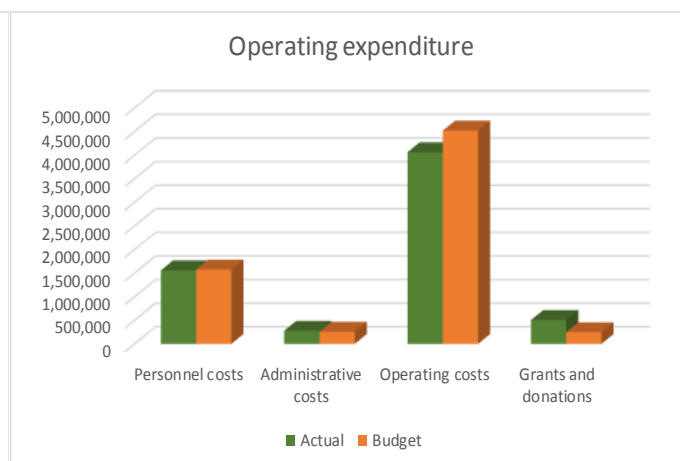
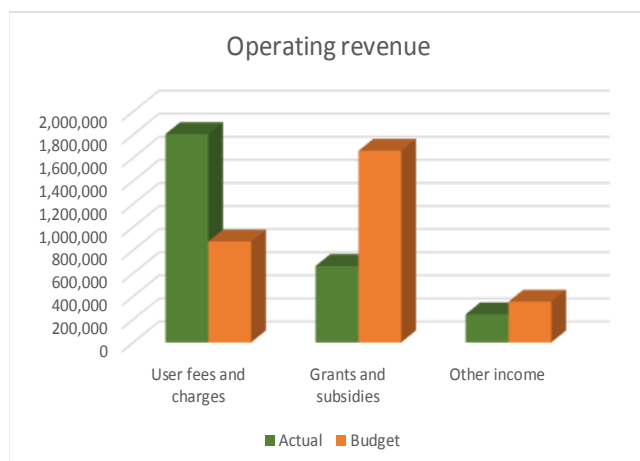
Financial Performance YTD December 2014

Westland District Council
Cost of service statement

	Year to December 2014			Full year 2014-2015	
	Actual	Budget	Variance	Budget	Balance
Operating revenue					
User fees and charges	1,804,295	874,673	↑ 929,623	1,967,048	↓ (162,753)
Grants and subsidies	661,125	1,659,171	↓ (998,046)	3,059,974	↓ (2,398,849)
Other income	243,698	352,542	↓ (108,844)	894,687	↓ (650,989)
Total revenue (A)	2,709,119	2,886,385	↓ (177,267)	5,921,709	↓ (3,212,590)
Operating expenditure					
Personnel costs	1,558,738	1,575,537	↑ 16,799	3,128,999	↑ 1,570,261
Administrative costs	282,249	261,407	↓ (20,842)	541,419	↑ 259,171
Operating costs	4,062,122	4,520,383	↑ 458,261	8,901,924	↑ 4,839,802
Grants and donations	506,622	249,080	↓ (257,542)	352,909	↓ (153,713)
Total operating expenditure (B)	6,409,731	6,606,407	↑ 196,676	12,925,251	↑ 6,515,520
Net operating cost of services - surplus/(deficit) (A - B)	(3,700,612)	(3,720,021)	↑ 19,409	(7,003,542)	↑ 3,302,930
Other expenditure					
Interest and finance costs	465,505	450,356	↓ (15,149)	900,711	↑ 435,207
Overheads	2,108,433	2,644,663	↑ 536,230	5,289,327	↑ 3,180,893
Depreciation	2,826,160	2,597,361	↓ (228,799)	5,194,722	↑ 2,368,562
Total other expenditure (C)	5,400,099	5,692,380	↑ 292,282	11,384,761	↑ 5,984,662
Total expenditure (D = B + C)	11,809,830	12,298,787	↑ 488,957	24,310,012	↑ 12,500,182
Funded by					
Rates	5,320,843	5,849,720	↓ (528,877)	11,386,142	↓ (6,065,299)
Overhead recoveries	2,108,433	2,742,691	↓ (634,257)	5,485,381	↓ (3,376,948)
Total funded (E)	7,429,277	8,592,410	↓ (1,163,134)	16,871,523	↓ (9,442,246)
Net cost of services - surplus/(deficit) (A + E - D)	(1,671,434)	(819,991)	↓ (851,443)	(1,516,780)	↓ (154,654)

