

WESTLAND DISTRICT COUNCIL

Long Term Plan 2018-2028

WESTLAND
DISTRICT COUNCIL



CAUTIONARY NOTE

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MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE



Message from the Mayor

Westland District is a unique and special place. I have been fortunate in being elected by the Westland communities to be Mayor of this District. Looking ahead the next 10 years there are a number of challenges that lie ahead. I want to ensure the steps that Council take are forward thinking and contribute towards growing, vibrant, thriving communities from Otira to Jacksons Bay and everywhere in between.

As an elected Mayor my role is to ensure that the vision of the community aligns with the actions of Council.

Through various community discussions and consultation processes, it is clear that the community want Council to ensure that core services are of an adequate standard and that all communities have access to these services.

This Long Term Plan shows a clear shift in Council's focus. The emphasis is now on improving levels of service for core activities and in many cases this requires increased spending (investment into these assets). In particular, three waters, roading, and the processing of consents are key areas. To ensure that these services are managed correctly, Council will ensure that it employs professional, competent people with the relevant skills and experience within these divisions.

Council has also proposed to shift a number of other services, such as event management, to our various Council Controlled Organisations. This way Council can focus the majority of its attention on providing the best levels of core services.

It is the role of the Chief Executive and his team to ensure that this vision is met. Myself and the other Councillors will support him with this and will provide political support to achieve the outcomes of this Long Term Plan.

Bruce Smith

Mayor of Westland District



Message from the Chief Executive

While drafting this 10-year plan, staff have kept Council's new vision statement in the forefront our minds:

"We work for the people of Westland to grow and protect our communities, our economy and our unique and natural environment".

Over the life of the last 10-year plan, it became evident to Council that a number of key infrastructure assets were in need of upgrade or maintenance. Council has faced the reality of a tight budget and financial demands head on and made some prudent financial decisions to ensure a sustainable future for the District.

In this Long Term Plan, Council has directed its focus and funding towards ensuring that core service assets are maintained and upgraded. This decision is due to the limited financial capacity of a small ratepayer base and the necessity to prioritise essential services such as key infrastructure and three water projects.

The first three to four years of this plan show a commitment to upgrade three waters infrastructure assets to meet the requirements of current and pending national regulations. Throughout this process, the capital works programme (including scoping, implementation and sign off of projects) will be completed in a competent, professional manner with thorough consultation, sound decision-making and collaborative working partnerships with the community and key stakeholders

To avoid excessive burden on ratepayers, Council will seek to optimise external funding avenues available through central government, such as the Provincial Growth Fund. Council also intends to work with the newly-established Regional Economic Development Unit of the Ministry for Business, Innovation and Employment (MBIE) to investigate further sources of funding for the Westland community.

Discussions with key stakeholders such as tangata whenua and the Department of Conservation (DOC) need to continue. The DOC estate covers 87% of the land area of Westland, so Council needs to work closely with DOC and partner with them on initiatives. With the increased levels of tourist traffic through Westland, a key priority is to continue to develop with DOC a memorandum of understanding regarding strategic tourist locations and support of the Department of Conservation's work to ensure that parts of the DOC estate are predator free by 2025.

The West Coast environment has a number of natural challenges. Westland's geographic placement between the Southern Alps and the wild ocean means the risk of natural disasters is high. Westland experiences threats from strong weather events, coastal erosion and rising sea levels, and Alpine Fault earthquakes to name a few. These types of events have the ability to isolate settlements for days if not weeks.

As a Council, we have a responsibility to provide support to our communities in the event of a natural disaster. Keeping our communities safe during an event, responding quickly and equipping our communities with the tools to take care of themselves if they become isolated are all aspects of our Civil Defence and disaster preparedness responsibilities. Council undertakes to fulfil these roles in partnership with central government and relevant local agencies.

This Long Term Plan features an ambitious programme of works to improve community outcomes. Meeting these objectives is only possible by hiring and retaining a strong team of skilled professionals.

Council welcomes your feedback on this draft Long Term Plan to ensure that the options outlined within align with your community's needs and expectations regarding services and activities.

Simon Bastion
Chief Executive

WESTLAND DISTRICT: HISTORY AND MAJOR TOWNS

History

Westland District is a political subdivision on the West Coast of New Zealand's South Island. The District covers a long thin strip of land spanning approximately 450 kilometres in length between the Southern Alps and the Tasman Sea. Westland is one of the most sparsely populated parts of New Zealand, with an area of 11,880.19 square kilometres and a population of 8,570 people (2013 census). Approximately 45% of the population (3,500) lives in Hokitika. The remaining 55% live in small villages and rural areas such as Ross, Franz Josef and Haast.

In its early years of settlement, Westland's fame was due to the gold rushes of the 1860s. After the discovery of gold in the Taramakau valley in 1864, prospectors started arriving at the Hokitika River mouth, the closest anchorage to the diggings. At that time Hokitika was part of Canterbury province. The town was laid out by surveyor John Rochfort, and many street names commemorate Canterbury politicians of this period.

In 1864 a roadway between the East Coast and West Coast was surveyed by Arthur Dudley Dobson, and Arthur's Pass was constructed within a year. This remains the main access route today.

During 1865, a flood of gold prospectors and traders arrived, and the town was occupied and booming within less than a year. While most miners lived close to the diggings where they worked, Hokitika was the town they went to for supplies, recreation and to sell gold. For a short period, Hokitika had a population of over 4,000. As gold mining declined it dropped to 2,000 by the end of the 19th century. The river port at Hokitika was hazardous, and was barely used after the main gold rushes.

When the gold rush subsided, Hokitika became a service town for forestry and farming in the first part of the 20th century. State Highway 6 from Greymouth to Hokitika was sealed (one lane only) for the first time in preparation for Queen Elizabeth II and the Duke of Edinburgh's visit to the West Coast in January 1954. The



southern opening of State Highway 6 through South Westland and over the Haast Pass in 1965 gradually led to an expansion in the number of tourists.

With the growth of accommodation and outdoor recreation, tourism continues to grow in importance, with drawcards such as the Glaciers, Hokitika Gorge and popular events such as the Hokitika Wildfoods Festival. Westland is also known for pounamu which can be both bought and carved here.



Major Towns

HOKITIKA

Hokitika is the hub of Westland and is a small town with a welcoming, cosmopolitan vibe. Home of the annual Wildfoods Festival and many other popular events including an annual Children's Day celebration, the Driftwood and Sand exhibition on Hokitika beach and Midwinter Lantern Parade. Hokitika has a vibrant arts community and is the only town on the entire West Coast which is serviced by daily Air New Zealand flights. Many popular bushwalks, lakes and outdoor attractions are within 35 minutes of Hokitika including Lake Kaniere, Dorothy Falls, Hokitika Gorge and Lake Mahinapua. Hokitika is also the centre of dairy processing on the West Coast. Westland Milk Products has the only milk processing plant on the West Coast.



Photo Credit: Tony Maitland

ŌTIRA

Ōtira is a small locality on the western side of Arthur's Pass, 82 km south-east of Greymouth. Originally founded for construction workers on the Ōtira tunnel, it became a settlement for railway workers. The town was sold by the railways in 1999, and in the 2010s only a few dozen residents remain. It is mainly a base for tramping and mountaineering.

KUMARA

Kumara is a township on the west side of the Taramakau River, 25 km south of Greymouth, with a 2013 population of 309.

One of Kumara's famous residents was Richard Seddon, who opened a hotel and became mayor. He later moved into national politics and became the Premier of New Zealand from 1893 to 1906.

Gold was discovered relatively late in Kumara (in 1876). Over the next 20 years huge water races and sludge channels were constructed, primarily by Chinese miners (including in the adjacent settlement of Dillmanstown). Mining declined in the late 1890s, but dredging continued in the Taramakau valley until the 1960s.

Kumara has experienced a renaissance in recent years and new businesses have been established. Kumara is now part of the West Coast Wilderness Trail which is a popular tourist attraction for cyclists. The Kumara Racing Club (established 1887) is still going strong and hosts the Kumara Races on the second Saturday in January which is the largest event in the town.

Kumara Junction is 7 km north-west of Kumara, at the intersection of State Highway 6 with State Highway 73. It is the starting point of the annual Coast to Coast race, held in early February, which crosses the South Island, and includes cycling, mountain running and kayaking.



ARAHURA

Arahura is home to about 80 residents, most of whom are affiliated with Te Runanga o Ngati Waewae. The nearby Arahura River is also home to several rare blue ducks (whio) which have been hatched and then released into the river by the Department of Conservation as part of their efforts to boost the numbers of this endangered species.

ROSS

Ross is a small historic town (2013 population: 297) that is 31 km south of Hokitika. Ross was the centre of one of New Zealand's richest alluvial goldfields in the late 19th century, with extensive underground mining and sluicing claims. Nowadays, Ross is a start and endpoint for the West Coast Wilderness Trail, and new businesses and tourism enterprises have emerged.

HARI HARI

Hari Hari is a farming township (2013 population: 330) on the Wanganui River flats, 73 km south of Hokitika.

For much of the 20th century the town was a forestry centre, supporting several sawmills.

Australian Guy Menzies completed the first solo trans-Tasman flight on 7 January 1931, landing upside down in a swamp at Hari Hari. The flight took 11 hours 45 minutes, and is commemorated in a memorial at Hari Hari.

Nowadays the Hari Hari area's main industry is agriculture.

South Westland Area School, based in Hari Hari, provides education for pupils from years 1–13 from the surrounding region.

WHATAROA

Whataroa is a small rural locality on the south side of the Whataroa River, 103 km south-west of Hokitika. Whataroa is a base for guided nature tours over summer months. The only New Zealand breeding colony of kōtuku (white herons) is on the banks of the Waitangiroto River. They arrive about September each year and, after breeding, leave around January. The colony is a nature reserve, requiring an entry permit. Whataroa also offers Alpine Fault tours to tourists.

ŌKĀRITO

Ōkārito is a coastal settlement on the edge of Ōkārito Lagoon, 135 km south-west of Hokitika. Ōkārito grew up as a gold-rush town in 1865–66, with a population of 1,250 in May 1866. Nowadays a small community remains, including a camping ground and a kayak tour operator. Ōkārito is an environmentally-conscious community and although it welcomes tourists it is keen to minimise the environmental footprint.



THE GLACIERS AND WESTLAND TAI POUTINI NATIONAL PARK

The Glaciers and Westland Tai Poutini National Park are possibly the best-known features of Westland. The Tai Poutini National Park extends from the highest peaks of the Southern Alps to the sea.

The glaciers (although retreating) are popular with tourists who can take guided tours on to the ice, and book flights over the spectacular glacial scenery.

Lake Matheson, where the mountains can be seen reflected on the lake surface on a calm morning, is well known.

The park has many walking tracks, and there are Department of Conservation visitor centres in Franz Josef and Fox Glacier townships.

The glacial lakes of Lakes Paringa and Moeraki are popular fishing spots and Paringa is the site of a West Coast salmon farm.

FRANZ JOSEF

Franz Josef is a township on the north side of the Waiho River, 136 km south-west of Hokitika. One of the busiest and fastest-growing tourist centres on the West Coast, it has up to 6,000 tourists a night in peak tourist season. The town is vulnerable to natural hazards including Alpine Fault earthquakes and the danger of flooding and erosion from the Waiho River. Franz Josef's popular tourist attractions include the Glacier Hot Pools, owned by Ngai Tahu, as well as glacier treks and helicopter flights.



FOX GLACIER

Fox Glacier is a tourist town on the north bank of the Fox River, 161 km south-west of Hokitika. Although smaller and quieter than Franz Josef, it is growing in popularity and provides accommodation and facilities for visitors to the southern part of Westland Tai Poutini National Park.

BRUCE BAY

Bruce Bay is a small coastal settlement near the mouth of the Mahitahi River, 46 km south of Fox Glacier. In 2005, Te Rūnanga o Makaawhio opened their new marae at Bruce Bay.

HAAST DISTRICT

Haast District (which had a 2013 population of 240) is one of the most isolated part of the West Coast, and cell and internet coverage can be sparse. Until the middle of the 20th century there were only bush tracks connecting the roads to Hokitika (240 km away) and Wānaka (145 km). The opening of the Paringa–Haast section of State Highway 6 in 1965 provided an all-weather road link with the rest of the West Coast.

Haast is the name given to a group of settlements (Haast Township, Haast Junction and Haast Beach) beside or near State Highway 6, on the south bank of the Haast River. A large Department of Conservation visitor and information centre is at Haast Junction.

The Haast Pass is an important pass across the Southern Alps, 56 km east of Haast Township. At 563 metres high, it is the lowest of the alpine passes, and is crossed by State Highway 6 from Otago to the West Coast.

Apart from farmed river flats, most of the land in the Haast district is included in Te Wāhipounamu – the South West New Zealand World Heritage Area. This 2.6 million hectare world heritage area (protected as State Forest) includes four national parks (Westland Tai Poutini, Aoraki/Mt Cook, Mt Aspiring and Fiordland), as well as the land beside and in between them.

JACKSON BAY

Jackson Bay is the only sheltered open-sea anchorage on the West Coast and has a wharf. Crayfish are caught at Jackson Bay.



PURPOSE OF THE COUNCIL'S TEN YEAR PLAN

To review and plan for activities managed by the Council

The Long Term Plan outlines the key activities provided by the Westland District Council. This plan provides a snapshot of the current status of these activities and the associated assets owned by Council, as well as the plans for the managing these activities in the future.

To outline the intended outcomes of each activity

This plan describes the outcomes set for each activity and the rationale behind continuing to finance the activity.

To identify how our activities achieve our vision

The backbone of decision-making within the Long Term Plan is the alignment of actions against the Council's long-term vision. Proposed actions are assessed on compatibility with Council's vision statement.

To provide for long-term, integrated decision-making and co-ordination of Council resources

The interrelated 30-year Infrastructure Strategy and the Financial Strategy provide the basis for Council's long term planning. The infrastructure strategy identifies the condition and performance of our assets, their expected lifespan and how decisions are made regarding repairs, replacement or upgrades of assets. The financial strategy outlines how capital projects outlined in the infrastructure strategy will be sustainably funded, alongside Council operating expenses, in accordance with financial prudence regulations and relevant internal and external benchmarks of liquidity, rates affordability and debt levels. These strategies also summarise the relevant legislation and how we intend to work with other partners and stakeholders to deliver services to the community. These documents focus not only on current needs but expected future needs to provide a long-term focus for Council's decisions and activities.

To provide transparency and accountability to our community

Performance measurements outlined within this plan (including measures of resident satisfaction) are used for the annual review of Council's performance within its Annual Report and also for internal three monthly performance assessments. These documents are publically viewable on Council's website and enable Council to be accountable to the public regarding its progress towards intended outcomes.

INTENDED LEVELS OF SERVICE

Council is not planning to decrease existing levels of service. However, a number of minor improvements to existing services are proposed.

In some instances, it is going to cost more to continue to provide the same services. Examples of this are the rising costs of road maintenance, the new costs involved in ensuring that drinking water systems comply with the Drinking Water Standards of New Zealand. Extra resources have also been included in the Planning budget to ensure Council can complete a timely review of the District Plan.

Council is seeking to improve its performance in some areas to ensure it achieves its currently stated key performance indicators. For example, extra funding is allocated to improve Council's wastewater services. This includes costs associated with upgrading the Franz Josef wastewater treatment plant to meet environmental standards in the future. It is also a key priority for Council to address the seasonal water shortages in Franz Josef.

Although minimal population growth is anticipated in the district, substantial capital expenditure will be required on a renewals programme in order to maintain the current levels of service. Council's infrastructure strategy notes that a number of the district's assets are approaching or past their expected useful economic lives and will therefore need to be replaced.

Council's infrastructure strategy also outlines some stormwater projects over the next ten years that are intended to provide increased drainage and flood protection for certain Hokitika residential and business area streets.

A number of increased levels of services in the leisure suite of activities are proposed: including funding going towards the Hokitika waterfront development to create a space for residents and tourists to enjoy. This will include car parking, toilets and landscaping. In addition, funds have been allocated for a beachfront playground, also along the Hokitika foreshore.

Funding of nearly \$5 million dollars has been allocated towards future improvements for the Hokitika Museum. This is separate to the earthquake strengthening of the Carnegie Building. It has been identified that the Drummond Hall complex is approaching the end of its useful life which offers an opportunity for the public to consider a new redevelopment that can create a destination tourism attraction and heritage experience.

Finally, in recognising the vulnerability of Westland District to natural disasters, it is proposed to increase the levels of service for Council's Emergency Management function through the creation of a purpose-built Emergency Operations Centre to be shared with West Coast Regional Council.

KEY CHALLENGES

The low rating base

Funding and delivering activities is a challenge in Westland as it is a vast district but one that is sparsely populated. Additionally, much of the land (about 87%) is part of the Department of Conservation (DOC) estate. The DOC estate contains a number of outstanding natural features making it a very popular tourism destination. However, a key challenge for the Council is providing and funding infrastructure and facilities to enable visitors to use the DOC estate. The costs of maintaining these assets cannot be directly recovered from DOC and there is no direct way of recovering these costs from visitors at present.

Although the district is over 400 kilometres long, there is a small rating base within the District, with only one main township and numerous smaller rural settlements. Currently, within the district there are only 6,585 rateable properties. Despite this, our geographically dispersed settlements require a range of services, facilities and infrastructure. It is a key challenge for the Council to fund these core services within the limitations of the current rating base.

Council's largest operational spending continues to be transportation infrastructure and three waters (drinking water, wastewater and stormwater). Council intends to seek further funding from central government to assist with the cost of maintenance and upgrades to these services.

The environment

The Westland landscape and environment is unique to New Zealand. It is a major drawcard for why residents choose to live here and why tourists visit the District. The environment is also a significant resource that fuels our economy and key industries such as farming and mining.

Many of our residents have strong environmental values and these values need to be recognised and respected within our decision-making.

Building resilient communities

Given our location, perched in between the Southern Alps and the Tasman Sea, awareness and preparedness for natural disasters is a priority. The majority of Westland townships and settlements are located in close proximity to rivers and the sea, and have the potential to be greatly affected by storm events and rising sea levels. The district's location at the foot of the Southern Alps also means that it is in a high-risk area in the event of an Alpine Fault earthquake. Many Westland settlements could be isolated for days if not weeks in such an event.

Council must consider how the risks of natural disasters impact decision-making for infrastructure and core service projects. Consideration is also required on how to best empower our communities to increase their resiliency and self-sufficiency and have measures in place to respond quickly and appropriately in natural disasters.

Council intends to continue discussions with central government and regarding responses to natural disasters and funding key infrastructure projects. Council is also contributing to Project AF8 for planning in the event of an Alpine Fault earthquake. These discussions will take place alongside collaboration with our geographic communities, mana whenua, the West Coast Regional Council, New Zealand Transport Agency and other stakeholders to address the implications of natural hazards on future development opportunities.

Prudent financial decision-making

This Long Term Plan is intended to provide transparency regarding Council's approach to maintaining assets, identifying future needs, determining the costs of each activity and sustainably funding these identified needs.

Council understands that the community desires us to maintain financial stability. This is why Council is proposing to focus the majority of its resources on maintaining and upgrading core services: these being roading infrastructure; three waters and the processing of consents. It intends to transfer the management of other activities to Council Owned Organisations to maintain on our behalf. The rationale for this is to increase cost effectiveness and efficiency of Council operations so that core services are given priority, while ensuring that the quality of other services is also upheld.

Decisions about future spending have not been made lightly. The costs of projects have been carefully balanced against the risks of not taking action, for example potential asset failures. In some cases, the risks of non-action outweigh the immediate financial implications.

Council will continue to regularly audit its own systems, processes and external contracts so that it is operating in a cost effective manner.

During the lifetime of this plan, Council will be undertaking a programme of investigations to enhance our knowledge of the condition and potential life of our assets. Financial resources have been set aside for this purpose, including for a staff member to update this information in our asset management strategies and plans. Bringing this function in-house gives Council much tighter control over the development of asset management information, which will enable depreciation rates to be reviewed and adjusted more accurately.



SIGNIFICANT FORECASTING ASSUMPTIONS

Forecasting Assumption	Level of uncertainty about the assumption	Risks underlying the financial estimates	Estimate of the potential effect of this uncertainty on the financial estimates provided in the LTP
Population: The population of the District will remain static or grow slightly during the period of the plan. The population statistics used are the medium growth rate shown in the 2017 Statistics New Zealand forecasts. Westland is predicted to experience an ageing population over the life of this Long Term Plan. It is forecast that the number of residents aged over 65 will increase from 18% to 25% of the resident population.	Low	That the population forecasts change.	It is unlikely the total population will alter substantially however the increased percentage of residents aged over 65 will impact not only the type and mode of services that Council provides, but also its affordability thresholds as it can be expected that rates will become a higher proportion of average household income.
Tourism: Tourism growth will continue to increase during the period of the plan and will be one of the major economic contributors to the GDP of the region. However, an increase in tourist numbers will impact (place strain) on some Council infrastructure and services.	Medium	That tourist numbers increase more quickly than expected.	Potential asset failure due to unsustainable growth of tourism resulting in service outages and need for new unbudgeted infrastructure that would increase Council's debt.
Land use: Council's rating base is represented by the following types: Commercial 6%, Residential 41%, Rural 32% and Rural-Residential 21%. The proportions are not expected to change significantly during the life of this Council Plan.	Low	That these factors change.	The funding approach adopted in this plan will accommodate small variances in these characteristics of the District.
Inflation: The level of prices is assumed to increase over the period of the Long Term Plan for each activity area as forecast by BERL. The level of increase assumed in the Long Term Plan is set out in the financial statements in this Council Plan. The assumed increases include employment costs, activity costs and capital expenditure costs.	Low	That super inflation occurs.	The impact would range from changes that Council could respond to up to a catastrophic financial situation.
Interest: Council has calculated interest expense of 3.9% on all loans. This is a weighted average based on current rates and BERL forecasting over the next ten years.	Low	That interest rates increase.	The impact would range from changes that Council could respond to up to a catastrophic financial situation.

Forecasting Assumption	Level of uncertainty about the assumption	Risks underlying the financial estimates	Estimate of the potential effect of this uncertainty on the financial estimates provided in the LTP
Returns on Investment: Council has calculated interest income based on our current portfolio, which is made up of fixed interest bonds and term deposits, the average rate applied is 4.05%. Cash investments will return income based on the interest rate assumption. Distributions from Westland Holdings Limited have been budgeted for in the plan.	Low	That return rates for investment are lower than interest rates on Council loans.	The impact would range from changes that Council could respond to up to a catastrophic financial situation.
Renewability or otherwise of debt funding: Council assumes reliable and sustainable funding arrangements through Local Government Funding Agency both in regard to the quantum of the funding and the terms and conditions of the funding.	Low	That funding arrangements falter.	The impact would range from changes that Council could respond to up to a catastrophic financial situation.
Replacement of Assets: The optimal goal is that assets will be replaced at the end of their economic life. The gap analysis performed during the creation of the Infrastructure Strategy identified areas where this may not be affordable. In view of this careful management of assets replacements is contained within the AMPs. Depreciation rates are shown in the Statement of Accounting Policies. The Council's policy in relation to the funding of capital expenditure is set out in the Revenue and Financing Policy.	Low	That Council does not meet the goals set out in its Financial and/ or Infrastructure Strategy. That reactive maintenance costs will be high.	Unexpected or unbudgeted replacement costs may lead to failures in budgets. Spiralling rates.
Revaluations: As part of condition assessments and revaluations, the economic lives of Council's infrastructure, land and building assets are re-assessed every 3 – 5 years so that carrying values are maintained at fair value.	Low		Ineffective practice may result in failure to pay for future replacements. Spiralling rates.
Subsidies: NZTA financial assistance rate for the land transport programme will remain at 59% for local roads for the life of the Special Purpose Road (Haast Jackson Bay Road) subsidy rate will decrease from 100% to 59% at an as yet undetermined time. This transition process is currently under review and negotiation with NZTA.	Low	That NZTA's subsidy rates change.	A reduction in anticipated subsidies would test the budgets in this plan. This would then result in either spiralling rates or a significant drop in existing levels of service.
Legislation: Council is expecting changes to legislation and other requirements from central government, and acknowledges that this responsibility is may not be accompanied by government financial input.	Low	That Council cannot afford to respond.	Potential Government intervention if Council does not respond appropriately. Spiralling rates.

Forecasting Assumption	Level of uncertainty about the assumption	Risks underlying the financial estimates	Estimate of the potential effect of this uncertainty on the financial estimates provided in the LTP
Resource Consents: Resource consents held for Council activities will require renewal and will require increased monitoring.	Low	That Council cannot afford to comply or respond to monitoring requirements.	Potential service failures and/or adverse environmental effects. Potential infringement fines.
Natural Disasters: Council will continue to fund emergency management functions and utilise District Plan controls to address risk from potential natural hazards. It will not attempt to make its infrastructure disaster-proof aside from meeting Building Code legislative requirements. It will not be budgeting for full disaster recovery.	Low	That Council has not fully prepared prior to hazard events occurring.	Unexpected or emergency works will test the budgets in this plan. Potential for uninsured losses.
Climate Change: Council has not factored in specific climate change impacts/risks into its financial forecasting in the LTP nor into its current infrastructure specifications. Council will acknowledge potential climate change impacts/risks when making decisions to install new infrastructure.	Low	That Council has not fully prepared prior to hazard events occurring.	Unexpected or emergency works will test the budgets in this plan. Potential for uninsured losses.
Emissions Trading The Emissions Trading Scheme is in place. Council has accounted for the carbon tax on Butler's Landfill in this LTP, as per the information available.	Low	Low	Cost of increased taxes is not budgeted.
Sales of Fixed Assets Assets will be sold if they are determined to not be required.	Low	That sufficient resources have not been devoted to undertaking this exercise.	Potential profits are not realised.
MDI Funding Council assumes that it will continue to manage the local major district initiatives (MDI) funding allowance.	Low	That Development West Coast discontinues providing MDI funding to Councils.	District and community initiatives cease and/or groups may turn to Council for financial input. Negative economic impact on the District. Spiralling rates.
Local Government Reorganisation: There will be no change to District boundaries.	Low	That Government initiates changes.	Cost of reform and change is not budgeted. Large-scale infrastructure projects may become superfluous or redundant (due to potential amalgamation of local councils).

OUR RATING SYSTEM

Overview

Council's rating system is calculated by capital value grouped by four differential sectors, these being commercial, residential, rural-residential and rural. The capital values by classification determine the general rates charges for ratepayers, which most activities are funded from.

Targeted rates are used in some instances where a general rate is not considered appropriate because a distinct user group benefits from the activity that Council provides, rather than all ratepayers. This could be a specific community, sector or connected property.

In addition, our rating district is split up into eight community zones. These eight community zones are each charged a community rate charge which differs based on the varying amount of Council services provided for this community.

Council's view is that rates are similar to a tax for services received. Therefore, an activity should be funded from the general rate, unless Council determines that targeted rate is justified to more appropriately allocate the rates. A breakdown of the different types of targeted rates can be found on page X.

The components and rationale behind the rating system are set out in the Council's Revenue and Financing Policy and Rates Remissions policies. These policies are attached to this document, and are available on the Council's website www.westlanddc.govt.nz or can be obtained from the Council offices.

Key elements of the rating system

Demonstrating financial prudence is important to Council, and therefore only after appropriately exhausting all other funding sources, will Council fund its remaining operating expenses from rates. For many activities, however, rates will be the main funding source. A portion of the rates intake funds the capital (principal) repayments of debt.

We use rates to fund some small items of capital expenditure and some capital projects in advance (by collecting funds for depreciation).

The setting of rates is a complex process. We have chosen to have two general rates; a uniform annual general charge (UAGC) and a general rate based on the value of the property. We have chosen capital value as the basis by which to calculate the general rate.

In the first year, the UAGC has been set at 21.7% of total rates. A UAGC is generally applied to every rating unit. An exception is if contiguous (joining) properties are being used as one unit. The Rating Policy sets out the circumstances when only a single UAGC may be applied.

There are eight community zones that receive targeted rates relevant to the local services they receive.

Where user charges are not practicable, but discrete user groups can be identified, Council applies targeted rates. The community rate is an example of this, along with reticulated water utilities and such elements as the Hokitika Area Promotions rate.

Targeted rate boundaries have been drawn with the intention of encompassing whole rating units. Should a boundary split a rating unit, Council will rate the property based on the predominant use of the property.

The general rate is applied to those activities which provide a benefit to the whole district.

General rates and community rates are based on the use to which the land is put. Four differentials have been adopted: Residential; Rural Residential; Rural and Commercial. Council undertakes reviews to update its information about what activity properties are being used for. It can also review the differentials.

Rates cap

Council has maintained its 5% rates cap for annual increases as a result of strong feedback from the public that it must provide a level of certainty as well as demonstrating efficiency and prudence.

The rates cap is explained further in the Financial Strategy that is contained in this plan (within the “Key Strategies” section).

Rates remission opportunities through the Council

Remission on rating is available for 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.

This does not apply to any body (including a society, associated organisation, whether incorporated or not) that is for the purpose of profit or gain and/or to groups or organisations who engage in recreational, sporting or community services as a secondary purpose only.

No remission will be granted on targeted rates for water supply, wastewater services or refuse collection.

Remission is available on/for:

1. Schools

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

2. New Subdivisions

Remission on new subdivisions is available to provide temporary rates relief to new subdivisions, limit the immediate rates impact of multiple Uniform Annual General Charges (UAGC) and service charges in the first year, provide a rating

policy that is consistent with accommodating growth expectations for the district and to encourage or at least not discourage continued subdivision activity in the district as allowed by the District Plan.

3. Non-contiguous Farm or Horticultural Rating Units

The Uniform Charges, where the same ratepayer owns non-contiguous Rating Units that are operated as a single farm or horticultural unit.

4. Unoccupied Māori land

Where no income is derived from the land and the liability for rates cannot be definitively attributed.

Council also has policies on remission and postponement for:

1. Rates on Māori Freehold Land.

“Māori Freehold Land” is defined in section 5 of the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by the Māori Land Court by freehold order. Only land that is subject to such an order may qualify for remission under this policy.

2. Extreme Financial Hardship.

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

How can I get a remission on my rates?

If you do not currently receive a remission and believe you qualify via one of the sections described above, please apply in writing to the Council, detailing the circumstances.



The Department of Internal Affairs Rates Rebate Scheme

Council administers this rates rebate scheme on behalf of the Department of Internal Affairs (DIA). It is designed to provide a subsidy to low-income homeowners on the cost of their rates.

Ratepayers apply for this scheme through their local council. Westland District Council receives the application form from DIA. You must wait until you get your first quarter rates bill before you see us about organising a rebate.

When applying for a rebate you will need:

- Your rates notice (including your West Coast Regional Council rates notice if billed separately) for the current rating year
- Information about what your partner/ joint homeowner's income was if she/he was normally living with you.

Rate accounts

We will be working towards making rates accounts more itemised. We will also continue to develop electronic methods for delivering and paying accounts as well as instalment options. We welcome your input on this.

Disputes

Objections to the Rating Information Database and rates records will follow the rules laid down by s29 and s39 of the Local Government (Rating) Act 2002. Any dispute over the application of any of these rating policies that cannot be resolved through liaison with officers, must be made in writing to the Chief Executive. Should the Chief Executive be unable to reach agreement with the ratepayer the matter shall be decided by Council or any such committee or sub-committee it so delegates.

YOUR COUNCIL

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YOUR CONCILLORS AND THE EXECUTIVE TEAM



Mayor Bruce Smith

483D Hau Hau Road
Hokitika, 7811
Mobile: 021 922 860
mayor.smith@westlanddc.govt.nz

Northern Ward



Cr Graeme Olson (Ginger)

239B Keogan Road
RD 2, Hokitika
Ph: 755 7790 (H)
Mobile: 021 232 7333
cr.olson@westlanddc.govt.nz



Cr Jane Neale

8 Paiere Road
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Hokitika 7882
Ph: 03 755 8069 (H)
Mobile: 021 0271 8810
cr.neale@westlanddc.govt.nz



Cr Durham Havill

74 Havill Drive,
RD 2, Hokitika 7882
Ph: 755 7796
Mobile: 027 448 3187
cr.havill@westlanddc.govt.nz

Hokitika Ward



Cr Desmond Routhan

48 Rolleston Street
Hokitika 7810
Ph: 755 7444 (H)
Mobile: 021 162 4287
cr.routhan@westlanddc.govt.nz



Cr David Carruthers

143 Brickfield Road
RD 2, Hokitika 7882
Ph: 755 8815 (H)
Mobile: 027 208 0263
cr.carruthers@westlanddc.govt.nz



Deputy Mayor Latham Martin

74 Park Street
Hokitika 7810
Ph: 755 7337 (H)
Fax: 755 7337
Mobile: 027 849 1424
cr.martin@westlanddc.govt.nz

Southern Ward



Deputy Mayor Helen Lash
2871 Whataroa Highway
RD 1 Whataroa 7886
Ph: 753 4274 (H)
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cr.lash@westlanddc.govt.nz



Cr Gray Eatwell
PO Box 42,
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Executive Team

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Community & Environment**
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027 886 0420
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Diane Maitland
Executive Assistant
03 756 9038
027 503 9111
diane.maitland@westlanddc.govt.nz

COUNCIL STANDING COMMITTEES

Finance, Audit & Risk Committee

Deputy Mayor Martin (Chair)
All other Elected Members

Dog Control Hearing Committee

Cr Carruthers (Chair)
Cr Olson (Deputy Chair)
Mayor Smith (Member)

(This Committee of Council meets as and when required.)

Tenders Sub-Committee

Mayor Smith (Chair)
Deputy Mayor Martin
Cr Olson
Cr Carruthers

(This Committee of Council meets as and when required.)

Elected Member Liason Roles with Community Associations

Organisation	Appointment
ENTERPRISE HOKITIKA	Deputy Mayor Martin and Cr Eatwell to have a liaison role with Enterprise Hokitika
FOX GLACIER COMMUNITY ASSOCIATION	Deputy Mayor Lash to have a liaison role with the Fox Glacier Community Association
FRANZ INC.	Cr Eatwell to have a liaison role with Franz Inc
FRANZ JOSEF/WAIAU COMMUNITY FORUM	Deputy Mayor Lash to have a liaison role with Franz Josef/Waiau Community Forum
GLACIER COUNTRY TOURISM GROUP	Cr Eatwell to have a liaison role with the Glacier Country Tourism Group
HAAST PROMOTIONS GROUP	Deputy Mayor Lash to have a liaison role with the Haast Promotions Group
HARI HARI COMMUNITY ASSOCIATION	Cr Eatwell to have a liaison role with the Hari Hari Community Association
HERITAGE HOKITIKA	Cr Carruthers to have a liaison role with Heritage Hokitika
HERITAGE WEST COAST	Cr Carruthers to have a liaison role with Heritage West Coast
KOKATAHI/KOWHITIRANGI COMMUNITY ASSOCIATION	Cr Olson to have liaison role with the Kokatahi/ Kowhitirangi Community Association
KUMARA RESIDENTS ASSOCIATION	Cr Havill to have a liaison role with the Kumara Residents Association
ŌKĀRITO COMMUNITY ASSOCIATION	Deputy Mayor Lash to have a liaison role with the Ōkārito Community Association
ROSS COMMUNITY SOCIETY	Cr Olson and Cr Neale to have liaison role with the Ross Community Society
SAFE COMMUNITY COALITION	Cr Neale to have a liaison role with the Safe Community Coalition
WHATAROA COMMUNITY ASSOCIATION	Deputy Mayor Lash and Cr Eatwell to have a liaison role with the Whataroa Community Association.

COUNCIL WORKING GROUPS

Prior to the election of new Councillors in 2016, there were three Council Working Groups, these being the:

- Alcohol Working Group
- FAR Working Group
- Three Mile Hall Working Group

These have not been reinstated since the election of new Councillors in late 2016 (the latter due to the demolition of the hall and the first due to the Council assigning alcohol policy to the portfolio of Councillor Olson).

Other Appointments		
Ambassadors:		
Westland Ambassador:	Dick Tayler	
Westland's Richard John Seddon Ambassador:	David Verrall	
Westland's Ambassador for the Chinese:	Mike Keenan	
Creative Communities Local Assessment Committee	Deputy Mayor Lash Deputy Mayor Martin Sally Richardson Sue Asplin	Michelle Bunt Reilly Burden Ian Boswell Sally Richardson
Development West Coast – Appointment Panel	Mayor Smith	
District Licencing Committee Appointment of Deputy Chair	Cr Olson	
Hokitika Joint Seawall Committee	Cr Carruthers Cr Routhan	Cr Neale Cr Eatwell
Hokitika Reserve and Environs Group	Rob Daniel (Chair) Derek Blight (Secretary) Russell Gugich Sue Asplin Bruce and Barbara Erickson	Helen Love Ian Gilbertson Sue Tuffnell Barry Pearson
Accredited Resource Management Hearing Advisors	Deputy Mayor Martin Deputy Mayor Lash Cr Neale	
Sport NZ Rural Travel Fund – Allocation Committee	Cr Neale Pavel Bares	
Trustpower Community Awards – Judging Panel	Mayor Smith Deputy Mayor Martin Cr Eatwell	Mike Keenan Ian Gilbertson Mark Davies
West Coast Civil Defence Emergency Management Group	Mayor Bruce Smith Chief Executive Simon Bastion	
West Coast Regional Transport Committee	Cr Havill	

COUNCIL CONTROLLED ORGANISATIONS (CCOs)

Organisation	
Westland Holdings Limited	Graeme King (Chair) Cr David Carruthers Cr Des Routhan Peter Cuff (appointed as of 22.03.2018) Ian Hustwick (appointed as of 22.03.2018)
Westroads Limited	Peter Cuff (Chair) Bryce Thomson Maurice (Jacko) Fahey Durham Havill
Hokitika Airport Limited	Ian Hustwick (Chair) Deputy Mayor Latham Martin Richard Benton Pauline Cox
Westland District Property Limited	Ian Hustwick (Chair) Deputy Mayor Latham Martin Richard Benton Pauline Cox

OTHER COUNCIL ORGANISATIONS

Organisation	
Westland Wilderness Trust (This is a Council Organisation and is the governance body for the West Coast Wilderness Trail. As required in the constitution two Council representatives are required).	Deputy Mayor Lash Cr Neale
Tourism West Coast	Cr Eatwell

COUNCIL'S VISION 2018+

We work for the people of Westland to grow and protect our communities, our economy and our unique natural environment.

HOW COUNCIL ACTIVITIES CONTRIBUTE TO ITS VISION

[New infographic to be created – leave to last]

In addition, expected outcomes are expressed within the Activity Statements in this plan.

SIGNIFICANCE & ENGAGEMENT POLICY

Part I

1. PURPOSE [LGA s76AA (2)]

1.1 The purpose of the Westland District Council's Significance and Engagement Policy (SEP) is —

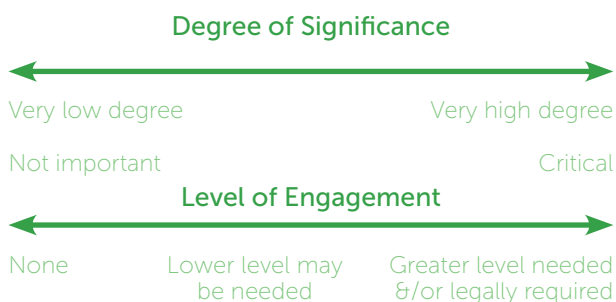
To enable the local authority and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.

To provide clarity about how and when communities can expect to be engaged in decisions about different issues, assets, or other matters.

To articulate the relationship between the significance of a matter and the corresponding level of engagement of parties that is required.

1.2 The Council believes in the importance of having a (SEP) as it provides a useful and accountable decision making framework for both the Council and the community.

Figure 1: Determining significance and engagement



1.3 Significance, in respect to this policy, is the degree of importance of an issue, proposal or decision as assessed by the local authority, in terms of its likely impact on and likely consequences for —

- The district or region.
- Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter.
- The capacity of the local authority to perform its role, and the financial and other costs of doing so.

A matter will be determined "*Significant*" if it has a "*high degree of significance*". This is in accordance with the Local Government Act 2002 (LGA), section 5.

1.4 Engagement, in respect to this policy, is a process that can be undertaken at the outset, throughout, or at points during a decision-making process in order to inform the Council and to allow potentially affected parties to identify options for addressing the matter.

The LGA definition and/or use of the terms "significant", "significance" and "engagement" apply in regard to this policy. Unless otherwise stated, common dictionary definitions apply for other terms in this policy.

1.5 The Council has a Consultation Policy in place (adopted in 2005 and reviewed in 2012). Consultation is a process that generally occurs after a proposal has been formed i.e. the Council shares the formed proposal with parties and receives final feedback. A decision can then be made. Consultation is an additional requirement under legislation, including the Local Government Act, Resource Management Act, Reserves Act, Rating Act and Land Transport Management Act. This SEP does not replace the Council's legal responsibility to consult.

2. GENERAL APPROACH [LGA s76AA (1)(a)]

- 2.1** Council's decision-making about the degree of significance of an issue, proposal or decision will be guided by Part II of this Policy.
- 2.2** Council's engagement practices will be guided by Part III of this Policy.
- 2.3** The Council will use the Special Consultative Procedure (SCP) whenever it is specifically required to by the LGA or other legislation.
- 2.4** Whenever a matter is identified by the Council as being of high significance, it will use the SCP procedure as a minimum procedure for consultation. It will undertake what it considers to be a corresponding high level of engagement about the proposal.
- 2.5** The Council will apply the principles of LGA section 82 in other instances of consultation.

- 2.6** The Council may choose to undertake engagement and/or consultation on occasions other than when a matter has been determined to be of high significance. In this instance it will justify why it is choosing to do so.

Part II

1. DETERMINING SIGNIFICANCE [LGA s76AA (1)(b)]

- 1.1** As per the LGA, section 5; a matter is “significant” if it has been determined to have a high degree of significance. The following list provides key questions that will help assess the overall degree of significance of a matter:
- Does it involve a Council strategic asset?
The LGA states that it is a significant decision to transfer ownership or control, or to construct, replace or abandon a strategic asset.
[The Council’s Strategic Assets are listed below, Part II, 2.2].
 - What is the impact on Council’s levels of service, rates and/or Council debt?
 - How will the action or decision promote the Council’s Vision or other priorities of Council, and to what degree?
 - What is the degree of impact on the community, individuals or groups?
 - Is there a likely impact on Māori cultural values and their relationship to land and water?
 - Is there a high degree of public interest?
 - Could the action or decision have significant consequences? The action itself may be minor but what will the outcome be?
 - Is it a reversible decision? The more difficult an action or decision is to reverse, generally the higher the significance is.

2. COUNCIL’S STRATEGIC ASSETS [LGA s76AA (3)]

- 2.1** The LGA, section 76 AA (3) requires that the SEP must list the assets considered by the local authority to be Strategic Assets. These assets must be considered to be of high significance and as such corresponding engagement and consultation practices followed by the Council if transfer ownership or control of a strategic asset, or a decision to construct, replace or abandon a strategic asset is proposed.
- 2.2** The LGA, section 5, defines Strategic Assets as being the asset or group of assets held (owned) by the Council that it needs to retain if it is to maintain the capacity to achieve or promote an outcome that it determines to be important to the current or future well-being of the community.
- Westland Holdings Limited
 - Hokitika Airport
 - Urban roads, rural roads, bridges, footpaths
 - Water, treatment, storage and reticulation network
 - Wastewater reticulation and treatment facilities
 - Stormwater reticulation
 - Elderly person housing units
 - Cass Square
 - Community Reserves
 - Community Halls
 - Community Domains
 - Hokitika Cemetery
 - Kumara Cemetery
 - Ross Cemetery
 - Hokitika Museum/Carnegie Building
 - Public Toilets
 - Jackson Bay Wharf
 - Westland District Library
 - Council Headquarters
 - Hokitika Swimming Pool
 - Ross Swimming Pool
 - West Coast Wilderness Trail

Part III

1. ENGAGEMENT EXPECTATIONS [LGA s82 (3) & (4)]

- 1.1** The Council will engage with parties unless it is unnecessary, inappropriate or impossible to do so. That is; a case must be proven in order to decide to not engage and it may be because of one or more of the following factors:
- a. The Council can demonstrate that it already has a sound understanding of the views and preferences of the persons likely to be affected by or interested in the matter
 - b. There is a need for confidentiality or commercial sensitivity
 - c. The costs of engagement or consultation outweigh the benefits of it
 - d. The matter has clearly already been addressed by the Council's policies or plans, which have previously been consulted on
 - e. An immediate or urgent response or decision is needed so that it is not reasonably practicable to engage
 - f. Works are required unexpectedly, or following further investigations, on projects that have already been approved by the Council
 - g. It is business as usual i.e. the works required are related to the operation and maintenance of a Council asset and responsible management requires the works to take place.
- 1.2** In instances where active engagement with parties is not going to occur, Council officers still must give consideration to the views and preferences of persons likely to be affected by, or to have an interest in the matter.
- ### 2. APPROPRIATE FORMS OF ENGAGEMENT [LGA s76AA (1)(c)]
- 2.1** The Westland District encompasses a large geographic area; townships can be several hours drive from one another and there are many dispersed rural communities. This impacts on how the Council can effectively hold conversations with its citizens.

- 2.2** Poutini Ngai Tahu and Te Runanga o Ngai Tahu, in their capacity as Treaty Partner, are an important identity to engage with over many matters. Council's relationship with Poutini Ngai Tahu and their associated Rūnanga, Te Runanga o Ngati Waewae and Te Runanga o Makaawhio, should remain fluid and evolve in accordance with these organisations' preferences. Although all of the SEP processes do include the engagement of Iwi and Rūnanga, a separate and more specific policy or agreement could also be developed with Poutini Ngai Tahu about different kinds of Council decision-making.
- 2.3** The Council must also be mindful of tangata whenua in the District and whether an issue could be of importance to Māori people.
- 2.4** The Council believes it is important that it has a presence across the District and in particular that elected representatives and staff are active in all of its communities. Successful engagement exercises have been achieved when they were structured around having the conversations in the community that the issue affected, rather than expecting the community to come to Hokitika. If it is a District wide issue then careful consideration is required about how best to distribute messages and be positioned to receive feedback.
- 2.5** Some communities in the Westland district do not have broadband internet coverage so this limits electronic communications.

3. IN DETERMINING APPROPRIATE FORMS OF ENGAGEMENT, THE COUNCIL WILL: [LGA s76AA (1)(d)]

- 3.1** Recognise the relationship between determining the significance of an issue and the level and type of engagement that will be required.
- 3.2** Select engagement processes and methods that are appropriate to the stakeholders that will be involved (including the public's time commitment and travel requirements, location of information and/or meetings).
- 3.3** Ask potentially interested parties if they consider themselves to be stakeholders and/or how they would like to provide input into the development of the proposal.
- 3.4** Be responsive to new methods identified by stakeholders for better engagement.

- 3.5 Bear in mind Council and other agency engagement initiatives that are underway, planned or likely to occur soon in the District. Combined initiatives will be utilised where appropriate so as to achieve efficiencies and avoid the public experiencing engagement / consultation fatigue.
- 3.6 Determine whether the Council already holds relevant information from the public or key stakeholders about the matter (from previous engagement or consultation efforts) and can utilise it instead of initiating another round of conversations.
- 3.7 Recognise the possible role of stakeholders and contacts Council already has a relationship with, including Iwi, Runanga, resident and community associations, business and industry representative groups.
- 3.8 Provide reasonable access to free information and reasonable methods for the public and key stakeholders to be able to respond (timeframes and suitable forms of submission).
- 3.9 Consider the best use of Council money and other resources to achieve the chosen engagement plan.

Part IV

1. PROCEDURE [LGA 76AA (2)(b) & (c)]

- 1.1 The procedure for determining the level of significance and the corresponding engagement required:
 - 1.1.1 In the first instance Council Officers will be responsible for assessing a matter to determine its level of significance, in accordance with Part II of this Policy.

[To facilitate this operational process, the Council may choose to provide staff with a template, separate to but based upon Part II of this policy].
 - 1.1.2 Council Officers will then consider the corresponding extent and type of engagement that should occur, in accordance with Part III of this Policy. In general, the more significant an issue, the greater the need for community or stakeholder engagement.

- 1.1.3 Any matter will be reported to the Council if it requires a Council decision to be made. The report will include –
 - a. An assessment of significance.
 - b. An assessment about the extent and type of community or stakeholder engagement that should occur.

2. THIS POLICY MAY BE AMENDED FROM TIME TO TIME [LGA s76AA, 4&5]

- 2.1 If the Council wants to amend this policy, it will consult in accordance with the Local Government Act, section 82, unless a decision is recorded that it "considers on reasonable grounds that it has sufficient information about community interests and preferences to enable the purpose of the policy to be achieved."