Variance analysis - Main items

Operating revenue	
User fees and charges	Higher than expected metered water charges, liquor and food licence fees
Grants and subsidies	\$1m lower NZTA subsidy received to date due to work not yet carried out, therefore claims not submitted. Further Budget rephasing is required.
Other income	\$198k budgeted dividends not yet received.
Operating expenditure	
Personnel costs	
Administrative costs	
Operating costs	<p>Positive variance due to some costs not yet received.</p> <ul style="list-style-type: none"> - Wildfoods festival below budget (\$107k), expected to catch up in March when the festival takes place. - Solid Waste collection charges, monitoring costs and management contract all below budget (\$147k). - Legal fees (\$62k) and Repairs and maintenance (\$74k) all below budget. - Glacier Grant (\$39k) and Promotional grant (\$29k) not yet utilised.
Grants and donations	Negative variance due to Fox Community Centre charge (\$239k) not in budget.



Cost of service statement by activities

	Year To December			Full year 2014-2015	
	Actual	Budget	Variance	Budget	Balance
Operating revenue					
Animal Control	96,633	92,750	↑ 3,883	95,500	↑ 1,133
CE Office Administration	0	0	→ 0	0	→ 0
Cemeteries	10,308	16,500	↓ (6,192)	33,000	↓ (22,692)
Community Assistance	18,276	18,048	↑ 228	24,548	↓ (6,272)
Community Development	0	0	→ 0	0	→ 0
Community Halls and Buildings	28,055	6,390	↑ 21,665	12,780	↑ 15,275
Community Township Development	30,450	0	↑ 30,450	0	↑ 30,450
Corporate Planning	0	0	→ 0	0	→ 0
Corporate Services Group Admin	25,045	25,500	↓ (455)	51,000	↓ (25,955)
Council Headquarters	15,675	14,875	↑ 800	29,750	↓ (14,075)
Democracy Services	1,270	1,500	↓ (230)	1,500	↓ (230)
District Assets Group Admin	5,000	0	↑ 5,000	0	↑ 5,000
Elderly Housing	0	0	→ 0	0	→ 0
Emergency Management	0	0	→ 0	0	→ 0
Events	6,696	11,000	↓ (4,304)	412,500	↓ (405,804)
Hokitika Airport Ltd	0	0	→ 0	0	→ 0
Information Services	876	1,000	↓ (124)	2,000	↓ (1,124)
In-House Professional Services	0	0	→ 0	0	→ 0
Inspection and Compliance	318,567	253,450	↑ 65,117	570,028	↓ (251,461)
I-Site	87,153	77,489	↑ 9,664	150,289	↓ (63,136)
Land & Buildings	2,000	0	↑ 2,000	0	↑ 2,000
Library	16,136	14,220	↑ 1,916	28,440	↓ (12,304)
Museum	52,863	10,435	↑ 42,428	34,000	↑ 18,863
Parks & Reserves	36,567	5,199	↑ 31,368	7,350	↑ 29,217
Planning, Community and Environment A	0	0	→ 0	0	→ 0
Public Toilets	0	0	→ 0	0	→ 0
Resource Management	45,593	48,750	↓ (3,157)	97,500	↓ (51,907)
Solid Waste	347,231	338,459	↑ 8,772	703,350	↓ (356,119)
Stormwater	0	0	→ 0	0	→ 0
Swimming Pools	0	0	→ 0	0	→ 0
Transportation	578,733	1,580,521	↓ (1,001,788)	2,873,674	↓ (2,294,941)
Vehicle operations	28,732	0	↑ 28,732	0	↑ 28,732
Wastewater	29,074	45,500	↓ (16,426)	45,500	↓ (16,426)
Water Supply	777,225	0	↑ 777,225	0	↑ 777,225
West Coast Wilderness Trail	5,383	0	↑ 5,383	0	↑ 5,383
Westland District Property Ltd	0	0	→ 0	0	→ 0
Total operating revenue	2,563,539	2,561,585	↑ 1,954	5,172,709	↓ (2,609,170)

Operating expenditure						
Animal Control	33,095	29,905	↓ (3,190)	60,810	↑ 27,715	
CE Office Administration	221,752	206,075	↓ (15,677)	410,093	↑ 188,341	
Cemeteries	22,341	37,877	↑ 15,536	75,753	↑ 53,412	
Community Assistance	157,635	193,265	↑ 35,630	270,160	↑ 112,525	
Community Development	40,710	42,453	↑ 1,743	83,350	↑ 42,640	
Community Halls and Buildings	69,225	71,648	↑ 2,424	112,690	↑ 43,465	
Community Township Development	267,576	239,048	↓ (28,528)	356,198	↑ 88,622	
Corporate Planning	44,371	64,161	↑ 19,790	259,561	↑ 215,190	
Corporate Services Group Admin	580,790	591,727	↑ 10,936	1,051,474	↑ 470,683	
Council Headquarters	85,388	100,171	↑ 14,783	167,673	↑ 82,285	
Democracy Services	257,247	296,335	↑ 39,089	531,945	↑ 274,698	
District Assets Group Admin	118,518	138,911	↑ 20,393	317,915	↑ 199,398	
Elderly Housing	24,165	0	↓ (24,165)	0	↓ (24,165)	
Emergency Management	20,999	26,645	↑ 5,646	59,310	↑ 38,311	
Events	14,168	145,774	↑ 131,606	335,212	↑ 321,044	
Hokitika Airport Ltd	8,995	0	↓ (8,995)	0	↓ (8,995)	
Information Services	177,454	129,944	↓ (47,510)	251,043	↑ 73,589	
In-House Professional Services	315,052	389,577	↑ 74,525	773,524	↑ 458,472	
Inspection and Compliance	272,204	303,670	↑ 31,466	565,910	↑ 293,705	
I-Site	132,934	134,191	↑ 1,258	259,213	↑ 126,279	
Land & Buildings	233,100	31,637	↓ (201,463)	48,355	↓ (184,745)	
Library	201,398	183,985	↓ (17,414)	338,391	↑ 136,992	
Museum	139,149	128,396	↓ (10,753)	250,448	↑ 111,299	
Parks & Reserves	92,368	131,140	↑ 38,771	259,284	↑ 166,915	
Planning, Community and Environment A	0	0	→ 0	0	→ 0	
Public Toilets	64,942	86,248	↑ 21,306	180,564	↑ 115,622	
Resource Management	123,083	165,145	↑ 42,062	328,796	↑ 205,713	
Solid Waste	634,861	781,871	↑ 147,010	1,754,545	↑ 1,119,684	
Stormwater	40,872	29,673	↓ (11,199)	69,346	↑ 28,474	
Swimming Pools	118,092	121,908	↑ 3,816	241,918	↑ 123,826	
Transportation	1,108,766	1,090,779	↓ (17,987)	2,099,958	↑ 991,192	
Vehicle operations	18,186	0	↓ (18,186)	0	↓ (18,186)	
Wastewater	170,624	160,686	↓ (9,938)	388,287	↑ 217,664	
Water Supply	378,622	415,164	↑ 36,542	769,061	↑ 390,439	
West Coast Wilderness Trail	78,909	0	↓ (78,909)	0	↓ (78,909)	
Westland District Property Ltd	10,954	0	↓ (10,954)	0	↓ (10,954)	
Total operating expenditure	6,278,543	6,468,008	↑ 189,465	12,670,786	↑ 6,392,242	
Net operating cost of services - surplus/(cost)	(3,715,004)	(3,906,423)	↑ 191,419	(7,498,077)	↑ 3,783,073	