3. DEVIATION FROM THIS POLICY [LGA s76AA, 6]

- 3.1 If the Council wishes to deviate from this policy it will follow the requirements of the Local Government Act, section 80, clearly identifying the inconsistency and the reasons for not following this policy, and stating any intention to amend the policy to accommodate the decision.

COMMITMENT TO CONSULTATION AND ENGAGEMENT WITH MĀORI, PARTICULARLY MANA WHENUA

Council welcomes and encourages Māori contribution to its decision-making processes. In doing so, it has special regard to the views of mana whenua of the Westland District; that is, with Poutini Ngāi Tahu (Te Rūnanga o Ngāi Tahu, Te Rūnanga o Makaawhio and Te Rūnanga o Ngāti Waewae).

We will strive to both welcome and actively seek Poutini Ngāi Tahu involvement in our consultation processes.

Council is committed to maintaining communication and its good working relationship with Poutini Ngāi Tahu, so that the relationship remains fluid and evolves in accordance with these organisations' preferences.

The Resource Management Act 2001:

Council currently has an ongoing commitment to consultation with respect to all of its planning processes, including those under the Resource Management Act and its community planning. It is important to the Council that its processes of consultation are appropriate to the needs of mana whenua in the Westland District.

The consultation carried out under the Resource Management Act recognises the specific interests within the Westland District area of Poutini Ngāi Tahu: Rūnanga o Ngāi Tahu; Te Rūnanga o Makaawhio; Te Rūnanga o Ngāti Waewae.

In respect of the Resource Management Act, Council also gives regard to the Statutory Acknowledgements in accordance with the Ngāi Tahu Claims Settlement Act 1988.

Council recognises the role and importance of the Makaawhio marae, Te Tauraka Waka a Māui, at Mahitahi/Bruce Bay, and the Ngāti Waewae marae, Arahura, at Arahura.

Te Rūnanga o Ngāi Tahu:

Phone: 03 366 4344 and 0800 KAI TAHU (0800 524 8248)

Postal Address: P.O. Box 13 046, Christchurch 8141

Email: If you know the name of the staff member you would like to contact try using the following email pattern: firstname.lastname@ngaitahu.iwi.nz, or use info@ngaitahu.iwi.nz

Te Rūnanga o Ngāti Waewae:

Arahura Marae

Postal Address: PO Box 37, Hokitika. Phone: 03 755 6451 and 03 755 6452

Email: admin@ngatiwaewae.org.nz

Te Rūnanga o Makaawhio:

Makaawhio (Bruce Bay) Marae

Postal address: PO Box 225, Hokitika Phone: 03 755 7885 and 0800 955 007

Email: makaawhio1@xtra.co.nz or taoka.makaawhio@xtra.co.nz

COUNCIL ACTIVITIES

COUNCIL ACTIVITIES



LEADERSHIP



Democracy

What we do and why

Council undertakes democratic local decision-making and action, by and on behalf of communities; to meet the current and future needs of communities for good-quality local infrastructure, local public services and regulatory functions. It endeavours to perform these activities in a way that is most cost-effective for households and businesses.

Council is an elected body of representatives who lead important decision-making for the District. Responsibilities of their role include:

- Providing representation of residents views
- Providing leadership in setting priorities and in decision making
- Developing policy
- Employing the Chief Executive
- Providing advocacy to central government for other services and making submissions to central government
- Partnering with other organisations to achieve outcomes.

The Westland District Council represents a small population (8,850 approximately) over a large geographic area. Council's elected representatives consist of the Mayor, and eight Councillors from the wards of Northern (3), Hokitika (3) and Southern (2).

All scheduled meetings are advertised in local newspapers and on the Council website. Council will continue to hold its meetings in other locations than the Council Chambers on occasion in order to discuss local issues with residents and to encourage participation.

Council staff manage the triennial election process and provide advice, information and support to the Councillors to enable them to do their job.

The assets

The assets involved in this activity are IT equipment for all elected members, the provision of a Council Chamber and furniture for the Mayor's office and a meeting room.

Significant negative effects from this activity

- Additional costs of compliance
- Some decisions made by Council may be contrary to the views of individuals in the community.

The situation in 2018

When this Plan is in effect, the current Council will be over halfway through their three year term. The next election is October 2019 and this Plan will still be operative.

Council's Significance and Engagement Policy, which remains unchanged since the last Long Term Plan outlines how engagement and consultation occurs. It is important in this district that Council and Poutini Ngāi Tahu (Ngāi Tahu, Ngāti Waewae and Makaawhio) form an enduring relationship. The "Your Council" section of this plan details our commitment to consultation with Poutini Ngāi Tahu.

The rating system remains unchanged from since the changes made at the last Long Term Plan.

Key issues

- Encouraging residents to participate in consultation processes
- Increased focus on the skills required of elected members for effective governance and the costs of training
- Devolution of central government roles to Councils, without funding
- The cost of compliance imposed by central government
- Further developing the existing relationship between Council and Poutini Ngāi Tahu.

Where we want to be in the future

The Council wants to:

- Have good representation and participation by all sectors of the community, including young people
- Continue to create reliable planning and strategic documents to enable robust decision making
- Ensure the media is provided with information on Council projects and initiatives, and their success

- Continue to advocate and provide responses to Central Government plans that impact on local government
- Find innovative ways of engaging with the community
- Survey our customers so we get an improved measure of how our residents feel about Council's performance.

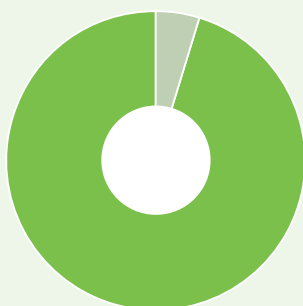
How we want to perform

Level of Service	Performance Measures	Current Performance (as per 2018 Residents Survey)	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Responsible leadership	% of residents satisfied with Council's leadership	58%	65%	65%
The community understands what Council does	% of residents who understand how Council make decisions	77%	50%	60%

Financial Information

Operating Expenditure	415,604
Other Expenditure	631,074
Paid for from:	
General Rates	1,045,228
Targeted Rates	-
Other Revenue	1,450

For 2018/19 this activity will make up 4.8% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The District as a whole benefits from the process and advocacy of ratepayers and community interests, the setting of policy and the decisions made by Council.
Private benefits	Specific requests by individuals or organisations are dealt with during the normal course of Council business.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Corporate Services

What we do and why

Corporate Services provides professional services to other Council departments. This includes payroll, finance, corporate planning, customer service, business analysis and information technology. Westland District Council is a New Zealand Institute of Chartered Accountants accredited employer. We provide these services so Council can run smoothly and fulfill its statutory requirements. Our strategic support helps Councillors provide inspirational leadership and create a compelling vision for our community. Corporate Services work closely with the other departments of Council in the creation of the Long Term Plan, Annual Plan, Annual Report, Policies and Strategies.

This part of Council manages the administration and collection of rates and other income 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 you are reviewing Council activities in this plan, the costs of each activity includes the cost of support departments. However, there are some council-wide costs and income which cannot be considered to be part of any one activity alone and these income and expenditure items are included within this Corporate Services section.

Corporate Services also provides support to Westland Holdings Limited and its subsidiaries. The revenues and costs relating to Council Controlled Organisations (CCOs) are incorporated in this section. These include:

- Dividend income received from CCOs
- Interest costs relating to borrowing taken out and invested in the equity (shares) of CCOs, interest income from Council investment of general funds and special purpose reserves.

The net result of the above is used to offset the total cost of Corporate Services. This benefit is then spread across all of Council's activities.

The assets

There are no assets involved in this activity apart from IT equipment and software and furniture which are replaced as per Council policy.

Effects of this activity

This is a highly regulated area and it is vital that knowledge of statutory, regulatory and technological requirements is current at all times and reflected in Council's reports and plans, systems and services.

The situation in 2018

Despite shortcomings of our existing information management systems, substantial improvements have been made and this will continue. By managing the development of systems and data management, and cultivating relationships with internal and external partners we will continue to improve the quality of information. There is an opportunity to share system support services with neighbouring districts to safeguard the resilience of our IT infrastructure. The major projects proposed are a new document management system that will provide an elegant integrated solution to our information storage and retrieval challenges and the triennial replacement of network servers to maintain IT capability and accommodate software enhancements. The Council has also employed a business analyst to assess our systems and determine ways to improve efficiencies and find cross-functional processes for staff. In some instances, this may mean that external contractors may need to be brought in on a short-term basis to complete projects. The costs of these are detailed below.

Councils opening hours and service requests are monitored and reviewed on a regular basis. Corporate Services wants to be flexible and responsive to meet the expectations of our external and internal customers. We will regularly review our systems and processes in order to achieve financial savings where possible without compromising customer outcomes.

Key issues

- Managing information and developing reporting capability
- Recruiting, training and retaining staff across the organisation
- Updating and communicating changes in the planning and reporting environment
- Streamlining the customer experience to ensure most queries are managed at first contact.

Where we want to be in the future

Corporate Services wants to set a high benchmark of providing exemplary information and service and value for money. This will be achieved by:

- Reporting performance in a timely and reliable manner
- Continuous improvement of systems and processes
- Promoting a customer-focused philosophy throughout the organisation.

Key capital projects:

Asset	\$	Timeframe	Funded by
Council refurbishment	65,930	2018/19 & 2021/22 (Years 1 & 4)	100% Depreciation
IT equipment – Replacement of tablets	48,870	2019/20, 2022/23 & 2025/26 (Years 2, 5 & 8)	100% Depreciation
Information Management - DMS	203,000	2018-2020 (Years 1 & 2)	100% Depreciation
IT renewals - Server replacement	224,000	2021/22 & 2026/27 (Years 4 & 9)	100% Depreciation
IT renewals - Annual network	351,360	2018-2028 (Years 1 – 10)	100% Depreciation
IT renewals – Workstation upgrades	131,760	2018-2028 (Years 1 – 10)	100% Depreciation
IT renewals - Chambers projection replacement	10,200	2019/20 (Year 2)	100% Depreciation
IT renewals - Webcam replacement	2,500	2018/19 (Year 1)	100% Depreciation
IT renewals - Disaster recovery servers	40,000	2018/19 (Year 1)	100% Depreciation
IT renewals - Website	78,400	2021/22 & 2026/27 (Years 4 & 9)	100% Depreciation
IT renewals - Livestreaming meetings	16,000	2018/19 (Year 1)	100% Rates
IT renewals - Civil Defence laptop	5,000	2018/19 (Year 1)	100% Depreciation
Vehicle replacements	221,600	2022-2025 (Years 5 - 7)	100% Depreciation

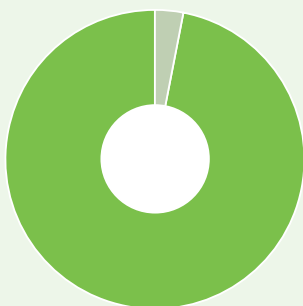
How we want to perform

Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Provide accountability about Council activities	Legally compliant financial plans and reports adopted	100%	Annual Plans & Annual report adopted on time	LTP, Annual Plans & Reports adopted on time
A comprehensive Customer Service Centre	% of residents satisfied with the service they receive	78% (as per 2018 Residents Satisfaction Survey)	75%	80%
Effective engagement of the community during public decision making opportunities	% of residents that believe they have been consulted appropriately	46% (as per 2018 Residents Satisfaction Survey)	55%	65%

Financial Information

Operating Expenditure	-
Other Expenditure	667,031
Paid for from:	
General Rates	144,970
Targeted Rates	-
Other Revenue	600,000

For 2018/19 this activity will make up 3.1% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	Generally the services provided benefit the whole community.
Private benefits	Fees are charged to individual users for specific services.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Council Controlled Organisations

Changes since the last Long Term Plan

At the end of last year, Council undertook a review of our Council Controlled Organisations (CCOs). The main initiative arising out of this review was a proposal to merge the Hokitika Airport Ltd and Westland District Property CCOs into one new company, name yet to be determined. The purpose of this merger is to create one larger entity that will oversee the more commercial elements of the Council portfolio, including operating the Hokitika Airport and managing the Council's property portfolio. The intent of this merger is that it allows the Council to focus on its core function and providing key infrastructure projects.

A consultation period for the merging of these companies was completed in January 2018, and was granted on an unopposed basis.



What we do and why

We have chosen to deliver some services through Council Controlled Organisations. These services are ones where a more commercial focus is required.

An outcome of the CCO review is that Council will focus on improving its relationship with its CCOs.

Where we want to be in the future

In the first year of this Plan we will focus on clarifying our governance role, improving the Statements of Intent, implementing a more robust monitoring and reporting framework, and ensuring that communication with all CCOs is regular and open and respectful of the role the CCOs perform.

The Council Controlled Organisations

Westland Holdings Ltd

Westland Holdings Limited (WHL) is the governance link between Council and its trading entities. The company is responsible for ensuring the trading organisations meet their statutory, commercial and public obligations as defined in their Statements of Intent. These are reviewed annually by WHL on behalf of Council, with reference to the

objectives determined in the Long Term Plan, along with each company's individual strategy.

The presence of a holding company is intended to facilitate objective governance, whilst enabling the trading

organisations to operate on commercial principles. The Board currently has five directors appointed by Council.

Westroads Ltd

Westroads Limited main activity is that of a general contractor based in Hokitika and Greymouth (Westroads Greymouth Ltd) as well as depots and staff throughout South Westland. It also operates a crushed metal plant in Greymouth. In 2014 it purchased Trenching Dynamix Ltd, a specialist buried horizontal infrastructure installation company.

Destination Westland

From 30 June 2018, the merger of Council's current CCOs of Hokitika Airport Limited (HAL) and Westland District Property Limited (WDPL) will take effect. The new merged CCO will be known as Destination Westland and will have a commercial focus, continuing to manage the portfolios that were previously under Hokitika Airport Limited and Westland District Property Limited.

Destination Westland will operate the Hokitika Airport which is the principal airport on the West Coast. Air New Zealand is the main carrier coming into the airport on a twice-daily basis from Christchurch. This acts as a gateway for tourists arriving to the West Coast and also as a hub for short-term business travellers from Christchurch. Destination Westland will also operate the heliport in Franz Josef.

In addition, Destination Westland will manage some of the Council's property portfolio, previously managed by Westland District Property Limited. This will include the sale and leasing of property; managing the leasing and occupation of mining rights; management of Pensioner Housing, Hokitika Swimming Pool, Jacksons Bay Wharf. From 1 July 2018, it is also proposed that Destination Westland will manage the Hokitika i-SITE, West Coast Wilderness Trail, Hokitika Museum and Council's events portfolio including the Hokitika Wildfoods Festival.

Refer to the Consultation Document which accompanies this Plan for how you can have your say regarding this issue.

Westland Wilderness Trust and Tourism West Coast

Both the Westland Wilderness Trust and Tourism West Coast are not classified as a CCO for reporting purposes due to their size. As such they are outside the scope of a Council plan. Nevertheless some financial contribution is made by Council and these entities have a valued interface with the Council vision.

Westland Wilderness Trust has been the governance body for the construction and management of the West Coast Wilderness Trail.

Tourism West Coast promotes the region as a tourist destination and provides regular reports to Council on trends and events in a sector that is viewed as vital to the West Coast's economic health. Council appoints one of five representatives to this organisation. At the time of writing, a proposal has been put forward to bring Tourism West Coast under the umbrella of Development West Coast. Westland District Council has opposed this move.

West Coast Rural Fire Authority

Since the establishment of Fire and Emergency New Zealand in July 2017, the West Coast Rural Fire Authority has been disestablished and Council no longer undertakes any rural fire responsibilities.

The benefits

Westland Holdings

There is a benefit to the community of the governance function of Westland Holdings which provides professional oversight and public accountability to the community.

Westroads Limited

There is a benefit to the District as a whole as distributions paid to Westland Holdings Limited from Westroads Limited are utilised by Council to offset rate requirements. Westroads Limited has a significant benefit to the region financially and is one of the key employers in Westland.

Destination Westland

There is a benefit to all residents and ratepayers in having the West Coast's main airport located in Westland. It boosts tourists by facilitating accessible travel to the region for visitors, thus providing economic benefits for local businesses.

The commercial property function of Destination Westland brings a number of benefits to the region. It provides safe and affordable housing for the elderly, access to a swimming pool in Hokitika and facilitates commercial fishing opportunities in South Westland through Jacksons Bay Wharf. In addition, recreational land users, residents and businesses benefit from the availability and downstream provision of amenities.

Other Council Organisations

West Coast Wilderness Trust

The Trust brings significant numbers of tourists to the region through its promotion of the West Coast Wilderness Trail that a number of businesses enjoy the benefits of. It also gives residents an outstanding outdoor recreation asset that can facilitate fun, enjoyment and healthy activity.

Tourism West Coast

Businesses in the tourism sector directly benefit from the marketing and promotional activities of this organisation. Benefit also accrues to residents as growth in this area provides employment opportunities and enhanced infrastructure.

Effects of this activity

There are no significant negative effects.

Key issues

- Council's reliance on an annual dividend from Westland Holdings Limited. This is currently used to offset rates.
- Changes in the external environment that may affect the CCOs' viability or ability to perform, such as if Air New Zealand withdrew its services from the Hokitika Airport Limited.

Target performance of the CCOs

Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
CCOs comply with their Statements of Intent	All performance measures in the CCO Statement of Intent are met, as reported in half yearly and annual reports	70%	100%	100%

Financial Information

Council financial contributions to Hokitika Swimming Pool are contained in the budget for the respective activity.

The CCOs are expected to be self-funding and provide a return to Council. This income is included in the Corporate Services budget.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.

PROSPECTIVE LEADERSHIP STATEMENT OF SERVICE PERFORMANCE

For the years ended 30 June 2019 - 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	889,235	936,120	923,491	888,143	1,001,898	1,040,843	1,069,391	1,119,448	1,093,326	1,046,440
Rates penalties	163,000	166,260	169,751	173,316	177,129	181,203	185,371	189,820	194,375	199,429
Internal charges and overheads recovered	3,456,189	3,626,329	3,789,371	3,714,296	3,755,317	3,934,876	3,894,744	3,954,681	4,180,551	4,096,771
Fees and charges	25,035	30,636	26,072	26,619	32,625	27,831	28,471	34,924	29,854	30,630
Rental	51,010	47,516	48,262	48,838	48,259	54,437	66,162	67,113	68,087	69,167
Grants, subsidies and donations	950	969	989	1,010	1,032	1,056	1,080	1,106	1,133	1,162
Interest and dividends	600,000	612,000	624,852	637,974	652,009	667,006	682,347	698,723	715,492	734,095
Recoveries	79,751	81,525	83,329	85,126	86,903	88,706	90,497	92,313	94,064	95,881
Miscellaneous revenue										
Total revenue	5,265,170	5,501,355	5,666,118	5,575,322	5,755,173	5,995,957	6,018,062	6,158,129	6,376,882	6,273,576
Expenditure										
Democracy	1,034,833	1,115,984	1,110,127	1,092,483	1,165,756	1,155,705	1,142,553	1,225,902	1,221,895	1,204,145
Corporate Services	4,392,860	4,488,374	4,603,568	4,507,765	4,614,328	4,845,740	4,868,009	4,924,727	5,147,487	5,061,931
Total expenditure	5,427,694	5,604,358	5,713,695	5,600,248	5,780,084	6,001,445	6,010,562	6,150,629	6,369,382	6,266,076
Surplus/(deficit)	(162,523)	(103,004)	(47,577)	(24,926)	(24,911)	(5,488)	7,500	7,500	7,500	7,500
Capital Expenditure										
Council HQ - Refurbishment	50,000	-	-	15,930	-	-	-	-	-	-
Corporate Services - Replacement Councilors tablets	-	-	-	-	-	-	-	-	-	-
Information Tech - Replacements EM	-	15,300	-	-	16,260	-	-	17,310	-	-
Information Management - DMS	50,000	153,000	-	-	-	-	-	-	-	-
IT Equipment renewals - Server Replacement	-	-	-	106,200	-	-	-	-	117,800	-
IT Equipment renewals - Annual Network	32,000	32,640	33,312	33,984	34,688	35,424	36,160	36,928	37,696	38,528
IT Equipment renewals - Upgrades to workstations	12,000	12,240	12,492	12,744	13,008	13,284	13,560	13,848	14,136	14,448
IT Equipment renewals - Chambers projection replacement	-	10,200	-	-	-	-	-	-	-	-
IT Equipment renewals - Webcam replacement	2,500	-	-	-	-	-	-	-	-	-
IT Equipment renewals - Disaster recovery servers	40,000	-	-	-	-	-	-	-	-	-
IT Equipment renewals - Website	-	-	-	37,170	-	-	-	-	41,230	-
IT Equipment renewals - Livestreaming Meetings	16,000	-	-	-	-	-	-	-	-	-
IT Equipment renewals - Civil Defence Laptop	5,000	-	-	-	-	-	-	-	-	-
Pool vehicle	-	-	-	-	86,800	44,320	90,480	-	-	-
Total capital expenditure	207,500	223,380	45,804	206,028	150,756	93,028	140,200	68,086	210,862	52,976

PROSPECTIVE LEADERSHIP FUNDING IMPACT STATEMENT

For the years ended 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UAGC, rates penalties	1,073,022	1,052,235	1,102,380	1,093,242	1,061,459	1,179,028	1,222,046	1,254,761	1,309,268	1,287,701	1,245,869
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	548,500	69,840	76,516	73,008	74,588	81,553	77,688	79,225	86,542	82,246	83,755
Internal charges and overheads recovered	-	3,491,135	3,661,974	3,825,764	3,751,454	3,793,292	3,973,725	3,934,486	3,995,377	4,222,223	4,139,527
Local authorities fuel tax, fines, infringement fees and other	-	651,960	660,485	674,104	687,822	701,301	722,498	749,589	766,942	784,712	804,425
Total operating funding	1,621,522	5,265,170	5,501,355	5,666,118	5,575,322	5,755,173	5,995,957	6,018,062	6,158,129	6,376,882	6,273,576

Applications of Operating Funding

Payments to staff and suppliers	1,094,528	3,001,123	3,145,410	3,111,492	3,170,154	3,291,909	3,290,212	3,384,681	3,514,255	3,506,651	3,570,648
Finance costs	525,620	556,831	479,020	423,467	397,556	446,659	484,664	527,279	514,885	502,491	490,097
Internal charges and overheads applied	-	1,729,708	1,819,985	2,003,239	1,857,021	1,883,811	2,098,574	1,974,472	2,007,768	2,245,812	2,079,319
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	1,620,148	5,287,661	5,444,416	5,538,198	5,424,732	5,622,379	5,873,450	5,886,432	6,036,908	6,254,954	6,140,065
Surplus/(deficit) of operating funding	1,374	(22,491)	56,939	127,920	150,590	132,794	122,507	131,630	121,221	121,928	133,512

Sources of Capital Funding

Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	(17,250)	(17,250)	(17,250)	(17,250)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	(17,250)	(17,250)	(17,250)	(17,250)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)

Applications of Capital Funding

Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	61,000	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	-	146,500	223,380	45,804	206,028	63,956	48,708	49,720	68,086	210,862	52,976
Increase/(decrease) in reserves	1,374	(247,241)	(183,692)	64,866	(72,688)	61,339	66,299	74,411	45,635	(96,434)	73,035
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	1,374	(39,741)	39,688	110,670	133,340	125,295	115,007	124,131	113,721	114,428	126,011
Surplus/(deficit) of capital funding	(1,374)	22,491	(56,938)	(127,920)	(150,590)	(132,795)	(122,507)	(131,631)	(121,221)	(121,928)	(133,511)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

PLANNING & REGULATORY



Inspections and Compliance

What we do and why

Council's role is to monitor and process licenses, registrations and consents (and ensure that the relevant conditions are met). We have a statutory requirement to undertake these activities based on health and safety, community and environmental standards. This activity comprises:

- Building inspection and control
- Environmental health
- Liquor licensing
- Noise control
- Authorising on-site effluent disposal systems for new properties (as delegated by the West Coast Regional Council - subject to appropriate soil classifications being met)

The assets

There are no assets involved in this activity apart from IT equipment and furniture which are replaced in accordance with Council policy.

Effects of this activity

There is some compliance burden for licensees and other customers but this is inevitable given the requirements of central government legislation.

The situation in 2018

Westland District Council continues to be an accredited and registered Building Consent Authority (BCA). Accreditation is maintained by ensuring compliance with and continuous improvement to a Quality Manual. Our processes are being improved as per recommendations of biennial IANZ audits and regular internal audits. We do not have to be a Building Consent Authority but in practice communities expect their Councils to be able to offer this service.

The Building Act 2004 has had significant changes made to it in recent years, including most

recently the Building Amendment Acts of 2012 and 2013. Central government has also made an amendment to the Act relating to Earthquake-Prone Buildings which now requires all territorial authorities to undertake seismic risk assessments of non-residential buildings throughout their districts, within a specified period.

We also have a statutory duty to inspect and monitor food premises. The Food Act 2014 has resulted in significant changes to the way in which Council is required to undertake food safety functions. We now promote a more risk-based approach than the practices followed under the Food Hygiene Regulations 1974. The Council's inspection role has transitioned since the last Long Term Plan to assisting business owners to create Food Control Plans which we then audit.

Council acts as a District Licensing Committee for the Sale and Supply of Alcohol Act 2012. The 2012 Act brought in a number of changes compared to the Sale of Liquor Act 1989, including an increased focus on harm reduction and a revised fee structure which has resulted in increased fees for managers and licensed premises. Compliance, inspection and enforcement is undertaken both internally and using contractors.

Key issues

- There is currently a backlog of work in the building area, including non-BCA functions such as administering and implementing Council's dangerous and insanitary buildings policy, and monitoring compliance with the Swimming Pool Fencing Act.
- As described above, legislation in this area has been changing and this is expected to continue. Council needs to keep up with its changing role, as well as ensure that it provides adequate education to food operators, licensed premises and building owners on their responsibilities.
- The availability of specialist staff is a perennial challenge, as skills in this area are in high demand, not only in local government but in the private sector as well.
- Continuing to meet legislative requirements of central government.

Where we want to be in the future

We want to:

- Address the backlog of work in the building area. The capacity of the building team and how our internal personnel resources are used will be monitored for a year before any decision is made to further increase the building team's resources on a permanent basis. The recent addition of a new full-time Building Officer should assist with the workload across the building compliance area.
- Continue to respond quickly and positively to a changing legislative environment and maintain improved processing times for the public.
- Provide quality service under The Sale and Supply of Alcohol Act 2012. We intend to continue to operate one District Licensing Committee (DLC) to process liquor license

applications. Councils are not required to adopt a Local Alcohol Policy (LAP) but we could do so if required.

- Employ staff with relevant knowledge and skills in implementing changes in legislation and improvement in processes.
- Ensure that we are sufficiently resourced to ensure that legislative obligations continue to be met.

From the public's perspective, Council intends to maintain the status quo for this activity in terms of levels of service. Continuous improvement is also expected in the building area through Building Consent Authority re-accreditation, which often suggests process improvements leading to increased reliability and efficiency. Furthermore, we will continue to strive for improvements in other areas of this activity function.

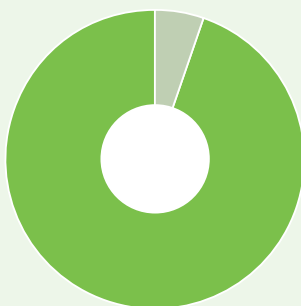
How we want to perform

Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Timely processing of Building Consents	% of building consents processed within 20 working days as per the requirements of the Building Act	99%	100%	100%
Provide appropriate advice to customers	% of users satisfied with the quality of the advice provided on building consent, environmental health and liquor licensing matters	79%	85%	85%
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	89% of food premises inspected 100% of liquor premises inspected	100%	100%

Financial Information

Operating Expenditure	768,296
Other Expenditure	378,604
Paid for from:	
General Rates	501,522
Targeted Rates	-
Other Revenue	645,378

For 2018/19 this activity will make up 5.3% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	There are benefits to the district as a whole as inspection and compliance services cater for current and future development, and provide residents with assurance that the environment they work and live in is safe and monitored in accordance with regulations.
Private benefits	The main benefit is to the applicants and users of the services provided by the inspection and compliance teams.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Resource Management

What we do and why

Resource Management helps Council to achieve its vision by delivering sound policy and regulation to protect the environment. It also facilitates the development of our communities in accordance with relevant legislation to enhance lifestyles and opportunities for future generations.

We are required to fulfill statutory functions under the Resource Management Act (RMA). Day to day activities include:

- Development and review of the District Plan, bylaws and policies
- 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
- Environmental monitoring and monitoring resource consents
- Responding to complaints in relation to effects on the environment.

The assets

There are no assets involved in this activity apart from IT equipment and furniture which are replaced in accordance with Council policy.

Effects of this activity

Some of the central government legislative requirements are not suited to the unique Westland geographical environment and can be costly to implement and provide minimal benefit to the community.

The situation in 2018

We are mindful of the need to ensure that our regulations are robust and efficient so that the values of the community are promoted and protected without resulting in unreasonable impingement on the use of land, or excessive cost. It is a balancing act to ensure that the District Plan reflects the community that it relates to and the varied views within it.

Applicants can perceive the requirement for resource consents to be an unnecessary cost

and a delay. The reverse situation is that most residents also expect an activity to not be able to occur without their ability to have input. It is important that our policies and procedures are concise and clearly understandable so that all parties have clear expectations for which types of activities can occur in which locations and what matters Council will assess and manage.

Council has been undertaking a rolling review of the District Plan which was adopted in June 2002. Several variations have been made to the Plan since it became operative. However, it is overdue for revision. It is necessary to ensure that the District Plan continues to reflect the desires of the community – now and also in the future. We have been working in collaboration with both the Buller and Grey District Councils to find a more cohesive approach to District Planning throughout the West Coast region. Currently two options are being investigated: either a Plan for each District or one plan for the entire West Coast Council that provides general rules throughout the region and district specific rules as required. The District Plan review is a priority to the Council and we have budgeted for adequate resources to progress this review.

Council will continue to increase its levels of environmental monitoring. This is a legal requirement under the Resource Management Act. In addition, there appears to be increasing public demand to better monitor the resource consents that we issue, and to ensure compliance with the District Plan.

In the middle of 2017, central government introduced a number of significant changes to the RMA. We are working through how these amendments will affect Council operations. One of the key changes is the introduction of 'National Planning Standards'. These standards will provide a template for how District Plans are to be set out and also include some standardised definitions and rules.

As a result of the recent RMA amendments, the Council is required to review its financial and development contributions policy. This review will remove the financial contributions incorporate the relevant contributions into the ongoing development contributions policy.

A cross-agency working party including representatives from the Council, Franz Josef community, Te Rūnanga o Mākaawhio, Department of Conservation, New Zealand

Transport Agency and the West Coast Regional Council has been set up to work collaboratively on planning issues within the Franz Josef area. A number of other initiatives within Franz Josef will require collaborative planning between stakeholders, including review and implementation of the existing draft town revitalisation plan and wastewater upgrades.

Key issues

- Adequate resourcing of staff to respond to complaints and monitor compliance with resource consents and the District Plan
- Ability to reliably progress the District Plan review
- Recent and proposed amendments to the Resource Management Act.

Where we want to be in the future

We want to ensure that our District Plan, policies and bylaws meet the aspirations of the community. The District Plan needs to balance the Council's goals to provide expanded development opportunities while simultaneously managing environmental effects. We intend to progress the District Plan review reliably and efficiently.

All of the District Councils along the West Coast are in the process of reviewing their policy statements and environmental plans. This provides an opportunity for Councils to work collaboratively on their respective plan reviews, and coordinate these and replicate revisions where practicable. As mentioned earlier, the Buller, Grey and Westland District Councils are exploring an idea of preparing a 'One Plan' that will cover district planning issues for the entire region. This proposal is currently being assessed by the Local Government Committee. Whatever approach is agreed on, moving forward we expect a more consistent approach to planning and policy documents across the Region.

A number of National Environmental Standards and Policy Statements are being produced by central government. We are required to provide input via a submission process and to ensure that these documents reflect the desires of our ratepayers and residents. We are also required to amend our District Plan in response to changes in legislation.

Council will increase monitoring of compliance with consents, the District Plan and the Resource Management Act, as required by legislation and the increased reporting requirements of the central government.

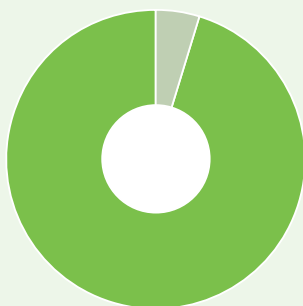
How we want to perform

Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Resource consents processed in accordance with the Resource Management Act	% of resource consents processed within statutory timeframes	77%	100%	100%
Provide appropriate advice to customers	% of users satisfied with the quality of the advice provided on resource management matters	72%	85%	85%

Financial Information

Operating Expenditure	766,869
Other Expenditure	239,290
Paid for from:	
General Rates	637,406
Targeted Rates	-
Other Revenue	368,753

For 2018/19 this activity will make up 4.6% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	There is significant benefit to the district as a whole from this activity through the promotion of sustainable management of natural and physical resources for present and future generations. The main benefit of resource consents is gained by the individuals who require them. However, resource consents also benefit the wider district through ensuring that the environment in which residents work and live in is safe and managed in accordance with the principles and provisions of the Resource Management Act.
Private benefits	Fees are charged to recognise the direct benefits the applicant receives.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Emergency Management

What we do and why

Civil Defence

It is a statutory function for regions to establish Civil Defence Emergency Management groups (CDEM) and to adopt a Civil Defence Emergency Management Plan. We operate as part of the West Coast Regional CDEM group and CDEM Plan. Our goal is the continued development and maintenance of a Civil Defence Emergency Management Plan which provides for the following:

- Reduction and mitigation of potential problems
- Improving the readiness of the public through promoting awareness of the risks of civil defence events and training volunteers to be able to respond skillfully in emergency events
- Coordinating a response to emergency events
- Managing the community recovery after a civil defence emergency.

The assets

The assets included in these activities are considered critical. Key assets are the radio telephones set aside for civil defence. There are also very high frequency (VHF) radios and satellite phones dedicated for emergency use. Vehicles, buildings, radio and telephone communications are all shared with other Council activities. New VHF radios have recently been purchased and the programming and distribution of these to some remote communities is already underway. In addition, a maintenance schedule for existing communications equipment is also underway.

Effects of this activity

There are no significant negative effects identified for this activity.

The situation in 2018

The civil defence statutory function lies with the West Coast CDEM group which is responsible for overall planning, and setting the role of each Council. Each Council is represented at CDEM group level along with representatives from local emergency services to ensure coordination of the services in an emergency. The 'Group' takes

a leadership role in training the district CDEM personnel.

An area on the top floor of the Westland District Council headquarters is typically utilised as an Emergency Operations Centre during a civil defence emergency. The West Coast CDEM group in partnership with Westland District Council is currently scoping alternative locations for a purpose-specific Emergency Operations Centre, further away from the tsunami zone and Hokitika River.

In the case of an emergency response, Council staff and contractors work with a range of relevant agencies to carry out a collaborative response. A large number of the Emergency Operations functions are filled by Council staff members in accordance with our legislative requirement.

Council is fully involved with the West Coast Lifelines Group, working with other authorities on the West Coast to increase the resilience of the essential lifelines, such as roads, water assets, power and telecommunications in readiness for an emergency event, and to coordinate the reinstatement of lifelines in response to an event. Standard Operating Procedures (SOPs) for Civil Defence events are being developed and updated across the district.

The Council civil defence team is part of a national steering committee to produce a South Island Response Plan in the instance of a large-scale earthquake such as the Alpine Fault line. This involves collaborating with surrounding District and Regional Councils such as Queenstown Lakes District Council and other Otago Councils. Within the South Island Response Plan and our other natural disaster plans there is a focus on ensuring that smaller communities are self-sufficient and resilient to natural disasters.

There is no district-specific tsunami warning system, rather the Council relies on the national tsunami mobile alert system and the regional e-text system; alongside other media broadcasting.

Key issues

- How the District and other affected districts will be able to respond to a natural disaster including an Alpine Fault earthquake
- Shortage of trained personnel across the district and a challenge to attract and retain volunteers especially in our smaller communities

- The increase of tourism has heightened the hazards by increasing the number of persons exposed to the risk. Increased preparation is required to deal with the extra visitors. The major issue would be getting supplies to residents and visitors who may be isolated in an emergency and for whom English may be a second language.

Where we want to be in the future

We want to be able to respond and recover quickly from an emergency event. We need to develop a sound business plan with our Lifelines and welfare partners and maintain effective relationships with them so response is prompt and appropriate in an emergency.

Council needs to have a strong network of volunteers supported by various district and community agencies to cope with response and recovery activities. We need to work alongside other organisations in the district to improve the

effectiveness of our response. Most townships in the District have initial response plans and we want all other townships to have plans in place within the next financial year.

We must promote and maintain a good working relationship with the CDEM group and Lifelines, welfare and health partners to improve coordination in an emergency.

We will continue to educate the public so that communities understand the importance of having an emergency plan and being prepared. Council needs to continue to develop standard operating procedures that underpin the Civil Defence Plan.

Council will continue to work with our local emergency services organisations to ensure that they are aware of the issues we may face in an emergency, such as complete isolation by road for several days, if not weeks.

Key capital projects

Asset	\$	Timeframe	Funded by
Civil Defence - Civil defence Kits	4,800	2018/19 (Year 1)	100% Depreciation
Civil Defence – EOC	200,000	2019/20 (Year 2)	100% Loan

How we want to perform

Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Effective natural hazard readiness	Suitable emergency response training has occurred - Emergency Management personnel meet CIMs 4 and EOC standards - Volunteers are offered at least 2 training opportunities per annum - Number of trained volunteers increases by 10%	100%	100%	100%
Suitable response systems are in place	Community emergency response plans are in place for all Westland townships	50%	90-100%	100%

Financial Information

Operating Expenditure	42,144
Other Expenditure	4,562
Paid for from:	
General Rates	46,706
Targeted Rates	-
Other Revenue	-

For 2018/19 this activity will make up 0.2% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	Emergency management allows the community to have confidence in Councils ability to respond in an emergency as well as empowering residents to be better prepared physically and psychologically for a civil defence event. Better preparation leads to a better response and a quicker and more effective recovery.
Private benefits	Property owners and businesses benefit from good emergency management as good preparation ensures a faster economic recovery.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Animal Control

What we do and why

Council has a statutory obligation to administer the registration of dogs and ensure they do not become a nuisance to the community, as well as to offer a service for the impoundment of wandering stock.

We undertake the following dog and animal control functions:

- Enforcement and control of roaming dogs and other animals
- Protecting the public from harm, nuisance and damage from dogs
- Ensuring all known dogs are registered
- Education of dog owners
- Providing a dog pound.

The assets

The Council owns a limited range of animal control assets including dog control equipment.

Effects of this activity

No significant negative effects have been identified for this activity.

The situation in 2018

In addition to its responsibilities under the Dog Control Act 1996, Council has a Dog Control Bylaw 1997 which was reviewed and confirmed in 2008. This bylaw is currently undergoing another review. The Council is responsible for enforcement actions under both the Dog Control Act and Bylaw.

There were 1733 registered dogs in Westland District as of 27 March 2018.

The number of complaints relating to wandering and barking dogs has steadily increased over the last few years, and the number of infringements has risen as well. Complaints about dogs and other animals are dealt with through the Council's Service Request system, though some complaints go directly to the animal control officers.

Council focuses its animal control education on dog owners, through annual information provided with registration materials and providing education to owners as part of a response to complaints, rather than the public at large.

We undertook a comprehensive review of our Dog Policy in 2016. This review led to the inclusion of a number of new lower fee categories for working dogs and responsible dog owners.

We charge a higher annual dog registration fee in Hokitika and Kaniere than elsewhere in the District. Primarily this is because a higher level of service is provided in those areas (e.g. more responsiveness to complaints). The geographic nature of the district financially precludes the Council from being able to provide the same level of service across the whole district. In addition, dogs in the urban areas tend to create more nuisance than those in the rural areas because of their closer proximity to neighbours.

Currently we have a surplus in the animal control budget, it is proposed that this surplus be used to establish an enclosed dog park in Hokitika.

In 2017, we reassessed our dog control contract and a contract was awarded to a new provider. Stock control under the Impoundment Act 1955 is currently provided by a contractor as well.

Key issues

- The public is increasingly apprehensive about dogs, given some high-profile attacks in New Zealand in recent years and the popularity of some breeds of dog known to be naturally aggressive. Smaller urban properties and confinement of dogs may exacerbate dog behavior problems and increase complaints
- The availability of specialist contracting staff can be a challenge in a geographically remote area such as Westland
- The size of the Westland District makes it difficult to provide the same level of service for all areas
- Some animals such as poultry (chickens, ducks, geese etc.) are not considered stock under the Impounding Act 1955 but create occasional issues in terms of noise and wandering on to roads or private property
- Some stock crossings are problematic in terms of the amount of effluent consistently left on public roads and the resulting nuisance to neighbours or through traffic.

Where we want to be in the future

We will continue to provide responsive and affordable dog control throughout the district.

Both the Dog Control and Stock Control contracts acknowledge the size of the district

and the difficulty in providing the same level of service for all areas. There is little that can be done to address this, aside from having some scheduled dog control visits to the more remote townships, as well as ensuring that persistent stock control issues are eventually dealt with regardless of location.

We are currently in the process of reviewing our Dog Control bylaw. Through this bylaw review we are proposing to increase the number of public areas within Hokitika where dogs are required to be on-leash.

Council can address nuisance effects caused by noise from animals (e.g. roosters or goats) through its noise control activities under the RMA. There is also potential to develop a bylaw banning roosters from urban areas, and/or limiting the number of other animals such as goats, sheep or chickens in urban areas.

Issues with persistent effluent on roads at some stock crossings may also lead to development of a bylaw to allow enforcement options.

How we want to perform

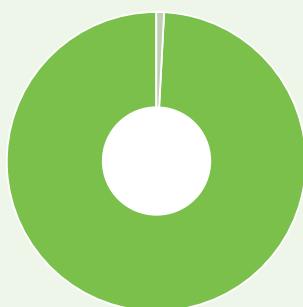
Level of Service	Performance Measures	Current Performance as per 2018 residents survey	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Keep the public safe from dogs and wandering stock	% of residents satisfied with the protection provided	39%*	90%	90%
	Percentage of known dogs registered by 30 June each year	New measure	98%	99%
	Response times to Priority 1 callouts	New measure	30 minutes or less (excluding travel time)	30 minutes or less (excluding travel time)

*Please note that due to an error in the residents survey research collection process in 2018, this 39% figure only represents the satisfaction of residents who phoned the Council's customer service centre regarding animal control, not the satisfaction of the wider Westland resident population.

Financial Information

Operating Expenditure	122,461
Other Expenditure	65,961
Paid for from:	
General Rates	47,922
Targeted Rates	-
Other Revenue	140,500

For 2018/19 this activity will make up 0.9% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The public benefits of Animal Control include having an accurate record of dogs in the district, and being able to respond to complaints and issues of concern about dogs and wandering stock. The need for these services, however, is generated primarily by dog and stock owners, so general rates are only a proportion of the required funding for this activity.
Private benefits	Fees are charged to recognise the fact that dog and stock owners generate the need for Animal Control services. While not every dog owner has a dog that creates issues, annual registration fees allow the costs of dog control to be spread across all owners. Targeted cost recovery through impoundment fees, infringements, and increased registration fees for dangerous dogs ensures a further degree of user-pays. Stock control is different in that there is no annual registration fee, but some small amounts can be recovered for impoundment.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.

PROSPECTIVE PLANNING & REGULATORY STATEMENT OF SERVICE PERFORMANCE

For the years ended 30 June 2019 - 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	1,231,425	1,309,241	1,544,340	1,574,153	1,504,581	1,567,089	1,545,748	1,588,348	1,609,947	1,620,499
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-
Commissions	-	-	-	-	-	-	-	-	-	-
Fees and charges	907,828	924,687	952,272	970,065	989,096	1,009,431	1,030,233	1,052,438	1,075,177	1,099,431
Recoveries	121,564	124,338	272,176	129,704	132,338	289,177	137,422	140,008	306,380	144,426
Miscellaneous revenue	125,150	127,778	130,461	133,201	136,132	139,263	142,466	145,885	149,386	153,121
Total revenue	2,385,966	2,486,045	2,899,250	2,807,123	2,762,147	3,004,959	2,855,868	2,926,680	3,140,890	3,017,477
Expenditure										
Inspections and compliance	1,140,142	1,193,977	1,211,347	1,242,804	1,241,135	1,296,383	1,281,881	1,326,425	1,338,861	1,368,073
Animal control	187,706	192,757	198,884	210,627	214,381	220,845	233,600	238,383	246,031	248,307
Resource management	1,004,557	1,032,281	1,203,348	1,068,230	1,020,725	1,201,720	1,057,256	1,078,068	1,271,788	1,116,456
Emergency management	53,561	67,030	75,670	75,462	75,906	76,011	73,132	73,804	74,211	74,641
Total expenditure	2,385,966	2,486,045	2,689,250	2,597,123	2,552,147	2,794,959	2,645,868	2,716,680	2,930,890	2,807,477
Surplus/(deficit)	-	-	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
Capital Expenditure										
Civil Defence - Civil defence Kits	4,800	-	-	-	-	-	-	-	-	-
Civil Defence - EOC	-	200,000	-	-	-	-	-	-	-	-
Total capital expenditure	4,800	200,000	-	-	-	-	-	-	-	-

PROSPECTIVE PLANNING & REGULATORY FUNDING IMPACT STATEMENT

For the years ended 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UAGC, rates penalties	1,112,343	1,231,425	1,309,241	1,544,340	1,574,153	1,504,581	1,567,089	1,545,748	1,588,348	1,609,947	1,620,499
Targeted rates (other than water supply)	-	-	-	-	-	-	-	-	-	-	-
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees, charges and target rates for water supply	977,499	907,828	924,687	952,272	970,065	989,096	1,009,431	1,030,233	1,052,438	1,075,177	1,099,431
Internal charges and overheads recovered	-	121,564	124,338	272,176	129,704	132,338	289,177	137,422	140,008	306,380	144,426
Local authorities fuel tax, fines, infringement fees and other	340,562	125,150	127,778	130,461	133,201	136,132	139,263	142,466	145,885	149,386	153,121
Total operating funding	2,430,404	2,385,966	2,486,045	2,899,250	2,807,123	2,762,147	3,004,959	2,855,868	2,926,680	3,140,890	3,017,477
Applications of Operating Funding											
Payments to staff and suppliers	1,728,473	1,699,591	1,760,151	1,916,452	1,839,128	1,787,907	2,001,118	1,869,872	1,931,212	2,106,689	2,001,235
Finance costs	-	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Internal charges and overheads applied	681,913	665,982	691,104	726,918	712,646	720,378	753,300	740,226	750,631	790,048	772,149
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	2,410,386	2,365,573	2,451,255	2,653,370	2,561,774	2,518,285	2,764,418	2,620,098	2,691,842	2,906,736	2,783,384
Surplus/(deficit) of operating funding	20,018	20,394	34,790	245,880	245,349	243,862	240,541	235,770	234,837	234,154	234,093
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	-	200,000	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	-	200,000	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in reserves	20,018	20,394	234,790	235,880	235,349	233,862	230,541	225,770	224,837	224,154	224,093
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	20,018	20,394	234,790	235,880	235,349	233,862	230,541	225,770	224,837	224,154	224,093
Surplus/(deficit) of capital funding	(20,018)	(20,394)	(34,790)	(245,880)	(245,349)	(243,862)	(240,541)	(235,770)	(234,837)	(234,154)	(234,093)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

COMMUNITY SERVICES



Community Development and Assistance

What we do and why

Council wants to continue to support the community by building social, cultural and economic capacity. We want a strong community that is resilient.

We work towards achieving this by managing programmes that contribute to residents' health and well-being and ask Westland residents to have their say on issues and projects that are important to them.

We provide advice to assist community groups, organisations and individuals with their recreational and cultural activities and other special events or activities. This includes advice about funding alternatives other than through the Westland District Council.

Council supports the Reserves and Environs Community Group which meets once every quarter to advise Council on matters to do with parks and reserves in Hokitika. We provide administration support to the Safer Community Council which meets every second month to addresses safety concerns and issues and monitor local projects with potential safety risks. It also operates a Taxi Chit Scheme which provides half price taxi fares for senior citizens in Hokitika who have voluntarily given up driving and need transport for essential needs such as supermarket shopping and medical appointments.

We provide annual grants to:

- Tourism West Coast – for promoting the West Coast
- Hokitika's Regent Theatre – for providing a community facility for cultural activities and special events.

Council collects a targeted rate on behalf of Enterprise Hokitika. This money is then provided to Enterprise Hokitika.