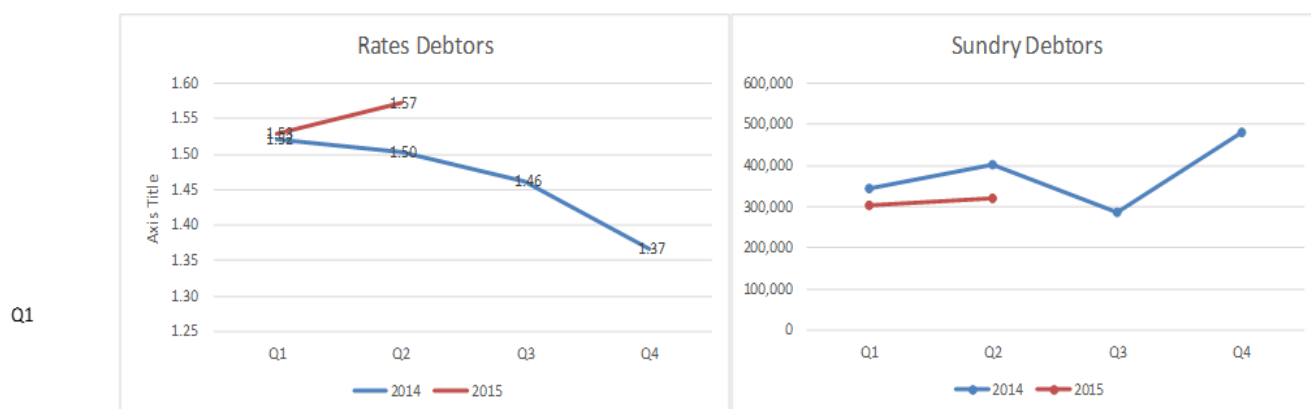
Capital expenditure statement

WESTLAND DISTRICT COUNCIL								
Capital expenditure statement								
	Account code	Source	Description	Year to December			Full year 2014/15	
				Actual	Budget	Variance	Budget	Balance
Activity :								
Cemeteries	350458106	Carry over	Cemetery expansion	2,999	0	(2,999)	10,000	7,001
Emergency Management	4205581	Budget	Kaniere Rural Fire Party - Water Pump	0	0	0	11,000	11,000
Parks & Reserves	341858103	Carry over	Repairs of statues	0	2,500	2,500	5,000	5,000
Information Services	1600581	Budget	Website development	15,266	15,000	(266)	15,000	(266)
	490058101	Budget	IT Improvements and Strategy	0	0	0	30,000	30,000
Library	5100584	Budget	Audio/visual/e resources	1,827	1,500	(327)	3,000	1,173
	5100585	Budget	Adult fiction	7,014	6,250	(764)	12,500	5,486
	5100586	Budget	Adult non fiction	9,143	9,200	57	18,400	9,257
	5100587	Budget	Junior resources	6,467	5,750	(717)	11,500	5,033
	5100588	Budget	Large print	2,510	3,000	490	6,000	3,490
Solida Waste	450458101	Budget	Capping Hokitika Landfill	0	0	0	20,000	20,000
Transportation	3030581	Budget	Unsealed Road Metalling	113,474	134,000	20,526	268,000	154,526
	3031581	Budget	Sealed Road Resurfacing	0	80,400	80,400	804,000	804,000
	3032581	Budget	Maintenance - Drainage Renewals	34,238	80,400	46,162	160,800	126,562
	3033581	Budget	Strtuctures Component Replace	13,750	90,048	76,298	187,600	173,850
	3034581	Budget	Traffic Services Renewals	13,545	67,000	53,455	134,000	120,455
	3070581	Budget	Sealed Road Resurfacing	0	15,000	15,000	150,000	150,000
	3071581	Budget	Drainage renewals	21,185	12,125	(9,060)	24,250	3,065
	3072581	Budget	Structures Component Replace	0	24,750	24,750	49,500	49,500
	3073581	Budget	Traffic Services Renewals	2,169	2,675	506	5,350	3,181
	3080581	Budget	Minor Improvements-Local Rds	12,454	86,966	74,512	173,932	161,478
	3081581	Budget	Minor Improvements-SP Roads	0	13,561	13,561	27,124	27,124
	5674581		West Coast Cycle Trail	337,117	0	(337,117)	0	(337,117)
Museum	5200581	Budget	Install heat pump in Drummond Hall	0	0	0	5,000	5,000
Water Supply	4702581	Budget	Kumara - CAP	4,783	0	(4,783)	10,000	5,217
	4707581	Budget	Hari Hari - Telemetry	0	0	0	50,000	50,000
	4708581	Budget	Mint Creek - Decommission	525	0	(525)	50,000	49,475
	471258104	Budget	Haast - Compliance Upgrade	4,326	0	(4,326)	400,000	395,674
Total capital expenditure				602,792	650,125	47,333	2,641,956	2,039,164

Debtors summary statement

WESTLAND DISTRICT COUNCIL					
Debtors aged balances					
as on 31 December 2014					
	Under 30 days	31 to 60 days	61 to 90 days	Over 90 days	Total
Rates debtors					
Rates	369,526	293,633	188,556	720,150	1,571,864
Water rates	197,265	689	0	9,455	207,410
Total rates debtor	566,791	294,322	188,556	729,605	1,779,274
Other debtors					
Sundry debtors	110,560	8,176	5,246	195,184	319,166
Total debtors	677,351	302,498	193,801	924,789	2,098,440
Top 5 debtors					
Total	16,104	2,661	3,175	155,990	177,929

As at 31 December Total debtors still owe us nearly \$2.1m, which is a large amount for the size of our council, however Sundry debtors have reduced 21% from Q2 last year with a 5% rise in rates debtors.



Report



DATE: 29 January 2105

TO: Mayor and Councillors

FROM: Group Manager - Corporate Services

ADOPTION OF ANNUAL REPORT 2013-14

1.0 SUMMARY

- 1.1** The purpose of this report is to adopt the Annual Report for the year ended 30 June 2014 [**Appendix 1**].
- 1.2** This issue arises from the requirements of the Local Government Act 2002 and from sound governance practices.
- 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. The matters raised in this report relate to those elements of the vision identified in the following table:

Vision's Objectives	Achieved By
<p>Westland District Council will facilitate the development of communities within its district through delivery of sound infrastructure, policy and regulation.</p> <p>This will be achieved by:</p> <ul style="list-style-type: none">• Involving the community and stakeholders.• Delivering core services that meet community expectations and demonstrate value and quality.	<ul style="list-style-type: none">• The Annual Report is a public document that conveys information about Council's financial performance and service delivery

- | | |
|---|--|
| <ul style="list-style-type: none"> • Proudly promoting, protecting and leveraging our historic, environmental and natural resource base to enhance lifestyle and opportunity for future generations. | |
|---|--|

- 1.5 This report concludes by recommending that Council adopt the Annual Report 2013-14, attached as **Appendix 1**.

2. BACKGROUND

- 2.1. Section 98 of the Local Government Act 2002 requires the Annual Report to be formally adopted by Council, within 4 months after the end of the financial year to which it relates. This would have been by 31 October 2014.
- 2.2. Council could not meet this deadline. Council has kept the Office of the Auditor General and the public informed about the reasons for not meeting the deadline and its progress in completing the report.

3. CURRENT SITUATION

- 3.1. A copy of the Annual Report 2013-14 is attached with this agenda, as **Appendix 1**.
- 3.2. As with previous years it does not contain an Audit Opinion. This will be issued by the Auditor the same day as the Council adopts the Annual Report. At the time of publishing the agenda the Auditor had not been able to give clearance because their final review is yet to be completed. It is however still planned to have the audit completed by the Council meeting.
- 3.3. The consequences of the late adoption of the Annual Report have largely already crystallised and include:
- 3.3.1. Adverse publicity
 - 3.3.2. Delays to financial inputs for the Long Term Plan 2015-25
 - 3.3.3. Compromise of Council's regular financial control and reporting

3.4. The Minister of Local Government, Department of Internal Affairs, and Office of the Auditor General are aware of this situation.