Council allocates Major District Initiative (MDI) funding which it receives from Development West Coast (DWC). We receive \$400,000 from DWC every year (\$100,000 per quarter). Potential initiatives for MDI funding can be put forward by community groups and other agencies each year and Council goes through a formal process (following a policy set by DWC) to allocate the funding. Criteria for receiving money from this fund includes:

- Projects must meet the objectives of DWC's Trust Deed, which are to promote sustainable employment opportunities, generate sustainable economic benefits and support projects which are not the ordinary day-to-day running, maintenance and upgrade of the infrastructure that is normally the responsibility of Council or central government
- Capital projects only are eligible
- A maximum of 65% of the total project costs can be provided by MDI funds.

The opportunity for parties to apply for this funding is managed by the Council's Community Development Adviser and includes direct notices to all community groups in the District and public advertising.

Since 2008 many initiatives in the District have benefited from this funding.

Previously allocated MDI funding that has not yet been spent:

Haast Promotions Group	\$50,000	Allocated in 2017 to develop a track from Haast township to the beach
Kumara Residents Trust	\$68,709	Allocated in 2017 to establish a Chinese mining memorial
Riding for the Disabled	\$200,000	Allocated in 2017 to build an indoor shelter for horses
Whataroa Community Association	\$200,000	Allocated in 2017 to upgrade the public hall
Westland High School	Up to \$1.5 million of 65% of the cost if less than \$1.5 million	To develop a Recreation and Community Centre on the High School Grounds

We also allocate funds from other agencies, including:

- Sport NZ Rural Travel Fund – for travel subsidies for sports clubs
- Creative Communities Funding – for funding local arts.

The assets

There are no assets involved in this activity apart from IT equipment and furniture which are replaced as per Council policy.

Significant negative effects from this activity

It is difficult to quantify the social wellbeing results from this activity as many of them are long term, so it is sometimes perceived as not being a core service for Council to undertake.

The situation in 2018

We currently do not have to advertise widely to attract applications for funding, however there may be groups in the community who are not aware of the funding available and Council needs to ensure that all groups have access to the information.

By allocating up to \$1.5 million towards the Westland High School Recreation and Community Centre, Council has committed to being a partner in this significant project. The decision to partner with the High School was based on the opportunity to obtain a fit-for-purpose facility that will be of benefit to the whole district.

The Council is involved in youth development programmes and in conjunction with WestREAP has obtained funding from the Ministry of Youth Development to continue and establish new youth programmes

Key issues

- Continued funding being available from Central Government for projects
- Volunteer support from the community

Where we want to be in the future

Council wants to continue to work with other agencies in Westland and to form effective partnerships with central government and local organisations, in order to successfully address social and community issues. We want to continue to support programmes that assist in realising these goals, such as the Mayor's Taskforce for Jobs and to be a trusted and approachable port of call for all sectors of the community and we want to provide excellent service.

Council will aim to achieve this by continuing to build capacity in the community and by providing funding advice.

Staff will continue to ask the community what they think about social and community issues and report findings to Council.

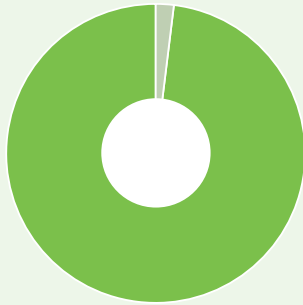
How we want to perform

There are no non-financial performance measures for this activity. Instead this activity is subject to financial accountability reporting for delivering programmes that meet the requirements of the funder.

Financial Information

Operating Expenditure	315,879
Other Expenditure	100,856
Paid for from:	
General Rates	214,133
Targeted Rates	152,363
Other Revenue	44,314

For 2018/19 this activity will make up 1.9% of the Council's yearly expenditure



Note: This financial information does not include the MDI fund money. The allocation of the fund results in a neutral financial position for Council.

The rationale for financing this activity

Public benefits	The Westland District benefits from the wider community being resilient.
Private benefits	Individuals, groups and organisations benefit from the ability to receive advice about building their own capacity and about have access to funding opportunities for community projects.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Community Halls

What we do and why

Council manages various buildings and halls that are used by the community. These facilities are a focus for community functions, activities and meetings, and their existence assists with meeting some of the social and recreational needs of communities.

The assets

In some cases Council owns the land that many halls are on, it does not always own the actual building. This is due to a number of reasons which may include historical arrangements or agreements with the local community.

Maintenance is generally minimal and limited to maintaining the current levels of service. There are painting service contracts in place for some buildings but there is a need for comprehensive planning for all buildings.

Some buildings have deteriorated due to their age and structure type.

Buildings are inspected annually to ensure they are safe to use. Most have been assessed by Council staff as being in average condition. A full assessment is underway on these buildings to determine the buildings' condition, and the renewals required over the next 10 years to maintain serviceability. This information will help Council create an Asset Management Plan for community halls.

Effects of this activity

There have been no significant negative effects identified for this activity.

The situation in 2018

Although hubs for social activity in the past, today communities are looking for alternate facilities to meet their social activity needs.

Community Halls are located in the following areas: Okuru, Haast, Bruce Bay, Waitaha, Ross, Whataroa, Kokatahi, Kumara, Hokitika RSA, Hari Hari, Franz Josef, Fox Glacier and Kowhitirangi. As stated above, the ownership is mixed. Some community halls in the rural areas are administered by community groups or representatives under delegated authority of Council. There is a community hall in Ōkārito,

which is not owned by Council, however, because it is a very active community hall and the only hall in Ōkārito for Civil Defence purposes, Westland District Council pay insurance towards the building.

There are several other community buildings in Hokitika, which are sometimes used as community halls, including the Hokitika Band Rooms, Greypower Hall, and the Custom House. These buildings form part of Council's land and buildings portfolio (refer page X for more information on these).

The challenge for Council and our communities is to agree whether to fund the depreciation for renewals or let these facilities be demolished at the end of their life. There is a wider issue to address regarding the level of ongoing maintenance required on these facilities.

Council currently supports the present level of activity in the community halls across the district. There is no provision in the current Council Plan to dispose of any community buildings (Waitaha).

Key issues

- Demographics including an aging population affect the use of the halls and volunteers for managing community buildings are becoming more difficult to find
- There is a large number of facilities for the population
- The declining usage of the various halls may mean Council has to review the future use and this could result in a change to the current level of service
- The viability of running these halls in the future needs to be discussed with each community
- As the halls get older the level of maintenance required increases. This is sometimes beyond the financial capacity of the community.

Where we want to be in the future

Whilst the desire of the local communities still exists to manage and utilise the facilities, Council will continue to support the use of community halls in order to achieve social outcomes. Council however wants to have improved records of utilisation and local involvement in community halls.

Asset management plans will be prepared during the life of this Council Plan for community halls so that Council can follow an informed decision-making process about the future use of these facilities.

Key capital projects:

Asset	\$	Timeframe	Funded by
Community Halls – Haast EQ assessment	26,025	2020/21 (Year 3)	100% Depreciation

How we want to perform

Level of Service	Performance Measures	Last available performance data (2015/16)	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Provide safe and useful community halls	% of residents satisfied with the standard of their community hall	67% (Due to an error in the 2018 Residents Survey process, this data was not collected in 2018).	80%	80%

Council will continue to work with local communities to identify the number of community halls that should be in the district and will promote the combined use of buildings in an area, for example there may be opportunities to share facilities with local schools.

The Whataroa Community Hall is currently being upgraded and this is scheduled to be completed during the lifetime of this plan.

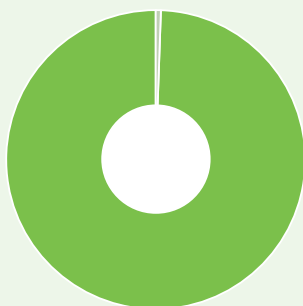
The rationale for financing this activity

Public benefits	The main benefit is realised by the users of the facilities through provision of a space for the community to gather and use for their own purposes. However, much of the revenue generated by community halls is collected by the committees who manage them. There are also potential indirect benefits to the local community in which the facility is situated as it may attract visitors and events to the area.
Private benefits	Fees charged are usually quite minimal, but they recognise the direct benefits gained by users and help the communities to maintain their halls.

Financial Information

Operating Expenditure	61,173
Other Expenditure	122,254
Paid for from:	
General Rates	89,786
Targeted Rates	93,641
Other Revenue	-

For 2018/19 this activity will make up 0.8% of the Council's yearly expenditure



Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Townships

- Development Funding
- Improvement Projects

What we do and why

We provide funding that is managed by local community associations and trusts:

Annual community township development funding supports communities to upgrade and develop their own town environments. The fund is a method for assisting the future growth and development of Westland communities.

Council staff provide advice to all community Associations and Trusts about potential projects and attend community meetings about projects

that may require Council input or generate ongoing costs to Council.

The criteria for receiving money from this fund is that it is used as a mechanism for guiding planned improvements. The community group or association must sign a funding agreement with Council prior to receiving any of this funding. Then they identify what they want to allocate the annual fund toward and provide evidence to Council of a public and/or community association meeting when the project was approved by the community. This clarifies that the promoter and/or community association has obtained a majority vote of members present about what the money will be spent on. In the event that the promoter and/or community association wants to save the money for a bigger project, that decision is also recorded and Council is advised. Funds are then placed in separate township reserves and can then be carried over into following financial years.

2018/19 Township Development Funding

Township	Dollars Funded	Local Community Association
Kumara	14,000	Kumara Residents Trust
Kokatahi- Kowhitirangi	8,000	Kokatahi-Kowhitirangi Community Committee
Ross	14,000	Ross Community Society
Hari Hari	14,000	Harihari Community Association
Whataroa	9,315	Whataroa Community Association
Ōkārito	4,685	Okarito Community Association
Franz Josef Glacier	35,000	Franz Josef Community Council
Fox Glacier	35,000	Fox Glacier Community Development Society
Bruce Bay	12,000	Bruce Bay Community Hall
Haast	14,000	Haast Promotions Group

Note: Council also allocates a Development West Coast fund for major district initiatives. This allocation process, and the other development and assistance methods that Council employs, are explained in the activity section "Community Development and Assistance".

We undertake improvement projects within our townships:

Townscape improvement projects are carried out by Council. A number of Key projects are included in this Council Plan.

Asset	\$	Timeframe	Funded by
Hokitika urban areas – footpath renewals	\$320,000	2018-2028 (Years 1-10)	100% Depreciation
Hokitika CBD footpath renewals	\$77,000	2018-2028 (Years 1-10)	100% Depreciation
Franz Josef – footpath maintenance	\$47,000	2018-2028 (Years 1-10)	100% Depreciation
Fox Glacier – footpath maintenance	\$30,000	2018-2028 (Years 1-10)	100% Depreciation
Ross – footpath maintenance	\$30,000	2018-2028 (Years 1-10)	100% Depreciation
Haast – footpath maintenance	\$15,000	2018-2028 (Years 1-10)	100% Depreciation
Hari Hari – footpath maintenance	\$15,000	2018-2028 (Years 1-10)	100% Depreciation
Kumara – footpath maintenance	\$10,000	2018-2028 (Years 1-10)	100% Depreciation
Kaniere – footpath maintenance	\$10,000	2018-2028 (Years 1-10)	100% Depreciation
Whataroa – footpath maintenance	\$10,000	2018-2028 (Years 1-10)	100% Depreciation

A summary of all capital expenditure, by activity grouping, is at the end of the Activity Statements.

The assets

There are minimal assets in this activity, generally only those related to street furniture and beautification. Capital projects once developed are allocated to other relevant activities e.g. land and buildings.

Effects of this activity

There may be a conflict within a community about the direction for township development funding or about the projects it want Council to undertake. In the event that a community cannot agree on local projects the funds are carried over until such time agreement is reached.

The situation in 2018

There is a need for Council to continue working with communities to develop strategies for dealing with growth, development and the improvement of their townships and surrounding areas.

These communities have plans for township development projects:

Kumara
Hokitika
Ross
Hari Hari
Whataroa
Ōkārito
Franz Josef Glacier
Fox Glacier
Haast

Other documents that will aid the Council in the planning of its communities:

- The Glacier Country Strategy
- MRI Destination Management Plan
- The 2006 Review of Recreation, Entertainment and Community carried out by Gurden Consulting Ltd

Key issues

- An ageing population, combined with a static or slowly declining population in some localities where there are few employment opportunities, which is diminishing the pool of local volunteers to initiate and support local projects and take on roles in community associations and trusts
- Community expectations being raised as to what will be done in their areas
- In some areas, during some seasons, there is a high overnight population, compared to the normal resident population. Census information (from 2013*) shows that the usual population of Franz Josef Glacier, Fox Glacier and Bruce Bay-Paringa tripled overnight while the usual population of Waiho, Karangarua and Haast either doubled or nearly doubled overnight. This overnight increase benefits towns that take advantage of tourism opportunities but can also put a strain on local infrastructure and community planning.

Where we want to be in the future

Further discussion with communities will occur and Council will encourage strategic town development plans to be developed, so these can be used as a basis for the on-going allocation of funding in each community.

New projects are essential for growth and to retain the identity of an area. In the future Council would like to have integrated planning documents created rather than receiving one off project requests from the various communities.

The control and management of the spending of the township development fund will remain community driven and there will be community participation in the design of their areas.

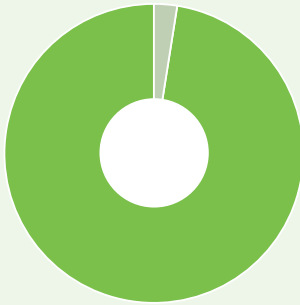
How we want to perform

There are no non-financial performance measures for this activity. Instead this activity is subject to financial accountability reporting.

Financial Information

Operating Expenditure	415,680
Other Expenditure	124,627
Paid for from:	
General Rates	3,743
Targeted Rates	536,563
Other Revenue	-

For 2018/19 this activity will make up 2.5% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The Westland district benefits when communities taking ownership of local projects and the volunteer contribution is significant.
Private benefits	Beautiful townships attract business and new residents. Economic benefits accrue to private businesses when townships are well-maintained and alive with demonstrable community spirit.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.

*A new census was carried out by Statistics NZ in March 2018, however, the results of this is not yet publicly available.

PROSPECTIVE COMMUNITY SERVICES STATEMENT OF SERVICE PERFORMANCE

For the years ended 30 June 2019 - 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	1,080,953	1,100,155	1,138,053	1,134,160	1,151,061	1,173,639	1,181,505	1,203,077	1,230,066	1,246,211
Grants, subsidies and donations	24,314	24,800	25,321	25,853	26,422	27,029	27,651	28,315	28,994	29,748
Rentals	20,000	20,400	20,828	21,266	21,734	22,234	22,745	23,291	23,850	24,470
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-
Total revenue	1,125,267	1,145,355	1,184,203	1,181,279	1,199,216	1,222,902	1,231,901	1,254,682	1,282,910	1,300,429
Expenditure										
Community development	423,309	432,478	442,937	445,822	451,513	459,115	461,538	467,938	478,033	481,177
Township development fund	570,934	571,420	587,180	584,091	595,345	609,581	616,553	631,423	646,931	658,652
Community halls	144,117	154,690	167,566	164,857	166,492	168,356	167,960	169,909	172,551	175,206
Total expenditure	1,138,360	1,158,588	1,197,683	1,194,771	1,213,349	1,237,052	1,246,051	1,269,269	1,297,515	1,315,034
Surplus/(deficit)	(13,094)	(13,233)	(13,481)	(13,492)	(14,133)	(14,150)	(14,150)	(14,587)	(14,605)	(14,605)
Capital Expenditure										
Community Halls - Haast	-	-	26,025	-	-	-	-	-	-	-
Total capital expenditure	-	-	26,025	-	-	-	-	-	-	-

PROSPECTIVE COMMUNITY SERVICES FUNDING IMPACT STATEMENT

For the years ended 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UAGC, rates penalties	1,212,940	273,995	282,117	279,046	282,065	288,064	285,973	289,364	296,959	297,031	296,886
Targeted rates	-	826,159	855,936	855,114	868,996	885,576	895,532	913,713	933,106	949,181	949,066
Grants, subsidies and donations	54,100	24,314	24,800	25,321	25,853	26,422	27,029	27,651	28,315	28,994	29,748
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	-	20,000	20,400	20,828	21,266	21,734	22,234	22,745	23,291	23,850	24,470
Total operating funding	1,267,040	1,144,469	1,183,253	1,180,310	1,198,179	1,221,795	1,230,768	1,253,473	1,281,671	1,299,055	1,300,171
Applications of Operating Funding											
Payments to staff and suppliers	938,119	795,988	820,004	822,772	837,817	854,839	868,209	887,582	904,235	924,954	924,954
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	192,894	203,268	216,100	214,218	214,972	223,361	221,651	223,104	234,465	229,982	229,724
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	1,131,013	999,255	1,036,104	1,036,990	1,052,789	1,078,199	1,089,860	1,110,686	1,138,700	1,154,936	1,154,678
Surplus/(deficit) of operating funding	136,027	145,214	147,149	143,320	145,391	143,595	140,908	142,787	142,971	144,119	145,493
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of Capital Funding											
Capital expenditure - meet additional demand	15,000	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	18,000	-	-	26,025	-	-	-	-	-	-	-
Increase/(decrease) in reserves	103,027	134,596	146,100	122,073	144,289	146,427	144,703	142,041	143,996	144,210	145,493
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	136,027	134,596	146,100	148,098	144,289	146,427	144,703	142,041	143,996	144,210	145,493
Surplus/(deficit) of capital funding	(136,027)	(134,596)	(146,100)	(148,098)	(144,289)	(146,427)	(144,703)	(142,041)	(143,996)	(144,210)	(145,493)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

LEISURE SERVICES AND FACILITIES



Cemeteries

What we do and why

Council manages three cemeteries across Westland: these being located in Hokitika, Kumara and Ross. Cemeteries provide plots for interment on demand and areas for the burial and recording of ashes to meet the needs of the bereaved for a suitable resting place for departed relatives or friends. All other cemeteries in Westland including the historical cemeteries at Ross and Stafford are managed privately, for example by local community groups.

Council's managed cemeteries have park-like grounds, car parks, seating, footpaths and other infrastructure to meet the needs of visitors.

We also provide a historical record of the deceased for the community and assist with cemetery maps.

We are required to ensure that there are sufficient cemeteries within the district (including the provision of paupers' graves) under the Burial and Cremation Act 1964.

The assets

The buildings are currently maintained on an as-required basis, following annual inspections. There are limited assets at cemeteries (other than Hokitika which has a building to house cemetery equipment and contractors' equipment). Other assets include roads, footpaths, car parks, concrete berms, and grass areas. All are in average condition.

The Council is currently preparing a Cemeteries Plan to determine the capacity requirements for cemeteries in the future. There are no capacity issues with most cemeteries in the district.

Maintenance of the cemeteries and sexton duties are currently contracted to Westroads Ltd. The funeral directors work closely with Council and the contractor on burials.

Effects of the activity

There are no significant effects identified for this activity.

The situation in 2018

Council has plans to incrementally develop the Hokitika Cemetery both in the ashes berm area and the general cemetery area. This will be done by developing the area where the new berms have been constructed on the north side of the existing cemetery. It is intended to develop the ground area in 2018 as funding allows.

Council is also investigating the option of offering cemetery plots in the Hokitika cemetery to meet the needs of other religious faiths e.g. Islam. The addition costs of such burials are to be met by members of these communities. Persons interested in this new level of service are advised to contact Council in the first instance.

Key issues

- Demographics including an ageing population could increase demand for burials
- Trend towards cremation could reduce demand for interments and increase demand for ashes plots
- Deteriorating headstones and monuments are the responsibility of the descendants. Council will only intervene if they become unsafe. There is an expectation in the community that Council will fund the upkeep of headstones. There is no budget for this in the Plan
- Increasing vandalism to headstones.

Where we want to be in the future

Council will continue to maintain and develop the current cemeteries which have the capacity to service demand for the long term.

Overall, the Council wishes to provide a high quality service that customers are satisfied with. The provision of a reliable and accurate cemetery database will be a continued service for those who are tracing their ancestors or carrying out other historical research.

We aspire to continue to improve the asset management plans in place in to maintain the cemetery assets in perpetuity. This will include ensuring there is sufficient development of land for burial purposes, taking into account the possible increased demand for interments and ashes plots. There is a trend towards cremation

which is being monitored and will be reflected in cemetery planning documents.

The Council will continue to manage efforts to deter vandalism including managing opening hours of cemeteries.

Key capital projects

Asset	\$	Timeframe	Funded by
Cemetery - Hokitika tractor shed	62,460	2020/21 (Year 3)	100% Depreciation
Cemetery - Hokitika improvements ashes berm	55,470	2019/20, 2021-22, 2023/24, 2025/26 & 2027/28 (Years 2, 4, 6, 8 & 10)	100% Depreciation
Cemetery - Hokitika improvements reseal roads	26,025	2020/21 (Year 3)	100% Depreciation
Cemetery - Ross berm development	10,200	2019/20 (Year 2)	100% Depreciation

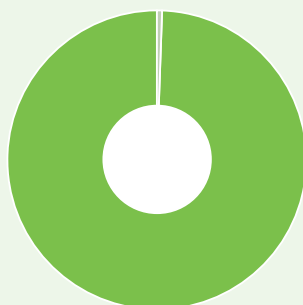
How we want to perform

Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Cemeteries have sufficient capacity	Each cemetery has at least 12 months capacity	Hokitika 100% Kumara 100% Ross 80%	Hokitika 100% Kumara 100% Ross 80%	Hokitika 100% Kumara 100% Ross 75%
Burials adhere to the relevant legislation	Standards for burial adhere to Cemeteries and Cremations Act 1964	100%	100%	100%

Financial Information

Operating Expenditure	91,000
Other Expenditure	90,882
Paid for from:	
General Rates	150,882
Targeted Rates	-
Other Revenue	31,000

For 2018/19 this activity will make up 0.8% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The predominant benefit is to those who will be buried (knowing that their wishes will be carried out), and their family and friends. Cemeteries also benefit the district through maintaining heritage and through the provision of peaceful, tranquil and well maintained facilities.
Private benefits	Cost of interment to be met by users.



Elderly Housing

What we do and why

Historically, Council has provided low cost accommodation for a small number of elderly in Westland. The provision of social housing with smaller accommodation units and little outdoor maintenance requirements, make it possible for the elderly to remain their independence for longer.

The assets

The Council currently owns 42 units in Hokitika and 4 in Ross. The Tudor Street units are owned by Westland District Property Limited. Most of the Council owned flats are over 30 years old and, despite significant repairs and maintenance having been undertaken in the past three years, several units require major upgrading.

Address	No. of units	Year built	Status
205 Revell Street, Hokitika	6	1965	Roof repairs/replacement 2015
199 Revell Street, Hokitika	4	1971	Roof repairs/replacement 2014
123 Tudor Street, Hokitika	9	1971	Extensive upgrade 2013-2017
97 Tancred Street, Hokitika	10	1973	Reroofed 2014. Double glazed 2017.
84 Sewell Street, Hokitika	22	1980	Reroofed 18 units 2015-2017. Four units completed in 2017/18. Plumbing replaced in four units.
26 Gibson Street, Ross	4	2001	Adequate condition. No major repairs required over last few years.

Effects of this activity

There are no significant negative effects.

The situation in 2018

There has been 100% occupancy for the past six years and the wait list currently sits at 40. Turnover of tenancy has been so low that it could take 5-7 years for the latest applicants to get a flat. Eligibility criteria for tenancy are listed in the WDC Policy for Pensioner Housing.

Council contracts the management of its elderly housing assets to Westland District Property Limited. This company will be reviewing rental fees in 2018 with the view that they are brought in-line with market rents for the type and age of the properties.

Key issues

- The demand for this service is disproportionate to the ever increasing aged population in Westland.
- In 10 years' time, the elderly housing assets will only be able to cater for 3% of persons aged 65 and over in Westland
- Current rental income levels are insufficient to maintain and sustain this activity and rents will be increased from the 1 July 2018 to an average price of 80% of market value.

Where we want to be in the future

Council is aware of an aging population in Westland and needs to consider how we can best meet the growing needs for this activity area.

Key capital projects:

Asset	\$	Timeframe	Funded by
Elderly Housing - Glazing and insulation	82,460	2018/19 -2021/22 (Years 1-4)	100% Depreciation

A Summary of all capital expenditure, by activity grouping, is at the end of the Activity Statements.

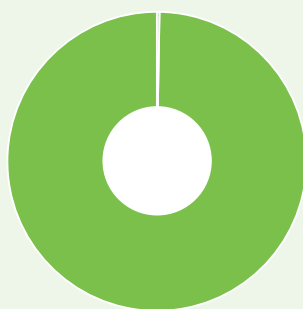
How we want to perform

Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
A safe and efficient service	Occupancy is maximised	100% occupancy	100%	100%
	% tenants satisfied with the service	100% satisfaction	>95%	>95%
	Units are safe to live in	100%	100%	100%
	Responsiveness to complaints and requests for maintenance	100%	100%	100%

Financial Information

Operating Expenditure	-
Other Expenditure	69,962
Paid for from:	
General Rates	-
Targeted Rates	-
Other Revenue	-

For 2018/19 this activity will make up 0.3% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The District as a whole benefits from the knowledge that pensioners on low incomes are housed in reasonable accommodation and are housed locally. The need to travel out of the District to visit elderly family or friends is decreased.
Private benefits	Tenants provided with housing are the prime beneficiaries.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Hokitika Museum

What we do and why

The Hokitika Museum is recognised as a place to discover Westland's tales and treasures. Its services are enjoyed by both residents and also tourists who wish to learn more about Westland's history.

Museum staff provide a wide range of services to the public including answering research enquires from genealogists, historians, mining companies, tourism operators and filmmakers, liaising with tangata whenua, heritage groups and the Department of Conservation and supplying copies of photographs and maps.

We provide quality information, photographs and maps that assist local businesses, heritage groups and schools.

The Hokitika 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 assets

Museum assets include collections, photography, archiving and digitisation equipment and audio-visual equipment for displays.

Effects of this activity

There are no significant effects from this activity.

The situation in 2018

In September 2016, an initial engineering report determined that the Carnegie Building was earthquake prone and in need of major seismic strengthening for it to be safe for full time occupation as a museum and to host museum staff and visitors. The building was closed immediately and exhibitions were put into storage. A subsequent peer review of this engineering report revealed that the building was above the 34% National Building Standards (NBS) rating and therefore occupation was acceptable, although lower than the recommended 67% for public buildings.

In 2017, the decision was made for research and curatorial staff to move into leased premises while strengthening options were assessed. Although the Carnegie Building (currently operated by Westland District Property Limited) remains open to the public, exhibitions by Museum staff in this space were temporarily put on hold. Meanwhile, the other functions of the museum including responding to research requests and upgrading of the digital catalogue have continued during this interim period.

In early 2018, construction drawing and engineering design work for the earthquake strengthening work were prepared, and potential funders approached. It is hoped that this work will start in early 2019.

In addition, Council is continuing to look at future development options for the Museum complex long term and in Years 1-3 of this Plan intends to work with the community on concepts and options for consideration.

All new donations are catalogued electronically. When time allows retrospective cataloguing is being undertaken. The Museum collection of over 65,000 items includes over 36,000 photos. Approximately 6,000 items donated since mid-2011 are still awaiting being catalogued.

Hokitika Museum is increasingly being offered and is generating its own digital material so a digital policy is being developed to ensure that the Museum's procedures meet industry best practice and to ensure the on-going availability, and access to, the content of items in the Museum's collections and other records, regardless of the physical media or digital file format on which they were originally created or acquired.

It is proposed that the management of the museum be transferred to Destination Westland. Council is interested in your thoughts on this. Refer to the accompanying Consultation Document for more information on this including how you can have your say.

Key issues

- Seismic strengthening required to make the Carnegie Building safer for full-time occupation
- The 1970s buildings which house the collection store and display areas are becoming unfit for purpose due to being low lying and well below the required seismic rating of 67%.
- Discussions and consultation regarding long-term future and concepts of entire Museum complex which could involve major redevelopment with an opportunity to include a Pounamu Centre. Fluctuating temperature and relative humidity can cause long term damage to museum collections, as can the lack of appropriate shelving and boxing.
- Lack of adequate storage facilities for the collection items
- Collection items become inaccessible due to obsolete storage medium, e.g. material stored on diskettes, VHS video tapes etc
- Increased visitor expectations to be able to access the collection electronically
- Lack of public access to the collection due to a large proportion (approximately 85%) of the collection not being adequately catalogued
- Digitising museum collections can involve issues of tikanga and tapu so ongoing discussion and learning from mana whenua is important.

Where we want to be in the future

The Museum wants to ensure that it can successfully care for its collection and that it can share Westland's stories and heritage through high quality exhibitions and other public programmes.

In order to ensure that our collection items do not become inaccessible due to obsolete storage mediums, priority will be given to the developing a digital storage migration plan and ensuring that adequate resources are allocated to it.

As part of the long term museum development plans, research facilities at the museum will be upgraded to improve public access and reduce the amount of staff assistance required. A dedicated space for parties wanting to access museum material and/or undertake research will be set-up and fit-for-purpose shelving installed. It is intended that museum volunteers will be utilised to sort and label the research. These developments will enable researches to work more independently, thereby freeing up existing museum staff from having to provide continual assistance to researchers. Research facilities are an important source of income for the museum.

Key capital projects:

Asset	\$	Timeframe	Funded by
Museum - New museum development	4,879,500	2022-2024 (Years 4-6)	100% Loan
Museum - Archival scanner	7,140	2019/20 (Year 2)	100% Depreciation
Museum - Photo booth	2,400	2018/19 (Year 1)	100% Depreciation

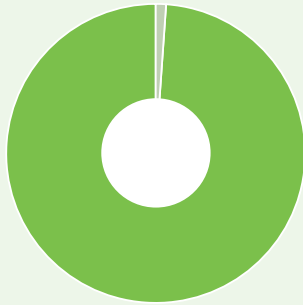
How we want to perform

Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
A quality museum experience	Visitor numbers are showing an upward trend	Not applicable as Museum was closed in late 2016. 2015/16 visitor numbers were 17,156	Upon reopening following seismic strengthening, an increase of 5% each year with 2015/16 as a base	An increase of 5% each year (to be reviewed in next LTP if redevelopment goes ahead in years 4-6)
	% of residents satisfied	Not measured due to Museum closure.	85%	90%

Financial Information

Operating Expenditure	259,300
Other Expenditure	7,458
Paid for from:	
General Rates	266,758
Targeted Rates	-
Other Revenue	-

For 2018/19 this activity will make up 1.2% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The predominant benefit from the Museum is to the District as a whole in ensuring that Westland's tales and treasures are preserved and made accessible
Private benefits	The user/visitor benefits from the services and experience they receive.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Hokitika Wildfoods Festival and Events

What we do and why

Major events raise the profile and awareness of the host destination, attracting valuable tourism dollars, and benefiting local businesses and community groups whilst bringing people together. The opportunity exists for the Westland region to offer a wider portfolio of events for both the local community and tourists to enjoy spread across the calendar year.

Up until this point, the Hokitika Wildfoods Festival has been Council's main event offering.

According to a 2012 BERL report, the Hokitika Wildfoods Festival is estimated to inject more than \$6.5 million of new spending into the local economy, generating in excess of \$110,000 in fundraising for local community groups. The Festival also gives great exposure to Hokitika and the wider Westland district.

Improving the viability and sustainability of the Festival is now the most important factor affecting the operation of this long-standing festival.

As a Council activity, the festival is expected to have a minimal financial contribution from ratepayers.

Key issues

The Hokitika Wildfoods Festival continues to be the premier festival event on the West Coast. The event attracts between 5,000-10,000 people per year, consisting of local residents, international tourists and people from around the country. The Hokitika Wildfoods Festival is the largest festival of its nature in the South Hemisphere and a 'must do' event for food and music lovers.

The viability and sustainability of the Festival is a long-term issue that requires short-term action.

In the 2017/18 year Council has added a number of other events into the annual events calendar. In 2018, Council held a Waitangi Day event. In addition, Council worked with Westland District Property Limited to trial the introduction of an annual 'Ute Muster' to be held on Easter weekend each year. Ute drivers from throughout the country congregated in Hokitika for a weekend of parades, rallies and festivities. It is hoped that this

event will prove successful long-term and will be able to be offered by the amalgamated Westland District Property Limited and Hokitika Airport Limited CCO on an annual basis.

The Council also supports other community-led events such as the Driftwood and Sand Festival and the Mid-Winter Lantern Festival with funding including from central government's Creative Communities programme.

Assets

The only listed asset (in Council's balance sheets) applicable to this activity is IT equipment however the Hokitika Wildfoods Festival is a brand and therefore has intellectual property value.

Although there are other minor resources associated with the festival including signage, street flags, posters and merchandise, these normally need replacing on an annual basis due to wear and tear and new branding and dates from year-to-year thus are not considered assets.

Effects of this activity

There are numerous effects of this activity, both positive and negative. Negative social effects relating to this activity include potential issues associated with hosting large-scale events, for example, drunkenness, vandalism and littering. The positive effects of this activity include economic benefits to businesses and fundraising opportunities for local community groups.

Key issues

- Ongoing need for financial prudence
- Perceived stagnation of the festival
- Need to continue to build community support of the festival
- Providing new and fresh entertainment and culinary offerings from year to year
- Long term viability and sustainability of the festival
- Increased competition in the events arena

Where we want to be in the future

Council would like to focus on the viability and sustainability of the experience that is New Zealand's most unique and quintessentially kiwi event – the Hokitika Wildfoods Festival.

The Council is proposing to transfer the management of all Council-run events including the Hokitika Wildfoods Festival to Destination

Westland. If approved the transfer of management of the events activity will take effect from 1 July 2018.

It is also expected that continuing to improve the success of the Hokitika Wildfoods Festival and offer new events in the future may require increased personnel resources. Council has not included these costs in the financial budgets because it is Council's preferred option to transfer this activity to the CCO.

How we want to perform

Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
A quality attendee experience	% of residents satisfied	90%	85%	90%
	Festival growth is experienced annually (to a limit of 10,000)	5,888 (festival) 1,176 (afterparty)	7,000 (festival) 1,500 (afterparty)	10% growth annually (festival) 10% growth annually (afterparty)

Financial Information

Operating Expenditure	44,500
Other Expenditure	2,828
Paid for from:	
General Rates	47,328
Targeted Rates	-
Other Revenue	-

For 2018/19 this activity will make up 0.2% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	Visitors to Westland have a great time and recommend to their friends and family visiting Westland ensuring an economic benefit to the wider community.
Private benefits	The primary benefactors are the users of the service.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Hokitika i-SITE

What we do and why

The Hokitika i-SITE activity promotes Westland as a destination to visit, explore and play, under part of the shared West Coast “Untamed Wilderness” branding. The Council works in with national, regional and district tourism providers and promoters to develop reasons for visitors to stay longer in Westland and spend more.

Tourism is recognised as a major contribution to the Westland District’s economic well-being.

Activities and the events that attract tourists, contribute to vibrant town centres, buoyant local economies and thriving small town communities. Westland relies heavily on visitors and tourists as an industry. Promoting tourism in turn provides economic incentives for us to preserve and enhance Westland’s natural landforms, heritage and other features that truly help make Westland the last best place to live, work, play and visit.

We work with a wide range of community groups and other agencies. By promoting partnerships and working alongside other local and regional organisations, central government, industry organisations, Maori and the public sector, we are more likely to achieve lasting results in the community.

Tourism is a mechanism for economic development, and, aside from the i-SITE, much of Council’s economic development work is carried out at arm’s length, through organisations such as Development West Coast, Tourism West Coast and district based business and promotions groups.

Council also works with local business groups such as Enterprise Hokitika, Glacier Country Tourism Group and Haast Promotions to ensure township specific marketing activities are funded and promotional outcomes achieved.

From 1 July 2018, it is proposed that the current Hokitika i-SITE service will be managed by Destination Westland with a view to creating synergies and a more commercial focus.

The assets

There are no assets involved in this activity apart from IT equipment, furniture and retail hardware which are replaced as per Council policy.

Effects of this activity

There are no significant negative effects from this activity.

The situation in 2018

The Hokitika i-SITE currently offers excursion bookings and tourist information. It also offers AA services to residents such as renewing drivers’ licenses and vehicle registrations.

Key issues

- Maintaining or increasing visitor numbers
- Natural hazards can significantly disrupt tourist business e.g. blockage of State Highways, retreat of the glaciers
- The global and domestic economic climate
- Support of the community for the resident services the i-SITE offers
- Decrease of spend in District per visitor
- Utilising technology to enhance the commercial viability of the i-SITE and benefit visitors planning and paying for activities.

Where we want to be in the future

We want to future-proof the viability of the i-SITE by offering innovative, digital services to meet the changing dynamic of tourists using more digital technology when making bookings and planning their travel.

We want to operate the i-SITE efficiently and innovatively and will strive to increase sales figures and profits. We will do this by developing mutually beneficial relationships with tourism operators and other tourism related organisations in and out of our District and by ensuring we keep our i-SITE inviting and interesting to visitors and locals alike.

Key capital projects:

Asset	\$	Timeframe	Funded by
Booking computers	7,500	2018/19 (Year 1)	100% Depreciation
Interactive mapping	11,780	2018/19 (Year 1)	100% Depreciation
Self-service computers	4,900	2018/19 (Year 1)	100% Depreciation
Website development	19,980	2018-2028 (Years 1 – 10)	100% Depreciation
Replacement of equipment	32,940	2018-2028 (Years 1 – 10)	100% Depreciation

How we want to perform

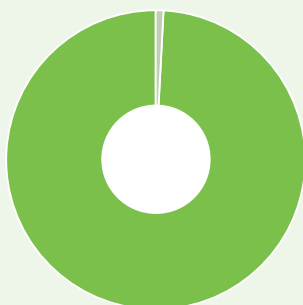
Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
A quality customer experience	i-SITE NZ and Qualmark standards are met*	100%	Achieved	Achieved
Increase resident population knowledge about what the i-SITE has to offer locals	Bookings made by local population	Increase of 5% for i-SITE bookings AA NZ booking decrease of 5%	Maintain or Increase	Maintain or increase

*Due to the i-SITE NZ and Qualmarks standards moving towards a pass or fail system an achieved/not achieved reporting measurement is deemed to be more appropriate than a percentage.

Financial Information

Operating Expenditure	176,680
Other Expenditure	10,293
Paid for from:	
General Rates	-
Targeted Rates	186,973
Other Revenue	-

For 2018/19 this activity will make up 0.9% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	Visitors and locals to Westland are welcomed and business and experiences are recommended to visitors ensuring an economic benefit to the wider community.
Private benefits	Direct benefits are obtained by the users of the service.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Land and Buildings

What we do and why

Council manages a broad portfolio of land and buildings of various ages and condition, including three Heritage listed buildings. The Council owns a variety of community space, some of which are occupied by the Council, others are leased to the community for a range of community uses. The merged Westland District Property Limited and Hokitika Airport Limited CCO manages some of these assets on Council's behalf. The scope of these services is detailed in the company's annual Statement of Intent and Management Contract.

The assets

These include, but are not limited to:

- Council Headquarters building
- Emergency Centre/Hall - Haast
- Hokitika Band Rooms
- Houses for nurses (Hari Hari and Fox Glacier) and contractor staff (Fox Glacier)
- Forestry land in Kumara (managed in conjunction with Ngai Tahu Forests)
- Works depots at Haast, Fox Glacier, Whataroa and Hari Hari
- Jackson Bay Wharf

Effects of this activity

There have been no significant negative effects identified for this activity.

The situation in 2018

A comprehensive asset management plan is being prepared for land and buildings, to identify more clearly what Council owns and the condition the assets are in. This process will provide an

opportunity for Council to analyse our land and buildings portfolio, and determine how costs should be allocated in the future, including what assets to retain and dispose of. Those facilities we want to retain we will get a greater understanding of the whole of life costs thus ensuring the assets are maintained and renewed in a sustainable manner. The asset management plan will prioritise assets based on community need and demand, and assess maintenance accordingly.

Council continues to work with local community organisations to identify development opportunities.

The Council intends to maintain the existing Jackson Bay Wharf.

Key issues

- Council needs to adopt a strategic approach to commercial property management
- Adopt an asset management plan for this activity
- Make decisions about retaining or disposing of some land and buildings

Where we want to be in the future

There needs to be a consistent level of service for land and buildings to meet customer expectations. There may be further opportunities to work with the CCOs in the management of some of our land and buildings.

We want to provide quality spaces for our tenants and maintain our buildings to a reasonable standard.

We want to ensure that Jacksons Bay wharf is maintained so that it is fit for both commercial and recreational purposes.

Key capital projects:

Asset	\$	Timeframe	Funded by
Greypower Building – Replacing south windows	8,000	2018/19 (Year 1)	100% Depreciation
Hokitika Band Rooms – Earthquake assessment, plans and structural changes	42,060	2019/20 & 2021/22 (Years 2 & 4)	100% Depreciation
Hari Hari House – Plumbing work	15,300	2019/20 (Year 2)	100% Depreciation
Fox House – Reroofing	26,025	2020/2021 (Year 3)	100% Depreciation

How we want to perform

There are no non-financial performance measures for this activity. Instead this activity is subject to financial accountability reporting for: delivering capital programmes.

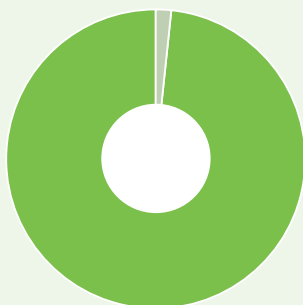
The rationale for financing this activity

Public benefits	Meets the expectations of the community by providing spaces for the community to access and managing them in an affordable way.
Private benefits	Spaces provided meet a range of public needs.

Financial Information

Operating Expenditure	202,581
Other Expenditure	187,852
Paid for from:	
General Rates	130,001
Targeted Rates	-
Other Revenue	255,179

For 2018/19 this activity will make up 1.8% of the Council's yearly expenditure



Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Parks and Reserves

What we do and why

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. There is a public expectation for Council to continue to manage and maintain reserves for the benefit of the community. This activity also includes the maintenance of public status and monuments.

We currently administer 25 parks in Hokitika. These include children's playgrounds, sports grounds, grassed and planted areas, and native bush. The Hokitika and Environs Reserves Management Plan 2000 provides a strategic approach to the management of Hokitika reserves.

Effects of this activity

There are no significant effects from this activity.

The assets

Assets for this activity include land and buildings, park furniture, children's playgrounds, recreational equipment, monuments and statues make up.

Cass Square Children's playground, sports grounds, skate park, pavilion, grandstand, concrete track and path, garden plots.

Lazar Park Children's playground, community garden

Beachfront Tambo 'shipwreck'

Hokitika statues and monuments

Robbie Burns – Cass Square

Pioneer Statue – Intersection Tancred and Weld Street

Cenotaph – Cass Square

Summer Statue – Carnegie Building

Richard John Seddon Statue – Sewell Street

Town Clock – Weld Street

Hokitika 'take a seat' art seats Various locations around Hokitika

Kumara Children's playground

Whataroa Children's playground

Rimu Hill Lookout Buildings and monument

Haast Children's playground

The situation in 2018

The Cass Square playing surface is a sand carpet with a sand silt draining system. The current system has a useful life of approximately 10 years, and was recently upgraded in 2017.

Cass Square is well utilised in summer for cricket and athletics and in winter for rugby and soccer. It is the venue for a number of events including the Hokitika Wildfoods Festival. After the occurrence of events at Cass Square maintenance is required on the fields. Depending on weather conditions at the event, the playing conditions of the field could be out of action due to the field's inability to adequately drain.

The construction of the seawall in front of the Hokitika Business Area along Beach Street has left a "blank canvas". The Council is working with the community on a Waterfront Development Plan. The Council has allocated \$506,080 from its reserves development fund towards capital projects. Our volunteer groups are working with the Council to progress the development of this area.

A budget is including in the plan for the enhancement of the Marks Road Reserve in Haast. Haast is the southern gateway in our district.

Key issues

- Lack of strategic planning for the urban and rural reserves
- On-going maintenance of statues
- Accessibility of toilets to Cass Square
- Ageing playground equipment in Cass Square and Lazar Park

Where we want to be in the future

The growth projections for Westland suggest only a slightly increased (and an ageing) population. They also forecast an increase in tourist numbers over the next 10 years. This forecast is unlikely to significantly impact on the required levels of services, demand and asset requirements for this activity.

Key capital projects:

Asset	\$	Timeframe	Funded by
Reserves - Cass Square - Demolish grandstand	15,000	2018/19 (Year 1)	100% Depreciation
Reserves - Cass Square - Building improvements to pavilion	20,000	2018/19 (Year 1)	100% Loan
Reserves - Cass Square - Turf improvements	49,890	2021/22, 2024/25 & 2027/28 (Years 3, 6 & 9)	100% Depreciation
Reserves - Cass Square - Rubber matting	82,460	2018-2022 (Years 1 – 4)	100% Depreciation
Reserves - Cass Square - Playground equipment upgrade	216,800	2022/23 (Year 5)	100% Depreciation
Reserves - Cass Square - New toilets south-east corner	76,500	2019/20 (Year 2)	100% Loan
Reserves - Beachfront playground	208,200	2020/21 (Year 3)	100% Reserves
Reserves - Haast remedial drainage	10,000	2018/19 (Year 1)	100% Depreciation
Reserves - Hokitika dog park	10,200	2019/20 (Year 2)	100% Reserves
Reserves - Waterfront development	152,000	2018-2020 (Years 1 & 2)	100% Reserves

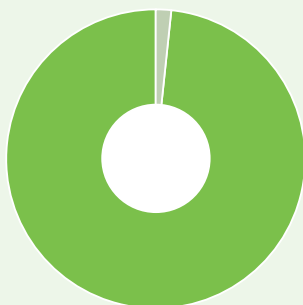
How we want to perform

Level of Service	Performance Measures	Current Performance (as per 2018 Residents Survey)	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Reserves are pleasant, enjoyable and safe places	% of residents satisfied with parks and reserves	94%	90%	90%

Financial Information

Operating Expenditure	272,680
Other Expenditure	95,880
Paid for from:	
General Rates	-
Targeted Rates	408,810
Other Revenue	101,250

For 2018/19 this activity will make up 1.7% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	Reserves are open and available to all residents and visitor and provide spaces for leisure and recreation
Private benefits	Fees are charged to recognise the benefits the user receives



Public Toilets

What we do and why

Public toilets are provided throughout the region to provide amenity to residents and travellers, and to minimise the risk human defecation within public spaces. Council aims to ensure that public toilets are clean, accessible, functional and suitably maintained, for the community and travelling public to use.

The assets

Hokitika Public Toilets Tancred Street, Hokitika Beachfront, Cass Square

Other Public Toilets Haast, Franz Josef, Fox Glacier, Kapitea, Ōkārito

Council is aiming to improve its asset management of these facilities. The daily management of public toilets is undertaken by contractors who maintain the asset. The Council gets regular feedback from its contractors and from public service requests that enables us to monitor issues.

The Council also receives grants to assist with toilets in Kumara, Hari Hari, Ross, Whataroa and those in the Greypower Building on the corner of Stafford and Tancred Streets, Hokitika.

Effects of this activity

Public toilet facilities are occasionally vandalised which requires additional funding from Council to repair the facility.

The situation in 2018

Council together with community groups provide and maintain public toilets, this is managed through Council funded grants.

Due to the number of tourists that visit our district every year the provision of public toilet facilities is important for the purpose of protecting our valued natural environment.

Key issues

- The number of visitors to the West Coast increases the demand for more public toilets. Large busloads of visitors stopping at the facilities does create excessive loading and high turnover of product.
- The demand for higher standards has come from the increase in tourist growth and freedom campers. A better quality of facility is an expectation of visitors to our district
- Community volunteers may not always be available to manage some of the facilities
- Increasing cost of providing a good standard of facility

Where we want to be in the future

Council wants to continue, in partnership with community groups, to provide and maintain public toilets.

Due to the number of tourists that visit our district every year the provision of public toilet facilities is important for the purpose of protecting our valued natural environment and the image of our towns. Extra funding has been included in the operational budgets for increasing cleaning throughout the district.

The Council has standardised the toilet products providers' contract, this enables Council to negotiate a more cost effective service and ensure more reliable service delivery.

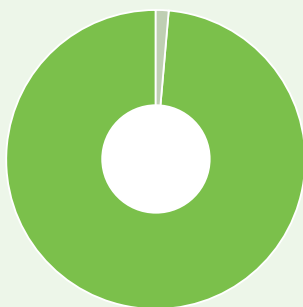
How we want to perform

Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Provide public toilets throughout the district	% of residents satisfied with the service	80% (as per 2018 Residents Survey)	100%	100%
	Facilities are available for use during the day	100%	100%	100%

Financial Information

Operating Expenditure	223,084
Other Expenditure	59,580
Paid for from:	
General Rates	282,664
Targeted Rates	-
Other Revenue	-

For 2018/19 this activity will make up 1.3% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The provision of clean, safe and convenient facilities are necessary for both the public and visiting public. The installation of additional facilities will have a positive effect on the environment as it will minimise the likelihood of human waste contamination.
Private benefits	No user fees are charged in Westland District.



Swimming Pools

What we do and why

Council provides swimming pool facilities in Hokitika to allow the community to participate in this recreation activity in a safe environment.

The mission statement of the Hokitika Pool is "to offer a year round, all weather swimming facility available to all Westland residents and visitors".

The asset

The Hokitika Centennial Swimming Pool was built in 1961 replacing an earlier structure on the same site. The pool area is approximately 470m² and volume approximately 530m³. The complex had a roof added in 1994, at the same time the water heating system was upgraded and a second hand fan was installed to aid ventilation. The filtration system was upgraded in 2004. The structure is concrete block construction on gravel/sand foundations and has not been earthquake rated.

The pool facility has achieved 34% of the National Building Standard (NBS), and is not classified as earthquake prone.

Effects of this activity

With the rates contribution, swim school revenues and pool admission fees, the activity is now 78% financially self-sufficient.

The situation in 2018

There is potential for plant failure. The ventilation fan was gifted by Hokitika's Regent Theatre in the 1990s and its age is unknown. Despite numerous parts being replaced, it is wholly inadequate for job it is asked to do and will need to be replaced.

There have been many improvements over the past few years, and there has been a 15% increase in usage. However, Council does need to decide on the future provision of swimming facilities in Hokitika (Westland).

Where we want to be in the future

Council wants to maintain and operate a swimming pool that is affordable, available to people of all ages, and abilities, and available when required. With the increasing aging population, soft recreational exercise will become increasingly more popular.

Council wants to ensure that it provides facilities that meet its community's aspirations and has evaluated future proofing opportunities.

Key capital projects:

Asset	\$	Timeframe	Funded by
Swimming Pool Hokitika - New spa pool	25,500	2019/20 (Year 2)	100% Depreciation
Swimming Pool Hokitika - Ventilation/Extraction in pool area	20,400	2019/20 (Year 2)	100% Depreciation
Swimming Pool Ross - EQ strengthening	10,000	2018/19 (Year 1)	100% Depreciation
Swimming Pool Ross - Electric heat pump system	61,200	2019/20 (Year 2)	100% Depreciation

How we want to perform

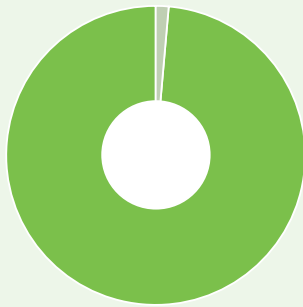
Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 - 2028)
A quality swimming or exercise experience at the Hokitika Pool	% of pool users satisfied	100%	85%	85%
	Maintain Pool Safe Accreditation*	100%	Achieved	Achieved

*Due to the PoolSafe accreditation having a pass or fail system with regards to maintaining accreditation, an achieved/not achieved reporting measurement is deemed to be more appropriate than a percentage.

Financial Information

Operating Expenditure	248,909
Other Expenditure	79,790
Paid for from:	
General Rates	-
Targeted Rates	279,542
Other Revenue	-

For 2018/19 this activity will make up 1.5% of the Council's yearly expenditure





West Coast Wilderness Trail

What we do and why

The West Coast Wilderness Trail is 136km long and stretches from Greymouth to Ross. It is part of the New Zealand Cycle Trail Nga Haerenga network of 22 trails. These tracks are managed by the Council in conjunction with the West Coast Wilderness Trail Trust.

The trail was funded by the New Zealand Government and Development West Coast to provide an outstanding local and visitor attraction and generate economic return for the communities it passes through. The West Coast Wilderness Trust has provided the governance role for this project.

The assets

The two key assets are the trail and the brand. The trail is 136km long and cost \$8.6 million to construct. Trail structures include three large suspension bridges, a number of smaller bridges, shelters, seats, signage, and bike stands.

The brand "West Coast Wilderness Trail" was approved by the New Zealand Government for the trail and is the official name.

Effects of this activity

There are possible health and safety effects involved with an increased number of cyclists on narrow rural roads.

The situation in 2018

The asset is relatively new and there is little precedent on which to base maintenance and life expectancy. Most of the trail is a gravel surface with an estimated life expectancy of 30 years if well maintained. Bridges and other structures on the trail are expected to last 50 years. Council is only funding depreciation on the structures and is allocating a modest maintenance budget of \$82,000 per annum.

Sections of the trail on Department of Conservation land will be maintained by the department. Trail that utilises existing formed legal road will be maintained by Council as part of the Transportation activity.

To reach its economic potential for attracting visitors and supporting local businesses, the trail needs to be actively marketed. Some marketing will be undertaken by Tourism West Coast as part of their normal regional marketing. All 22 trails will be marketed by Tourism New Zealand as part of the New Zealand Cycle Trail experience. The West Coast Wilderness Trail Trust is responsible for the residual marketing.

Key issues

- Ensuring completion of the Project Completion Plan
- The cost of ongoing maintenance
- Funding the enhancement programme
- Encouraging positive business and local support, through continuing support of the West Coast Wilderness Trail Trust

Where we want to be in the future

Council would like the West Coast Wilderness Trail to be a nationally recognised cycleway which is safe and well used by both tourists and locals.

An enhancement programme for the trail has been developed in conjunction with the Ministry of Business, Innovation and Employment and will be implemented as funding allows. The trail is expected to be self-sustainable in the future with support programmes that generate enough revenue to maintain it. It is difficult to estimate at what point in time (if ever) this will eventuate and the Trail Manager will facilitate this. The current funding agreement with central government prohibits Council from charging a fee to use the trail.

In 2018, three new monitoring devices were installed along the trail to provide accurate trail data. This data will be used to inform future trends and potential development.

Key capital projects

The key capital projects include the completion of two sections of the Wilderness Trail to remove cyclists from SH6 and the enhancement projects as prioritised by the Ministry of Business and Innovation.

Asset	\$	Timeframe	Funded by
West Coast Wilderness Trail - Enhancements	145,880	2018/19 and 2022/23 (Years 1 & 5)	100% Reserves

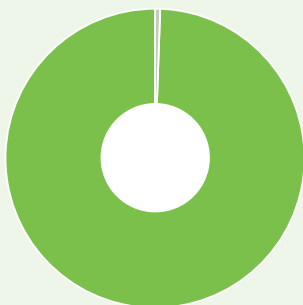
How we want to perform

Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
The cycle trail is well used	Numbers using the trail	8,647	10,000 per annum	12,000 per annum

Financial Information

Operating Expenditure	79,400
Other Expenditure	107,170
Paid for from:	
General Rates	-
Targeted Rates	97,619
Other Revenue	-

For 2018/19 this activity will make up 0.9% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The trail is open and available to all residents and visitors and provides opportunity for leisure and recreation. It is a tourist attraction and this leads to money being spent in the district.
Private benefits	Businesses directly stand to profit from the increased tourism associated with the cycle trail.



Westland District Library

What we do and why

Westland District Library's physical collection consists of 30,000 items and an inter-library loan service is available to access books not held in our collection.

The library service caters for all age groups, encourages life-long learning, recreational reading and supports literacy. The vibrant, safe environment is a community hub which allows people to relax, interact and be inspired. The service extends to local communities in the form of the volunteer-run libraries in Kumara, Ross, Hari Hari, Whataroa, Ōkārito, Franz Josef, Bruce Bay, Fox Glacier and Haast. These outreach facilities are regularly provided with books from the Westland District Library collection.

Access to information is offered in a variety of formats including books, audio, e-resources and online databases.

Free access to the internet is available using one of the five Aotearoa People's Network Kahaora (APNK) computers or via the 24/7 Wi-Fi network using your own device. EBooks and eAudiobooks can be downloaded free of charge using OverDrive, a library consortium. The library is currently in discussion with Marlborough and Tasman Districts to provide Borrow Box, an online eBook and eAudiobook database that offers New Zealand and Australian content. Borrow Box will supplement content available through OverDrive.

As part of a West Coast library collaboration, library users will have access to PressReader from 1 April 2018. PressReader is a newspaper and magazine database offering over 7000 publications in 60 languages from 120 countries. This database will be available in the library and to remote library members throughout the district.

An upgrade to the Aotearoa Public Network Kaharoa (APNK) public library computer service is scheduled for June 2018. Six Chromebooks will replace the current PCs, colour printing will be available and an automated booking system will be introduced.

The library website www.westlib.co.nz provides access to electronic databases, library holdings and borrower accounts. The library website, originally launched in 2009, was refreshed in March 2018, in response to community feedback.

The library operates six days a week and trained library staff provide reference enquiry services during opening hours.

Library services contribute to the district's social, cultural and intellectual well-being by providing access to reading material, databases and internet services. The community benefits from higher knowledge and improved literacy outcomes.

There has been a steady increase in active members (used the library in last two years) since 2005. At present 46% of the Westland population are library members.

The Assets

Library assets consist of collections, furniture, computer equipment and library management software. Council provides an annual budget for new resources funded through depreciation. The Council does not own the building that the library operates from and there is a concern that the terms and conditions of the lease may become unaffordable.

The physical book collections are depreciated over eight years; furniture over 10 years and computer equipment and library management software between 3-10 years.

Effects of this activity

There are no significant negative effects from this activity.

The situation in 2018

Council operates Westland District Library from a leased building at 20 Sewell St, Hokitika. Library membership is 46% of the Westland population. The network of nine voluntary-run community libraries enhances the library services offered by the Westland District Library. Each community library is supported by an annual Council grant.

Visitor numbers were 69,197 in 2016/17, a 7% decrease from 74,555 in 2015/16.

A reciprocal borrowing agreement signed on 1 July 2014 between Westland and Grey district libraries gives residents greater access to resources.

Key issues

- More shared services needed
- Supporting digital learning within the community
- Wide geographic area to service in Westland District.

Where we want to be in the future

To benefit West Coast communities, more shared library services will be investigated. At present there is a reasonable level of collaboration with the two other West Coast libraries. Collaborative projects include joint database subscriptions, staff training workshops, a joint Large Print purchasing plan and the circulation of Large Print collections. Additional shared services that could be possibly be considered include the circulation of other collections, more joint events and programmes and a mobile book bus service.

Reciprocal borrowing between Westland and Grey District began on 1 July 2014 and this has been well received. Following on from the success of this agreement the library is currently in discussion with Grey District Library to introduce a 'one card' system, where library members will be able to borrow resources from either library using the same card.

Shared services with other local organisations will also be considered. The digital divide has highlighted the need to work with other organisations, such as WestREAP and Greypower, to provide technology training workshops at the library for the community. Partnerships enhance library services by pooling resources and expertise.

Providing the resources for people to upskill in digital learning is one of the key focuses for the library moving into the future. At the beginning of 2018, the library purchased ten Chromebooks to run the Stepping Up computer classes, the computer coding club for senior primary students and for the community to use within the library.

The Council is a partner agency involved in growing the digital economy on the West Coast, as identified in the Tai Poutini West Coast Economic Development Action Plan 2017.

In collaboration with Tech Space from Greymouth, the library has started to offer additional digital learning opportunities such as an after-school Maker Club aimed at 10-15 year olds interested in 3D printing, electronics and virtual reality.

Due to the geographical spread of the district the network of nine voluntary-run community libraries provides a valuable service. Each community library receives 100 books from the Westland District Library on a quarterly basis, as well as an annual grant from the Council, which covers expenses relating to running a community library.

As the majority of the Westland population live outside the Hokitika township, further improved services to the community libraries will be investigated.

The Council sees the library as a digital hub that will need to adapt and evolve as technology and the needs of our community change in the future. This is why the library's budget includes some modest capital expenditure to create a dedicated space for the delivery of all future digital services at the library.

At present, there is a storage room at the back of the library which is under-utilised and could be converted into a dedicated space for the delivery of technology services with some minor work: including floor covering, blinds, paint and an electrical upgrade to allow for the increased lighting, network cabling, and power sockets demand. The library intends to partner with other organisations including TechSpace in Greymouth for facilitating classes and this would reduce the financial expenditure required as it would mean Council does not need to provide the computer hardware or personnel resources.

Key capital projects:

Asset	\$	Timeframe	Funded by
Library – Re-fit of library back room for digital learning centre	29,300	2018/19 (Year 1)	100% Depreciation
Library – Books	617,219	2018-2028 (Years 1 – 10)	100% Depreciation

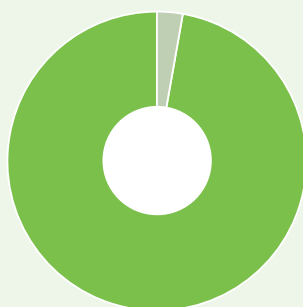
How we want to perform

Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Provide quality library services in the district	% of residents satisfied with library services	99% (as per 2018 Residents Survey)	90%	95%
	% of residents who are library members	46%	44%	49%

Financial Information

Operating Expenditure	490,425
Other Expenditure	162,944
Paid for from:	
General Rates	624,862
Targeted Rates	-
Other Revenue	28,507

For 2018/19 this activity will make up 3.0% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The benefit of the Library service to the district is providing resources to meet the community's evolving knowledge, information and recreational needs. The Library is a community hub for people to relax, interact and be inspired.
Private benefits	Fees paid by actual users

PROSPECTIVE LEISURE FACILITIES STATEMENT OF SERVICE PERFORMANCE

For the years ended 30 June 2019 - 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	2,510,201	2,529,886	2,592,059	2,604,899	2,708,094	2,826,914	2,926,277	2,964,290	3,004,618	3,020,134
Grants, subsidies and donations	6,000	6,120	6,249	6,380	6,520	6,670	6,823	6,987	7,155	7,341
Fees and charges	56,827	57,964	59,181	60,424	61,753	63,173	64,626	66,177	67,765	69,527
Commissions	-	-	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	175,746	176,849	177,776	172,361	173,128	174,032	175,267	176,370	171,245	164,517
Rentals	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	169,656	173,049	176,683	180,393	184,362	188,602	192,940	197,571	202,313	207,573
Total revenue	2,918,430	2,943,868	3,011,948	3,024,457	3,133,856	3,259,391	3,365,934	3,411,396	3,453,096	3,469,092
Expenditure										
Parks and reserves	404,865	412,647	424,353	428,010	435,942	445,253	453,118	461,682	473,165	481,285
Cemeteries	174,730	178,294	187,424	189,446	191,997	197,071	199,454	202,610	209,088	210,856
Library	653,369	649,046	666,184	668,993	676,755	690,144	686,079	702,390	708,460	703,085
Museum	268,661	274,397	274,802	273,894	272,551	271,437	270,732	270,438	269,229	268,483
i-Site	191,221	194,240	195,898	195,416	192,589	189,410	189,261	188,129	188,258	189,685
Events	47,697	47,796	48,709	48,676	48,433	48,054	47,852	47,645	47,004	46,182
Cycle trail	140,648	141,304	142,476	142,577	145,642	145,721	145,721	147,767	147,852	147,852
Swimming pools	328,342	328,797	334,309	339,620	344,030	350,134	356,367	362,095	369,291	376,162
Public toilets	294,730	296,466	303,921	306,520	311,571	318,346	324,149	330,167	338,269	344,777
Elderly housing	78,927	79,680	80,095	72,497	72,496	72,494	72,845	72,843	72,834	73,586
Land and buildings	380,846	385,404	393,821	389,559	392,877	399,118	403,426	407,768	409,609	405,374
Total expenditure	2,964,037	2,988,070	3,051,992	3,055,209	3,084,881	3,127,181	3,149,004	3,193,535	3,233,060	3,247,328
Surplus/(deficit)	(45,607)	(44,202)	(40,045)	(30,751)	48,975	132,210	216,930	217,861	220,036	221,764
Capital Expenditure										
Reserves - Cass Square - Demolish Grandstand	15,000	-	-	-	-	-	-	-	-	-
Reserves - Cass Square - Building improvements Pavilion	20,000	-	-	-	-	-	-	-	-	-
Reserves - Cass Square - Turf improvements	-	-	15,615	-	-	16,605	-	-	17,670	-
Reserves - Cass Square - Rubber matting	20,000	20,400	20,820	21,240	-	-	-	-	-	-
Reserves - Cass Square - Playground equipment upgrade	-	-	-	-	216,800	-	-	-	-	-
Reserves - Cass Square - New toilets South East Cnr	-	76,500	-	-	-	-	-	-	-	-

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Reserves - Lazar Park - Woodchip replacement	-	-	-	-	-	-	-	-	-	-
Reserves - Beach front playground	-	-	208,200	-	-	-	-	-	-	-
Reserves - Haast	10,000	-	-	-	-	-	-	-	-	-
Reserves - Hokitika dog park	-	10,200	-	-	-	-	-	-	-	-
Reserves - Waterfront development	50,000	102,000	-	-	-	-	-	-	-	-
Cemetery - Hokitika Tractor Shed	-	-	62,460	-	-	-	-	-	-	-
Cemetery - Hokitika Improvements Ashes Berm	-	10,200	-	10,620	-	11,070	-	11,540	-	12,040
Cemetery - Hokitika Improvements reseal roads	-	-	26,025	-	-	-	-	-	-	-
Cemetery - Ross Berm development	-	10,200	-	-	-	-	-	-	-	-
West Coast Wilderness Trail - Enhancement	70,000	-	-	-	75,880	-	-	-	-	-
Buildings - Greypower windows	8,000	-	-	-	-	-	-	-	-	-
Buildings - Band rooms	-	10,200	-	31,860	-	-	-	-	-	-
Buildings - Hari Hari house	-	15,300	-	-	-	-	-	-	-	-
Buildings - Fox house	-	-	26,025	-	-	-	-	-	-	-
Elderly Housing - Roof repairs	-	-	-	-	-	-	-	-	-	-
Elderly Housing - Glazing and insulation	20,000	20,400	20,820	21,240	-	-	-	-	-	-
Swimming Pool Hokitika - New spa pool	-	25,500	-	-	-	-	-	-	-	-
Swimming Pool Hokitika - Ventilation/Extraction in pool area	-	20,400	-	-	-	-	-	-	-	-
Swimming Pool Ross - EQ strengthening	10,000	-	-	-	-	-	-	-	-	-
Swimming Pool Ross - Electric heat pump system	-	61,200	-	-	-	-	-	-	-	-
Museum - Feasibility studies/ new museum	-	-	-	1,593,000	1,626,000	1,660,500	-	-	-	-
Museum - Archival Scanner	-	7,140	-	-	-	-	-	-	-	-
Museum - Photobooth	2,400	-	-	-	-	-	-	-	-	-
i-Site - Booking Computers	7,500	-	-	-	-	-	-	-	-	-
i-Site - Interactive mapping	11,780	-	-	-	-	-	-	-	-	-
i-Site - Self service computers	4,900	-	-	-	-	-	-	-	-	-
i-Site - Website development	10,000	1,020	1,041	1,062	1,084	1,107	1,130	1,154	1,178	1,204
i-Site - Replacements of equipment	3,000	3,060	3,123	3,186	3,252	3,321	3,390	3,462	3,534	3,612
Library - Refit for tech	-	-	-	-	-	-	-	-	-	-
Library - Building maintenance	-	-	-	-	-	-	-	-	-	-
Library - Electrical upgrade	29,300	-	-	-	-	-	-	-	-	-
Library - Audio/Visual Resource	4,324	4,410	4,501	4,592	4,687	4,787	4,886	4,990	5,094	5,206
Library - Free Adult Books	14,053	14,334	14,629	14,924	15,233	15,557	15,880	16,217	16,554	16,920
Library - Adult Non Fiction	18,918	19,296	19,694	20,091	20,507	20,942	21,377	21,831	22,285	22,777
Library - Junior Publications	12,432	12,681	12,942	13,203	13,476	13,762	14,048	14,347	14,645	14,968
Library - Large Print Books	6,486	6,616	6,752	6,888	7,031	7,180	7,329	7,485	7,641	7,809
Total capital expenditure	348,093	451,057	442,647	1,741,906	1,983,951	1,754,831	68,041	81,026	88,601	84,536

PROSPECTIVE LEISURE FACILITIES FUNDING IMPACT STATEMENT

For the years ended 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UAGC, rates penalties	2,521,258	1,508,572	1,516,341	1,556,079	1,560,867	1,574,135	1,599,956	1,602,907	1,627,534	1,649,655	1,649,436
Targeted rates	-	1,001,629	1,013,545	1,035,980	1,044,032	1,133,959	1,226,958	1,323,370	1,336,756	1,354,963	1,370,698
Grants, subsidies and donations	488,703	6,000	6,120	6,249	6,380	6,520	6,670	6,823	6,987	7,155	7,341
Fees and charges	569,529	56,827	57,964	59,181	60,424	61,753	63,173	64,626	66,177	67,765	69,527
Internal charges and overheads recovered	328,155	175,746	176,849	177,776	172,361	173,128	174,032	175,267	176,370	171,245	164,517
Local authorities fuel tax, fines, infringement fees and other	120,066	169,656	173,049	176,683	180,393	184,362	188,602	192,940	197,571	202,313	207,573
Total operating funding	4,027,711	2,918,430	2,943,868	3,011,948	3,024,457	3,133,856	3,259,391	3,365,934	3,411,396	3,453,096	3,469,092
Applications of Operating Funding											
Payments to staff and suppliers	2,603,829	2,081,870	2,099,299	2,131,962	2,164,092	2,197,587	2,240,819	2,276,467	2,313,936	2,351,625	2,392,687
Finance costs	4,692	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	418,333	307,186	313,638	335,186	334,043	334,051	346,009	344,995	346,015	363,368	357,046
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	3,026,854	2,389,056	2,412,937	2,467,149	2,498,135	2,531,637	2,586,829	2,621,462	2,659,951	2,714,993	2,749,733
Surplus/(deficit) of operating funding	1,000,857	529,373	530,931	544,799	526,323	602,219	672,563	744,472	751,445	738,103	719,359
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	(41,500)	14,000	(66,325)	1,526,675	1,480,025	1,433,225	(310,300)	(310,300)	(310,300)	(310,300)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	(41,500)	14,000	(66,325)	1,526,675	1,480,025	1,433,225	(310,300)	(310,300)	(310,300)	(310,300)
Applications of Capital Funding											
Capital expenditure - meet additional demand	45,300	29,300	20,400	-	10,620	-	11,070	-	11,540	-	12,040
Capital expenditure - improve level of service	6,800	173,880	389,720	209,241	1,594,062	1,702,964	1,661,607	1,130	1,154	1,178	1,204
Capital expenditure - replace existing assets	231,475	149,713	240,937	233,406	137,224	280,987	82,154	66,911	68,332	87,423	71,292
Increase/(decrease) in reserves	717,282	134,980	(106,127)	35,827	311,091	98,293	350,957	366,131	360,120	339,202	324,523
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	1,000,857	487,873	544,930	478,474	2,052,997	2,082,244	2,105,788	434,172	441,146	427,803	409,059
Surplus/(deficit) of capital funding	(1,000,857)	(529,373)	(530,930)	(544,799)	(526,322)	(602,219)	(672,563)	(744,472)	(751,446)	(738,103)	(719,359)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

INFRASTRUCTURE



Transportation

What we do and why

Council is defined as a road controlling authority under the Local Government Act 2002 and must comply with key transport management legislation. Council has the core function of providing a transport network that is accessible for all people within the district in conjunction with the other transportation agencies. Council contracts out a significant portion of the maintenance and renewal in this activity.

The Westland District roading network encompasses and requires:

- Ownership and use agreements for road services
- Road pavements and surfacing to provide a carriageway for the safe movement of people and goods
- Culverts, water tables and a stormwater system to provide drainage
- Signs, barriers and pavement markings to provide road user information and safe transport
- Bridges to carry traffic over waterways
- Footpaths, walkways and cycle-lanes to transport pedestrians and cyclists
- Street lighting to provide improved visibility and increased safety for pedestrians and road users.

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

- Funding and administration of contracts for maintenance of the roading asset
- Programming of road/bridge & other transport related infrastructure renewals
- Programming of seal extensions, safety improvements and road reconstruction works funded from rates and NZTA financial assistance 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, and on all roads
- Funding and support for passenger transport services

The assets

Council's primary asset information management database for this activity is the Road Assessment and Maintenance Management (RAMM) system which records all components and any renewal work. The Council is in the process of transferring various asset classes to the Assetfinda database. This will improve the confidence level in the data held, especially for footpaths, signs, kerb and channel, and drainage facilities.

New Zealand Transport Agency (NZTA), the government transport funding agency, has issued target based maintenance guidelines for all road controlling authorities, which must be incorporated throughout the maintenance contracts.

Condition rating is regularly carried out on the sealed road network and bridges. Development of condition rating methods is required for unsealed roads, signs, ancillary structures, car parks, footpaths, walkways, and service lanes. The assessment of condition of existing assets addresses both their functionality and ability to meet community expectations, levels of service, safety and engineering good practice and to achieve NZTA performance targets.

RAMM deterioration models, regular road inspections by Council professional services staff, consultants and contractors, combined with engineering judgment and experience are used to determine the short to medium term programmes of renewals. Council is a member of the Regional Transport Committee at the strategic level, and at an operational level through day-to-day contact with NZTA and their consultants. Council staff

work closely with Department of Conservation staff on the maintenance of the glacier access roads.

We receive an annual subsidy from NZTA for maintaining and renewing the roading network. The NZTA base rate subsidy for Westland District is 59% of the total cost on Local Roads and 100% on Special Purpose Roads. Public transport services are subsidised at 50%.

The local share requirement and the cost of non-subsidised works, such as footpaths, are met by ratepayers. In addition to this funding Westland District receives \$654,000 (100% required funding) for the maintenance and renewal of the Haast-Jackson Bay Special Purpose Road.

Asset component	Total
Roads - Urban sealed	68.0km
Roads - Urban unsealed	1.9km
Roads - Rural sealed	317.9km
Roads - Rural unsealed	307.5km
Footpaths - Concrete	31km
Footpaths - Asphalt/Hotmix	5.6km
Footpaths - Pavers	1.4km
Footpaths - Unsealed	2km
Footpaths - Sealed	31km
Bridges	247 units
Culverts	2330 units
Kerb and channel	66km
Dish Channel	2.5km
Surface Water Channels	1200km
Roadside Drains	23km

Effects of this activity

High volumes of traffic can affect residential amenity. The most common effects are noise, lighting and air quality. Dust from unsealed roads can cause nuisance to neighbouring properties. In addition to the effects on air quality, runoff from the discharges from motor vehicles to roads, (oil, rubber, brake dust), have the potential to diminish the water quality of adjacent streams.

These negative effects can possibly be mitigated by development of a seal extension programme. If Council had an appetite to instigate this as a possible solution then it would have to develop business cases to justify the individual projects to NZTA for subsidy or fund the work as 100% from rates.

The situation in 2018

In 2018, NZTA confirmed the new funding assistance rate (FAR) of 59%. Council considered decreasing the level of service across the transportation activity in order to offset the increase in local share required by the equivalent decrease in FAR however this would result in deteriorating carriageway surfaces and roading infrastructure with increased roughness in ride.

The Haast – Jackson Bay Special Purpose Road (SPR) is currently under review and may have a significant impact on the local share component required by Council or the level of service delivered for that particular road. Council officers are currently engaged in negotiations with the NZTA over the format of this handover and are working towards the possibility of a cost neutral solution that will require the agreement of both the NZTA Board and Council

Overall, traffic volumes are deemed sustainable in Westland District, and pressure to expand the local roading infrastructure is minimal. An increase in rural housing development in certain areas of the district has resulted in a small increase in demand for sealed roads. The current network capacity is generally considered adequate to cater for projected demand from industry and tourism, with some exceptions being dealt with under the capital works programme for seal extension.

Regional Transport Committees are charged with preparing and consulting upon three year Regional Land Transport Programmes. These programmes deal primarily with Land Transport activities receiving financial assistance from the National Land Transport Fund.

Council manages limited passenger transport services in Hokitika under the Regional Council Passenger Transport Plan. This service is provided to meet the needs of the transport disadvantaged and is highly valued by customers. This function was delegated by the West Coast Regional Council some years ago for reasons of efficiency.

Bridge renewals are a significant cost. Council's preferred solution is to continue to deliver the same level of service by replacing all bridges as required. An option considered was to decrease this level of service. Although Council has an obligation to ensure continued access, it could make a strategic decision to replace an existing structure with a ford if practical and if it suited the network classification for that particular section of road.

Council has supported the construction of a Haast – Hollyford Road, in principle. This support is subject to the final details, terms and conditions of the proposal.

Key issues

- Changes in central and regional government policy
- Increases in pricing of oil and aggregates
- Financial assistance from New Zealand Transport Agency (NZTA)
- Change in land use e.g. the conversions of land to dairy, which affects road usage patterns

Where we want to be in the future

We want to have roading infrastructure that meets the needs of the district, including any growth. The implications for transportation over the next three year period is that there will be a low rate of growth in demand, with the exception of the dairy industry which is expected to continue to grow strongly. This means both more tankers on the road, larger over dimensional tankers/heavy loads

on the road and tankers using roads they have not used previously.

Council aims for a reduction in road accidents where it can influence the causal factors related to road safety issues.

Council intends to develop a consultation programme to engage with the community about the levels of service for roading. It will progressively move towards managing all of its transportation responsibilities in a more holistic, integrated way. We will further develop predictive modelling techniques (DTIMS), bridge asset management and safety management systems to forecast optimal solutions in a cost-effective manner as well as developing models for the unsealed road network and other assets such as footpaths and car parks.

We intend to develop a more integrated approach to road management on the West Coast. Within Westland District, Council is responsible for 695 km of local roads. Across the three territorial authorities (Buller, Grey and Westland District Councils), there is over 1800 kilometres of roading network. There are likely to be real efficiencies for all the Authorities by continued collaborations on activities such as asset management, data collection, common contract models, shared/combined contracts and shared industry knowledge.

We want footpaths and cycle ways that are linked, pleasant and safe to use.

We will work with Grey District to apply for funding to improve existing or development cycleway which form part of the national cycleway. Council also supports the Regional Land Transport in promoting walking and cycling opportunities on all state highway improvements.

Key capital projects:

Asset	\$	Timeframe	Funded by
District Renewals	2,695,500	Per annum inflated	100% Depreciation

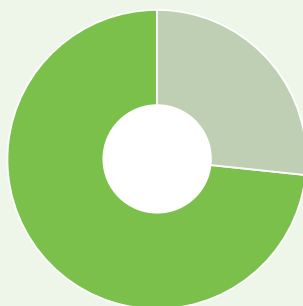
How we want to perform

Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
The transportation network is safe for all users in Westland District	Road safety: The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	2 serious injuries (from separate events) 0 fatalities	Less than previous year	Less than previous year
The surface condition of roads in Westland is of good quality	Road condition: The average quality of ride on a sealed local road network, measured by smooth travel exposure	96%	<90%	<90%
	Residents are satisfied with the standard and safety of Council's unsealed roads	74% (as per 2018 Residents Survey)	50% of residents	50% of residents
The surface condition of roads in Westland is maintained to a high standard	Road maintenance: The percentage of sealed local road network that is resurfaced	7.5% (Our total network reseal was 29km of 374 km)	>7%	>7%
Footpaths are maintained in good condition and are fit for purpose	Footpaths: The percentage of footpaths within the territorial authority district that fall within the level of service standard for the condition of footpaths that is set out in the territorial authorities relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long term plan)	Currently unable to report accurately on this	90%	90%
Response to service requests are dealt with promptly	Customer service requests: The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long term plan	Currently unable to report accurately on this due to service requests system flaws and staff and contractors not correctly logging, updating and signing off service requests	100%	100%

Financial Information

Operating Expenditure	2,555,100
Other Expenditure	3,268,212
Paid for from:	
General Rates	2,092,587
Targeted Rates	-
Other Revenue	2,021,305

For 2018/19 this activity will make up 26.9% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	An effective, efficient transport network provides a way to move people, goods and services around the district. Good local roads provide the link to other transportation links, like cycle ways, wharves, ports, rail and airports and are vital for economic development.
Private benefits	100% benefit to road users. All people in the district use roads at some stage. Significant benefits also accrue to industry and tourists, both from overseas and other parts of New Zealand, and in recognition of this, subsidies from the New Zealand Transport Agency will be employed where possible.

PROSPECTIVE TRANSPORTATION STATEMENT OF SERVICE PERFORMANCE

For the years ended 30 June 2019 - 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	2,092,587	2,147,378	2,213,746	2,315,764	2,367,977	2,407,240	2,429,962	2,490,611	2,538,254	2,551,206
NZTA subsidy	3,660,000	3,740,520	3,822,811	3,910,736	4,004,594	4,100,704	4,203,222	4,312,505	4,428,943	4,552,953
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-
Petrol tax	130,000	132,860	135,783	138,906	142,240	145,653	149,295	153,176	157,312	161,717
Recoveries	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-
Total revenue	5,882,587	6,020,758	6,172,340	6,365,406	6,514,810	6,653,598	6,782,479	6,956,293	7,124,510	7,265,876
Expenditure										
Transportation	5,823,312	5,990,839	6,117,734	6,212,386	6,398,287	6,513,665	6,617,838	6,839,509	6,980,347	7,093,083
Total expenditure	5,823,312	5,990,839	6,117,734	6,212,386	6,398,287	6,513,665	6,617,838	6,839,509	6,980,347	7,093,083
Surplus/(deficit)	59,275	29,919	54,607	153,020	116,523	139,933	164,641	116,783	144,162	172,793
Capital Expenditure										
Unsealed Road Metalling (3030)	286,500	292,803	299,106	305,696	312,572	319,448	326,610	334,059	341,795	349,817
Sealed Road Resurfacing (3031)	850,000	868,700	887,400	906,950	927,350	947,750	969,000	991,100	1,014,050	1,037,850
Maintenance - Drainage Renewals (3032)	159,000	162,498	165,996	169,653	173,469	177,285	181,260	185,394	189,687	194,139
Sealed Road Pavement Rehabilitation	80,000	81,760	83,520	85,360	87,280	89,200	91,200	93,280	95,440	97,680
Structures Component Replace (3033)	212,500	217,175	221,850	226,738	231,838	236,938	242,250	247,775	253,513	259,463
Traffic Services Renewals (3034)	127,500	130,305	133,110	136,043	139,103	142,163	145,350	148,665	152,108	155,678
Low Cost Low Risk - Local	545,000	480,340	391,500	640,200	654,600	669,000	684,000	699,600	715,800	732,600
Sealed Road Resurfacing (3070)	159,000	162,498	165,996	169,653	173,469	177,285	181,260	185,394	189,687	194,139
Maintenance - Drainage Renewals	27,000	27,594	28,188	28,809	29,457	30,105	30,780	31,482	32,211	32,967
Sealed Road Pavement Rehabilitation	150,000	153,300	156,600	160,050	163,650	167,250	171,000	174,900	178,950	183,150
Structures Component Replace (3072)	53,000	54,166	55,332	56,551	57,823	59,095	60,420	61,798	63,229	64,713
Traffic services renewals	11,000	11,242	11,484	11,737	12,001	12,265	12,540	12,826	13,123	13,431
Low Cost Low Risk - SPR	35,000	71,540	135,720	74,690	76,370	78,050	79,800	81,620	83,510	85,470
New footpaths										
Footpath upgrades	68,000	43,435	44,370	57,085	58,369	59,653	72,390	76,373	78,142	89,744
Total capital expenditure	2,763,500	2,757,356	2,780,172	3,029,213	3,097,349	3,165,485	3,247,860	3,324,266	3,401,243	3,490,839

PROSPECTIVE TRANSPORTATION FUNDING IMPACT STATEMENT

For the years ended 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UACC, rates penalties	2,361,837	2,092,587	2,147,378	2,213,746	2,315,764	2,367,977	2,407,240	2,429,962	2,490,611	2,538,254	2,551,206
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Grants, subsidies and donations	1,722,590	1,891,305	1,942,367	1,981,827	1,951,569	2,001,360	2,053,402	2,110,016	2,171,560	2,238,422	2,311,020
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	120,000	130,000	132,860	135,783	138,906	142,240	145,653	149,295	153,176	157,312	161,717
Total operating funding	4,204,427	4,113,892	4,222,605	4,331,356	4,406,239	4,511,576	4,606,296	4,689,273	4,815,347	4,933,989	5,023,943
Applications of Operating Funding											
Payments to staff and suppliers	2,591,000	2,555,100	2,611,312	2,668,761	2,730,143	2,795,666	2,862,762	2,934,331	3,010,624	3,091,910	3,178,484
Finance costs	54,154	20,670	19,633	18,595	17,558	16,520	15,483	14,446	13,408	12,371	11,333
Internal charges and overheads applied	479,912	457,310	465,178	498,957	499,094	497,903	514,615	514,801	515,041	540,594	531,837
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	3,125,065	3,033,080	3,096,123	3,186,314	3,246,794	3,310,089	3,392,860	3,463,578	3,539,072	3,644,876	3,721,655
Surplus/(deficit) of operating funding	1,079,362	1,080,811	1,126,482	1,145,042	1,159,445	1,201,487	1,213,436	1,225,696	1,276,275	1,289,113	1,302,288
Sources of Capital Funding											
Grants, subsidies and donations	2,391,040	1,768,695	1,798,153	1,840,984	1,959,167	2,003,234	2,047,302	2,093,205	2,140,945	2,190,521	2,241,933
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	1,530,750	(26,600)	(26,600)	(26,600)	(26,600)	(26,600)	(26,600)	(26,600)	(26,600)	(26,600)	(26,600)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	3,921,790	1,742,095	1,771,553	1,814,384	1,932,567	1,976,634	2,020,702	2,066,605	2,114,345	2,163,921	2,215,333
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	3,736,000	2,763,500	2,757,356	2,780,172	3,029,213	3,097,349	3,165,485	3,247,860	3,324,266	3,401,243	3,490,839
Increase/(decrease) in reserves	1,265,152	59,406	140,679	179,255	62,799	80,772	68,653	44,441	66,354	51,791	26,782
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	5,001,152	2,822,906	2,898,035	2,959,427	3,092,012	3,178,121	3,234,138	3,292,301	3,390,620	3,453,034	3,517,621
Surplus/(deficit) of capital funding	(1,079,362)	(1,080,811)	(1,126,482)	(1,145,043)	(1,159,445)	(1,201,487)	(1,213,436)	(1,225,696)	(1,276,275)	(1,289,113)	(1,302,288)
Funding balance	-	-	-	-	-	-	-	-	-	-	-



Water Supply

What we do and why

Council manages the supply of clean, safe drinking water for consumers on Council supplies; to ensure the protection of public health and the environment and to provide for the economic wellbeing of the district.

The Assets

Number of treatment plants 8

Number of reservoirs 40

Number of pumping stations 11

Length of reticulation 175.9km

Number of properties connected

Number of fire hydrants 352

Effects of this activity

- Lack of adequate water treatment may cause health problems in communities
- Standards imposed by Ministry of Health are expensive to meet and maintain
- Rates levied for water treatment upgrades may be too great for those small communities
- Impact on water sources of extraction for water supplies
- Mahinga kai (traditional food gathering sites) should be protected by ensuring that sufficient water remains at the source to sustain life

The situation in 2018

There are 9 water supplies throughout the district (6 treated and 3 untreated but potable). The majority of the reticulation is gravity fed from elevated reservoirs. There are 11 pump stations throughout the district that circulate water through the treatment plant and deliver it to the reservoirs.

The Ministry of Health oversees the water supplies with regular visits, and reporting from the Council. In this plan Council has provided for improvements to all schemes to meet the new drinking water standards. The Haast public water supply was upgrade in 2016. Kumara, Whataroa and Fox Glacier are scheduled for upgrades in 2018.

We manage the demand for water by metering commercial users in Hokitika, Franz Josef and Fox Glacier to ensure the larger users pay their share, and promoting conservation at times of peak demand. The replacement of meters is a project in this plan. Other communities are now being monitored for potential extraordinary consumption. Council will however utilise the funds it was going to use on replacing meters in smaller communities in order to instead address the water shortage issues that the township has experienced at peak demand times over previous years. This is recognised as being a priority for the town.

Council will be expanded the Blue Spur (Hokitika) water treatment plant in 2015 to meet the future demand on supply which is driven by Westland Milk Products (WMP). The project was fully funded by WMP and is charged as a targeted rate to this party.

There are asset renewal programmes in place to ensure that infrastructure continues to meet the existing levels of service. We intend to undertake a feasibility study about the future provision of Council supplied drinking water for Arahura.

The Council opposes the aerial sowing of 1080 in all identifiable water supply catchment areas. Catchment areas are considered by Council to be ridgeline to ridgeline, unless the applicant has identified a catchment area acceptable to Council. Council noted that it does not oppose ground laying and it recognises the urgent need for control of TB infected possums and would support application to central government for additional funding to cover more ground control work.

Location	Population served by water system	Age of water system (yrs)	Water supply	Peak daily demand	Consented volumes Cubic metres per day
Kumara	318	23.2	No treatment	157	130
Arahura	80	13.8	No treatment	23	86
Hokitika (including Kaniere)	3447	26.4	Treated	7652	1210
Ross	291	26.0	Treated	179	734
Hari Hari	348	34.3	Treated	274	2160
Whataroa	405	13.3	Treated but not to DWNZ standard	225	1296
Franz Josef	2611	25.9	Treated	761	200
Fox Glacier	252	26.9	Treated but not to DWNZ standard	431	150
Haast	80	24.8	Treated	76	216

Key issues

- Ministry of Health requirements for water treatment including greater control and monitoring and the affordability of meeting these requirements
- The increasing demand for water by Westland Milk Products at peak production times and managing that demand in partnership
- The growth of tourism primarily in Franz Josef, Fox Glacier and Ross where there will be both increasing and peak demand times.
- Water pressure and flow to be monitored at fire hydrants on parts of the network, mostly in the outer reaches of the reticulation.

Where we want to be in the future

Over the lifetime of this plan, Council will ensure that all of its water supplies are treated and meet the Ministry of Health drinking water standards.

We need to have water supplies that can meet the demand for both the local and tourist populations in our district. The demand for water increases markedly at the peak tourist time for both Franz Josef and Fox Glacier Townships. The systems have to cater for approximately 10 times the resident populations and this has on occasion proved to be difficult for Council to achieve with the existing capacity in its supplies. We will continue to carry out network modelling to monitor water pressure and flow as development occurs.

Council will improve Business Continuation Plans and emergency management capabilities and try to minimize disruption to supply at all water treatment plants, and all pumped supplies.

Kumara, Whataroa and Fox Glacier have treatments plant upgrades scheduled in 2018. The upgrades to the treatment plant in Arahua has been fast tracked for an upgrade.

Key capital assets:

Asset	\$	Timeframe	Funded by
Kumara - Mains upgrade programme	127,275	2019/27 (years 1 – 9)	100% Depreciation
Kumara -Reservoirs & Tanks	365,060	2021/25 (years 3 & 7)	100% Depreciation
Kumara - Treatment Components upgrade programme	5,000	2019/20 (years 1 & 2)	100% Depreciation
Kumara - Disinfection upgrades programme	125,837	2019/23 (years 1 – 5)	100% Loan
Kumara - Telemetry	7,889	2019/20 (years 1 & 2)	100% Loan
Arahura - Water treatment plant	365,000	2019/23 (years 1)	100% Loan
Arahura - Treatment Components upgrade programme	5,000	2019/20 (years 1 & 2)	100% Depreciation
Arahura - Disinfection upgrades programme	125,837	2019/23 (years 1 – 5)	100% Loan
Arahura - Telemetry	7,889	2019/20 (years 1 & 2)	100% Loan
Hokitika - WTP improvements	1,282,840	2023/28 (years 5,7,9 & 10)	100% Depreciation
Hokitika - WTP improvements - Pumps	36,900	2019/20 (year 2)	100% Depreciation

Asset	\$	Timeframe	Funded by
Hokitika - Mains upgrade programme	1,199,410	2019/28 (years 1 – 10)	100% Depreciation
Hokitika - Pumps Upgrade Brickfield	25,000	2018/19 (year 1)	100% Depreciation
Hokitika - Seismic Valve	30,750	2019/20 (year 2)	100% Loan
Hokitika - Pressure valve upgrade	15,375	2019/20 (year 2)	100% Depreciation
Hokitika - Water meter replacements	182,250	2019/20 (years 1 & 2)	100% Depreciation
Hokitika - Reservoir Replacement	865,734	2020/24 (years 2 & 6)	100% Depreciation
Hokitika - Generator	45,000	2018/19 (year 1)	100% Loan
Hokitika - Treatment Components upgrade programme	5,000	2019/20 (years 1 & 2)	100% Depreciation
Hokitika - Disinfection upgrades programme	45,437	2019/23 (years 1 – 5)	100% Loan
Hokitika - Telemetry	7,889	2019/20 (years 1 & 2)	100% Loan
Ross - Mains upgrade programme	220,905	2019/28 (years 1 – 10)	100% Depreciation
Ross - Pumps Replacement	10,960	2022/23 (year 5)	100% Depreciation
Ross - Building Repairs and Stabilisation	15,000	2018/19 (year 1)	100% Depreciation
Ross - Replacement Membrane	427,140	2026/27 (year 8 & 9)	100% Depreciation
Ross - Water Source	20,000	2018/19 (year 1)	100% Depreciation
Ross - Treatment Components upgrade programme	5,000	2019/20 (years 1 & 2)	100% Depreciation
Ross - Disinfection upgrades programme	45,437	2019/23 (years 1 -5)	100% Loan
Ross - Telemetry	7,889	2019/20 (years 1 & 2)	100% Loan
Hari Hari - Water treatment plant - seismic valves	30,750	2019/20 (year 2)	100% Loan
Hari Hari - Mains upgrade programme	401,636	2019/28 (years 1 – 10)	100% Depreciation
Hari Hari - Treatment Components upgrade programme	5,000	2019/20 (years 1 & 2)	100% Depreciation
Hari Hari - Disinfection upgrades programme	125,837	2019/23 (years 1 -5)	100% Loan
Hari Hari - Telemetry	7,889	2019/20 (years 1 & 2)	100% Loan
Whataroa - Water treatment plant	493,200	2018/19 (year 5)	100% Loan
Whataroa - Treatment Components upgrade programme	5,000	2019/20 (years 1 & 2)	100% Depreciation
Whataroa - Disinfection upgrades programme	125,837	2019/23 (years 1 -5)	100% Loan
Whataroa - Telemetry	7,889	2019/20 (years 1 & 2)	100% Loan
Franz Josef - Seismic valves	30,750	2019/20 (year 2)	100% Loan
Franz Josef - Mains upgrade programme	439,514	2019/28 (years 1 – 10)	100% Depreciation
Franz Josef - Raw Water Source	220,000	2018/19 (year 1)	100% Loan
Franz Josef - Blower Electrics & SCADA	32,000	2018/19 (year 1)	100% Depreciation
Franz Josef - Upgrade Filter	10,250	2019/20 (year 2)	100% Depreciation
Franz Josef - Treatment Components upgrade programme	5,000	2019/20 (years 1 & 2)	100% Depreciation
Franz Josef - Disinfection upgrades programme	45,437	2019/23 (years 1 -5)	100% Loan
Franz Josef - Telemetry	7,889	2019/20 (years 1 & 2)	100% Loan
Fox Glacier - Plant upgrade	400,000	2018/19 (year 1)	100% Loan
Fox Glacier - Seismic valves	30,750	2019/20 (year 2)	100% Loan
Fox Glacier - Mains upgrade programme	159,281	2019/23 (years 1 -10)	100% Loan
Fox Glacier - Treatment Components upgrade programme	5,000	2019/20 (years 1 & 2)	100% Depreciation
Fox Glacier - Disinfection upgrades programme	45,437	2019/23 (years 1 -5)	100% Loan
Fox Glacier - Telemetry	7,889	2019/20 (years 1 & 2)	100% Loan
Haast - Replacement water treatment reservoir	431,050	2020/26 (years 2 & 8)	100% Depreciation
Haast - Treatment Components upgrade programme	5,000	2019/20 (years 1 & 2)	100% Depreciation
Haast - Disinfection upgrades programme	125,837	2019/23 (years 1 -5)	100% Loan
Haast - Telemetry	7,889	2019/20 (years 1 & 2)	100% Loan

How we want to perform

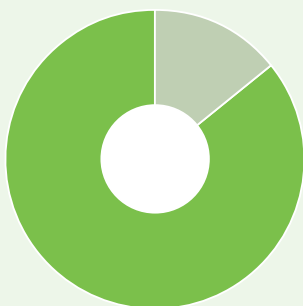
Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Council supplied potable water is safe to drink	Safety of drinking water: The extent to which the local authority's drinking water supply complies with (a) Part 4 of the drinking-water standards (bacteria compliance criteria), and (b) Part 5 of the drinking – water standards (protozoal compliance criteria)	(a) 4 out of 9 suppliers fully compliant with bacterial compliance criteria both the water treatment plant and in the distribution zone (compliant supplies are Hokitika, Ross, Franz Josef, and Whataroa. Non-compliant supplies are Haast, Arahura, Kumara, Fox Glacier and Hari Hari) (b) 0 out of the 9 supplies compliant with protozoal compliance criteria. Our Water Treatment Plants that are capable of compliance are unable to log the data required to prove compliance. Council is investigating SCADA improvements.	Years 1-3 These drinking water schemes will comply with parts (a) and (b) of the key performance measure: Hokitika, Ross, Hari Hari, Franz Josef, Haast. Year 2-3 These drinking water schemes will comply with parts (a) and (b) of the performance measure: Kumara, Whataroa Years 2-3 These drinking water schemes will comply with parts (a) and (b) of the key performance measure :Fox and Arahura scheme if it is continued as a Council service	All Council owed drinking water supply scheme will comply with both parts (a) and (b) of the key performance measure
Requests for service are dealt with promptly	Fault response times: Where the local authority attends a call –out in response to a fault or unplanned interruption to its networked reticulation systems, the following median response times measures (a) Attendance for urgent call-outs from the time that the local authority receives notification to the time that service personnel reach the site, and (2 hours) (b) Resolution of urgent call outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (12 hours) (c) Attendance for non-urgent call outs: from the time that the local authorities receives notification to the time that service personnel reach the site, (24 hours) (d) Resolution of non-urgent call outs: from the time authority receives the notification to the time that service personnel confirm resolution of the fault or interruption (72 hours)	Currently unable to report accurately on this due to service request system flaws and staff and contractors not correctly logging, updating and signing off service request.	(a) 100% (b) 100% (c) 100% (d) 100%	(a) 100% (b) 100% (c) 100% (d) 100%

Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Council supplied water is reliable	Maintenance of the reticulation network: The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this)	Not measured	Council does not intent to measure this as it will impose an unreasonable cost	Council does not intent to measure this as it will impose an unreasonable cost
	Demand management: The average consumption of drinking water per day per resident within the territorial authority district.	Winter water usage of 253 litres per person per day. Summer water usage 480 litres per head per day (Hokitika data excluding Westland Milk Products' usage). This is within the acceptable values	The average water consumption per person per day is <500l/day	The average water consumption per person per day is <500l/ day
Customers are generally satisfied with the Council supplied water	Customer satisfaction: The total number of complaints received by the local authority about any of the following: (a) Drinking water clarity (b) Drinking water taste (c) Drinking water odour (d) Drinking water pressure or flow (e) Continuity of supply (f) The local authority's response to any of these issues Expressed per 100 connections to the local authority's networked reticulation system	(a) 0 (b) 4 (2 of these are also report in water odour below) (c) 2 (these service requests for joint water odour and water taste issues) (d) 3 instances of decreased water pressure (e) 6 instances of no water (continuity of supply) where report (f) 0 Based on the total number of service connections = 2620 Total number of complaints =13 Complaints per 1000=5 Key performance measure condition has been met	TBC	TBC

Financial Information

Operating Expenditure	1,081,003
Other Expenditure	2,043,270
Paid for from:	
General Rates	63,165
Targeted Rates	4,118,291
Other Revenue	2,500

For 2018/19 this activity will make up 14.4% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The community as a whole benefit from this activity. Water supplies which are treated contribute to making Westland a safe, healthy, well –services place to live, work and play.
Private benefits	Fees are charged to extraordinary water users and contributions are required from new development within the district to recognise the benefits the user will receive.