3.5. Summary of Performance:

3.5.1. The purpose of the Annual Report is to inform the community on Council's actual financial performance and service levels and to compare that with the Annual Plan and Long Term Plan.

3.5.2. The Annual Report 2013-14 acknowledges observations made during the preparation of the Annual Report 2012-13. At that time it was discovered that the Long Term Plan 2012-22 contained numerous budgeting errors and invalid assumptions.

3.5.3. The effect of poor budgeting in the Long Term Plan was that Council's revenue was insufficient to cover all its expenditure, prompting Council's drive for financial sustainability and the production of the 'Getting Real' Annual Plan 2013-14.

3.5.4. In the Annual Report 2013-14 Council reports a net surplus of \$1.1 million. This figure could be subject to misinterpretation as it includes \$2.7 million of grant income for capital projects. Nevertheless the underlying operating result is still substantially favourable against budget.

3.5.5. Another concern for Council has been control over debt levels. The Annual Report 2013-14 demonstrates that Council has delivered on its commitment, with borrowings reduced by \$738,000.

3.5.6. Despite the financial constraints most activities of Council were able to deliver the expected service levels as disclosed in the Statements of Service Performance. Measuring customer satisfaction has not been possible however as the funding for the survey was removed from the budget for 2012-13 and 2013-14. This has impacted on Council's ability to objectively assess whether aspects of the service levels were delivered as agreed.

By necessity, Council has prioritised financial stability and sustainability.

3.5.7. There are minor prior year adjustments [Council: (\$13k), Group: \$19k] in the Statement of Changes in Equity. These are residual amounts from a far greater adjustment [\$553,000] that was made in 2012-13 when it was discovered that the financial systems did not reconcile. Council is receiving monthly financial reports in 2014-15 and the continued development of financial controls will ensure more reliable and robust reporting mechanisms hence.

3.5.8. A Summary Annual Report will be prepared and published extracting information directly from this Annual Report. It will be published on Council's Website and will be available at the Library and Council's Customer Service Centre. Section 98 (4b) of the Local Government Act 2002 requires this to take place within one month of the adoption of the Annual Report. An advertisement will be placed to this effect at the time it is available.

4. OPTIONS

4.1. The following options are available to Council:

4.1.1. Do nothing

4.1.2. Adopt the Annual Report 2013-14 as attached, **Appendix 1**

4.1.3. Defer adoption until Council has taken time to consider the Audit Opinion

4.1.4. Adopt the Annual Report 2013-14 subject to changes recommended by Council and Audit

5. SIGNIFICANCE AND CONSULTATION

5.1. The adoption of an Annual Report is administrative and of low significance.

5.2. No public consultation is required.

6. ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1. There are no direct financial implications for any of the options

6.1.1. Do nothing - Adoption of an Annual Report is a statutory requirement

- 6.1.2. Adopt the Annual Report 2013-14 as attached, Appendix 1 - Council have been kept informed of the progress and content of the Annual Report and a draft was informally presented and reviewed in December 2014. While Audit opinion is absent from the report, the Audit review is substantially complete and all recommendations and queries received have been addressed.
- 6.1.3. Defer adoption until Council has taken time to consider the Audit Opinion - The Annual Report as presented has been subject to rigorous review and material misstatements are unlikely.
- 6.1.4. Adopt the Annual Report 2013-14 subject to changes recommended by Council and Audit – Council may wish to amend the report in light of new information, observations or recommendations. However, considering the degree of review already conducted, it is unlikely that any new disclosures will affect the view of Council’s performance and affairs that the report currently portrays

7. PREFERRED OPTION AND REASONS

- 7.1. The preferred option is; 2: Adopt the Annual Report 2013-14 as attached, **Appendix 1**. This will prevent further delays in informing the community about Council’s performance and financial position and enable Council to focus its attention and resources on improving service delivery and completing the work required for the Long Term Plan 2015-25.

8. RECOMMENDATION

- A) **THAT** Council adopt the Annual Report 2013-14 as attached, **Appendix 1**.

Gary Borg
Group Manager: Corporate Services

Appendix 1: Annual Report 2013-14 [refer separate document]