PROSPECTIVE WATER SUPPLY STATEMENT OF SERVICE PERFORMANCE

For the years ended 30 June 2019 - 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	4,133,495	4,160,621	3,701,711	3,312,434	3,364,716	3,489,053	3,533,303	3,550,191	3,650,785	3,686,137
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-
Recoveries	2,500	2,563	2,621	2,684	2,749	2,817	2,891	2,966	3,046	3,131
Fees and charges	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-
Total revenue	4,135,995	4,163,183	3,704,332	3,315,118	3,367,465	3,491,871	3,536,194	3,553,157	3,653,831	3,689,268
Expenditure										
General	63,165	64,744	66,233	67,823	69,451	71,187	73,038	74,937	76,960	79,115
Hokitika	1,793,182	1,772,785	1,777,565	1,782,270	1,808,505	1,871,979	1,889,479	1,895,165	1,944,151	1,956,458
Arahura	46,162	46,068	47,934	48,623	49,306	50,680	51,493	52,217	54,063	54,673
Kumara	87,326	87,938	91,516	92,755	94,017	96,627	98,105	99,252	102,813	103,853
Kaniere	91,289	91,840	93,148	94,899	97,204	99,330	101,560	101,754	104,633	107,111
Ross	166,260	168,488	173,334	176,186	179,470	183,996	187,489	189,187	195,271	198,572
Harihari	178,281	171,072	176,624	179,469	182,582	187,348	190,783	192,996	199,361	202,461
Whataroa	165,250	178,885	184,872	187,596	190,667	195,650	198,984	200,655	207,469	210,262
Franz Josef	277,658	282,194	292,566	296,614	301,081	309,166	314,174	317,311	328,349	332,255
Fox Glacier	166,282	168,244	175,665	177,758	179,853	184,953	187,459	189,336	196,421	197,812
Haast	98,871	99,813	103,239	104,977	106,774	109,625	111,684	113,426	117,155	119,036
Total expenditure	3,133,727	3,132,070	3,182,694	3,208,970	3,258,911	3,360,540	3,404,248	3,426,236	3,526,645	3,561,606
Surplus/(deficit)	1,002,268	1,031,113	521,638	106,149	108,554	131,330	131,946	126,921	127,186	127,662
Capital Expenditure										
Kumara - Mains upgrade programme	15000	0	26200	0	27400	0	28675	0	30000	0
Kumara -Reservoirs & Tanks	-	-	20,960	-	-	-	344,100	-	-	-
Kumara - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Kumara - Disinfection upgrades programme	2,222	5,694	38,427	39,307	40,187	-	-	-	-	-
Kumara - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Arahura - Water treatment plant	40,000	-	-	-	493,200	-	-	-	-	-
Arahura - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Arahura - Disinfection upgrades programme	2,222	5,694	38,427	39,307	40,187	-	-	-	-	-
Arahura - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Hokitika - WTP improvements	-	-	-	-	438,400	-	-	-	-	-
Hokitika - WTP improvements	-	-	-	-	-	-	91,760	-	-	-
Hokitika - WTP improvements	-	-	-	-	-	-	-	-	372,000	380,680
Hokitika - WTP improvements - Pumps	-	36,900	-	-	-	-	-	-	-	-
Hokitika - Mains upgrade programme	300,000	256,250	-	150,080	-	156,940	-	164,220	-	171,920
Hokitika - Pumps Upgrade Brickfield	25,000	-	-	-	-	-	-	-	-	-
Hokitika - Seismic Valve	-	30,750	-	-	-	-	-	-	-	-

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Hokitika - Pressure valve upgrade	-	15,375	-	-	-	-	-	-	-	-
Hokitika - Water meter replacements	90,000	92,250	-	-	-	-	-	-	-	-
Hokitika - Reservoir Replacement	-	20,500	-	-	-	845,234	-	-	-	-
Hokitika - Generator	45,000	-	-	-	-	-	-	-	-	-
Hokitika - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Hokitika - Disinfection upgrades programme	2,222	5,694	12,227	12,507	12,787	-	-	-	-	-
Hokitika - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Ross - Mains upgrade programme	120,000	49,200	-	16,080	-	-	17,205	-	-	18,420
Ross - Pumps Replacement	-	-	-	-	10,960	-	-	-	-	-
Ross - Building Repairs and Stabilisation	15,000	-	-	-	-	-	-	-	-	-
Ross - Replacement Membrane	-	-	-	-	-	-	-	211,140	216,000	-
Ross - Water Source	20,000	-	-	-	-	-	-	-	-	-
Ross - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Ross - Disinfection upgrades programme	2,222	5,694	12,227	12,507	12,787	-	-	-	-	-
Ross - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Hari Hari - Water treatment plant - seismic valves	-	30,750	-	-	-	-	-	-	-	-
Hari Hari - WTP improvements	-	-	-	-	-	-	-	-	-	-
Hari Hari - Mains upgrade programme	15,000	184,500	-	47,168	-	49,324	-	51,612	-	54,032
Hari Hari - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Hari Hari - Disinfection upgrades programme	2,222	5,694	38,427	39,307	40,187	-	-	-	-	-
Hari Hari - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Whararoa - Water treatment plant	325,000	-	-	-	-	-	-	-	-	-
Whararoa - Treatment Components upgrade programme	2,778	2,222	-	39,307	40,187	-	-	-	-	-
Whararoa - Disinfection upgrades programme	2,222	5,694	38,427	-	-	-	-	-	-	-
Whararoa - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Franz Josef - Seismic valves	-	30,750	-	-	-	-	-	-	-	-
Franz Josef - Mains upgrade programme	90,000	92,250	-	60,032	-	62,776	-	65,688	-	68,768
Franz Josef - Raw Water Source	220,000	-	-	-	-	-	-	-	-	-
Franz Josef - Blower Electrics & SCADA	32,000	-	-	-	-	-	-	-	-	-
Franz Josef - Upgrade Filter	-	10,250	-	-	-	-	-	-	-	-
Franz Josef - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Franz Josef - Disinfection upgrades programme	2,222	5,694	12,227	12,507	12,787	-	-	-	-	-
Franz Josef - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Fox Glacier - Plant upgrade	400,000	-	-	-	-	-	-	-	-	-
Fox Glacier - Seismic valves	-	30,750	-	-	-	-	-	-	-	-
Fox Glacier - Mains upgrade programme	80,000	-	-	24,656	-	-	26,381	-	-	28,244
Fox Glacier - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Fox Glacier - Disinfection upgrades programme	2,222	5,694	12,227	12,507	12,787	-	-	-	-	-
Fox Glacier - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Haast - Replacement water treatment reservoir	-	20,500	-	-	-	-	-	410,550	-	-
Haast - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Haast - Disinfection upgrades programme	2,222	5,694	38,427	39,307	40,187	-	-	-	-	-
Haast - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Total capital expenditure	1,907,000	1,013,225	288,200	544,576	1,222,040	1,114,274	508,121	903,210	618,000	722,064

PROSPECTIVE WATER SUPPLY FUNDING IMPACT STATEMENT

For the years ended 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UAGC, rates penalties	62,829	63,165	64,744	66,233	67,823	69,451	71,187	73,038	74,937	76,960	79,115
Targeted rates	4,100,857	4,070,330	4,095,877	3,635,477	3,244,611	3,295,266	3,417,866	3,460,265	3,475,254	3,573,825	3,607,022
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	2,500	2,500	2,563	2,621	2,684	2,749	2,817	2,891	2,966	3,046	3,131
Total operating funding	4,166,186	4,135,995	4,163,183	3,704,332	3,315,118	3,367,465	3,491,871	3,536,194	3,553,157	3,653,831	3,689,268
Applications of Operating Funding											
Payments to staff and suppliers	912,970	1,081,003	1,062,924	1,076,885	1,102,730	1,129,196	1,157,426	1,187,519	1,218,394	1,251,291	1,286,327
Finance costs	232,270	196,349	192,165	152,149	132,961	133,018	152,044	140,551	129,057	117,564	106,071
Internal charges and overheads applied	866,937	841,460	855,937	918,092	918,343	916,151	946,901	947,244	947,685	994,705	978,591
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	2,012,178	2,118,812	2,111,026	2,147,126	2,154,034	2,178,364	2,256,371	2,275,314	2,295,137	2,363,560	2,370,989
Surplus/(deficit) of operating funding	2,154,009	2,017,183	2,052,157	1,557,206	1,161,084	1,189,100	1,235,500	1,260,880	1,258,020	1,290,271	1,318,279
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(325,810)	(107,290)	(1,026,040)	(492,013)	1,455	487,848	(294,697)	(294,697)	(294,697)	(294,697)	(294,697)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	(325,810)	(107,290)	(1,026,040)	(492,013)	1,455	487,848	(294,697)	(294,697)	(294,697)	(294,697)	(294,697)
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	450,000	1,120,000	215,250	241,040	246,560	745,280	-	-	-	-	-
Capital expenditure - replace existing assets	615,000	787,000	797,975	47,160	298,016	476,760	1,114,274	508,121	903,210	618,000	722,064
Increase/(decrease) in reserves	763,199	2,893	12,892	776,993	617,964	454,908	(173,471)	458,063	60,113	377,575	301,518
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	1,828,199	1,909,893	1,026,117	1,065,193	1,162,540	1,676,948	940,803	966,184	963,323	995,575	1,023,582
Surplus/(deficit) of capital funding	(2,154,009)	(2,017,183)	(2,052,157)	(1,557,206)	(1,161,085)	(1,189,101)	(1,235,500)	(1,260,881)	(1,258,020)	(1,290,272)	(1,318,279)
Funding balance	-	-	-	-	-	-	-	-	-	-	-



Wastewater

What we do and why

Council provides wastewater services to the townships of the district to ensure the protection of public health and the environment and to provide for the economic wellbeing of the district.

Due to the number of tourists and industrial trucks that visit our district every year the provision of campervan and stock effluent disposal sites is also important in order to protect our valued natural environment.

The Assets

We provide access to reticulated wastewater systems in Hokitika, Franz Josef, Fox Glacier and Haast. These systems service just under 2,000 properties.

Number of properties connected - 3791

Length of reticulation - 78,089m

Number of pump stations - 10

Number of manholes, inspection stations and flush tanks - 734

Hokitika campervan and stock effluent disposal site / Haast campervan effluent disposal site

There are 2 public dump stations for campervan waste disposal in the district. The use of these has increased with the larger volume of independent tourists. The stations at Hokitika and Haast flow into the sewage treatment plants.

Effects of this activity

- Discharge of treated wastewater to the environment
- Insufficient capacity during peak demand times
- Failure of components
- Natural disasters, such as flooding or earthquakes
- Lack of onsite emergency storage and pump stations

The situation in 2018

There are four wastewater systems owned by Council in the district. Asset renewals have been programmed to ensure the infrastructure continues to meet the existing levels of service and comply with environmental regulations.

There are ten pump stations to assist with delivery to the wastewater treatment plants in Hokitika, Franz Josef and Haast.

Council is a member of the West Coast lifelines group. All members take an active role in increasing the resilience of their own networks and developing relationships and procedures for working together in an emergency.

Land remediation issues from inundation and flood damage, need to be addressed at the wastewater sites at Hokitika and Franz Josef. Council will assess the treatment methods at Hokitika and will consider options for the Franz Josef wastewater site, including protection methods or a possible relocation of the site.

It will continue to work with the West Coast Regional Council to address the issues with the Franz Josef asset. A significant budget has been included in the plan to enable the Council to move forward once a solution has been identified. This is identified in the Council Plan as being loan funded, including through the central government tourism infrastructure fund.

The growth of tourism of Franz Josef where there is both increasing and peak demand times has placed pressure on the current capacity of the wastewater system. This will also be addressed as a part of the future solution for this asset.

The Fox Glacier and Haast assets will be maintained and improved.

Location	Population served by system	Wastewater systems	Age of system
Hokitika (including Kaniere)	3447	Oxidation pond treatment	36.2
Franz Josef	2611	Oxidation pond treatment	32.8
Fox Glacier	252	Oxidation pond treatment	36.7
Haast	80	Oxidation pond treatment with aeration	28.9

Key issues

- Council must integrate the solutions for addressing protection works or relocation of its wastewater plant with the future development opportunities in the town of Franz Josef. Future

development in the town will be provisional on effective linking of infrastructure management with town development planning. The need to address the Franz Josef wastewater situation was hastened in early 2015 by Council's inability to comply with its resource consent. Council will be working with other agencies and the Franz Josef community to identify a solution for the wastewater service.

- Change in weather patterns and increased seasonal tourist population also affects Council's ability to meet the high demand for treated water for the town.
- In some areas, during some seasons, there is a high overnight population, compared to the normal resident population.
- The management of wastewater is of particular interest to Poutini Ngāi Tahu.
- New environmental standards, particularly for discharges to freshwater, mean that Council

is required to meet higher thresholds of compliance with its wastewater schemes.

- There has been growth in privately owned and rented campervans which is increasing demand for campervan effluent disposal sites.

Where we want to be in the future

We want to provide affordable wastewater schemes for those communities needing a community scheme.

Council will aim to deliver wastewater treatment plants that will consistently meet resource consent standards for discharge. We want to ensure there is minimal infiltration of stormwater into the wastewater systems.

An asset renewal programme will be implemented to protect existing infrastructure. Council will continue to undertake the investigation, consultation, design and construction of various identified wastewater schemes and the options to mitigate the threats that the environment present to them, and they present to the environment.

Key capital projects:

Asset	\$	Timeframe	Funded by
Hokitika - Outfall structure	20,500	2019/20 (Year 2)	100% Loan
Hokitika – Wastewater treatment plant upgrade	3,206,875	2018-2011 (Years 1 – 4)	100% Loan
Hokitika - Mains upgrade programme	666,600	2018-2028 (Years 1 – 10)	100% Depreciation
Hokitika - Pump upgrades	150,000	2018/19 (Year 1)	100% Depreciation
Hokitika - Kaniere Road catchment	50,000	2018/19 (Year 1)	100% Loan
Hokitika – Wastewater treatment plant component replacements	5,240	2020/21 (Year 3)	100% Depreciation
Hokitika – District plan development contribution for wastewater network growth	27,775	2018-2028 (Years 1 – 10)	100% Depreciation
Franz Josef - Wastewater treatment plant upgrade	2,250,000	2018/19 (Year 1)	100% Loan
Franz Josef - Mains upgrade (increasing size of lines)	307,500	2019/20 (Year 2)	100% Depreciation
Franz Josef - Mains upgrade programme	157,332	2019-2028 (Years 2 – 10)	100% Depreciation
Franz Josef - – Wastewater treatment plant component replacements	5,240	2020/21 (Year 3)	100% Depreciation
Franz Josef - District plan development contribution for wastewater network growth	27,775	2018-2028 (Years 1 – 10)	100% Depreciation
Fox Glacier - Mains upgrade programme	175,712	2019-2027 (Years 1 – 9)	100% Depreciation
Fox Glacier - Wastewater treatment plant upgrade	202,500	2018-2028 (Years 1 & 2)	100% Loan
Fox Glacier - Wastewater treatment plant component replacements	5,240	2020/21 (Year 3)	100% Depreciation
Fox Glacier - District plan development contribution for wastewater network growth	27,775	2018-2028 (Years 1 – 10)	100% Depreciation
Haast - Mains upgrade programme	84,285	2020/28 (Years 2, 4, 6, 8 & 10)	100% Depreciation
Haast - Wastewater treatment plant component replacements	5,240	2020/21 (Year 3)	100% Depreciation
Haast - District plan development contribution for wastewater network growth	27,775	2018--2028 (Years 1 – 10)	100% Depreciation

How we want to perform

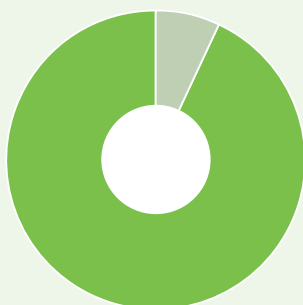
Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Council waste water systems are managed without risk to public health	System and adequacy: The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	We do not have an adequate system in place to differentiate dry weather sewerage overflows from wet weather sewerage overflows. This mandatory national measure is completed unsuited to the reality our geographic environment. There was a total of 3 sewerage overflows in 2016-17 which gives a ratio of 1.5 per 1000(based on our total number of wastewater connections of 2052) which is significantly under the performance target (and based on us using the total number of overflows)	TBC	TBC
Council from its wastewater systems are safe and compliant	Discharge compliance: Compliance with the territorial authority's resource consent for discharge from its sewerage system measured by the number of: (a) Abatement notices (b) Infringement notices (c) Enforcement orders (d) Convictions Received by the territorial authority in relation those resource consents.	(a) 1 (b) 0 (c) 1 (d) 0	100%	100%
Customers are generally satisfied with the Council wastewater system	Fault response times: Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the sewerage system, the following median response times measured: (a) Attendance time: from the time that the territorial authority receives notification to the time that the service personnel reach the site, (2 hours) (b) Resolution time: from the time that the territorial authority receives notification that service personnel confirm resolution of the blockage or other fault (4 hours)	The wastewater fault response time are attempted to be captured in our service request system although again according to our LTP we have said that we will measure this by reticulation failure record sheets.	100%	100%

Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
	Customer satisfaction: The total number of complaints received by the territorial authority about any of the following: (a) sewage odour (b) sewerage systems faults (c) sewerage system blockages, and (d) the territorial authority's response to issues with its sewerage system. Expressed per 1000 connections to the territorial authority's sewerage system.	(a) 3 (b) 2 (the 2 faults relate to sewage overflows as a result of pump issues) (c) 2 (d) 0 Key performance measure has been met: Total number of complaints = 7 Total number of connections = 2052 Complaints per 100 connections = 3.4	25 per 1000	25 per 1000

Financial Information

Operating Expenditure	457,713
Other Expenditure	1,118,057
Paid for from:	
General Rates	29,730
Targeted Rates	1,490,831
Other Revenue	71,461

For 2018/19 this activity will make up 7.3% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The community as a whole benefit from this activity. The provision of reliable wastewater systems contributes to making Westland a safe, healthy well-serviced place to live, work and play.
Private benefits	Fees are charged to commercial wastewater system users and contributions are required from new development to connect to systems in order to recognise the benefits the user received. Only those connected or able to connect pay a wastewater rate.

PROSPECTIVE WASTEWATER STATEMENT OF SERVICE PERFORMANCE

For the years ended 30 June 2019 - 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	1,511,245	1,600,295	1,701,845	1,833,165	1,825,040	1,847,452	1,862,506	1,802,670	1,828,488	1,840,579
Fees and charges	71,461	71,664	71,723	71,780	71,782	71,777	71,765	59,132	60,698	62,365
Grants, subsidies and donations	1,985,000	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-
Total revenue	3,567,706	1,671,959	1,773,568	1,904,946	1,896,822	1,919,229	1,934,271	1,861,801	1,889,186	1,902,944
Expenditure										
General	93,103	117,587	129,564	176,098	221,266	211,612	202,012	192,435	182,916	173,459
Arahura	835	856	876	897	918	941	966	991	1,017	1,046
Hokitika	887,637	922,841	973,260	1,013,264	974,195	988,456	997,684	962,007	979,709	987,845
Kaniere	61,866	64,957	68,868	72,854	68,192	68,681	69,142	64,722	65,208	65,754
Franz Josef	230,323	239,321	251,166	261,596	253,032	256,810	259,927	252,268	256,751	260,018
Fox Glacier	314,119	327,710	346,743	362,962	345,245	349,424	352,101	335,583	340,655	343,033
Haast	131,484	136,219	142,863	148,198	144,532	147,068	148,945	145,795	148,929	150,732
Total expenditure	1,719,368	1,809,491	1,913,339	2,035,868	2,007,381	2,022,994	2,030,777	1,953,800	1,975,186	1,981,887
Surplus/(deficit)	1,848,338	(137,532)	(139,771)	(130,922)	(110,559)	(103,765)	(96,506)	(91,999)	(86,000)	(78,943)
Capital Expenditure										
Kumara - Mains upgrade programme	15,000	-	26,200	-	27,400	-	28,675	-	30,000	-
Kumara -Reservoirs & Tanks	-	-	20,960	-	-	-	344,100	-	-	-
Kumara - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Kumara - Disinfection upgrades programme	2,222	5,694	38,427	39,307	40,187	-	-	-	-	-
Kumara - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Arahura - Water treatment plant	40,000	-	-	-	493,200	-	-	-	-	-
Arahura - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Arahura - Disinfection upgrades programme	2,222	5,694	38,427	39,307	40,187	-	91,760	-	-	-
Arahura - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Hokitika - WTP improvements	-	-	-	-	438,400	-	-	-	-	-
Hokitika - WTP improvements	-	-	-	-	-	-	-	-	-	-
Hokitika - WTP improvements	-	-	-	-	-	-	-	-	-	-
Hokitika - WTP improvements - Pumps	-	36,900	-	-	-	-	-	-	-	-
Hokitika - Mains upgrade programme	300,000	256,250	-	150,080	-	156,940	-	164,220	-	171,920
Hokitika - Pumps Upgrade Brickfield	25,000	-	-	-	-	-	-	-	-	-
Hokitika - Seismic Valve	-	30,750	-	-	-	-	-	-	-	-
Hokitika - Pressure valve upgrade	-	15,375	-	-	-	-	-	-	-	-
Hokitika - Water meter replacements	90,000	92,250	-	-	-	-	-	-	-	-
Hokitika - Reservoir Replacement	-	20,500	-	-	-	845,234	-	-	-	-

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Hokitika - Generator	45,000	-	-	-	-	-	-	-	-	-
Hokitika - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Hokitika - Disinfection upgrades programme	2,222	5,694	12,227	12,507	12,787	-	-	-	-	-
Hokitika - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Ross - Mains upgrade programme	120,000	49,200	-	16,080	-	-	17,205	-	-	18,420
Ross - Pumps Replacement	-	-	-	-	10,960	-	-	-	-	-
Ross - Building Repairs and Stabilisation	15,000	-	-	-	-	-	-	-	-	-
Ross - Replacement Membrane	-	-	-	-	-	-	-	211,140	216,000	-
Ross - Water Source	20,000	-	-	-	-	-	-	-	-	-
Ross - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Ross - Disinfection upgrades programme	2,222	5,694	12,227	12,507	12,787	-	-	-	-	-
Ross - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Hari Hari - Water treatment plant - seismic valves	-	30,750	-	-	-	-	-	-	-	-
Hari Hari - WTP improvements	-	-	-	-	-	-	-	-	-	-
Hari Hari - Mains upgrade programme	15,000	184,500	-	47,168	-	49,324	-	51,612	-	54,032
Hari Hari - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Hari Hari - Disinfection upgrades programme	2,222	5,694	38,427	39,307	40,187	-	-	-	-	-
Hari Hari - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Whataroa - Water treatment plant	325,000	-	-	-	-	-	-	-	-	-
Whataroa - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Whataroa - Disinfection upgrades programme	2,222	5,694	38,427	39,307	40,187	-	-	-	-	-
Whataroa - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Franz Josef - Seismic valves	-	30,750	-	-	-	-	-	-	-	-
Franz Josef - Mains upgrade programme	90,000	92,250	-	60,032	-	62,776	-	65,688	-	68,768
Franz Josef - Raw Water Source	220,000	-	-	-	-	-	-	-	-	-
Franz Josef - Blower Electrics & SCADA	32,000	-	-	-	-	-	-	-	-	-
Franz Josef - Upgrade Filter	-	10,250	-	-	-	-	-	-	-	-
Franz Josef - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Franz Josef - Disinfection upgrades programme	2,222	5,694	12,227	12,507	12,787	-	-	-	-	-
Franz Josef - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Fox Glacier - Plant upgrade	400,000	-	-	-	-	-	-	-	-	-
Fox Glacier - Seismic valves	-	30,750	-	-	-	-	-	-	-	-
Fox Glacier - Mains upgrade programme	80,000	-	-	24,656	-	-	26,381	-	-	28,244
Fox Glacier - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Fox Glacier - Disinfection upgrades programme	2,222	5,694	12,227	12,507	12,787	-	-	-	-	-
Fox Glacier - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Haast - Replacement water treatment reservoir	-	20,500	-	-	-	-	-	410,550	-	-
Haast - Treatment Components upgrade programme	2,778	2,222	-	-	-	-	-	-	-	-
Haast - Disinfection upgrades programme	2,222	5,694	38,427	39,307	40,187	-	-	-	-	-
Haast - Telemetry	3,333	4,556	-	-	-	-	-	-	-	-
Total capital expenditure	1,907,000	1,013,225	288,200	544,576	1,222,040	1,114,274	508,121	903,210	618,000	722,064

PROSPECTIVE WASTEWATER FUNDING IMPACT STATEMENT

For the years ended 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UACC, rates penalties	28,454	29,730	30,473	31,174	31,922	32,688	33,506	34,377	35,271	36,223	37,237
Targeted rates	1,045,357	1,481,515	1,569,821	1,670,671	1,801,243	1,792,352	1,813,946	1,828,130	1,767,399	1,792,265	1,803,341
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	48,365	71,461	71,664	71,723	71,780	71,782	71,777	71,765	59,132	60,698	62,365
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	1,122,177	1,582,706	1,671,959	1,773,568	1,904,946	1,896,822	1,919,229	1,934,271	1,861,801	1,889,186	1,902,944
Applications of Operating Funding											
Payments to staff and suppliers	412,296	457,713	464,403	470,530	477,286	484,279	491,950	500,336	509,023	518,485	528,769
Finance costs	7,820	-	26,910	41,355	90,310	137,880	130,578	123,275	115,973	108,670	101,368
Internal charges and overheads applied	198,157	198,678	202,096	216,772	216,831	216,313	223,574	223,655	223,759	234,861	231,056
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	618,273	656,391	693,409	728,657	784,426	838,472	846,101	847,266	848,754	862,016	861,193
Surplus/(deficit) of operating funding	503,904	926,315	978,550	1,044,911	1,120,520	1,058,350	1,073,128	1,087,006	1,013,047	1,027,170	1,041,750
Sources of Capital Funding											
Grants, subsidies and donations	-	1,985,000	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	2,090,000	608,750	289,125	1,174,006	1,138,506	(268,494)	(268,494)	(268,494)	(268,494)	(268,494)	(268,494)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	2,090,000	2,593,750	289,125	1,174,006	1,138,506	(268,494)	(268,494)	(268,494)	(268,494)	(268,494)	(268,494)
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	10,000	10,250	10,480	10,720	10,960	11,210	11,470	11,730	12,000	12,280
Capital expenditure - improve level of service	100,000	2,675,000	712,375	1,310,000	1,340,000	-	-	-	-	-	-
Capital expenditure - replace existing assets	2,000,000	242,000	105,575	117,376	110,416	100,832	115,463	105,524	120,819	110,400	126,484
Increase/(decrease) in reserves	493,904	593,065	439,475	781,062	797,890	678,064	677,961	701,518	612,004	636,276	634,493
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	2,593,904	3,520,065	1,267,675	2,218,918	2,259,026	789,856	804,634	818,512	744,553	758,676	773,257
Surplus/(deficit) of capital funding	(503,904)	(926,315)	(978,550)	(1,044,912)	(1,120,520)	(1,058,350)	(1,073,128)	(1,087,006)	(1,013,047)	(1,027,170)	(1,041,751)
Funding balance	-	-	-	-	-	-	-	-	-	-	-



Stormwater

What we do and why

Council provides reticulated stormwater to the township of Hokitika and roadside drainage to the remainder of the townships of the district to ensure protection of public health and safety, and the environment.

The Assets

The smaller stormwater schemes mainly comprise open channels as part of the street drainage system to collect road surface run off, these are maintained under the Transportation activity.

Number of properties connected 508

Length of Reticulation 51,518m

Number of pump stations 6

Number of Manholes and sumps 1,228

Effects of this activity

On occasion there has been surface flooding in Hokitika. There is a risk that in unforeseen events such as power outages, flooding of habitable properties could occur if the pump stations do not operate.

The situation in 2018

The Council underwent a \$1 million upgrade of the stormwater assets in the 2016/17 financial

year. In Hokitika there are 14 basic stormwater systems that primarily drain water from the roads. Only Hokitika has reticulation for properties. The majority of the stormwater reticulation is gravity fed with a total of six pump stations in Hokitika. Stormwater is drained to the sea, waterways or land.

All of the stormwater systems are generally meeting service requirements however there may still continue to be surface flooding occurring in parts of Hokitika as a result of heavy rains.

Key issues

- Ageing infrastructure
- Unknown data for reticulation
- Increased ratepayer expectations especially in the urban fringe areas
- The management of stormwater is of particular interest to Poutini Ngāi Tahu.

Where we want to be in the future

We are currently investing and preparing catchment designs to determine the key stormwater vulnerabilities.

We want to ensure there is minimal adverse effects on the environment through the discharge of stormwater. We want to be in a situation where the stormwater systems will be able to respond to any increased rainfall levels within a normalised range.

Key capital projects

Asset	\$	Timeframe	Funded by
Hokitika - Mobile generator	30,000	2018/19 (Year 1)	100% Loan
Hokitika - Mains upgrade programme	277,750	2018-2028 (Years 1 – 10)	100% Depreciation
Hokitika - Pump upgrades	2,604,640	2018-2022 (years 1 – 4)	100% Loan
Hokitika - Pipe open drain (Richards Drive)	245,840	2020-2022 (Years 3 & 4)	100% Loan
Hokitika - Extension Weld St	130,000	2018/19 (Year 1)	100% Loan
Hokitika - Realignment Beach St	225,000	2018-2020 (Years 1 & 2)	100% Loan
Hokitika - Extension Jollie St	240,000	2018/19 (Year 1)	100% Loan
Hokitika - River outfall flap gates	31,450	2019-2022 (Years 2 – 4)	100% Loan
Hokitika - Mains upgrade new developments	111,100	2018-2028 (Years 1 – 10)	100% Loan

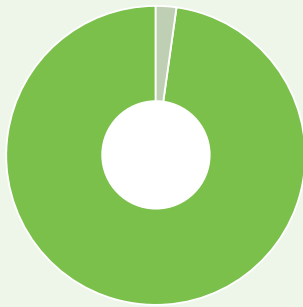
How we want to perform

Level of Service	Performance Measures	Current Performance 2016/17	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Council storm water systems have the capacity to resist major storms and flooding events	System adequacy: (a) The number of flooding events that occur in a territorial authority district (b) For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to the territorial authority's storm water system)	(a) 0 (b) 0	(a) 2 (b) 10 per 1000	(a) 2 (b) 10 per 1000
Requests for service are dealt with promptly	Response times: The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site (1 hour)	N/A as no flooding events occurred	100%	100%
	Customer satisfaction: The number of complaint received by a territorial authority about the performance of its storm water system, expressed per 1000 properties connected to the territorial authority's storm water system	Key performance measure condition has not been met: Total number of connections = 508 Total number of complaints = 11 Complaints per 1000 connections = 21.7	10 per 1000	10 per 1000
Council storm water systems protect the natural environment	Discharge compliance: Compliance with the territorial authority's resource consents for the discharge from its storm water system, measured by the number of: (a) Abatement notices (b) Infringement notices (c) Enforcement orders and (d) convictions	(a) 0 (b) 0 (c) 0 (d) 0 100% discharge compliance achieved.	100%	100%

Financial Information

Operating Expenditure	109,511
Other Expenditure	452,849
Paid for from:	
General Rates	-
Targeted Rates	575,971
Other Revenue	-

For 2018/19 this activity will make up 2.6% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The Hokitika community as a whole benefit from this activity. Stormwater disposal systems contribute to making Westland a safe, healthy place to live, work and play.
Private benefits	Stormwater activities are included in the community rates for Hokitika communities that have access to this service.

PROSPECTIVE STORMWATER STATEMENT OF SERVICE PERFORMANCE

For the years ended 30 June 2019 - 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	523,173	608,417	723,752	787,723	789,290	795,407	796,462	777,901	787,192	785,935
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-
Total revenue	523,173	608,417	723,752	787,723	789,290	795,407	796,462	777,901	787,192	785,935
Expenditure										
Stormwater	509,562	581,865	671,898	716,487	715,779	717,020	713,341	699,267	703,784	697,889
Total expenditure	509,562	581,865	671,898	716,487	715,779	717,020	713,341	699,267	703,784	697,889
Surplus/(deficit)	13,612	26,552	51,854	71,236	73,511	78,386	83,122	78,635	83,408	88,047
Capital Expenditure										
Hokitika - Mobile generator	30,000	-	-	-	-	-	-	-	-	-
Hokitika - Mains upgrade programme	25,000	25,625	26,200	26,800	27,400	28,025	28,675	29,325	30,000	30,700
Hokitika - Pump upgrade (Bealey)	-	102,500	-	-	-	-	-	-	-	-
Hokitika - Pump upgrade (Tancred)	200,000	-	-	-	-	-	-	-	-	-
Hokitika - Pump upgrade (Sewell)	100,000	-	-	-	-	-	-	-	-	-
Hokitika - Pump upgrade (Rolleston)	20,000	307,500	-	-	-	-	-	-	-	-
Hokitika - Pump upgrade (Hoffman)	50,000	717,500	-	-	-	-	-	-	-	-
Hokitika - Pump upgrade (Livingstone)	-	61,500	901,280	-	-	-	-	-	-	-
Hokitika - Pump upgrade (Kaniere)	-	-	15,720	128,640	-	-	-	-	-	-
Hokitika - Pipe open drain (Richards Drive)	-	-	31,440	214,400	-	-	-	-	-	-
Hokitika - Extension Weld St	130,000	-	-	-	-	-	-	-	-	-
Hokitika - Realignment Beach St	20,000	205,000	-	-	-	-	-	-	-	-
Hokitika - Extension Jollie St	240,000	-	-	-	-	-	-	-	-	-
Hokitika - River outfall flap gates	-	10,250	10,480	10,720	-	-	-	-	-	-
Hokitika - Mains upgrade new developments	10000	10250	10480	10720	10960	11210	11470	11730	12000	12280
Total capital expenditure	825,000	1,440,125	995,600	391,280	38,360	39,235	40,145	41,055	42,000	42,980

PROSPECTIVE STORMWATER FUNDING IMPACT STATEMENT

For the years ended 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UAGC, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	557,536	523,173	608,417	723,752	787,723	789,290	795,407	796,462	777,901	787,192	785,935
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	557,536	523,173	608,417	723,752	787,723	789,290	795,407	796,462	777,901	787,192	785,935
Applications of Operating Funding											
Payments to staff and suppliers	74,098	109,511	112,249	114,831	117,587	120,409	123,419	126,628	129,920	133,428	137,164
Finance costs	44,945	27,392	57,149	109,311	141,357	147,920	139,985	132,038	124,080	116,110	108,127
Internal charges and overheads applied	175,357	141,996	144,439	154,928	154,970	154,600	159,790	159,847	159,922	167,856	165,137
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	294,400	278,899	313,837	379,070	413,913	422,929	423,193	418,514	413,922	417,394	410,428
Surplus/(deficit) of operating funding	263,136	244,274	294,580	344,682	373,809	366,361	372,213	377,949	363,979	369,798	375,507
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(57,474)	763,000	1,337,500	821,675	168,285	(203,459)	(203,757)	(204,058)	(204,371)	(204,688)	(205,008)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	(57,474)	763,000	1,337,500	821,675	168,285	(203,459)	(203,757)	(204,058)	(204,371)	(204,688)	(205,008)
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	800,000	1,414,500	969,400	364,480	10,960	11,210	11,470	11,730	12,000	12,280
Capital expenditure - replace existing assets	-	25,000	25,625	26,200	26,800	27,400	28,025	28,675	29,325	30,000	30,700
Increase/(decrease) in reserves	205,662	182,274	191,955	170,757	150,814	124,542	129,221	133,746	118,553	123,111	127,520
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	205,662	1,007,274	1,632,080	1,166,357	542,094	162,902	168,456	173,891	159,608	165,111	170,500
Surplus/(deficit) of capital funding	(263,136)	(244,274)	(294,580)	(344,682)	(373,809)	(366,361)	(372,213)	(377,949)	(363,979)	(369,799)	(375,508)
Funding balance	-	-	-	-	-	-	-	-	-	-	-



Solid Waste

What we do and why

Council is responsible for encouraging efficient and sustainable management of solid waste. We have a plan in place for the management of solid waste which includes the reduction, re-use, recycling and recovery of waste, as well as the disposal of waste which cannot be recycled.

We manage solid waste across Westland District, including waste and recycling collection (pick-up) in the northern and southern parts of the district and the provision of transfer stations and disposal sites serving all townships.

The assets

Transfer stations Hokitika, Ross, Kumara, Hari Hari, Haast, Whataroa, Franz Josef and Fox Glacier

Open landfills Butlers and Haast

Closed landfills Kumara, Franz Josef and Hokitika

The assets have been performing well and are primarily in good condition.

Effects of this activity

Potential for landfill to release damaging leachate and gases into the environment.

Potential damage to the environment through littering and the illegal dumping of waste.

The situation in 2018

Council has obligations under legislation including the Waste Minimisation Act 2008, Local Government Act 2002, Resource Management Act 2001, Hazardous Substances and New Organisms Act 1996. Obligations also exist from various resource and land use consents granted for our facilities (including landfills) by the West Coast Regional Council and the Westland District Council.

We have decided to adopt a user-pays approach to this activity where the person who creates the waste pays for its disposal. This has been a cause of concern with some communities who believe that the fees and charges are too high, and consequently choose to illegally dump waste. Council takes a hard line on the illegal disposal of waste through the use of infringements.

Waste minimisation activities include education about, and promotion of, recycling, home composting and various other waste minimisation methods.

Solid waste and recyclables are collected from the kerbside in Kumara, Ross, Hokitika and Kaniere townships, and the main roads in between, on alternate weeks. Council provides transfer stations and landfills for the communities in Westland to recycle and dispose of their waste.

Waste minimisation through recycling and other methods has been steadily increasing for the past 10 years. The Waste Minimisation Act 2008 places additional responsibilities on the operators of waste disposal facilities to weigh or measure waste and collect a levy on every ton of material that goes to landfill. This levy is then passed on to the Ministry for the Environment and part of the funds are returned to Council to assist with waste minimisation initiatives and activities.

The Waste Management and Minimisation Plan is currently under review at a regional level.

The management of solid waste is an issue that is important to the community. Council will continue to work with the EnviroSchools agency and Paper for Trees. Poutini Ngai Tahu are also interested in supporting Council's waste minimisation initiatives.

Summary of Waste Management and Minimisation Plan

This business activity operates under a comprehensive Waste Management and Minimisation Plan prepared in accordance with the Local Government Act 2002.

Council's integrated waste management strategy is based on the following hierarchy and listed in order of priority:

- Reducing the amount of material that enters the waste stream
- Reusing as much material as possible
- Recycling as much material as possible
- Recovering as much material or energy as possible
- Residual management (including disposal to landfill) once the solid waste stream has been reduced in each of the above stages.

The waste from transfer stations and kerbside collections around the district is deposited in the landfills at Butlers and Haast.

Effective and efficient waste management and minimisation planning is underpinned by the central government's three core goals as stated in the New Zealand Waste Standards:

- To lower the cost of waste and risk to society
- To reduce environmental damage from generational disposal of waste
- To increase economic benefits by using material resources more efficiently

Effective and efficient waste management and minimisation is achieved when less waste is sent to the landfill, when resources are used wisely, when the economic cost of managing waste is reduced thereby minimising societal costs and risks.

Key issues

- Ability of the community to embrace waste minimisation
- Setting charges at a level that encourages waste reduction but does not result in increased illegal disposal of waste to the environment
- Reduction in tonnages of waste because of the current disposal fees
- Close Landfill Capping Projects
- Legislation may change – e.g. waste levy
- Increasing the level of communication and education to the community
- Opening hours at transfer stations that suit the community

Where we want to be in the future

Councils want to have a waste management system that minimises waste to landfill and is financially and environmentally sustainable. The aim is to divert reasonable and achievable quantities of waste from the landfill. This will involve not only reducing waste to the landfill but also increasing the amount of recycling carried out by households and businesses.

We want to have an educated community committed to waste minimisation, and Council is planning on being more active in waste education over the life of the Plan. Council would like to review the balance between funding this activity through user charges and the general rate, and will consult with the community on any proposals to change this funding policy. Closed landfills require monitoring and additional capping from time to time and this cost has to be funded. It is likely that environmental standards in this activity will only become more stringent over time, and Council must be ready to respond to changing legislation if it happens.

Council will continue to provide waste and recycling services at current levels of service at the existing sites.

Key capital projects

Asset	\$	Timeframe	Funded by
Franz Josef - Landfill final capping	25,625	2019/20 (Year 2)	100% Loan
Butlers - Site shed	15,000	2018/19 (Year 1)	100% Loan
Butlers - Intermediate capping	228,575	2019/20 (Year 2)	100% Loan
Haast - Preparation for new cell	10,000	2018/19 (Year 1)	100% Loan
Haast – Capping	52,400	2020/21 (Year 3)	100% Loan

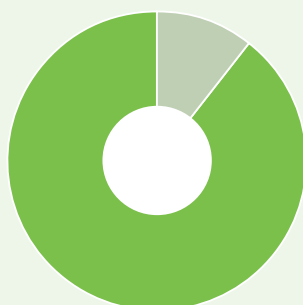
How we want to perform

Level of Service	Performance Measures	Current Performance	Performance Target: Years 1 to 3 (2018-2021)	Performance Target: Years 4 to 10 (2022 – 2028)
Solid waste is managed appropriately	All necessary consents for solid waste activities and capital projects are applied for, held and monitored accordingly	A review is underway of the compliance and monitoring for all other sites	100%	100%
Education about waste minimisation is provided to the community	Number of visits to schools and community groups	1 x school; 1 x community group	3x schools per annum 3x community groups per annum	3x schools per annum 3x community groups per annum

Financial Information

Operating Expenditure	1,709,641
Other Expenditure	602,269
Paid for from:	
General Rates	764,462
Targeted Rates	732,555
Other Revenue	822,087

For 2018/19 this activity will make up 10.7% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	Public benefit by waste disposed of conveniently and correctly within the statutory requirements set by the New Zealand Government. The public also benefits from Council taking care of illegal waste disposal.
Private benefits	Rates and fees are charged to recognise the benefits the user receives.

STATEMENT OF ANY VARIATION BETWEEN THIS PLAN AND COUNCIL'S EXISTING 'ASSESSMENT OF WATER AND SANITARY SERVICES' AND ITS 'WASTE MANAGEMENT PLAN'

There are no significant variations between the proposals outlined in the long term plan and the Council's:

- (a) Assessment of Water and other Sanitary Services (as prepared under section 125 of the Local Government Act 2002)
- (b) Waste Management Plans (as adopted under section 43 of the Waste Minimisation Act 2008); and
- (c) Westland District Council Water Supply Bylaw 2016

These documents can be obtained from the Council offices.

PROSPECTIVE SOLID WASTE STATEMENT OF SERVICE PERFORMANCE

For the years ended 30 June 2019 - 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	1,474,089	1,498,103	1,560,405	1,580,729	1,595,840	1,625,745	1,645,012	1,664,994	1,705,484	1,722,395
Fees and charges	822,087	842,639	862,020	882,708	903,893	926,490	950,579	975,294	1,001,627	1,029,673
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-
Total revenue	2,296,176	2,340,742	2,422,424	2,463,437	2,499,733	2,552,235	2,595,591	2,640,288	2,707,111	2,752,068
Expenditure										
Refuse collection	732,555	750,869	768,139	786,574	805,452	825,588	847,054	869,077	892,542	917,533
Transfer station	1,579,688	1,606,075	1,658,133	1,673,878	1,687,784	1,721,973	1,748,457	1,768,945	1,806,458	1,818,617
Total expenditure	2,312,243	2,356,943	2,426,272	2,460,452	2,493,236	2,547,561	2,595,511	2,638,022	2,699,000	2,736,150
Surplus/(deficit)	(16,067)	(16,202)	(3,847)	2,985	6,497	4,674	80	2,266	8,111	15,917
Capital Expenditure										
Franz Josef - Landfill final capping	-	25,625	-	-	-	-	-	-	-	-
Butlers - Site Shed	15,000	-	-	-	-	-	-	-	-	-
Butlers - Intermediate capping	-	228,575	-	-	-	-	-	-	-	-
Haast - Preparation for new cell	10,000	-	-	-	-	-	-	-	-	-
Haast - Capping	-	-	52,400	-	-	-	-	-	-	-
Total capital expenditure	25,000	254,200	52,400	-	-	-	-	-	-	-

PROSPECTIVE SOLID WASTE FUNDING IMPACT STATEMENT

For the years ended 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UAGC, rates penalties	787,720	741,535	747,234	792,266	794,155	790,389	800,156	797,958	795,917	812,942	804,862
Targeted rates	732,555	732,555	750,869	768,139	786,574	805,452	825,588	847,054	869,077	892,542	917,533
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	780,820	822,087	842,639	862,020	882,708	903,893	926,490	950,579	975,294	1,001,627	1,029,673
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	2,301,094	2,296,176	2,340,742	2,422,424	2,463,437	2,499,733	2,552,235	2,595,591	2,640,288	2,707,111	2,752,068
Applications of Operating Funding											
Payments to staff and suppliers	1,655,063	1,709,641	1,752,382	1,792,687	1,835,711	1,879,768	1,926,763	1,976,859	2,028,257	2,083,020	2,141,344
Finance costs	109,287	87,828	82,571	86,205	81,472	74,594	67,716	60,837	53,959	47,081	40,203
Internal charges and overheads applied	346,775	338,921	344,753	369,787	369,888	369,005	381,391	381,529	381,707	400,645	394,155
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	2,111,124	2,136,390	2,179,706	2,248,679	2,287,072	2,323,368	2,375,869	2,419,225	2,463,923	2,530,746	2,575,702
Surplus/(deficit) of operating funding	189,970	159,786	161,036	173,746	176,366	176,366	176,366	176,366	176,366	176,366	176,366
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(189,970)	(134,786)	93,164	(121,346)	(176,366)	(176,366)	(176,366)	(176,366)	(176,366)	(176,366)	(176,366)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	(189,970)	(134,786)	93,164	(121,346)	(176,366)	(176,366)	(176,366)	(176,366)	(176,366)	(176,366)	(176,366)
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	32,000	15,000	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	-	10,000	254,200	52,400	-	-	-	-	-	-	-
Increase/(decrease) in reserves	(32,000)	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	-	25,000	254,200	52,400	-	-	-	-	-	-	-
Surplus/(deficit) of capital funding	(189,970)	(159,786)	(161,036)	(173,746)	(176,366)	(176,366)	(176,366)	(176,366)	(176,366)	(176,366)	(176,366)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

KEY STRATEGIES

KEY STRATEGIES



FINANCIAL STRATEGY

This document is prepared in accordance with the requirements of section 101 (A) of the Local Government Act 2002.

Purpose

The purpose of the financial strategy is to:

- a. facilitate prudent financial management by providing a guide for Westland District Council to consider proposals for funding and expenditure against; and
- b. provide a context for consultation on the Council's proposals for funding and expenditure by making transparent the overall effects of those proposals on the local authority's services, rates, debt, and investments.

Westland District Council's financial strategy has been formulated with regards to Council's vision:

"We work for the people of Westland to grow and protect our communities, our economy and our unique natural environment"

The strategy provides a framework within which these objectives can be delivered through financially prudent and sustainable principals throughout the 10 year period of the Long Term Plan 2018-28.

Significant Factors

This financial strategy is influenced by key assumptions about the factors that are expected to have a significant impact on Council's ability to achieve its vision.

Population Changes

Council has adopted the Statistics NZ medium growth rate. As at October 2013 this estimated a virtually static population in the Westland with 0.14% annual growth until year 10 when the growth rate is expected to be static. This suggests there should be no significant capacity issues with Westland's infrastructure.

The valuer-general instructed Quotable Value and other service providers to amalgamate separate farm lands back into single assessments during the 2017 revaluation process. The valuer-general introduced the rule that land in the same ownership which was adjoining and was used as a farm was to be valued as one rating unit regardless of how many titles were involved, this will come into effect for WDC in 2018-19 financial year.

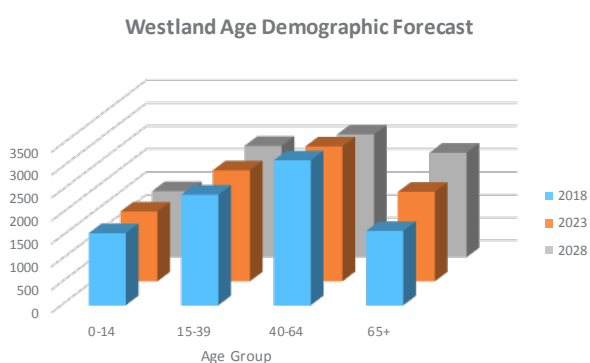
The effect is estimated to reduce the number of rateable properties by 115 and the forecast rating units below reflects this from year one.

The forecast number of rating units each year is shown below:

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Rating units	6,678	6,563	6,572	6,581	6,590	6,599	6,607	6,616	6,625	6,634	6,643

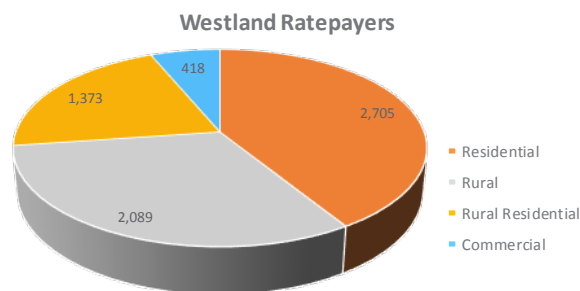
However the forecast profile of Westland's population brings some inherent challenges:

1. Operating and renewal costs will inevitably rise, and these costs will need to be affordable to a sparse and static population.
2. Council services in Westland are subject to high seasonal tourist demand, which means that some service capacity must be built into our asset management and operational plans. This strategy interlocks with Council's infrastructure strategy. Council have decided to upgrade rather than renew these assets to include extra capacity instead of renewing these assets.
3. As illustrated below, Westland is predicted to experience an ageing population over the life of this Long Term Plan. It is forecast that the number of residents aged over 65 will increase by 41% over the 10 year period of this plan, and that this age group will increase from 19% to 26% of the resident population. This will significantly impact not only the type and mode of services that Council provides, but also its affordability thresholds as it can be expected that rates will become a higher proportion of average household income.



Land Use

Council's rating base is represented by the following property types:



As of January 2018

The main enterprises in the district are tourism and dairy farming. The proportions are not expected to change significantly during the life of this plan.

Operating Costs

With the exception of the following material items, the cost of maintaining current levels of service is forecast only to move with inflation.

Item	Cost for the LTP
Rolling review of the District Plan:	
This is a statutory requirement and overdue; made up of numerous components	Additional \$75,000 per annum for four years 2018/19 to 2021/22 This is similar to the previous LTP, increased to reflect the requirements of new standards.
Data collection of community and infrastructure assets to facilitate reliable asset management plans	\$25,000 has been included for each of the first five years of the plan 2018/19 to 2022/23
Condition assessments of infrastructure assets on an ongoing basis	\$25,000 each year

Capital Expenditure

Although minimal population growth is anticipated in the district, substantial capital expenditure will be required on a renewals programme that will maintain the current levels of service. In Council's Infrastructure Strategy it is noted that a number of the district's assets are approaching or past their expected useful economic lives. Gap analysis identifies substantial gaps between the asset replacement programme recommended by the asset management system, based on the nominal lives of the assets, and the capital expenditure contained in the financial forecasts in the 10 years of this plan. There are two reasons for this:

1. The asset lives contained in the asset management system are the nominal lives of the assets when they were installed. They do not represent the actual rate of deterioration in the assets, and thus the depreciation rates applied are theoretical, calculated by reference to installation dates. The available information from performance monitoring and physical inspection of the assets has demonstrated that only certain components will be at risk of failure in the first 10 years. Therefore the financial forecasts contain only renewals that are deemed essential in the medium term, but depreciation continues to be charged on the whole asset. Currently depreciation charges are conservatively calculated based on the above theoretical asset lives and applied on a straight line basis. In the asset renewals programme proposed for the 10 years of this plan, the asset renewals income generated by recovering depreciation costs will exceed the cost of these renewals. The reserves generated by this will accumulate to \$15 million by the end of the ten year period. This position will be reviewed regularly, and if appropriate depreciation rates will be adjusted, to ensure that the levels of funding generated synchronise with the updated asset renewals programme. Depreciation rates were reviewed as part of the Infrastructure revaluation process year ended June 2016.
2. Although information for most large assets has improved, the analysis into components is still limited, and this can have a material effect on depreciation rates. For example, in the case of water supply, a pump will have an expected life of 10 years, while pipework could

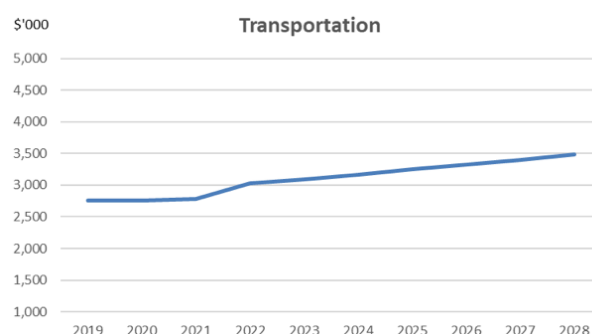
have an expected life of 80 to 100 years. The depreciation rates used are averages based on current information. As asset management data is further refined these depreciation rates will be reviewed and adjusted accordingly.

The plan also contains operational projects to continue the development of asset management information and condition assessments so that over the course of the 30 year infrastructure strategy the renewals programme is accelerated and these gaps are observed to continue to close.

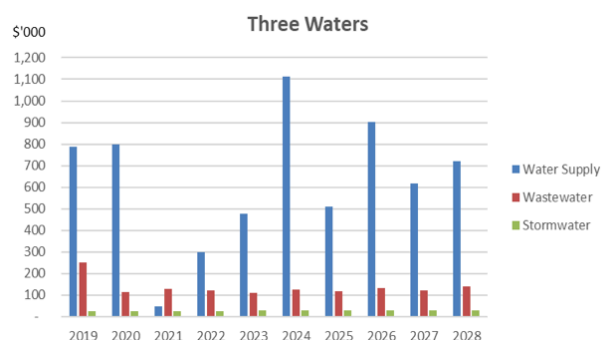
Council adopted a policy of restricting the proportion of depreciation cost that was recovered through rates, while other more urgent funding gaps were addressed. This policy has now unwound and since 2017-18 financial year, Council now fully funds depreciation. This means that, through a basket of funding mechanisms, Council is able to fully fund its expected asset renewals throughout the life of this plan.

The significant items in the capital expenditure programme relate to the changes in drinking water standards, and the cost to meet these standards estimated to be \$2.0 million. Although the extent of the impact is not yet fully understood, Council have reflected estimated costs of upgrades to water treatment plants to meet these new standards. Westland District Council will seek external funding where possible to fund these upgrades.

The expected capital expenditure on network infrastructure to maintain existing levels of service is illustrated below:



These items are included as part of the NZTA total roading capital programme which is viewed as maintaining levels of service.



The peaks in water supply in year one and two relate to mains replacements throughout the district \$530,000, in year six, replacement of the Hokitika water reservoir \$845,000 and in year eight, replacement of the Haast water reservoir \$411,000, Replacement of the Ross membranes \$211,000 and \$216,000 in years eight and nine. Improvements to the Hokitika Water Treatment Plant in years nine \$372,000 and ten \$380,000.

The peak in Wastewater in year one is due to replacement of the pump at Kaniere \$130,000.

Other Factors

It is assessed that other factors affecting Council's ability to maintain existing levels of service and to meet additional demands for services will be regulatory, national policy and macroeconomic.

Activity plans have been formulated with consideration of known and anticipated regulatory developments in their respective areas, such as drinking water standards.

The policies of national governing bodies are a major determinant of the affordable levels of service that can be provided, for example the Funding Assistance Rate administered by NZTA.

Interest rates and inflation are factored into Council's financial forecasts. The former are derived from Treasury forecasts using Council's current cost of finance as a baseline and are used to ensure that Council's debt position and debt servicing capability remain within policy parameters. These are examined further below and in detail in the Liability Management Policy.

Council recognises that different types of expenditure have varying inflation factors. Asset management plans have been prepared at the component level so that a discounted price index for each asset class can be derived. Similarly separate inflation rates have been calculated for specific types of expenditure within operational budgets. The rates used are in line with BERL guidance.

Sources of Funding

Operating Revenue

The expected revenues by major source are shown in the table below:

	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000
Rates	15,036	15,448	15,891	16,101	16,032	16,310	16,775	16,991	17,163	17,450	17,521
Subsidies & grants	4,626	5,696	3,793	3,876	3,965	4,060	3,143	4,262	4,372	4,490	4,616
Fees & charges	2,409	1,840	1,885	1,929	1,970	2,019	2,059	2,107	2,163	2,210	2,265
Interest & Dividends	622	609	619	631	643	656	670	683	699	716	734
Others	974	731	742	757	772	788	810	839	845	865	886
TOTAL	23,669	24,324	22,930	23,294	23,384	23,832	24,472	24,883	25,242	25,730	26,022

Rates

While Council will seek to maximise all other income sources in preference to rates, this will remain by far the greatest proportion of income. Within its rating methodology, Council seeks wherever possible to achieve an appropriate link between the types and amounts of rates and the delivery of benefit. The ratios and factors affecting the differentials are reviewed annually.

The rates system contains the following features:

Capital Value Based General Rate

The general rate is used to recover the cost of those services that benefit the entire district and cannot be attributed to specific groups or users. Council set and assess the general rate using capital value because it believes this naturally identifies the use of land, and hence its demand for services and resources, rather than just its location.

Uniform Annual General Charge

In setting a level for the Uniform Annual General Charge, Council recognises that a rating system with a high proportion of rates charged on a uniform basis can be regressive and compromises the benefits of employing a capital value based general rate. Council seeks to attain a balance in its rating system where everyone pays a reasonable share. Therefore, the proportion of the general rate that is applied through the UAGC will be reviewed annually subject to the limits prescribed by the Local Government (Rating) Act 2002.

Community Rates

Eight community zones have been created with targeted rates attached for local amenities, projects and services. This gives each township community the opportunity to directly influence the levels of service provided in their area, and at what cost.

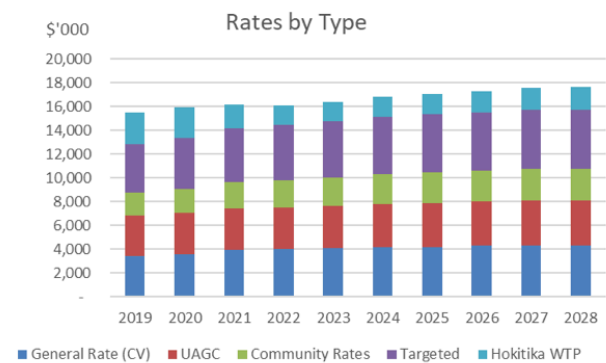
Differentials

Council has identified four sectors, based on land use, for which differentials are applied to both the General Rate and the Community Rates. These are used to determine what proportions of each rate should be applied to each sector.

Targeted Rates

Where specific users can be readily identified, for example utilities and refuse collection, the costs of providing these services are recovered through targeted rates. This includes the rate associated with the debt repayment and demand driven increased running costs of the Hokitika Water Treatment Plant Upgrade over the first three years of the plan.

The graph below illustrates the forecast rates by type:



Subsidies & Grants

The largest single area of expenditure is on the transportation network. Council optimises the NTZA Funding Assistance Rate by satisfying the requirements for an approved roading programme. The District receives 59% funding on qualifying expenditure in 2018/19 with 100% on special purpose roads. These factors are set for three years, after which these rates may change. For the purposes of this plan, these rates have been carried over the 10 years.

Other grants where Council may qualify, are from Ministry of Health towards the upgrade of Water Treatment Plants, and certain community activities also qualify for grant funding.

Included in Grants and Subsidies is Tourism Infrastructure Funding (\$1.9 million) which is already approved, towards the Franz Josef sewerage plant and ponds upgrade in year 1 of the plan.

Fees & Charges

A 'user pays' philosophy is widely advocated. Where activities are sufficiently divisible to identify discrete user groups, some of the cost of provision is directly recovered through fees. Examples are solid waste management, licensing, consents and dog registration.

Solid waste management has two distinct components; being delivery to landfill and treatment on site. Where delivery is by kerbside collection a targeted rate is applied, with the total cost divided equally among the number of bins deployed. On site treatment is homogenous, but is allocated between the general rate and gate fees by estimating the ratio of volumes delivered through kerbside collection against the volumes delivered by users.

Interest & Dividends

Council receives dividends from its CCO Westland Holdings Ltd and interest from bonds and cash deposits. A review of the CCO structure was conducted during 2017/18 and Council have resolved to amalgamate Hokitika Airport Ltd and Westland District Property Ltd.

Others

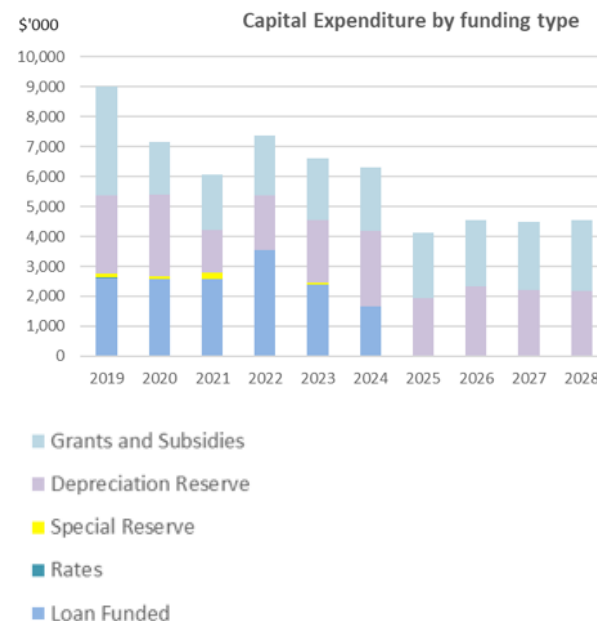
Additional income streams are explored and realised, including rental of office space, a share of regional petrol tax and retail income.

Capital Funding

When considering methods for funding capital renewals and upgrades Council considers the following factors:

- Period and area of benefit – this includes the concept of intergenerational equity, where today's users pay for their current consumption only.
- Availability and cost of funding sources – the infrastructure strategy guides when renewals are scheduled. Council's financial position is expected to improve year on year and so such factors as internal borrowing may become available in later years of the plan
- Scale and duration of projects – the installation of shelving in the library would have a very different funding profile to the upgrade of a water plant.

The forecast capital expenditure by funding source is shown below



Grants & Subsidies

As with operating revenue for qualifying expenditure transportation renewals also attract the NZTA FAR. It has been assumed that this will be available throughout the life of the plan.

Council intends to apply for all areas of external grants to fund infrastructure where upgrades and new assets are required through the impact of growth in tourism and for the potential cost of complying with the new drinking water standards.

Depreciation Reserves

Recovering depreciation costs as part of operating income generates cash surpluses that can be allocated to renewal funds for assets and loan repayments. This is most appropriate for long life assets where a fund can be steadily accumulated and intergenerational equity is created because each generation of users pays for their consumption.

Special Reserves

Council maintains certain restricted reserves and special funds. These can be used, in limited circumstances with Council approval and in compliance with any covenants to fund specified local community projects.

Rates

Short life assets with relatively low cost are funded by rates. This is because they are renewed regularly and so a longer term funding option would not be appropriate. Intergenerational equity is not a consideration with these.

Loans

Loan funding is most appropriate for long life assets where insufficient depreciation reserves are available. This option is therefore preferred in the case of new assets or substantial upgrades. Council policy is to repay such borrowings over 20 years, linking to intergenerational equity because repayments will be spread over the estimated period of consumption.

This approach provides affordable long term financing and a level of stability in budgeting and therefore rates.

Where possible internal borrowing arrangements will be utilised in preference to external debt at rates not exceeding Council's cost of borrowing.

Council was accepted to participate in the Local Government Funding Agency (LGFA) in November 2017 and is in the process of transitioning borrowings to the agency.

Council will participate as a borrower only, which will allow borrowings up to \$20 million.

Debt is forecast to increase each year until 2024 when there will be a peak to \$27million, and then will start to reduce each further year of the plan. This is because Council must consider the potential impact of new drinking water standards on existing infrastructure, if these enhanced standards are required Council will need to significantly upgrade existing infrastructure.

Debt throughout the Long Term Plan is forecast to be higher than the \$20 million limit through the LGFA, however, Council also currently has a borrowing facility with its banker, Westpac.

Interest rate ceilings are fixed by a portfolio of swaps through Westpac, with the transition of borrowing to LGFA, this will allow Council to utilise more competitive rates from institutions other than Westpac.

Financial Management

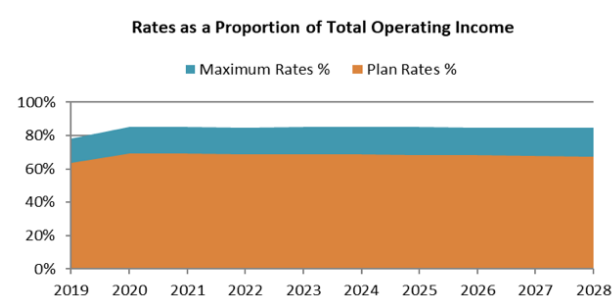
Council's financial philosophy for this long term plan is one of resilience and sustainability, as in vision 'grow and protect our communities'.

However, the financial strategy also provides for increases in level of service based on the projected growth in tourism.

In reviewing its levels of service and capital expenditure programme Council prescribed a financial framework to ensure that this mantra was reflected in the financial strategy.

Limits on Rates

In 2014/15 Council consulted on and adopted a drastic change to its methods for calculating rates. There are no further changes being considered to the rating system for this Long Term Plan. Council quantify an overall limit on rates, expressed as a proportion of operating income. The overall limit is the aggregate of the limits for each activity, meaning the total varies slightly each year.



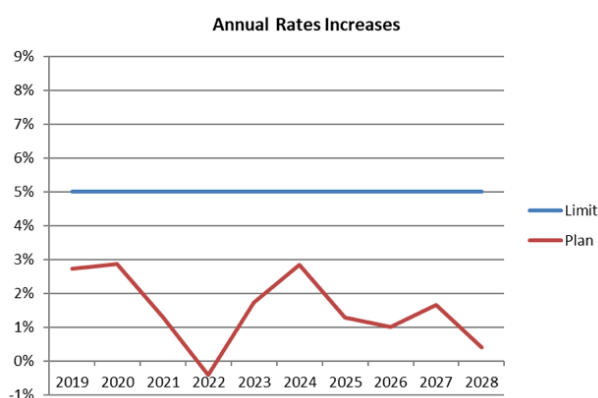
	2019 \$'000	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000
Operating Income	24,405	23,014	23,379	23,470	23,921	24,562	23,976	25,337	25,827	26,122
Maximum Rates	19,125	19,636	19,924	19,930	20,337	20,875	21,223	21,484	21,889	22,106
Plan Rates	15,529	15,975	16,186	16,119	16,398	16,846	17,084	17,258	17,547	17,621

Limits on Rates Increases

In 2013 Council recognised that its financial position was not sustainable and that with perennial deficits core services could not be maintained. There were significant rate increases over a two year period, however Council acknowledged that continued rates increases of this magnitude are equally unsustainable and imposed a ceiling of 5% on annual rates increases, and this has been continued for the life of this plan.

The first three years of this plan include the special targeted rate for the upgrade of the Blue Spur Water Treatment Plan. After this time the loan will have been repaid which reduces the rate paid and results in a reduction in the rates in year 4.

The rate increase each 3 year period is due to election year.



Rates increases are forecast not to exceed the 5% limit.

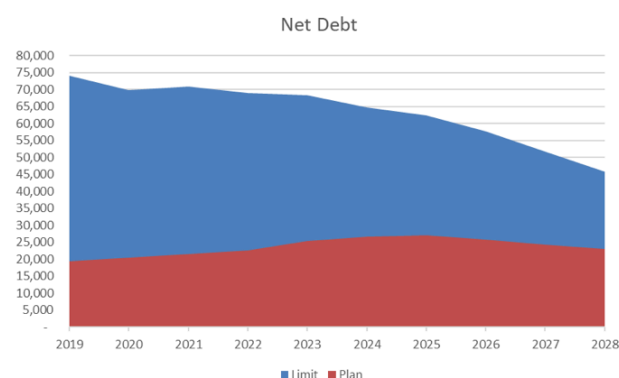
External Debt and Limits on Borrowing

Council directs that debt should only be used to finance new or upgraded assets. Renewals will be funded through depreciation, low value assets will be funded through rates. Each tranche of debt is to be repaid over a period of 20 years. Interest is paid in the year it is applied and not accumulated with the principal.

Council participates in the Local Government Funding Agency (LGFA) scheme as a borrower only. This allows Council to borrow under the scheme up to \$20m. The Liability Management Policy has been written to facilitate compliance with the scheme. Council employs a Multi Option Credit Line to provide a flexible borrowing facility over the \$20m, and a swap portfolio to fix its short, medium and long term interest rates. This is forecast to continue and will be managed to adequately provide for Council's requirements through the life of this plan.

In setting a limit for debt, Council observes the Local Government (Financial Reporting and Prudence) Regulations 2014 benchmark which stipulates that, for a district without high growth projections finance costs must not exceed 10% of operating income.

The limits for borrowing are set at levels that ensure Council remains within this threshold, and net debt is forecast to remain within these limits throughout the life of the plan. Net debt for these purposes is the borrowing requirements minus cash reserves that are built up for asset renewals.



Security for Borrowing

Council's external borrowing and interest-rate risk management instruments are secured by way of a Debenture Trust Deed. Under the Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government (Rating) Act 2002.

Investments

Liquid Investments

Council holds a bonds portfolio with a market value of \$320,000 at the start of the plan. The primary reason for holding these investments is that Council maintains certain special funds and endowments (restricted reserves) on behalf of various community groups. The bonds are held to ensure that these funds are backed by liquid assets, and that they receive a return.

The return on the bonds portfolio has been decreasing and Council has recently utilised term deposits to increase the return.

The portfolio currently provides a rate of return of 2.14%, which is less than Council's average borrowing cost of 3.9% including lender margin. With the inclusion of term deposits the rate of return increases to 4.05% which exceeds Council's average borrowing cost.

Council's cash flows are not uniform. With monthly operating costs, quarterly rates income and irregular peaks arising from capital projects; it is necessary to retain a level of liquid funds. This level will be set in accordance with cash flow projections. Short term deposits of three, six and twelve months will be utilised to earn additional interest income while these funds are held.

Equity Investments

Council hold 100% of the shareholding in Westland Holdings Ltd, with a nominal value of \$8,695,000. The company in turn owns and controls the following Council Controlled Organisations:

- Westroads Ltd
- Destination Westland

In 2017 Council resolved to amalgamate Hokitika Airport Ltd and Westland District Property Ltd into one company, Destination Westland (to be confirmed).

The amalgamation was to establish a leaner structure that will provide more cost effective governance.

An annual dividend receivable of \$510,000 has been included in Council's financial forecasts, representing a return on investment of 5.8%.

There is a core amount of debt in relation to the shareholding where it is tax effective to not repay this debt.

Council also holds a \$43,000 shareholding in Civic Assurance. This is a legacy investment and since the restructure of Civic and the advent of the Local Authority Protection Plan, there are no provisions or income expectations in respect of this asset.

30 YEAR INFRASTRUCTURE STRATEGY

Overview

The focus of Council's infrastructure strategy over the next 30 years is a threefold approach:

1. Maintain existing levels of service by renewing current assets to ensure continued reliable Service.
2. To add additional assets where an increase in levels of service is required.

Assets will be upgraded where appropriate, to enable Council to meet increasingly higher environmental and regulatory standards. The levels of service and how they are provided will also reflect the changing needs of our ageing population.

Key Strategies include:

- Planning for infrastructure based on the increased exposure that tourism impacts on our infrastructure networks.
- Ensuring the effectiveness of our current assets by having regular and appropriate action plans in place to keep the assets operating at optimum levels.
- Renewing assets through managing deterioration as they approach their end of planned life.
- Identifying risks associated with owning and managing assets by developing detailed Asset Management Plans using data gathered, and then using appropriate mitigation methods to reduce any effect.
- Prioritising existing network capacities first to meet future needs before increasing capacity
- Maximising the use of subsidies and user payments as a first principal approach for infrastructure investment followed by inter-generational loans for new assets and upgraded assets which increase levels of service to ensure that both current and future communities pay for the asset they are using.
- Depreciation will be used to fund renewals and rates funding will be used for small low value assets.
- Ensuring the Westland's assets are protected from risk via prudent insurance arrangements.

- Ensuring that affordability is the key focus of all expenditure and investment discussions.
- Identify, gather and improve data accuracy to enhance the Council's level of data confidence and reliability.
- Delivering value for money and improved efficiencies of our infrastructure.

Westland District Council believes it is essential that Westland thrives again for the sake of people who live here. A key focus of Council therefore is on lobbying central government for infrastructure funding to support our economic potential. At the time of writing, a specific emphasis will be tapping into the \$1 billion Regional Development (Provincial Growth) Fund agreed with New Zealand First as part of the new government's coalition agreement.

Hon Grant Robinson has stated that this fund will (among other things) "invest in regional rail, support the planting of a billion trees over the next ten years," and invest "in other large-scale capital projects...[that]...have robust business cases that show long-term development potential" in order to rectify "long-term under-investment and inter-generational poverty" in rural areas.

As government priorities change over the next 30 years the sources of funding will change, however, Council will continue to prioritise seeking external funding assistance for infrastructure.

It is important to Council that people living in Westland have a good quality of life that enables them to thrive economically and socially. In order for this to happen it is essential that infrastructure and services provided by Council are of (and maintained to) a good standard of quality and value to support our economy and our communities' future resilience.

Background

Westland District Council's vision statement has been set as:

"We work for the people of Westland to grow and protect our communities, our economy and our unique natural environment."

Westland District Council (WDC) is responsible for the management of transportation activities, three water services, parks and reserves, cemeteries, solid waste and community buildings within Westland District. This 30 year infrastructure strategy has been prepared by Westland District Council in accordance with the Local Government Act 2002 Amendment Act 2014, with assistance from Stantec Limited and Waugh Consultants.

This strategy also integrates its planning and reporting framework requirements with other strategic planning documents including Council's Asset Management Plans, the Long Term Plan and the Financial Strategy. These documents are the key tools for managing Council's assets and allowing Council to achieve identified infrastructure objectives over the next 30 years with prudence and responsible stewardship.

Council is required to account for and plan for all existing assets under its control, and identify any new asset solutions in its Community Strategic Plan. Council is the custodian of approximately \$429 Million (replacement value) of community assets, which enable us to provide services to our community.

This strategy is critical to a sustainable future and the achievement of the Council's vision. Council has invested substantial resources into the maintenance of these assets over many years to service the needs and enhance the quality of life of the communities of Westland District.

In order to identify and prioritise its capital projects, the Council have adopted a process that includes the following:

- Review of the projects list identified in the previous Long Term Plan assessment of these against current priorities
- Discussions with Asset Managers and Operational and Maintenance teams to determine the critical issues and assets and how to ensure an appropriate level of service is maintained
- Review of asset data (age/condition assessment with criticality, and asset performance factored in where known) to identify and priorities ongoing renewals.

This strategy is a living document that helps to guide the activities and decision making of the organisation into the future. The initiatives and actions identified in the strategy will be reviewed every three years along with Council's Long-Term Plan (LTP) to ensure applicability in the changing environment and to incorporate community feedback.

This Infrastructure Strategy

This is Westland District Council's second infrastructure strategy. The first infrastructure strategy was prepared from Council's 2015 suite of Activity Management Plans and the Long Term Plan of which it formed a part.

This second infrastructure strategy aims to incorporate more information on certain infrastructure areas that received less focus in 2015 including: cemeteries, parks and reserves, cemeteries and solid waste. Furthermore, it will also identify some priority 3 waters projects needed for Council to achieve compliance with the new Drinking Water Standards devised by the Ministry of Health in the aftermath of the Havelock North Water Inquiry. It is important to note, however, that at the time of writing, the full impact of what this mean for local authorities has not yet been realised as this is still going through consultation at central government level. The main expectations that have been communicated to date have been incorporated into this strategy as the basis for 3 waters improvements. Given our large geographic area and extremely small rating base, it is likely that Council will require support from central government in terms of funding sources.

Section 101B of the Local Government Act (LGA) 2002 and its amendments, requires each local authority to prepare and adopt an Infrastructure Strategy as part of its Long Term Plan. This strategy is required to cover a period of at least 30 consecutive financial years.

The issues discussed reflect the current legislative environment and the communities' priorities across the district.

The financial forecasts are estimates and the reliability of the forecasts decreases beyond ten years and towards the thirty-year planning horizon.

- The strategy will provide a consistent basis to guide asset planning over the thirty-year Long Term Plan period.
- Anticipated major expenditures outside the Long Term Plan period are identified.
- Most infrastructure assets have service lives of several decades.
- Significant infrastructure issues and the actions to be undertaken to address the gaps in both the shorter and longer term.

Strategy Layout

The Strategy document sections and corresponding LGA Amendment Bill sections are tabled below:

Table 0.1: Strategy Layout

Strategy Section		LGA 2002 as amended (Section 101B)
1	Identifies the Westland district and provides context	2 (a)
2	Identifies the Core infrastructure included in this strategy	2(a) and 6
	Discuss the significant infrastructure issues and the associated assumptions	2(a) & (b)
3	Illustrate the linkage between strategic documents	2 &
4	Documents the strategic statements that will guide decision-making for the next 30 years	2(b)
5	Identifies the response options for the significant issues and documents benefits, cost, when and funding source	2(b); 3(a) to (e) & 4(a)
6	Identifies the costs associated with the actions proposed	4(a) to (c)

Core Infrastructure

The Local Government Act 2002 Amendment Bill Section 101B – Infrastructure Strategy states:

(1) A local authority must prepare and adopt, as part of its long term plan, an infrastructure strategy for a period of at least 30 consecutive financial years

And

(6) In this section, infrastructure assets includes-

a. existing or proposed assets to be used to provide services by or on behalf of the local authority in relation to the following groups of activities:

i. water supply;

ii. sewerage and the treatment and disposal of sewage;

iii. stormwater drainage;

iv. flood protection and control works;

v. the provision of roads and footpaths; and

b. any other assets that the local authority, in its discretion, wishes to include in the strategy."

This Infrastructure Strategy primarily addresses points i. to v. above, however, minimal content and consideration has also been included for other areas where known. The aspiration is that future infrastructure strategies will also be able to cover areas such as solid waste, parks and reserves et cetera in more depth.

Table 0.2 outlines our infrastructure assets by asset category and replacement value.

Table 0.3 delineates our three waters assets by age-based condition assessment.

Core Infrastructural Assets

The core Westland District Infrastructure Assets are tabled below:

Table 0.2: Westland District Infrastructure Assets

Asset	Description	Replacement Value	% of total
Water	Water extraction, treatment and distribution	\$38.5M	8.9%
Sewerage	Wastewater collection, treatment and discharge	\$22.3M	5.2%
Stormwater	Stormwater collection and discharge	\$19.6M	4.6%
Roads and Footpaths	Roads (arterial, collectors, local; curbs and gutters), Bridges & Footpaths	\$290.0M	67.6%
Cemeteries		\$5.2M	1.2%
Parks and Reserves	Parks, Playgrounds & Monuments	\$4.8M	1.1%
Community Buildings	Public Buildings & Pensioner Housing	\$36.1M	8.4%
Solid Waste	Landfills & Transfer Stations	\$3.9M	0.9%
Cycle Trail	Cycle Trail & Bridges	\$8.8M	2.0%
TOTAL		\$429.2M	100%

Table 0.3: Age-Based Infrastructure Condition Assessment

Assets	Sub Group	Geographic Area	Age-Based Infrastructure Condition					
			Very Poor	Poor	Average	Good	Excellent	Unknown
Water	Pipelines	Arahura				84%	16%	
		Fox Glacier		2%	13%	64%	21%	
		Franz Josef		4%	21%	52%	23%	
		Haast			57%	15%	15%	14%
		Hari Hari			63%	6%	31%	
		Hokitika*		11%	12%	35%	41%	
		Kaniere*		6%	5%	62%	26%	
		Kumara		3%	12%	52%	33%	
		Ross		7%	5%	72%	15%	
		Whataroa		50%		28%	22%	
Water	Treatment Plants, Pump Stations & Reservoirs	Arahura			46%	54%		
		Fox Glacier	29%		37%	34%		
		Franz Josef			14%	14%	71%	
		Haast	12%		19%	5%	65%	
		Hari Hari			26%	55%	19%	
		Hokitika/						
		Kaniere*	4%		35%	40%	40%	
		Kumara			30%	61%	9%	
		Ross			23%	30%	47%	
		Whataroa	25%		43%	29%	29%	

Water	Fittings	Arahura			21%	79%	
		Fox Glacier	1%	13%	3%	69%	1%
		Franz Josef	11%	13%	20%	42%	
		Haast		27%	2%	66%	5%
		Hari Hari		19%		81%	
		Hokitika*	3%	21%	25%	49%	2%
		Kaniere*	3%	12%	20%	66%	
		Kumara			1%	99%	
		Ross		1%		99%	
		Whataroa	5%		27%	68%	
Wastewater	Pipelines	Fox Glacier		80%	4%	16%	
		Franz Josef		49%	22%	29%	
		Haast		48%	7%	34%	11%
		Hokitika*		49%	7%	44%	
		Kaniere*			66%	34%	
Wastewater	Treatment Plants & Pump Stations	Fox Glacier		30%	40%	10%	20%
		Franz Josef	13%	4%	26%	48%	9%
		Haast	16%	12%	28%	40%	4%
		Hokitika*	4%	20%	22%	26%	4%
		Kaniere*	16%	32%	52%		
Wastewater	Manholes & Flush Tanks	Fox Glacier		82%	11%	7%	
		Franz Josef		61%	23%	15%	1%
		Haast		3%	69%	23%	5%
		Hokitika*	2%	79%	7%	12%	
		Kaniere*			71%	29%	
Stormwater	Pipelines	Fox Glacier		16%	29%	55%	
		Franz Josef		26%	52%	21%	
		Haast			98%	2%	
		Hari Hari			98%	2%	
		Hokitika*		72%	12%	16%	
		Kaniere*		31%	24%	45%	
		Kumara		85%	9%	6%	
		Ross		76%	24%		
		Whataroa			100%		
Stormwater	Pumpstations	Hokitika	8%	11%	23%	58%	
Stormwater	Manholes	Fox Glacier		53%	34%	13%	
		Franz Josef		28%	62%	10%	
		Haast			92%	8%	
		Hari Hari		91%		9%	
		Hokitika*		59%	7%	33%	1%
		Kaniere*		53%		47%	
		Ross		49%	23%	28%	
		Whataroa			100%		

*Please note that the Hokitika and Kaniere water, wastewater and stormwater schemes are combined, even where this condition rating has been represented separately.

The condition assessment data presented in Table 0.3 has been primarily based on asset age. The Infrastructure Assets Revaluation report by ANA Group in 2016 identified a confidence level in the 3 Waters valuation parameters and input data to be "reliable with minor inaccuracies".

In order to assist the Council with improving their asset data, ANA Group carried out a review of the WDC water services renewal and condition assessment programme in 2016. This review considered the current status of the renewal strategy and condition assessment and provided recommendation as to how this strategy may be improved in the future.

Council understand that further information needs to be gathered to improve its asset data. ANA Group have provided Council with a recommended action plan to enhance their asset assessment programme. This plan includes the following tasks:

- Carry out planned condition assessment of dynamic (plant and equipment) and passive (pipes assets) across the 3 Water activities. Condition assessment to be undertaken through routine activities and site inspections or CCTV of below ground assets
- Carry out pipe sample testing of critical pipes and pipes that have experienced operational issues to predict condition of these pipes and extrapolate the condition of similar assets
- Undertake risk analysis to develop risk and criticality criteria. Base pipe criticality rating, frequency and cost on a Multi Criteria Analysis (MCA) that includes criteria such as social factors, environmental factors and maintenance history

The key objectives of this improved asset assessment programme will be to:

- Identify those assets which are underperforming
- Predict when asset failure to deliver the required level of service is likely to occur
- Ascertain the reasons for performance deficiencies
- Determine what corrective action is required and when (maintenance, rehabilitation, renewal)
- Record asset failures in the asset management system.

According to the data currently available we have been able to produce the following table of statistics relating to the age of some of our assets.

Asset	% Currently Exceeding Useful Life	% Exceeding Useful Life Between Yrs 1-10	% Exceeding Useful Life Between Yrs 11-20	% Exceeding Useful Life Between Yrs 21-30
Stormwater	2%	6%	19%	15%
Water	11%	25%	16%	6%
Sewer	2%	25%	18%	4%
Bridges	0.7%	3.8%	4.9%	4.9%

Looking at the above table we can see that our current data is telling us that around 50% of all 3 waters assets are likely to need to be replaced over the next 30 years. These figures require significant refining through robust asset inspection and a thorough review of unit base life values across the 3 waters.

Maintaining these ageing assets becomes more difficult as their age increases. The District is now at a time when keeping the respective levels of maintenance cost versus renewal cost is at its hardest to balance.

There has been a commitment made on a regional level between the 3 TA Road Controlling Authorities to collaborate more over improving the quality of the data held about our three roading networks. This also includes structures such as bridges.

In general the condition of the roading network itself is fair to good with no major concerns. The main concerns moving forward is the age and condition of Bridge Assets around the district with many structures reaching or having already reached the end of their useful lives.

Footpaths is something that is presently 100% rates funded and it is an area where there has been significant underinvestment in past. With an aging population the condition of these assets becomes more important as facilities that provide access to facilities for the elderly who can no longer drive. Using footpaths helps to keep the elderly active and healthy so improvements in these areas is key.

Risks to Asset Performance

Westland District Council has identified the following main risks that could affect the performance of its infrastructural assets:

Adverse/catastrophic events

Flooding is the most frequently experienced natural hazard in the District, and the likelihood of a major flood occurring in any year is high.

Other natural hazards occur less frequently, but have the potential to cause significant adverse effects and pose a risk to people and property. Unpredictable natural and other disasters could have an adverse effect on the infrastructural assets in that such events be unable to operate for a period of time or operate at reduced efficiency thus challenging Council's ability to provide required services. The incidence and severity of catastrophes are inherently unpredictable. Although the Council carries insurance to mitigate its exposure to certain catastrophic events, catastrophic events could have a substantial adverse effect on Council's financial condition or results of operations. This is why provision has been included in the infrastructure budgets for generators and pumps.

Over the last three years, the district has experienced a number of significant flooding events that have affected Council assets – namely Hokitika flooding in 2015, 2016, 2017 and Franz Josef flooding which occurred in March 2016. The Franz Josef incident required Council to undertake emergency works to extend and raise the stop banks along the Waiho River at a considerable cost. Flooding is difficult for Council to mitigate against as many floodbanks in our area are technically not under Council's control, but those of other agencies, for example the West Coast Regional Council. Westland District Council is part of the Franz Josef Governance Group which is looking at long-term solutions for the flood-prone township of Franz Josef in conjunction with many other regional government agencies and community groups.

- Key amendments to the Resource Management Act 2001 (RMA) which came into effect 19th April 2017 included that - 'The management of significant risks from hazards is a new matter of national importance in section 6 of the RMA'. Under the RMA government is required to consider the effects of a changing climate on their communities. They are also required to incorporate climate change into existing frameworks, plans, projects and standard decision-making procedures. A climate change perspective is now integrated into activities such as flood management, water resources, planning, building regulations and transport.

Funding shortfalls

Adequate funding is needed to keep asset performance at a targeted level. External funding

is the major source of input, mainly through the government funding schemes for roads and footpaths. Council seeks to maintain and improve its levels of service by continually seeking further opportunities for value-for-money, improved efficiencies and external funding avenues. Council funds for depreciation which provides a long-term sustainable base for funding renewals of the assets.

Asset failures as a result of aging infrastructure

The potential for aging infrastructure to fail without warning is a significant risk and examples of this have already been noted e.g. Sewell Street pump failure. Preventative maintenance to keep assets in good condition and performing well can help extend the life of an asset. However, replacement of aging infrastructure is also needed to prevent costly, unbudgeted expenditure and extended periods of time with service outages. There is a higher risk in the early years as deferred renewals are high. These start to reduce from year 11 on.

Emerging Issues

The task of building, operating and maintaining these infrastructure assets in an **affordable** manner is becoming increasingly difficult in view of:

- Demographic changes
- New technologies
- Changing government priorities and legislative environment
- Climate change, climate patterns and natural disasters
- Infrastructure resilience and funding mechanisms
- Aging infrastructure
- Tourism growth
- Aging population

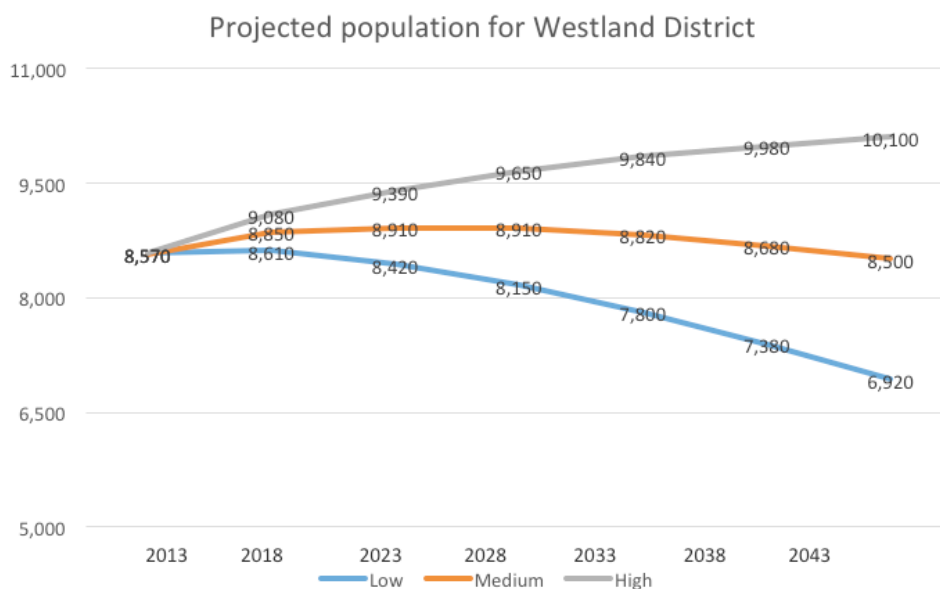
Demographic Changes

The population of the district is relatively static, according to the latest census data. Based on Statistics New Zealand's medium growth projections for Westland District over the next 10 years, Westland's overall population is projected to increase by 0.7%. However, the make-up of our population base is expected to change, with the elderly population increasing and more ethnic diversity of those living in Westland expected.

Table 0.4: Projected Population Change for Westland District

Year	Projection high	Projection medium	Projection low
2013	8,570	8,570	8,570
2018	9,080	8,850	8,610
2023	9,390	8,910	8,420
2028	9,650	8,910	8,150
2033	9,840	8,820	7,800
2038	9,980	8,680	7,380
2043	10,100	8,500	6,920

Figure 0.1: Projected Population Change for Westland District



The current primary industry based economy (especially dairy farming and gold and alluvial mining) will remain predominant in the district, with growth very dependent on economic conditions. Data from BERL suggests that GDP growth from meat is relatively static and GDP growth from dairy is starting to slow. This indicates that in the future farmers might transition to higher margin and higher growth agricultural sectors and new ways of using their land.

It is expected that the Westland region may show some further growth by way of development in the Fox Glacier and Franz Josef townships particularly. Westland currently experiences a bed shortage in these areas in the peak tourist season and thus both tourism development and added residential development (for use as AirBnBs can be expected). In Fox Glacier this is most likely to be in

the Cook Flight Flat Region and in the Franz Josef region this is most likely to be the Franz Alpine Resort and Douglas Drive areas. Major tourism group enterprises in these areas may also cause further development for worker accommodation as tourism growth increases.

Minimal growth is expected in Okarito and Hokitika. In Hokitika, this is expected to be most likely change of use development within the CBD as vacant land gets used for commercial conversion or upgrades. It is likely that a few additional motor camps will arise between Ross and Arahura. In addition, some of the existing motor camps' resource consents allow provision for further expansion. Other building / land use is likely to remain reasonably static.

Thus, although it is projected that more houses will be built in Westland in the next 10 years, it is

not expected that this will translate into statistically significant levels of more people residing in the area. This could be due to such factors as fewer people per household on average, the building of holiday homes, or new buildings replacing demolished houses.

New Technologies

Advances in technology can potentially impact on the demand for water related services. A few examples are:

- Improved tools for understanding the capacity of water and sewerage systems and / or the environmental effects may provide better information which guides where new development is allowed to occur.
- As household and industrial water saving devices (e.g. dual flush toilets or low-flow shower heads) become more common, their use will affect the volume of wastewater produced.
- Large water users such as Westland Milk Products are always looking to reduce cost by investing in new technologies to save on water usage and minimise dairy effluent.

There is a trend towards increasing sophistication in the physical delivery and management of infrastructure. The technology involved can have a high-tech engineering focus, such as in water purification or sewage treatment. It can also be e-focussed, such as through the use of GPS, remote monitoring or ultra-fast broadband. New technologies (at whatever scale) can offer increased levels of service and potential cost savings. However, poorly considered or poorly applied uses of technology can also be a cost to the community.

Despite the potential for technology to affect water and wastewater production, significant effects are usually only associated with the large-scale development of new housing areas. Thus, within Westland District, the actual effect of such new technology is likely to be minimal.

Changing Government Priorities and Legislative Environment

The Thirty Year National Infrastructure Plan, August 2015, sets out a vision that:

"BY 2045 NEW ZEALAND'S INFRASTRUCTURE WILL BE RESILIENT AND COORDINATED, AND CONTRIBUTE TO A STRONG ECONOMY AND HIGH LIVING STANDARDS."

The incoming Labour Government has yet to finalise a Government Policy Statement, which will indicate the direction they intend to take on investment into Infrastructure. It is however likely to be somewhat similar to the preceding National Governments Policy Statement in those areas. This relates mainly to improving local economies and investing more into resilience.

The following changes are anticipated to have a significant impact on the provision of WDC's transportation services:

- Local Government Act 2002: Inclusion of requirement of Long Term Plan (LTP) requires special consultative procedures. This approach requires a greater level of consultation, reporting and planning.
- NZTA Procurement Procedures
- RLTP
- Government Policy Statement

The Report of the Havelock North Drinking Water Inquiry: Stage 2 reflects a new level of government interest in drinking water quality and safety. This has required a number of items to be added into Council's draft 2018-2028 Long Term Plan especially related to additional capital and operating expenditure for water supply issues.

However, Council is still unclear of what the exact impact will be of the Havelock North Drinking Water Inquiry. Council has included a provision for likely required upgrades, however these financial and funding provisions are based on the best information available currently.

Environmental compliance and progress is reflected through national policy statements and promulgated through regional and district plans. A further upcoming change in the government and legislative space is the likelihood that the West Coast councils will be required to work on a shared District Plan. Currently each West Coast councils has its own District Plan, independent of the other councils. Westland District Council is aware of the likelihood of this shared District Plan, but is unable to factor this into its Long Term Plan.

Climate Change, Climate Patterns & Natural Disasters

Projections of climate change depend on future greenhouse gas emissions which are uncertain. Also, global climate models used to predict future climate vary in their sensitivity to these emissions. The combination of these factors means that

projections of future climate are usually expressed as a range of likely values. This information is mostly from 'middle-of-the-range' climate change projections.

Council notes that since 2013, flood protection and control has become a mandatory performance measure implemented by Department of Internal Affairs and that the performance measure must be applied to all major flood protection and control works.

However, upon reviewing the criteria for where this performance measure should be applied, Council projects do not meet two or more of the following four criteria:

- a) Operating expenditure of more than \$250,000 in any one year
- b) Capital expenditure of more than \$1 million in any one year
- c) Scheme asset replacement value of more than \$10 million
- d) Directly benefitting a population of 5,000 or more.

Thus, due to the costs and personnel resources involved in meeting the flood protection and control mandatory performance measure which are not achievable for Council, this has not been directly accounted for.

However, Council notes the importance of community engagement, performance of new assets, managing environmental effects and using different mixes of tools including physical infrastructure (e.g. stopbanks, stormwater systems) and non-structural techniques (for example, controls on land use) to help alleviate flooding risks.

Coastal hazards:

Coastal roads and infrastructure (for example Hokitika waterfront and Revell Street, Okarito and Neils Beach) will face increased risk from coastal erosion and inundation, increased storminess and potential sea-level rise. While Council acknowledges the coastal hazards, Council, at this time, has not factored in specific climate change impacts/risks into its financial forecasting in the Long Term Plan nor into this infrastructure strategy as we do not have the financial resources to do so. However, Council intends to acknowledge the potential climate change impacts/risks when making decisions to install new infrastructure.

Council has LIDAR (Light Detection and Ranging) data for Hokitika and this may enable Council to do some modelling to make some predictions to anticipate future risk for Hokitika. However, Council does not have this data for other areas.

Earthquakes, flooding and landslides:

The greatest risk to asset performance is natural disasters. Due to location, topography and geology the intensity and number of natural events impacts on the security of our infrastructure network. These factors raise the risk to Westland communities of business and household disruption and isolation. Therefore improving the resilience of all the infrastructure network and our ability to have back-up systems like generators is a priority to help alleviate some of these potential risks.

The Westland area has a major alpine fault running through its region. The Alpine Fault connects two "subduction" margins where the ocean floor descends into the Earth's mantle. At this point the surfaces of the two plates making up the South Islands alpine fault meet.

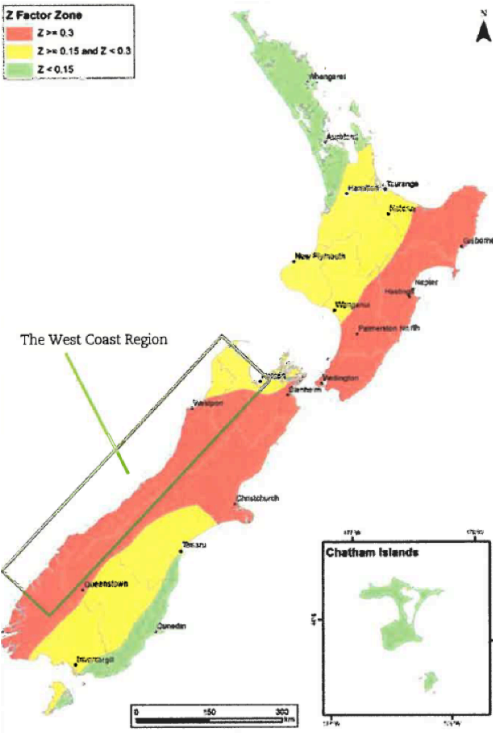
The Pacific Plate on the easterly area of New Zealand is moving westwards and the Australian Plate, on the western side of New Zealand moves eastwards. They move at a relative rate of about 45mm per year. As these two plates move against each other enormous pressure builds up which must eventually be released through earth movement. The result is a major earthquake along the Alpine fault. The pressure has been continually building for about 280 years since it was last released by a large earthquake in 1717 AD.

This earthquake is a normal part of New Zealand's evolution. The historical patterns of earthquakes and current research on the Alpine Fault indicate that it is likely to rupture very soon. It is 280 years since the last earthquake. The current pressures in the tectonic plates make it probable that the next earthquake will occur in the next 1-20 years. The probability is increasing every year; presently it is about 1% p.a, 15-20% in the next 20 years, about 50% in the next 100 years. The longer it goes without rupture, the bigger it will be, and the worse are its consequences.

With an expected magnitude of 8+ this will be considered a "great earthquake" not simply a strong one. The force will result in a horizontal earth shift of up to 8 metres, and a vertical displacement of 4 metres.

Furthermore, the following image shows that all of Westland sits within the 'red zone' which delineates parts of the country that have the highest pattern of shallow earthquakes in New Zealand. (Source: NIWA.)

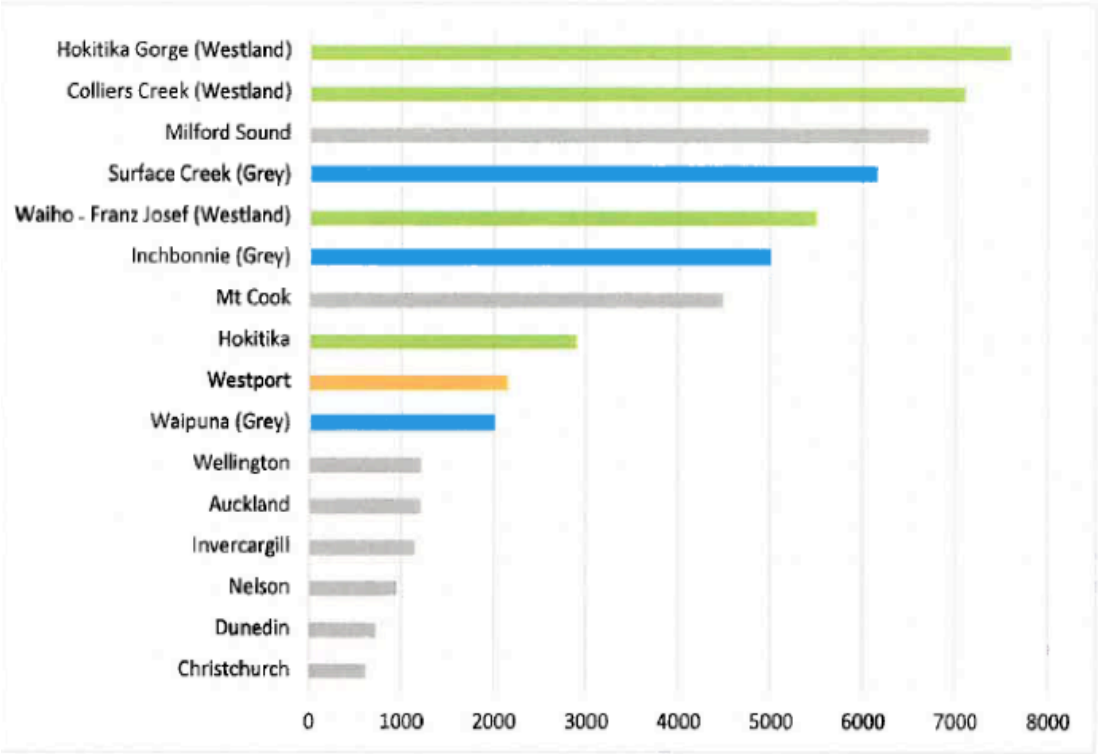
Figure 0.2: The Pattern of Shallow Earthquakes in New Zealand



As a result of this Council has a number of priority one projects identified for earthquake strengthening of buildings including the Carnegie Building, structures on Cass Square in Hokitika, the Ross Swimming Pool, the Hokitika Bandrooms, Haast Hall, Fox House and a building owned by Council in Hari Hari.

The region is also subject to orographic rainfall which create large dumps of rainfall in isolated areas or across the district within a very small band of time. This can cause widespread damage mainly to roading and bridges. The following table shows annual rainfall of some parts of our District including Hokitika Gorge and Colliers Creek to be approximately 7-8 times the mean annual rainfall of cities like Wellington, Auckland, Invercargill, Nelson, Dunedin or Christchurch. Hokitika receives over 3000mm of rain annually, Waiho/Franz Josef approximately 5500mm and Colliers Creek and Hokitika Gorge between 7000-8000mm annually.

Figure 0.3: Mean Annual Rainfall



(Sources: NIWA and West Coast Regional Council.)

More heavy rainfall will increase the risk of flooding, erosion and landslides, which is already high in many parts of the region. Many West Coast communities are located along narrow coastal and river strips beneath mountain ranges, leaving them exposed to increased risks of storms, flooding and landslides. Franz Josef is one very topical flooding risk. The Tonkin-Taylor report released in 2017, revealed a number of options for dealing with this risk, including relocating the township. The cost of doing so is estimated to be \$600 million and therefore Council has not budgeted for this, again because of the lack of financial resources to do so. Meanwhile, the West Coast Regional Council has proposed a plan to re-train the river.

Council, however, will continue to fund emergency management functions and utilise District Plan controls to address risk from potential natural hazards. It will not attempt to make its infrastructure disaster-proof aside from meeting Building Code legislative requirements. It will also not be budgeting for full disaster recovery.

Infrastructure Resilience and Funding Mechanisms

Customers have a high expectation of continuing functionality and service delivery. Resilience is based on a design philosophy which acknowledges that failure will occur. Resilience requires early detection and recovery, but not necessarily through re-establishing the failed system.

Council has to consider the resilience of our infrastructure assets while also being mindful that the District is subject to economic swings which affects the ability to fund infrastructure.

A significant portion of the district is non-rateable land, which means services (e.g. roading) are provided but there is no revenue stream. Approximately 85% of the West Coast including a large proportion of Westland is public conservation land for which no rates are paid. Although the conservation estate contributes to the region's economy through tourism, it limits the ability of our local communities to have sufficient resources to plan for and implement improvement works.

Affordability of all assets is becoming an increasing issue as many of the assets age and the maintenance costs increase.

The Special Purpose Road (Haast-Jacksons Bay

Road) is an example of a changing function of our transport infrastructure network over time that is now a difficult and expensive road to maintain.

Aging infrastructure

Areas of the District have been built over decades, and today there is both underground and aboveground infrastructure which is well past its expected life. As ageing occurs we are already seeing an increase in reactive maintenance.

A key challenge for the District is the balance between reactive maintenance, programmed or preventative maintenance, and the inevitable rehabilitation or outright replacement of assets which have both physically and economically run past the point of repair.

There are risks of high running maintenance costs and loss of service through failure of aged assets. A significant portion of the proposed asset renewal programme is aimed ensuring that these risks are mitigated by a continual replacement of assets that have reached an age at which ongoing reliable performance is lost.

In the past few years, Council has been working under a Depreciation Austerity Policy. This has meant that there has been a shortfall in the level of renewals set aside to keep networks in appropriate condition and performance levels. Council is now fully funding depreciation again. Thus, within each activity there is a concentration of renewals funding programmed, to address the need to catch-up on previously underfunded asset renewals. This gap will not be closed in the first 10 years as renewals are below depreciation. However, the renewals gap decreases significantly from years 11 onwards to catch up on the backlog by year 30.

Council is committed to improving the quality of its asset data over the next 30 years. Provision has been included in the infrastructure budgets over the next 10 years to conduct a physical stocktake of assets to review their condition.

The first ten years of Council's infrastructure strategy is based on carrying out upgrades and enhancements previously identified with a view that the focus over the next two decades will primarily be maintenance (with the exception of Franz Josef).

Asset	Renewals Spend in Years 1 – 10	Renewals Spend in Years 11 – 20	Renewals Spend in Years 21-30
Stormwater	\$2.069 million	\$700,000	\$600,000
Water	\$6.420 million	\$15.507 million	\$6.892 million
Sewerage	\$1.336 million	\$9.172 million	\$4.075 million
Bridges	\$1.333 million	\$1.333 million	\$2.666 million

Whilst our intention is to decrease the backlog of ageing assets, we believe that our first priority is constructing new assets that will support the growing tourist population and increase our environmental, public safety and legal compliance. We are also constrained in our ability to deliver the full list of capital projects outlined in the Plan as well as the backlog of replacements due to personnel resourcing. The 3 waters assets' capital works programme over the next 10 years brings us up to our compliance requirements and improves future capacity for tourist numbers. Once this programme of works has been completed, Council will then be in a position to invest heavily in the ageing assets and bring them up-to-date. The risk of not completing asset renewals when they fall due is the potential for increased maintenance costs, asset failures and service interruption. We will monitor asset performance closely to mitigate this risk and actively maintain the asset to prevent breakdowns.

Council is committed to improving the quality of its asset data over the next 30 years. Provision has been included in the infrastructure budgets over the next 10 years to conduct a physical stocktake of assets to review their condition.

The first ten years of Council's infrastructure strategy is based on carrying out upgrades and enhancements previously identified with a view that the focus over the next two decades will primarily be renewals /replacement (with the exception of Franz Josef whose tourist growth will require additional resources). Due to other long-term plans for the Franz Josef community still taking shape, for example, the work of the Franz Josef Governance Group, which is still in its early stages, a long-term asset plan for Franz Josef is not yet developed. Consultation with the community has been conducted by the West Coast Regional Council and more consultation is likely to happen at a future date.

An age-based analysis of our assets, assuming a lower average lifespan, reveals that we have \$28.1 million of asset renewals required by the end of year 10. The actual renewals carried out by Council will be \$9.8 million, which means that at the end of year 10, Council will have \$18.3 million worth of deferred renewals.

Over the 10 years of the Long Term Plan, Council's level of funding is ahead of the planned renewals. Council therefore is building up the financial capacity to react if significant breakages occur. Council will re-forecast renewals when it has better information on asset condition. This is likely to happen within years 6 to 10 of this current plan. Better information for some areas may be able to be obtained sooner, however some areas e.g. stormwater infiltration/inflow can take years to fully map out the effects. While the LTP forecasts primarily reflect an age-based analysis, and are not based on detailed condition assessment, Council's overall approach is to clear the renewals arrears over the 30 years of the Infrastructure Strategy.

In the short to medium term, there are increased risks of asset failures leading to service interruptions. Council will minimise the impact of these risks by:

- Monitoring asset performance and taking appropriate action when and where issues are identified
- Undertaking a programme of inspections to build up knowledge of the condition of asset and supplement this information by analysing the performance and failure of assets
- Developing a risk-based programme of renewals which brings forward asset renewals with the highest risk and greatest significance if they fail
- Continuing to fund the depreciation on these assets so that a sustainable financial base exists for the long-term renewal of assets
- Build capacity within the organisation to deliver asset planning and carry out the increased levels of renewals required to maintain the assets.

Westland District must carefully manage its investment in infrastructure to ensure it gets value for every dollar and provide infrastructure in a lawful, functional and affordable manner.

Tourism growth

Westland's tourist forecast is expected to increase by 4.7% (minimum) per year between 2018-2021 and the average spend of visitors is expected to increase by 7.5% per year according to data from the Ministry of Business, Innovation and Employment. Data from other sources predicts that tourism to Westland will be much higher than this, however, this will be dependent on the global financial environment.

Currently, during the peak summer season, there are 6,000 tourists a night in Westland, which is nearly double the population of Westland's largest town, Hokitika (population: approximately 3,500). This tourism growth, although vital for our economy, is placing our infrastructure under strain, particularly in places like Franz Josef.

Westland District Council submitted several applications for Tourism Infrastructure Funding in 2017 and was successful in receiving funds for the upgrading of toilet facilities across the District and for a new Wastewater Treatment Plant for Franz Josef. Council will endeavour to continue to put forth applications for external funding in regards to assets under pressure from the tourist growth.

Aging population

Westland's aging population presents several challenges in terms of infrastructure that need to be considered over the next 30 years. Often the older population may rely on superannuation income which is fixed and has limited flexibility for discretionary spending. However, there is also potential for the District to be marketed to new potential residents from other parts of New Zealand. These people who may be able to create a nest egg by selling higher value property in other parts of New Zealand and purchasing property of a similar quality within Westland for a lower price. Nevertheless, the aging population will require different types of infrastructure to accommodate their needs for instance:

- Footpaths with greater accessibility. This could mean strategically placed wider footpaths suitable for mobility scooters or smoother footpaths that lower tripping for hazards.

Increased pensioner housing stocks or a retirement village. Significant assumptions and risks

The following assumptions underpin Council's determination of the most likely scenarios for management of key assets, and the significant decisions on capital expenditure over the period of the strategy:

Table 0.5: Significant Assumptions

Significant Assumptions	Risk & Impact	Risk Level	Mitigation
Population Change The population of the District will remain static or grow slightly during the period of the plan. The population statistics used are based on Statistics New Zealand medium growth forecast.	Population growth is significantly higher than forecast in a localised area, putting pressure on infrastructure. Or population significantly declines resulting in under-utilisation of infrastructure.	Low	Council will continue to monitor population change in the District. Generally, small changes in population can be managed within the existing level of service. Where existing infrastructure is required, Council will apply for financial contributions for this work.
Tourism Tourism growth continues to increase during the period of the plan (4.7% p.a.).	That projected tourism rates are significantly higher or lower than expected.	Low	Council will continue to monitor tourism growth. Where growth requires additional infrastructure, Council will apply for financial contributions for this work.

Significant Assumptions	Risk & Impact	Risk Level	Mitigation
Inflation The LTP is prepared on the inflation rates assumed in the table below for periods beyond 2018/19 which is based on Local Government Cost Index prepared by BERL: • 2018/19 – 0% • 2019/20 – 2.5% (2.2% Transportation) • 2020/21 – 2.3% (2.2% Transportation) • 2021/22 – 2.4% (2.3% Transportation) • 2022/23 – 2.4% • 2023/24 – 2.5% (2.4% Transportation) • 2024/25 – 2.6% (2.5% Transportation) • 2025/26 – 2.6% • 2026/27 – 2.7% • 2027/28 – 2.8%	The rate of inflation differs from that assumed, resulting in changed revenue and expenditure.	Low	The Council will review its budget annually through the LTP / Annual Planning process and may adjust work programmes / budgets where necessary.
Climate Change Climate change will impact on the Council's operations and will require an appropriate response to adapt and prepare for potential impacts.	The effects of climate change are more severe than expected, resulting in additional costs to mitigate impacts and increasing damage to Council infrastructure.	Low	Council activities will build appropriate mitigation responses into infrastructure development. The Council will continue to monitor climate change science and the response of central government, and adapt its response where required.
Natural Hazards There are no significant local natural disasters (i.e. Alpine Fault rupture).	Natural disasters may occur that have a significant impact on Council services resulting in unbudgeted costs beyond the capacity of the Council to cope.	Low	Council has a Civil Defence Emergency Plan that will be implemented in the event of an emergency. Council has a Disaster Relief Fund for the replacement of infrastructure assets in the event of a natural disaster. In addition, central government has a role in providing financial aid for disaster recovery.
Costs Capital expenditure estimated costs are based on Council's best estimates and known planned expenditure.	Capital expenditure varies from budget. There may be increased operation and maintenance costs associated with maintaining assets that are beyond their useful life and a potential impact and risk to levels of service.	Medium	The Council will review its budget annually through the LTP / Annual Planning process and may adjust work programmes / budgets where necessary.
Funding Sources Funding sources (including external funding sources) do not change over the life of this Infrastructure Strategy.	Levels and sources of funding differ from those forecast, resulting in projects being revised or alternative funding sources used.	Low	Funding for projects and assets is considered before the commencement of each project or asset. A significant impact from changes in funding or funding sources may result in revised capital works programme.

Significant Assumptions	Risk & Impact	Risk Level	Mitigation
Availability of Contractors and Materials Contractors and materials will be available to undertake the work required to agreed standards, deadlines and cost.	Projects could be delayed if there is a shortage of contractors or materials or contractors may not deliver to agreed standards, budget and timeframe. Delays may also further increase costs and increase the chances of asset failure in the interim which could also impact on Levels of Service.	Low	Spread projects as much as possible and continue to engage with contractors. Ensure robust contracts are in place.
Service Levels Service levels remain unchanged except where stated as projects.	Significantly enhanced service levels are demanded by the community or imposed by the government. This will lead to additional cost and / or resourcing requirements.	Medium	The Council regularly monitors existing service provision within its operation on a day to day basis. Minor changes may be made to service levels where budget, contracts and resources allow. Major changes in service levels will be confirmed with the community via consultation and will generally require and increase to fees or rates.
Asset Condition Asset condition and performance data is not reliable, so age has been used as a proxy except where improvements to data collection and monitoring have been identified and more information is known.	Asset data is inaccurate, leading to more / less assets needing to be renewed or timing or renewals is incorrect. Assets fail before they are scheduled for planned renewal. This may lead to a loss of service for a period of time.	High	Implement asset management improvement plan to ensure timely renewal intervention in accordance with good asset management practice. Review planned renewals through the Annual Planning process.
NZTA Funding Assistance NZTA financial assistance rate for the land transport programme will remain at 59% for local roads for the life of the Special Purpose Road (Haast Jackson Bay Road) subsidy rate will decrease from 100% to 59% at an as yet undetermined time. This transition process is currently under review and negotiation with NZTA.	If NZTA financial assistance decreases in the subsidy rate for Special Purpose Road from 100% to 59% in future this would result in an increase in local share of approximately \$285,000 (in 2018/19 dollars) if existing level of service and budgets remained the same.	Low	Council management will review the budget annually through the LTP / Annual Plan process and may adjust work programmes and budgets where necessary.
District Boundaries There will be no change to District boundaries.	Amalgamation will be forced onto local councils.	Low	Early and ongoing communication between Councils to understand the impact of this prior to it happening.
Drinking Water Council assumes that the emerging issues from the Report of the Havelock North Drinking Water Inquiry: Stage 2 will need to be factored into the 2018-28 Long Term Plans (LTPs), and that this will require more stringent compliance measures which will increase capital and operating expenditure.	Council has included a provision for likely required upgrades. The risk is that the required upgrades and operating expenditure are more than Council has forecast.	Medium	Council will keep up to date with the changes in the Drinking Water Standards. There may be Central Government funding available for upgrades. Council will apply for this funding if applicable.

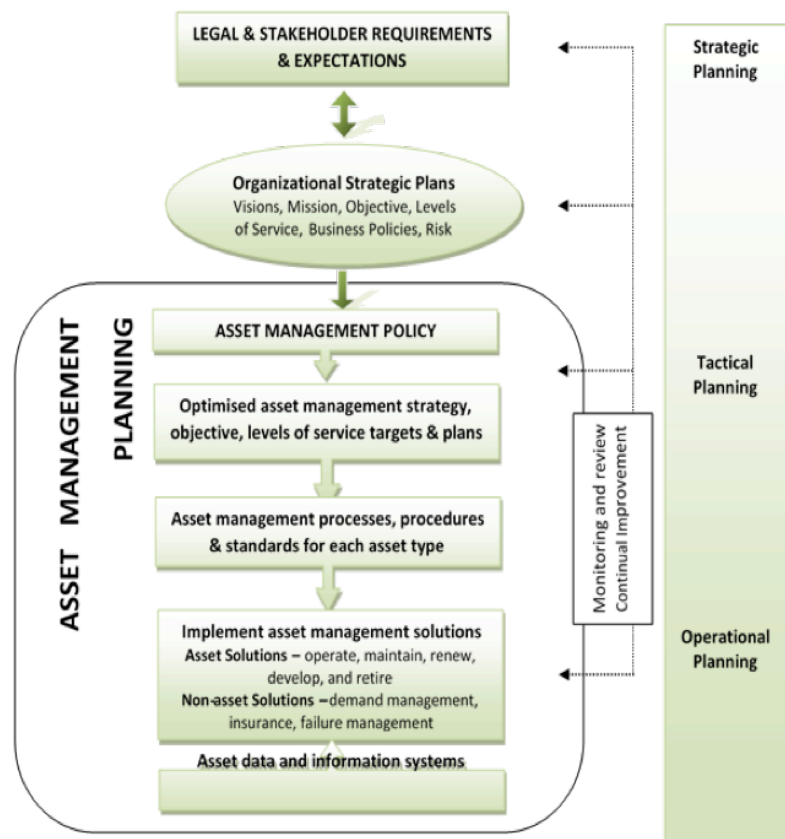
Significant Assumptions	Risk & Impact	Risk Level	Mitigation
Fire Fighting Requirement Fire Fighting Code of Practice, SNZ PAS 4509:2008 remains voluntary.	Compliance with this code becomes mandatory, resulting in significant reticulation upgrades.	Medium	Consideration of progressive upgrades to meet the Code when renewals are programmed.
Inflow and Infiltration Planned I&I investigation programme will assist with mitigating the risk of sewer network overflows and consent breaches at WWTP's.	Level of service in the wastewater network and WWTP's are not achieved if I&I is not fixed and overflows continue.	Low	Implement planned I&I investigation programme early in the LTP and ensure timely renewal of defective pipes.
Resource Consents Resource consents will be obtained with acceptable conditions, and expiring resource consents will be renewed with similar conditions during the period of the Infrastructure Strategy.	Resource consent is not obtained or renewed, or conditions imposed are unacceptable. This would have significant impacts on costs and the ability to provide that activity / infrastructure. A major non-renewal may mean an entirely new approach may be required and may delay projects.	Medium	Appropriate planning for resource consent applications / renewals should ensure that they are obtained. Monitoring of compliance with existing resource consent conditions will provide a compliance for future processes. The renewal of consents is dependent upon the legislative and environmental standards and expectations that exist at that time.

Linkage With Other Documents

Figure 0.1: Infrastructure Strategy- Linkages with other Documents

To develop a coherent infrastructure framework that helps to maintain a rich and diverse network of reserve spaces that protect the region's ecology and support the identity, health, cohesion and resilience of the District's communities. The core infrastructure Asset Management Plans demonstrate how the services delivered support the achievement of the Council's Visions, and comply with legislative requirements. Draft financial forecasts and activity information which feeds into the Long Term Plan has been developed from the Asset Management Plans concurrently with age-based analysis.

The following diagram outlines the general asset management planning process:



The purpose of developing 30 Years Strategy is to ensure that the creation, operation, maintenance, repairs and replacement of assets is managed in the most cost-effective manner and provides the appropriate level of service to meet the needs of present and future residents and visitors. This also developed to clearly state the direction and approach that Council intends to follow to achieve the Council's strategic goals and statutory responsibilities. This infrastructure strategy links with the following asset and activity management plans:

- West Coast Districts Combined Activity Management Plan Transportation December 2017
- Asset Management Plan Buildings 2015
- Asset Management Plan Solid Waste 2015
- Asset Management Plan Pensioner Housing 2015
- Asset Management Plan 3 Waters 2014
- Asset Management Plan Parks, Reserves and Cemeteries 2014

Although most of the AMPs have not been updated within the last 3 years there is no significant variation to the AMPs primary focus for maintenance and renewals (with the exception of the Drinking Water Standards compliance and monitoring that has arisen out of Havelock North enquiry) and therefore this remains the source of the underlying information, along with the Havelock North Inquiry Stage 2 Report highlighting 52 recommendations for Drinking Water that they released recently. Specific projects in detailed format are being quantified now, with project sheets which is a vast improvement on previous process. Further data collection and evaluation is required for Parks and Reserves and this is currently in progress.

The forecasts have been built up based on a simple Gap Analysis, from both the ANA report as well as including critical asset projects that had been deferred due to lack of internal resources and forward planning. The ANA report was an overarching overview and did not focus on specific projects, it only identified the Gap aspect based on age and some condition rating. Projects have now been selected for this strategy based on maximum benefit and affordability as well as resilience planning.

The forecasts we believe are reliable but one of the "weaknesses" we have no control over is

contractor rates which are subject to change. Best knowledge of current unit rates have been used with current technology application for our project forecasts.

Thirty Year Strategy

In its role as Local Authority Westland District Council will comply with the relevant New Zealand legislation, while the following Strategic Statements will guide decision-making over the next 30 years. These statements have been developed through Council workshops and adopted by Council.

Proposed Model for Future Development and Evolution of the Infrastructure Strategy

- The development of the Infrastructure Strategy is owned by District Assets but involves a wider stakeholder group i.e. finance, IT, planning and external consultants. The Capex Committee is the vehicle for reviewing and revising based on information as it comes to hand. The forum meets monthly to review progress of current projects and planning for future projects.
- The Infrastructure Strategy will evolve in a continuous cycle of review and improvement so that quality of output matches the changing needs of Westland District Council. Workshops with council members sets the direction for management to follow. It is critical that any change of leadership or membership of council does not undermine the planning process.
- Normally each review will take twelve months but can be initiated sooner if requested by the Council due to significant district or legislative changes.



Table 3.1: Strategic Statements

Strategy #	Strategic Statements
1	Involving the Community and Stakeholders.
2	Delivering core services that meet Community expectations and demonstrate value and quality.
3	Grow and protect our communities, our economy and our unique natural environment.

Applying the Strategic Statements to Infrastructure Planning

Involving the Community and Stakeholders

To support this strategic statement:

- All people feel valued and supported within a caring Community.
- Strong relationships between people from different cultures, communities and organisations build a united Community.
- The place of Māori is recognised and respected. The Treaty of Waitangi is recognised and respected.
- People from all sectors of the Community are able and encouraged to contribute to their communities.
- Cooperation, collaboration and coordination between agencies, organisations and councils occur to avoid duplication of resources, minimise regulation and promote a consistent focus.

Service Delivering core services that meet Community expectations and demonstrate value and quality

To support this strategic statement:

- Getting the funds required for upgrades of ageing or obsolete infrastructure, and for increased infrastructure to meet increased levels of service and growth.
- Identifying what infrastructure is important to the Community and to meet the Council's legislated obligations, Council's Levels of Service have been developed to help define and identify the key strategic priorities around our infrastructure.
- Apply Community considerations and expectations in decision making on infrastructure.
- Ensuring core services enable the Community and the environment to be healthy.

- Ensuring core services enable our district to develop, grow and prosperous.

Grow and protect our communities, our economy and our unique natural environment.

To support this strategic statement:

- Resources are used sustainably, developed and protected.
- The district's natural features and landscapes are understood, valued, maintained and enhanced for future generations.
- Built environments and amenities are of a high standard and contribute significantly to the well-being of people and communities.
- People are valued and their contribution to the economic, cultural, environmental and social well-being of the region is recognised and supported.
- Sustainable development is encouraged.
- Kaitiakitanga (the protection and management of the environment) is understood and valued.

The Organisation's Priorities

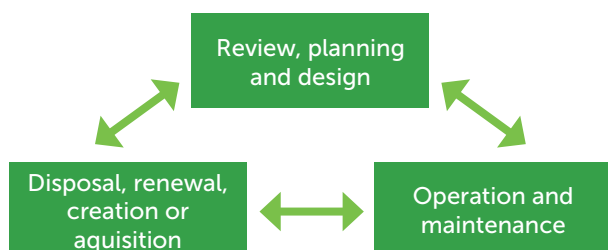
At high level, Council's priorities are to:

- Ensure adequate infrastructural capacity to meet the demands of current and future generations whilst being affordable to the Community
- Increase the reliability and resilience of the existing and future infrastructure
- Ensure sustainable use of resources and protection of critical environmental values
- Manage the impacts of population change
- Meet drinking water standards
- Reflect inter-generational benefit in the funding of large projects

Lifecycle Management

The objective of life cycle management of assets is to meet defined levels of service in a cost effective manner. A life-cycle management plan is a statement of how we manage these assets for each stage of their life-cycle and includes the funding implications of management decisions.

Figure 0.2: Stages of the Asset Management Life Cycle



Whilst this is the desired approach, Council is also constrained by affordability. Council has to consider all its desired objectives across all its activities when it prepares its budgets. Realistically, for instance, optimal levels of funding for renewals cannot always be achieved.

Over the long term Council's aim is to achieve lowest long term costs, however it has to, as a trade-off across all its activities, accept higher risks and, for instance, increase operational and maintenance costs while it works towards achieving lowest long term costs.



Asset Renewal

Renewal of existing assets occurs when the asset has reached the end of its useful life, and is funded by depreciation. A renewals strategy provides for the progressive replacement and refinement of existing assets. Asset renewal is often required to maintain the existing level of service, and the integrity and value of the network as a whole.

In some cases, it is not possible or desirable to renew an asset by replacing it like for like. This

may be because the retired asset was no longer fit for purpose, or because demand drivers have resulted in an increased level of service. In such cases, the cost of asset renewal may be higher than the replacement value of the retired asset.

Current data on our assets

Council's "AssetFinda" Assets Management Program and RAMM (for roads) facilitates compilation of historical data for renewals, improvements and maintenance to suit the desired levels of service for the asset. This data is used to generate asset renewal projects.

Improving our Evidence Base

To improve our lack of asset management planning we have instigated a multi-layered improvement process. We have appointed a new role of Engineering Support Officer in an Asset Management role. They started in early 2018 and has already been conducting asset management inspections of our parks and reserves and populating the database and condition rating.

In addition, we are promoting a higher usage of the Asset Management database in preparation for our revaluations scheduled for next year. The budgets for this LTP have included cost code areas for routine inspections of asset condition and data gathering and verification processes.

A full time 3 Waters Engineer will be employed to fill a long term vacancy and we have seconded our previous 3 waters engineer to work in tandem on a part-time basis, employed primarily to update the Asset Management systems in the 3 waters activity. A new template process has also been introduced for manual and electronic updating of asset data and this is integrated with finance for asset creation and disposal.

RAMM will continue to be used for roading assets and this includes a budget code with NZTA for asset management, while AssetFinda will continue to be the system for 3 Waters, Parks & Reserves, Buildings and Solid Waste with some transportation items such as street lights, culverts and footpaths being transferred from RAMM to AssetFinda.

It is expected that a specialist external consultant will support District Assets, as required through these processes.

Table 3.2: Asset and Service Management Strategy

Asset and Service Management Strategy

Strategy	Desired Outcome
1 Forecast infrastructure needs in advance in a proactive rather than reactive way.	Council understands the long term asset needs and these are sustainably budgeted for.
2 Develop and review Asset Management Plans for all major assets	Identification of services needed by the Community and required funding to optimise 'whole of life' costs
3 Develop and review Long Term Financial Plans covering 10 & 30 years incorporating Asset Management Plan expenditure projections with sustainable funding position outcome	Sustainable funding model to provide Council services
4 Review and update Asset Management Plans and Long Term Financial Plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks	Council and the Community are aware of changes to service levels and costs arising from budget decisions
5 Report Council's financial position at Fair Value in accordance with New Zealand Accounting Standards, financial sustainability and performance against strategic objectives in Annual Reports	Financial sustainability information is available for Council and the Community
6 Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs	Improved decision making and greater value for money
7 Report on Council's resources and operational capability to deliver the services needed by the Community in the Annual Report	Service delivery is matched to available resources and operational capabilities
8 Ensure responsibilities for asset management are identified and incorporated into staff position descriptions	Responsibility for the asset management is defined
9 Implement an Improvement Plan to realise 'core' maturity for the financial and asset management competencies within 2 years	Improved financial and asset management capacity within Council

Cost Effective Delivery of Services

In terms of Section 10 (Purpose of Local Government) there is a clear requirement to meet the current and future needs of communities for good-quality local infrastructure and local public services, in a way that is most cost-effective for households and businesses.

(2) In the Act, good-quality, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are—

- (a) efficient; and*
- (b) effective; and*
- (c) appropriate to present and anticipated future circumstances*

To ensure the long-term financial sustainability of Council, it is essential to balance the Community's expectations for services with their ability to pay for the infrastructure assets used to provide the services. Maintenance of service levels for infrastructure services requires appropriate investment over the whole of the asset life cycle. To assist in achieving this balance, Council aspires to:

Develop and maintain asset management governance, skills, processes, systems and data in order to provide the level of services that the Community need at present and in the future in the most cost-effective and fit-for-purpose manner.

Thus, the objectives of the asset management strategy are to:

- Ensure that Council's infrastructure services are provided in an economically optimal way, with the appropriate levels of service for residents, visitors and the environment as determined in relation to Council's financial sustainability.
- Safeguard Council's assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- Adopt the Long Term Plan as the basis for all service and budget funding decisions.
- Meet legislative requirements for all Council's operations.
- Ensure resources and operational capabilities are identified and responsibility for asset management is allocated.

Addressing Resilience

Both physical and system resilience are crucial. This means:

- Design and construction standards (where cost effective) ensure infrastructure is able to withstand natural hazards and long term changes in circumstances such as those resulting from climate change.
- Organisations and networks of organisations with the ability to identify hazards must share information, assess vulnerabilities, and plan for and respond to emergencies.
- Acknowledging the value of adaptability and redundancy in the network to improve business confidence.
- Identifying and managing cross-sectorial dependencies, such as power supply for communications infrastructure is necessary to ensure systems resilience and continued provision of services. (Engineering Lifelines groups have already undertaken work in this area in accordance with the New Zealand Infrastructure Plan, 2015).

In order to improve resilience Council's approach will be to:

- Actively participate in CDEM planning and activities, at both regional and local levels.
- Obtain insurance where this is deemed to be the most cost effective approach.
- Investigate options for alternative service provision and system redundancy.
- Identify critical assets and ensure mitigation methods are developed.

Examples of the latter two bullet points include:

- Introducing / improving Scada / Telemetry at Water Treatment Plants.
- Replacing blower and electrics at Franz Water Treatment Plant.
- Purchasing a mobile generator for resilience and continuity of service. (Noted on page 6-27 of the 2014 3 Waters AMP.)

Critical Assets

Critical Assets are defined in the Asset Management Plan as assets that are essential to providing critical services in times of emergency (albeit at a reduced level of service), or have an unacceptable consequence of failure.

Critical assets have been identified as:

- Raw water intakes
- Raw water mains
- Raw water pump stations
- Water treatment plants
- Water mains
- Potable water pump stations
- Reservoirs
- Wastewater pump stations
- Wastewater mains
- Wastewater treatment plants
- Stormwater pump stations
- Stormwater mains
- Roads
- Bridges

Asset criticality relates to the consequence of an asset failing to perform its intended function. This is an essential measure for prioritising maintenance and renewal activities. Westland District Council has defined criticality according to the International Infrastructure Management Manual (2011) which defines critical assets as "those that have a higher consequence of failure and can potentially have a more significant impact on the organisation's objectives" (IIMM Quick Guide, 2011, p.11).

To date, this has been completed using the judgement of experienced technical and operational staff. The intention is to embed this knowledge into a 1-5 criticality rating score against each item in the Asset Management database. The 1-5 rating will be consistent with the consequence descriptions developed for the risk assessment procedure. Tables below show Council's guidelines for criticality assessment.

Table 3.3: Criticality Levels

Criticality 1	Most Critical
Criticality 2	
Criticality 3	
Criticality 4	
Criticality 5	Least Critical

Significant Decisions Required

Taking a long term view to the management of infrastructural Assets, Westland District Council needs to make key decisions in a timely manner. In addressing Community desires and priorities the following key decisions have been identified.

Table 3.4: Priority One Project Descriptions

Asset Category	Location	Project	Project Rationale/Key Decision
Water Supply	Kumara	Water Mains Replacement	Priority 1 Project: Seddon Street Water Main A further \$100k allowed for proactive replacement / renewal of water mains identified as being in average or poor condition and with a criticality rating of "high". These mains are primarily AC, with one steel main. Approx. total length of mains in average or poor condition is 560m at an average unit rate of \$216/m. This replacement will include installation rider mains, laterals and valves and fittings to be compliant with AS4404 and the NZ Fire Service Firefighting Water Supply Code of Practice.
		Replace Existing Reservoirs	Signs of leaking has been detected at the reservoirs. This is in the form of e-coli contamination, which has likely been caused by animal or bird excrement washing into the reservoir. The reservoirs are old and near the end of their useful life.
	Arahura	Water Treatment Plant Upgrade	Arahura water supply source is drawn from a shallow groundwater bore located adjacent to a paddock with low numbers of grazing animals. The water is pumped to a reservoir and is currently untreated. There have been several 'Boil Water' notices issued to the community in recent months. The WTP does not currently comply with the DWSNZ and the bore itself is in a degraded state. An alternative water supply needs to be investigated and constructed. Noted on page 4-7 of the 2014 3 Waters AMP.
	Hokitika	Water Treatment Plant Improvements	The 78 original modules (Blue Spur), 14 modules installed in 2013 and 120 modules installed in 2016 and skid A & B pumps will need to be replaced as they reach the end of their useful life. This project is part of a proactive approach to asset maintenance.
		Water Mains Replacement	Priority 1 Project: Hampden Street Water Main A further \$560k allowed for proactive replacement / renewal of water mains identified as being in poor condition and with a criticality rating of "high". 50% of these mains included in the 10 year LTP. These mains are primarily AC, with some steel mains. Approx. total length of mains in average or poor condition is 3,350m at an average unit rate of \$250/m. This replacement will include installation of valves and fittings to be compliant with AS4404 and the NZ Fire Service Firefighting Water Supply Code of Practice.
		Upgrade Brickfield pumps & valves (water supply)	The pumps will need to be replaced as they reach the end of their useful life. This project is part of a proactive approach to asset maintenance.
	Hokitika, Hari Hari, Franz Josef & Fox Glacier water supplies	Seismic Valve (main outlet)	Seismic valve required for resilience and continuity of service. Noted on page 6-27 of the 2014 3 Waters AMP.
	Hokitika	Pipe network maintenance	The PRV has reached the end of its useful life and need to be replaced. If this fitting fails, there will be significant impacts associated with high water pressures at residential connections.
	All areas	Water Meters Replacement	All water connections should be metered to: - enable revenue to be collected from high water users - In addition, water meters helps identify water loss and overall network balance calculations
	Hokitika	Replace Existing Brickfield Reservoirs	Monitoring has indicated a leak in the tanks, which has been proven with investigations. The reservoirs are near the end of their useful life - prudent to replace them before they fail catastrophically.

Asset Category	Location	Project	Project Rationale/Key Decision
		135 KVA Generator	Generator required for resilience and continuity of service. Noted on page 6-27 of the 2014 3 Waters AMP.
	Ross	Water Mains Replacement	Priority 1 Project: Moorhouse Street Priority 2 Project: Woolhouse Road A further \$45k allowed for proactive replacement / renewal of water mains identified as being in poor / average condition and with a criticality rating of "high". These mains are primarily AC, with some steel mains. Approx. total length of mains in average or poor condition is 1,200m at an average unit rate of \$180/m. This replacement will include installation of valves and fittings to be compliant with AS4404 and the NZ Fire Service Firefighting Water Supply Code of Practice.
		Replacement of Pumps at Water Treatment Plant	The pumps will need to be replaced as they reach the end of their useful life. This project is part of a proactive approach to asset maintenance.
		Water Treatment Plant Building Repairs & Slope Stabilisation	Chemicals are currently stored unbundled within the building and have spilt on occasions, causing parts of the building to corrode. This needs to be fixed. In addition, the embankment behind the building needs to be protected and stabilised to ensure the safety of the building and personnel working on site
		Replacement of Membranes at Water Treatment Plant	The membranes will need to be replaced as they reach the end of their useful life. This project is part of a proactive approach to asset maintenance.
		Alternative Water Source	A secure source of water is required under the DWSNZ. This has become more critical as the outcomes of the Havelock North Enquiry are implemented into the standards.
	Hari Hari	Water Mains Replacement	Priority 1 Project: SH6 crossing Priority 2 Project: Wanganui Flat Road A further \$176k allowed for proactive replacement / renewal of water mains identified as being in poor / average condition and with a criticality rating of "high". These mains are PVC, with some steel mains. Approx. total length of large diameter mains (DN150) mains in average or poor condition is 1,750m at an average unit rate of \$211/m. This replacement will include installation rider mains, laterals and valves and fittings to be compliant with AS4404 and the NZ Fire Service Firefighting Water Supply Code of Practice.
	Whataroa	Upgrade Water Treatment Plant	The WTP does not currently comply with the DWSNZ requirements for protozoa treatment. Noted in the Annual Compliance Report for WDC drinking water supplies (2017).
	Franz Josef	Water Mains Replacement	Priority 1 Project: Cron Street A further \$224k allowed for proactive replacement / renewal of water mains identified as being in poor / average condition and with a criticality rating of "high". These mains are primarily AC, with some PVC mains. Total length of mains in average or poor condition is 2,200m at an average unit rate of \$185/m. This replacement will include installation rider mains, laterals and valves and fittings to be compliant with AS4404 and the NZ Fire Service Firefighting Water Supply Code of Practice.
		Alternative Raw Water Source or upgrading existing	A secure source of water is required under the DWSNZ. This is become more critical as the outcomes of the Havelock North Enquiry are implemented into the standards.
		Blower Electrics & SCADA	Blower needs to be connected in order for WTP to operate effectively. This has been deferred from previous LTP's and is now urgent. SCADA needs to be installed to be compliant with DWSNZ.

Asset Category	Location	Project	Project Rationale/Key Decision
		Upgrade Filter Media	The filter media will need to be replaced as they reach the end of their useful life. This project is part of a proactive approach to asset maintenance.
	Fox Glacier	Water Treatment Plant Upgrade to DWSNZ	The WTP does not currently comply with the DWSNZ requirements for porotozoa treatment. Noted in the Annual Compliance Report for WDC drinking water supplies (2017) and on page 4-11 of the 2014 3 Waters AMP.
		Water Mains Replacement	Priority 1 Project: Pipeline between reservoir and town A further \$69k allowed for proactive replacement / renewal of water mains identified as being in poor / average condition and with a criticality rating of "high". These mains are primarily AC, with some PVC mains. Approx. total length of mains in average or poor condition is 800m at an average unit rate of \$185/m. This replacement will include installation rider mains, laterals and valves and fittings to be compliant with AS4404 and the NZ Fire Service Firefighting Water Supply Code of Practice.
	Haast	Replacement of Treated Water Reservoir	Monitoring has indicated a leak in the tanks, which has been proven with investigations. The reservoirs are near the end of their useful life - prudent to replace them before they fail catastrophically.
	All Plants	Replacement of Water Treatment Plant Components	Purchase spare parts for critical WTP components. This project is part of a proactive approach to asset maintenance. Noted on page 6-11 of the 2014 3 Waters AMP.
		Water Treatment Plant Disinfection Upgrades	Chlorination is highly likely to be required as part of the revised DWSNZ. This has come out of the Havelock North Drinking Water Enquiry: Stage 2. Water NZ and Audit NZ have advised that Councils make provision in their long terms plans for installation of disinfection at each of their treatment sites. Refer to email from Audit NZ, dated 23 January 2018.
		SCADA / Telemetry at Water Treatment Plants	None of the WTP's meet the DWSNZ requirements for collecting, analysing and monitoring for continuous compliance data. This is noted in the Annual Compliance Report for WDC drinking water supplies (2017).
Wastewater	Hokitika	Outfall Structure	WDC contributing to the shared outfall with Westland Milk. Noted on page 5-9 of the 2014 3 Waters AMP.
		Wastewater Treatment Plant Upgrade, including Telemetry	WWTP upgrade required to comply with future consent conditions. An interim upgrade will take place in the 2017/18 financial year, with further work to be undertaken in the next 5 years. This will likely replace the existing oxidation ponds with another treatment process. Refer to Hokitika WWTP Report (Opus, 2015).
		Hokitika Wastewater Mains Replacement	\$600k allowed for proactive replacement / renewal of wastewater mains. This is 50% of the mains identified as being in poor / average condition, AC material and with a criticality rating of "high". Approx. total length of mains included for renewal is 1,200m at an average unit rate of \$480/m.
		West Drive Pump & Electrics Upgrade	The pumps are at the end of their useful life and need to be replaced. This project has been deferred previously and is part of a proactive approach to asset maintenance.
		Kaniere Sewer Pumps Upgrade	The pumps are at the end of their useful life and need to be replaced. This project has been deferred previously and is part of a proactive approach to asset maintenance. This pump station is required to operate effectively to minimise the risk of unconsented sewer overflows.

Asset Category	Location	Project	Project Rationale/Key Decision
		Kaniere Road Catchment - I&I Investigation and Provisions for Overflows	The pump station is overcapacity during wet weather events so and Inflow and infiltration investigation is required to confirm the source of inflow into the sewer reticulation. The potential for construction of a piped outfall and /or emergency storage will then be investigated. Noted on page 5-11 of the 2014 3 Waters AMP.
	Franz Josef	New Wastewater Treatment Plant	The existing Franz Josef WWTP consists of two oxidation ponds that discharge treated effluent into the Waiho River. There are two issues that are considerable concern and warrant construction of a new WWTP: 1. Overtopping of the Waiho River causing flooding into the ponds 2. Permanent avulsion of the Waiho River through the pond site Noted on page 4-2 of the 2014 3 Waters AMP.
		Franz Josef Wastewater Mains Upstream of WWTP	In order to ensure that the WWTP can operate at design capacity, the pipes upstream of the plant need to be upsized to carry more flow to the WWTP. The pipes are currently undersized and thus, will not allow all the wastewater to reach the plant.
		Franz Josef Wastewater Mains Replacement	\$140k allowed for proactive replacement / renewal of wastewater mains. This is 50% of the mains identified as being in poor / average condition, AC material and with a criticality rating of "high". Approx. total length of mains included for renewal is 825m at an average unit rate of \$175/m.
	Fox Glacier	Wastewater Mains Replacement	\$160k allowed for proactive replacement / renewal of wastewater mains. This is 25% of the mains identified as being in poor / average condition, AC material and with a criticality rating of "medium". Approx. total length of mains included for renewal is 925m at an average unit rate of \$175/m.
		Wastewater Treatment Plant improvements	There have been no major maintenance / upgrade works carried out at the site for a number of years. This work is required to ensure efficient operation of the WWTP and to minimise the risk of unconsented overflows.
	Haast	Wastewater Mains Replacement	\$75k allowed for proactive replacement / renewal of wastewater mains. This is 25% of the mains identified as being in poor / average condition, and with a criticality rating of "medium". Approx. total length of mains included for renewal is 1,700m at an average unit rate of \$175/m.
	All	Contribution towards new developments	Updates to the District Plan to include a requirement for Council to contribute to new developments. As timing / scale of development is unknown at this stage, a nominal amount per year is allowed for this.
Stormwater	Hokitika	Mobile Generator	A standby generator is vital to enable continuity of service in a power outage. This will be a shared asset between SW and WW. Noted on page 4-8 and 6-27 of the 2014 3 Waters AMP.
		Hokitika Stormwater Mains Replacement	Specific mains that need replacement have been identified as separate projects. This is an allowance for proactive replacement / renewal of mains as they near the end of their useful life.
		Bealey Street, Tancred Street, Hoffman Street, Livingstone Street and Kaniere Road Network Pump Upgrades	Recommended infrastructure improvement to help alleviate flooding in Hokitika. Part of an overall catchment solution. Noted in the Hokitika Stormwater Issues Options Report (MWH, November 2015)

Asset Category	Location	Project	Project Rationale/Key Decision
		Pipe Open Drain – Richards Drive	Replace existing open channel drain with new DN675 pipeline. Reshape driveways and provide a low bund wall. Increase gravity main capacity to a 50 year LOS. Recommended infrastructure improvement to help alleviate flooding in Hokitika. Part of an overall catchment solution. Noted in the Hokitika Stormwater Issues Options Report (MWH, November 2015)
		Sewell St Pump Upgrade	This pump station is currently operating with one pump only. This means there is no standby in power outages and no means of operating in a duty/assist manner. The single pump in this PS was replaced in 2017 at a cost of \$80k. An additional \$20k has been allowed for ancillary works within the pump station to enable efficient and safe operation and maintenance.
		Weld St Extension	Extending SW Reticulation from Bealey Street through to Fitzherbert St. Recommended infrastructure improvement to help alleviate flooding in Hokitika. Part of an overall catchment solution. Noted in the Hokitika Stormwater Issues Options Report (MWH, November 2015)
		Beach St SW realignment	Infrastructure improvement to help alleviate flooding in Hokitika. Part of an overall catchment solution. The stormwater outlets to the beach are regularly getting blocked, thereby causing water to back up the pipes and flood on to the streets.
		Jollie St Extension	Surface flooding occurring every year. This has been exacerbated by the Tuffy Investment development. Project will need to be completed in conjunction with the new development to ensure SW catchments are aligned. First phase - investigation & design. Second phase - construction. Budget from 2016 LTP. Infrastructure improvement to help alleviate flooding in Hokitika. Part of an overall catchment solution. The development at the top end of this road has increased the runoff and will make the flooding worse in future. Best to resolve this before this happens.
		River Outfall Flap Gates	Flap gates required to prevent river levels affecting the flood volume on the upstream side of Kaniere Road. Noted in the Hokitika Stormwater Issues Options Report (MWH, November 2015)
		Contribution towards new developments	Council contribute to 50% of new developments under the District Plan. Updates to the District Plan to include a requirement for Council to contribute to new developments. As timing / scale of development is unknown at this stage, a nominal amount per year is allowed for this.
Solid Waste	Franz Josef	Final Capping to Landfill	Franz Josef Landfill is a closed landfill and needs the final capping layer.
	Hokitika	Site Shed - Hazardous Washdown Facility	Noted as a capital project in 2015 Solid Waste AMP, page 5-14
		Intermediate Capping for Butlers	Noted as a capital project in 2015 Solid Waste AMP, page 5-14
	Haast	Digout new Cell - Now	Noted as a capital project in 2015 Solid Waste AMP, page 5-14
		Capping for Haast	Noted as a capital project in 2015 Solid Waste AMP, page 5-14

Significant Infrastructure Issues

The Local Government Act 2002 Amendment Bill Section 101B – Infrastructure Strategy states:

(2) The purpose of the infrastructure strategy is to—

- “(a) identify significant infrastructure issues for the local authority over the period covered by the strategy; and
- “(b) identify the principal options for managing those issues and the implications of those options.

In developing this 30 Year Strategy Council identified the anticipated significant infrastructure issues over the 30 years and considered each significant action and the benefits of the action. The significant infrastructure issues faced by Westland District Council with the benefits and costs are tabled below.

Water

Council’s principal goal for water over the next ten years is:

- To achieve compliance with the Drinking Water Standards New Zealand.
- To support and underpin the health, wellbeing and financial prosperity of the Community by providing a lawful, reliable, sustainable and cost effective supply of water to meet the needs of the consumer.

WATER SUPPLY CAPITAL PROJECTS



Issue	What are we doing?	What is the benefit?	How much will it cost?	When are we doing it?	Growth	LoS	Renew
Drinking Water supplies need to be improved to meet the current Drinking Water Standards	Constructing new Water Treatment Plants	Providing clean, potable water for consumers on supplies.	\$1.26M	2018/19		X	
	Assumptions	Council commits funding to upgrade the treatment plants to meet DWSNZ rather than a lesser option.					
	Other option	Do nothing by not meeting the drinking water standards. This option is not compliant with the drinking water standards and increases the risk of contaminated water being provided to consumers.					
		Providing clean, potable water for consumers on supplies.					
	DWSNZ Compliance Standards upgrades *Please note that telemetry also meets a second issue which is the reliability of data.	Gives Council the ability to analysis trends and patterns, provides accurate information to comply with data and monitoring requirements under Drinking Water Standards and reduces manpower and travel expenditure from monitoring via site visits	\$0.91M	2018-2024		X	
	Assumptions	Council commits funding to upgrade the treatment plants to meet DWSNZ rather than a lesser option.					
Aging Infrastructure		Do nothing by not meeting the drinking water standards. This option is not compliant with the drinking water standards and increases the risk of contaminated water being provided to consumers.					
	Other option	Regarding telemetry another option is to increase the manpower and travel expenditure required to carry out manual sampling.					
	Replacing Water Treatment Plant/ network parts (includes filters/ membranes, treatment components, water meters and building repairs and associated WTP improvements)	Ensure continuity of service in a reliable manner	\$2.05M	2018-2024		X	X
	Assumptions	Parts are replaced as per manufacturers' recommendations and design life.					
	Other option	Detailed condition assessment study in aging assets / assets in poor condition.					
	Mains Renewals	Ensure continuity of service in a reliable manner	\$2.44M	2018-2028			X
	Assumptions	The mains renewals programme will be refined based on performance and condition.					
	Other option	Lower the level of services.					

Issue	What are we doing?	What is the benefit?	How much will it cost?	When are we doing it?	Growth	LoS	Renew
	Replacing reservoirs and tanks (for Haast, Hokitika and Kumara)	Preventing water leaks and risk of contamination	\$1.66M	2019-2021 & 2023-2026		X	X
	Assumptions	It is not efficient to fix ageing tanks / reservoirs and they will need to be completely replaced.					
	Other option	Isolated repairs to fix leaks.					
	Asset resilience works (includes seismic valves, generators and raw water sources)	Ensure continuity of service in the event of a power outage	\$0.38M	2018-2020		X	
	Assumptions	Environmental factors and location increase the need for additional safety devices to be installed.					
	Other option	Do not complete upgrades and lower the level of service to the network.					

At the time of writing, the full impact of what the 52 recommendations (released by the Ministry of Health in early 2018 in the aftermath of the Havelock North Water Inquiry) will mean for local authorities has not yet been realised. This is still going through consultation at central government level. The main expectations that have been communicated to date have been incorporated into this strategy as the basis for 3 waters improvements. Given our large geographic area and extremely small rating base, it is likely that Council will require support from central government in terms of funding sources. Council has budgeted for all known projects based on worst-case scenario, however, the intention is to offset these costs with external funding.

Summary of water Issues:

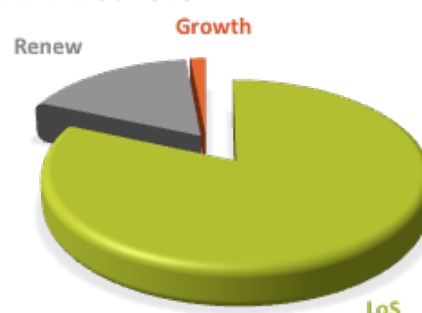
- Cost of complying with the DWSNZ.
- Community expectations.
- Burden of cost for small communities

Wastewater

Council's principal goal for wastewater over the next ten years is:

- To ensure the health of the Community where urban housing exists, thereby eliminating the need for individuals to provide their own wastewater system (which carries much higher health risks)
- To provide a cost effective trade waste disposal system for commercial and some industrial users.
- To provide acceptable collection, treatment and disposal systems for the use of communities
- To meet requirements set by the West Coast Regional Council regarding resource consents and environmental compliance

WASTEWATER CAPITAL PROJECTS



Issue	What are we doing?	What is the benefit?	How much will it cost?	When are we doing it?	Growth	LoS	Renew
Aging Infrastructure	Mains Renewals	Ensure continuity of service in a reliable manner	\$1.39M	2018-2028		X	X
	Assumptions	The mains renewals programme will be refined based on performance and condition					
	Other Option	Detailed condition assessment study in ageing assets / assets in poor condition.					
	Pumps renewals	Provide appropriate level of service to minimise the risk of overflows	\$0.15M	2018/19			X
	Assumptions	Pump upgrades will reduce unconsented wastewater overflows.					
	Other Option	Do not complete all required upgrades and increase the risk of wastewater overflows.					
	Replacing Wastewater Treatment Plant Parts	Maintain operational efficiency	\$0.02M	2020/21		X	X
	Assumptions	Spares will be shared and utilised across multiple assets.					
	Other Option	Purchase spares as and when required. This may result in a delay in arrival of equipment.					
Legal Compliance	Constructing new Wastewater Treatment Plants	Improve WWTP to meet compliance conditions	\$5.68M	2018-2022	X	X	
	Assumptions	One WWTP will be required to relocate due to environmental threat.					
	Other Option	There is no other option, WWTP upgrades needs to be carried out as a part of Resource Consents (Legal Compliance)					
Inflow and infiltration	Catchment investigations	Improve and build resilience in water source catchments	\$0.05M	2018/19		X	
	Assumptions	Further investigations will be required to ensure continuity of water supply.					
	Other Option	Do nothing, and reduce the level of service offering.					

Issue	What are we doing?	What is the benefit?	How much will it cost?	When are we doing it?	Growth	LoS	Renew
Subdivision Growth	District Plan Network Growth	Council contribution towards infrastructure upgrades to support new subdivisions	\$0.11M	2018/28	X		
	Assumptions	No significant changes required to infrastructure to support new subdivisions.					
	Other option	Incur unbudgeted expenditure in keeping up with the District Plan financial contribution requirements.					

Summary of wastewater issues:

- Environmental threats on wastewater treatment plants
- Cost of meeting current Resource Consent compliance conditions
- Community expectations
- Burden of cost on small communities

Stormwater

Council's principal goal for stormwater over the next ten years is:

- To provide for the collection and disposal of stormwater to acceptable environmental standards

STORMWATER CAPITAL PROJECTS



Issue	What are we doing?	What is the benefit?	How much will it cost?	When are we doing it?	Growth	LoS	Renew
Aging Infrastructure	Mains Renewals	Ensure continuity of service in a reliable manner	\$0.39M	2018-2028			X
	Assumptions	The mains renewals programme will be refined based on performance & the results of a detailed condition assessment study into ageing assets.					
	Other option	No investment, with the lowering of customer expectations for LoS.					
	Pump stations renewals and upgrades	Provide appropriate level of service to alleviate flooding issues	\$2.6M	2018-2022		X	
	Assumptions	The projects are approved in the Annual Plan process					
	Other option	No investment, with the lowering of customer expectations for LoS.					
	Replacing open channel drains	Provide appropriate level of service to alleviate flooding issues	\$0.25M	2020-2023		X	
	Assumptions	The projects are approved in the Annual Plan process					
	Other option	No investment, with the lowering of customer expectations for LoS.					

Issue	What are we doing?	What is the benefit?	How much will it cost?	When are we doing it?	Growth	LoS	Renew
	Extensions and Realignments	Ensure continuity of service in a reliable manner	\$0.6M	2018-2020		X	
	Assumptions	Diverting water flow alleviates overland ponding and/or increases reach of stormwater channels for new roads and developments. The projects are approved in the Annual Plan process.					
	Other option	No investment, with the lowering of customer expectations for LoS.					
	Reticulation and Flapgate Improvements	Ensure continuity of service in a reliable manner	\$0.03M	2019-2022		X	
	Assumptions	Flapgate improvements will assist with alleviating backflow and flooding.					
	Other option	No investment, with the lowering of customer expectations for LoS.					
Resilience	Purchasing mobile generators	Ensure continuity of service in a reliable manner	\$0.03M	2018/19		X	
	Assumptions	There will be sufficient number of generators and back-up power in the event of an emergency.					
	Other options	No investment, with the lowering of customer expectations for LoS.					

Summary of stormwater issues:

- Incomplete infrastructure data
- Community expectations

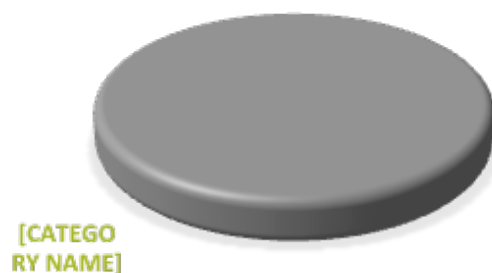
TRANSPORTATION

(Roads and Footpaths)

Council's goal for the roads and footpaths activity is:

To provide a safe, affordable, sustainable land transport system that fully meets the environmental, economic and social needs of the district.

TRANSPORTATION CAPITAL PROJECTS



Issue	What are we doing?	What is the benefit?	How much will it cost?	When are we doing it?	Growth	LoS	Renew
Aging Infrastructure / Load Capacity	Bridge Renewals	Ensure continuity of service in a reliable manner, Increase capacity to allow for 50MAX	\$2.66M	2018-2028			X
	Assumptions	Council continues to deliver the same level of service and replaces bridges as required. Bridges not capable of allowing 50MAX loading are progressively upgraded as renewal work occurs					
	Other Options	On low volume access roads Council may decide not renew bridges and rather remove them and install low level fords					

Issue	What are we doing?	What is the benefit?	How much will it cost?	When are we doing it?	Growth	LoS	Renew
Aging Infrastructure	Resurfacing	To keep roads safe and operating at an optimum level	\$12.85M	2018-2028			X
	Assumptions	The resurfacing programme will be defined based on sound asset management practices including performance and condition. Undertake further deterioration modelling to manage resurfacing intervention to extend the life of seals					
	Other Options	Strategic assessment of Council's roading network as part of the transition to a one network road classification could identify low volume access roads that council may allow to reverse back to gravel formation.					
Increased Capacity	Maintenance Upgrade	To keep roads safe, operating at optimum level and allowance for traffic growth	\$8.80M	2018-2045			X
	Assumptions	That projects are successful in obtaining NZTA funding and that Council and ratepayers have a willingness to fund the necessary local share.					
	Other option	Continue to maintain network at current capacity with no increased level of service.					
Routine Maintenance	Traffic services including line marking and new signage	Improves customer satisfaction and safety by providing clear directions	\$1.39M	2018-2028			X
	Assumptions	NZTA continue to subsidise the WDC Land Transport Programme without any significant change in Financial Assistance Rates. Council and ratepayers have a willingness to fund the necessary local share.					
	Other option	Transportation network levels of service are reduced					
	Drainage – new kerbing channels and culverts	Provides for water runoff thus minimising road flooding and associated safety issues	\$1.86M	2018-2028			
	Assumptions	NZTA continue to subsidise the WDC Land Transport Programme without any significant change in Financial Assistance Rates. Council and ratepayers have a willingness to fund the necessary local share.					
	Other option	Transportation network levels of service are reduced					

Summary of transportation Issues:

- Changes in central and regional government policy
- Increase in pricing of oil and aggregates
- Financial assistance from New Zealand Transport Agency (NZTA)
- Change in land use (e.g. the conversions of land to dairy) which therefore change patterns of road usage

Summary of Significant Infrastructure Issues

A large amount of the District's infrastructure was built in the 1970s and 1980s. With an average age of 50 years, many of these assets are now reaching, or indeed have already passed the end of their expected life. Maintaining these ageing assets becomes more difficult as their age increases.

The District is now at a time when keeping the respective levels of maintenance cost versus renewal cost is at its hardest to balance.

The key issue in regard to Council's infrastructure assets is not what needs to be provided, but how to avoid losing what it has established over time at significant effort and cost. Some assets may not even need to be kept. In fact, the need to manage its infrastructure assets well is a foundation upon which rests the Council's ability to provide new facilities for the Community in the future.

Infrastructure Gap Analysis

Infrastructure gap analysis is to determine a potential funding gap could emerge between projected needs and current spending in Council's core infrastructure assets. The analysis presents in detail the methods for quantifying the gap for the purpose of providing transparency as to how the estimates were derived. The results confines itself to quantifying the funding shortfall for capital that will be needed to ensure that Council's core infrastructure assets will provide the agreed level of services.

The current financial strategy, which includes the projected cashflow for next 30 years required for renewals for assets, is based on the install dates of the assets and some condition assessments. The information is populated in the Asset Information database "AssetFinda". For the obvious reasons, this cashflow (while rationalised) is requiring peaks at certain intervals which is economically not sustainable. This situation is very much related to a small initial period installation of asset that is to say that most of the infrastructure was installed within a short span of time in past with similar renewal timeframe.

Some gaps in Council's knowledge about the condition and performance of certain assets exist which is why a provision has been included for asset management data collection for the first five years of the 2018-2028 Long Term Plan of \$25,000 plus inflationary factors. In addition, an additional \$25,000 plus inflationary factors has been included in each year of the 2018-2018 Long Term Plan for asset management condition assessments.

Westland District Council has made a very cautious decision to include a sustainable renewal program over the first 10 years of the Draft LTP. This has been done with a view that over the first three years, Council will further investigate the quality of these assets and analyse a further robust renewal program based on life + quality + operational needs.

Table 3.4: Priority One Project Descriptions

Asset Category	Location	Category	Priority	Project Title	Project Description	OPEX / CAPEX	LOS / Growth / Maintenance
Water Supply	ALL	Water Meters	P1	Water Meters Replacement	Replace Water Meters on commercial connections (priority 1).	CAPEX	Maintenance
Water Supply	Franz Josef	Water Treatment Plant	P1	Blower Electrics & SCADA	Connect blower to improve aeration for treatment process	CAPEX	Maintenance
Water Supply	Fox Glacier	Water Treatment Plant	P1	Plant Upgrade to DWSNZ	Upgrade Fox Glacier Treatment Plant to include protozoa treatment and associated monitoring equipment etc. in compliance with DWSNZ	CAPEX	LOS

Asset Category	Location	Category	Priority	Project Title	Project Description	OPEX / CAPEX	LOS / Growth / Maintenance
Water Supply	ALL	Water Treatment Plant	P1	WTP Disinfection Upgrades	Upgrade WTPs to achieve compliance with DWSNZ disinfection requirements. Note - these requirements have not been incorporated into DWSNZ as yet, however it is likely that this will happen over the next couple of years	CAPEX	LOS
Water Supply	ALL	Water Treatment Plant	P1	SCADA / Telemetry at WTPs	Telemetry for all monitoring equipment	CAPEX	LOS
Wastewater	Hokitika	Wastewater Treatment Plant	P1	Hokitika WWTP Upgrade, including Telemetry	Interim solution to convert ponds from parallel treatment to treatment in series. Including flow monitoring, preparation of a management plan and odour survey	CAPEX	LOS
Wastewater	Hokitika	Pumps & Pump Stations	P1	West Drive Pump & Electrics Upgrade	Replace worn pumps and associated electrics	CAPEX	Maintenance
Wastewater	Hokitika	Pumps & Pump Stations	P1	Kaniere Sewer Pumps Upgrade	Replace worn pumps and associated electrics	CAPEX	Maintenance
Wastewater	Franz Josef	Wastewater Treatment Plant	P1	New WWTP at Franz Josef	New mechanical WWTP and compliance with Environment Court order	CAPEX	LOS
Stormwater	Hokitika	Electrics & Generation	P1	Mobile Generator	Purchase a mobile generator to ensure continuity of services in 3 Waters area	CAPEX	LOS
Stormwater	Hokitika	Pumps & Pump Stations	P1	Sewell St Pump Upgrade	Upgrade SW PS	CAPEX	LOS
Stormwater	Hokitika	Pumps & Pump Stations	P1	Rolleston St Pump Upgrade	Upgrade SW PS	CAPEX	LOS
Stormwater	Hokitika	Pumps & Pump Stations	P1	Hoffman St Pump Upgrade	Upgrade SW PS	CAPEX	LOS
Stormwater	Hokitika	Pipelines & Fittings (Incl. Isolation valves etc.)	P1	Jollie St Extension	Upgrade SW network to prevent substantial ponding in the street and flooding into private property	CAPEX	LOS
Property, Land & Buildings	Hokitika	Buildings	P1	Council HQ Refurbishment	Office refurbishment, landing reroof, air conditioning	CAPEX	Maintenance
Property, Land & Buildings	Hokitika	Buildings	P1	Elderly Housing - Roof repairs		CAPEX	Maintenance

Asset Category	Location	Category	Priority	Project Title	Project Description	OPEX / CAPEX	LOS / Growth / Maintenance
Property, Land & Buildings	Hokitika	Museum	P1	Museum - Feasibility Studies	New museum	CAPEX	LOS
Parks, Reserves & Cemetery	Hokitika	Parks & Reserves	P1	Cass Square - Replacement of bark chips with rubber matting		CAPEX	Maintenance

Table 3.5: Priority One Projects by Cost and Timeframe

Key Decision		\$	Timeframe
Water Meter Replacements	Water Supply	180,000	2018-2020 (Years 1 - 2)
Franz Josef Blower Electrics & SCADA	Water Supply	32,000	2018/19 (Year 1)
Fox Glacier Water Treatment Plant Upgrade	Water Supply	400,000	2018/19 (Year 1)
Water Treatment Plant Disinfection Upgrades	Water Supply	760,000	2018-2023 (Years 1 - 5)
SCADA / Telemetry at Water Treatment Plants	Water Supply	70,000	2018-2020 (Years 1 - 2)
Hokitika Wastewater Treatment Plant Upgrade including Telemetry	Wastewater	3,050,000	2018-2022 (Years 1 - 4)
Franz Josef Wastewater Treatment Plant	Wastewater	2,250,000	2018/19 (Year 1)
Hokitika Stormwater Mobile Generator	Stormwater	30,000	2018/19 (Year 1)
Hokitika Sewell Street Stormwater Pump Upgrade	Stormwater	100,000	2018/19 (Year 1)
Hokitika Rolleston Street Stormwater Pump Upgrade	Stormwater	320,000	2018-2020 (Years 1 - 2)
Hokitika Hoffman Street Stormwater Pump Upgrade	Stormwater	750,000	2018-2020 (Years 1 - 2)
Hokitika Jollie Street Pipeline & Fittings Extension	Stormwater	240,000	2018/19 (Year 1)
Council Headquarters improvement – reroofing + air conditioning	Property, Land & Buildings	65,000	2018/19 & 2021/22 (Years 1 & 4)
Elderly Housing – roof repairs	Property, Land & Buildings	40,000	2019/20 & 2021/22 (Years 2 & 4)
Hokitika Museum – feasibility study and construction of a new museum	Museum	4,500,000	2021-2024 (Years 4 – 6)
Cass Square – Hokitika – Replacement of bark chips with rubber matting	Parks & Reserves	80,000	2018-2022 (Years 1 - 4)

Table 3.6: Additional Projects

Asset Category	Project Description	OPEX / CAPEX	LOS / Growth / Maintenance	10 Year Total Spend (excluding P1 Projects)
Water Supply	Renewal of Pipelines & Fittings (Incl. Isolation valves etc.)	CAPEX	Maintenance	\$2,377,000
Water Supply	Renewal and Upgrade of Reservoirs & Tanks	CAPEX	Maintenance	\$1,489,000
Water Supply	Upgrade and Replacement of Water Treatment Plant	CAPEX	Maintenance	\$2,511,000
Water Supply	Upgrade of Electrics & Generation	CAPEX	LOS	\$45,000
Water Supply	Identifying and Installing new Water Source	CAPEX	Maintenance	\$240,000
Wastewater	Renewal of Pipelines & Fittings (Incl. Isolation valves etc.)	CAPEX	Maintenance	\$975,000
Wastewater	Pipe Network Upgrades	CAPEX	Growth	\$150,000

Asset Category	Project Description	OPEX / CAPEX	LOS / Growth / Maintenance	10 Year Total Spend (excluding P1 Projects)
Wastewater	Upgrade and Replacement of Wastewater Treatment Plant	CAPEX	LOS	\$540,000
Stormwater	Upgrade and Replacement of Pumps & Pump Stations	CAPEX	LOS	\$1,355,000
Stormwater	Upgrade Open Channel Drain	CAPEX	LOS	\$230,000
Stormwater	Renewal of Pipelines & Fittings (Incl. Isolation valves etc.)	CAPEX	LOS	\$630,000
Stormwater	Pipe Network Upgrades	CAPEX	Growth	\$100,000
Solid Waste	Landfill Upgrades	CAPEX	Maintenance	\$323,000
Fleet Management	Vehicles Replacement	CAPEX	Maintenance	\$200,000
Transportation	Roading Renewals	CAPEX	Maintenance	\$27,470,000
Property, Land & Buildings	Upgrade of Buildings	CAPEX	Maintenance	\$233,000
Property, Land & Buildings	Swimming Pools Upgrade	CAPEX	Maintenance	\$115,000
Parks, Reserves & Cemetery	Cemeteries Improvements	CAPEX	Maintenance & Growth	\$145,000
Parks, Reserves & Cemetery	Parks & Reserves Improvements	CAPEX	LOS	\$725,000
Community Services	Footpath & Statue Renewals	CAPEX	Maintenance	\$581,500
West Coast Wilderness Trail	Cycle Trail Improvements	CAPEX	LOS	\$140,000
Planning & Regulatory	Hokitika Museum Upgrades	CAPEX	Maintenance	\$9,400
Planning & Regulatory	Civil Defence Improvements	CAPEX	LOS	\$204,800
Planning & Regulatory	Library Improvements	CAPEX	Maintenance	\$591,430
Corporate Services	Information Technology Upgrades	CAPEX	Maintenance	\$828,500
Corporate Services	Hokitika I-Site Upgrade	CAPEX	LOS	\$73,180
Corporate Services	Document Management Upgrade	CAPEX	Maintenance	\$200,000

Future Projects

As shown in the following table, a number of future projects have been identified to be carried out in Years 11 to 30. These renewals projects are largely based on asset condition data as used to prioritise the projects that sit within the 10 Year plan and extrapolated to predict future projects. This condition data is primarily based on asset age, material and criticality.

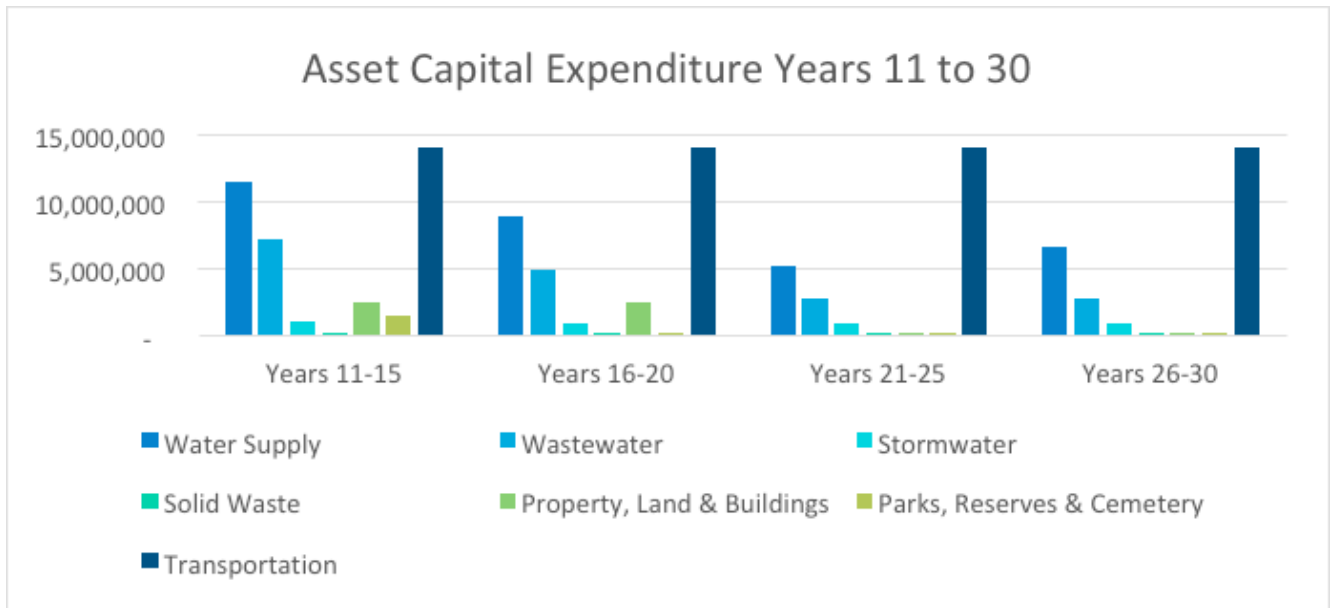
Due to the uncertainty in future legislation, asset condition and operational and maintenance issues, it is difficult to identify detailed projects beyond a 10 year projection. However, a few specific project have been identified and included below, such as a new Wastewater Treatment Plant for Hokitika and a new Swimming Pool in Hokitika.

Asset Category	Project Title	Years 11-15	Years 16-20	Years 21-25	Years 26-30	Total
Water Supply	Kumara Water Mains Upgrades	\$0.05M	\$0.05M	\$0.05M	\$0.05M	\$0.20M
Water Supply	Hokitika Water Mains Replacement	\$0.25M	\$0.25M	\$0.25M	\$0.25M	\$1.00M
Water Supply	Ross Water Mains Replacement		\$0.05M		\$0.05M	\$0.10M
Water Supply	Hari Hari Water Mains Replacement	\$0.09M	\$0.09M	\$0.09M	\$0.09M	\$0.36M
Water Supply	Franz Water Mains Replacement	\$0.12M	\$0.12M	\$0.12M	\$0.12M	\$0.48M
Water Supply	Fox Glacier Water Mains Replacement		\$0.07M		\$0.07M	\$0.14M
Water Supply	Haast Water Mains Replacement	\$0.08M		\$0.08M		\$0.16M

Asset Category	Project Title	Years 11-15	Years 16-20	Years 21-25	Years 26-30	Total
Water Supply	Whataroa Water Mains Replacement		\$0.03M		\$0.03M	\$0.06M
Water Supply	Arahura Water Mains Replacement	\$0.03M		\$0.03M		\$0.06M
Water Supply	Upgrade Pump Stations	\$0.05M	\$0.05M	\$0.05M	\$0.05M	\$0.20M
Water Supply	Water Meters Replacement		\$0.09M		\$0.09M	\$0.18M
Water Supply	Upgrade WTP's - specifically for growth areas of Franz Josef, Fox Glacier and Ross		\$0.50M		\$0.50M	\$1.00M
Water Supply	Upgrade WTP Reservoirs	\$0.50M		\$0.50M		\$1.00M
Water Supply	WTP Improvements - Replace modules / membranes	\$0.50M	\$1.10M	\$0.50M	\$1.10M	\$3.20M
Water Supply	New Generators		\$0.03M		\$0.03M	\$0.06M
Water Supply	Replacement of Water Treatment Plant Components	\$0.05M	\$0.05M	\$0.05M	\$0.05M	\$0.20M
Water Supply	WTP Disinfection Upgrades		\$0.20M		\$0.20M	\$0.40M
Water Supply	WTP SCADA / Telemetry Upgrades	\$0.03M		\$0.03M		\$0.06M
Water Supply	General Renewals	\$9.76M	\$5.74M	\$3.45M	\$3.45M	\$22.4M
Wastewater	Hokitika WWTP Upgrade	\$0.75M	\$0.75M			\$1.50M
Wastewater	Hokitika Wastewater Mains Replacement	\$0.30M	\$0.30M	\$0.30M	\$0.30M	\$1.20M
Wastewater	Franz Josef Wastewater Mains Replacement	\$0.07M	\$0.07M	\$0.07M	\$0.07M	\$0.28M
Wastewater	Fox Glacier Wastewater Mains Replacement	\$0.08M	\$0.08M	\$0.08M	\$0.08M	\$0.32M
Wastewater	Haast Wastewater Mains Replacement		\$0.08M		\$0.08M	\$0.16M
Water Supply	Upgrade WWTP's - specifically for growth areas of Franz Josef & Fox Glacier		\$0.50M		\$0.50M	\$1.00M
Wastewater	Pump Station Upgrades	\$0.10M	\$0.10M	\$0.10M	\$0.10M	\$0.40M
Wastewater	I&I Catchment Investigations	\$0.05M		\$0.05M		\$0.10M
Wastewater	Replacement of Wastewater Treatment Plant Components	\$0.05M	\$0.05M	\$0.05M	\$0.05M	\$0.20M
Wastewater	Contribution towards new developments	\$0.05M	\$0.05M	\$0.05M	\$0.05M	\$0.20M
Wastewater	General Renewals	\$5.77M	\$3.4M	\$2.04M	\$2.04M	\$13.25M
Stormwater	New Generators	\$0.03M				\$0.03M
Stormwater	Hokitika Stormwater Mains Replacement	\$0.13M	\$0.13M	\$0.13M	\$0.13M	\$0.52M
Stormwater	Pump Upgrades	\$0.40M	\$0.40M	\$0.40M	\$0.40M	\$1.60M
Stormwater	Contribution towards new developments	\$0.05M	\$0.05M	\$0.05M	\$0.05M	\$0.20M
Stormwater	General Renewals	\$0.4M	\$0.3M	\$0.3M	\$0.3M	\$1.3M
Solid Waste	Digout New Cells - Various	\$0.01M		\$0.01M		\$0.02M
Solid Waste	Capping - Various		\$0.05M		\$0.05M	\$0.10M
Property, Land & Buildings	New Swimming Pool in Hokitika	\$2.50M	\$2.50M			\$5.00M
Property, Land & Buildings	Building Upgrades - Various	\$0.05M	\$0.05M	\$0.05M	\$0.05M	\$0.20M
Parks, Reserves & Cemetery	Cemetery - Improvements		\$0.08M		\$0.08M	\$0.16M
Parks, Reserves & Cemetery	Hokitika Sports Complex	\$1.50M				\$1.50M
Parks, Reserves & Cemetery	Reserve maintenance/ development	\$0.05M	\$0.05M	\$0.05M	\$0.05M	\$0.20M
Transportation	Footpath Renewals	\$0.29M	\$0.29M	\$0.29M	\$0.29M	\$1.16M

Asset Category	Project Title	Years 11-15	Years 16-20	Years 21-25	Years 26-30	Total
Transportation	Road Renewals / Resurfacing	\$10.8M	\$10.8M	\$10.8M	\$10.8M	\$43.2M
Transportation	Drainage Renewals	\$0.95M	\$0.95M	\$0.95M	\$0.95M	\$3.80M
Transportation	Structures Replacements	\$1.33M	\$1.33M	\$1.33M	\$1.33M	\$5.32M
Transportation	Traffic Services Renewals	\$0.70M	\$0.70M	\$0.70M	\$0.70M	\$2.80M

Note: All the above table data has been based on the initial 10 Year plan. There is a low level of confidence over the data represented in years 11-30. This data will be improved progressively over the life of the plan.



Financial Estimates

The Local Government Act 2002 Amendment Bill Section 101B – Infrastructure Strategy states:

(4) The infrastructure strategy must outline the most likely scenario for the management of the local authority’s infrastructure assets over the period of the strategy and, in that context, must—

“(a) show indicative estimates of the projected capital and operating expenditure associated with the management of those assets—

“(i) in each of the first 10 years covered by the strategy; and

“(ii) in each subsequent period of 5 years covered by the strategy

Total Expenditure

The projected capital expenditure associated with the significant infrastructure assets are graphically represented below.

Figure 0.1: Projected Capital Expenditure- Infrastructure Assets

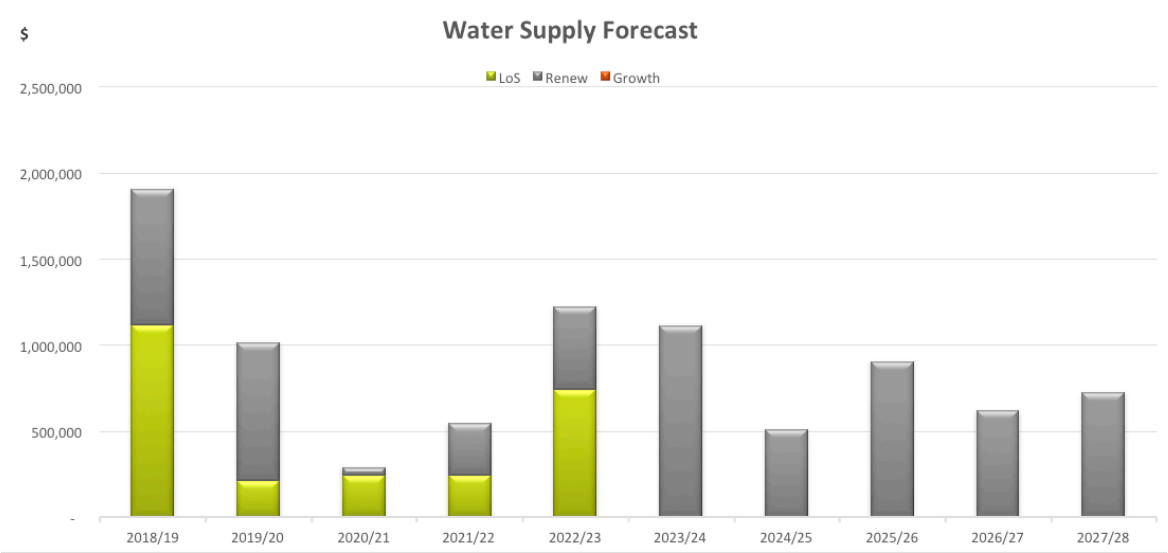
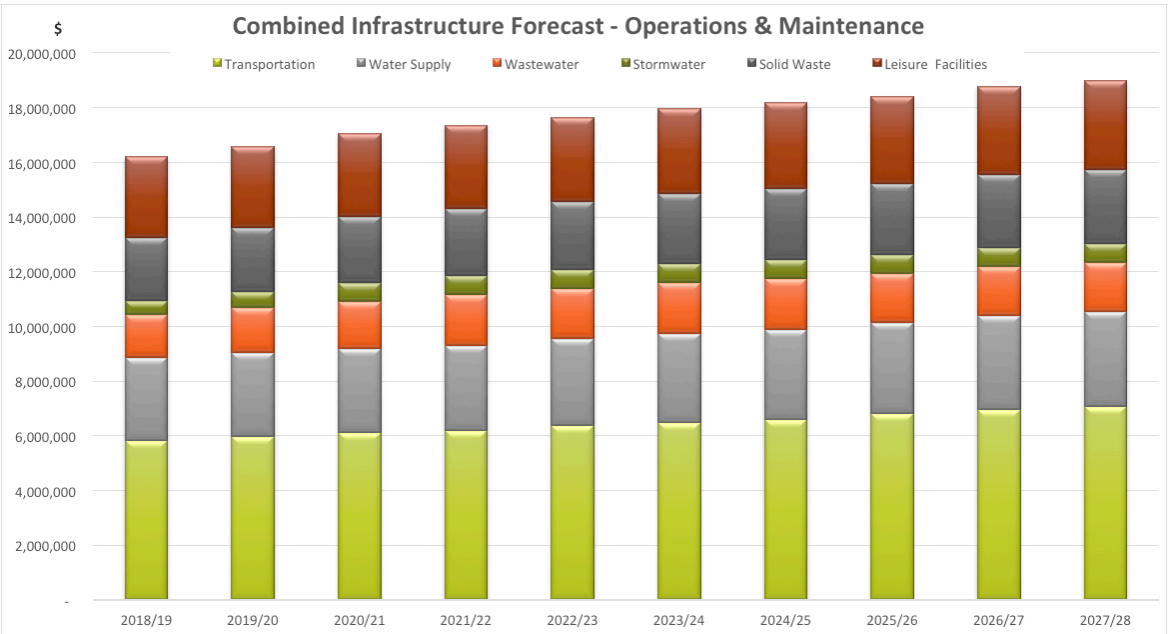


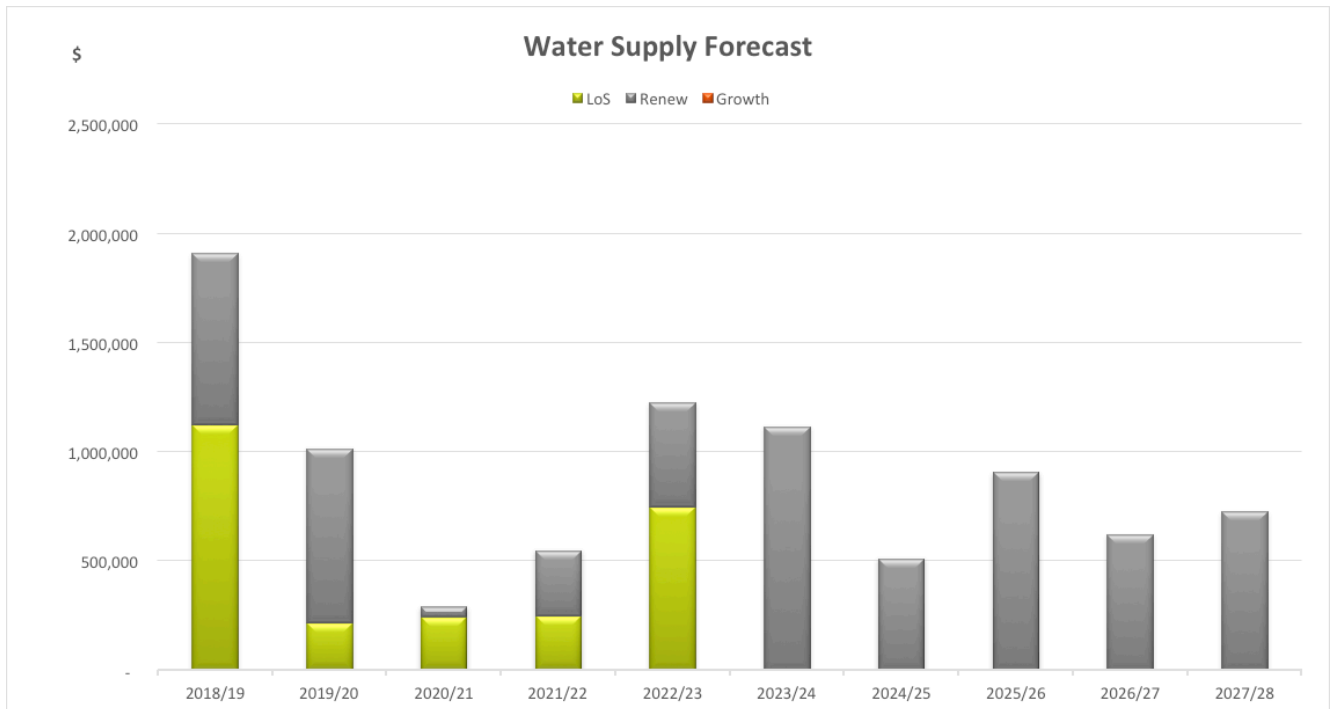
Figure 0.2: Projected Operational Expenditure –Infrastructure Assets



Water

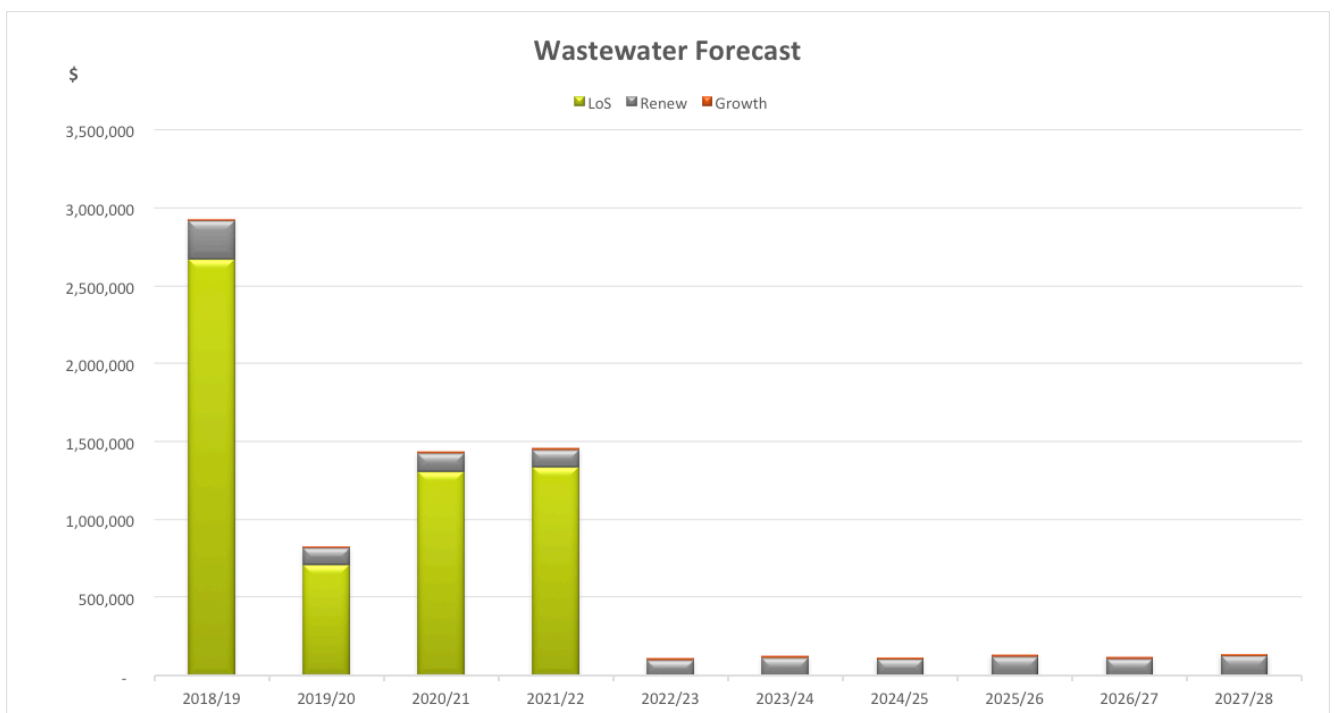
The projected capital expenditure associated with the water infrastructure assets are graphically represented below:

Figure 0.3: Projected Capital Expenditure – Water



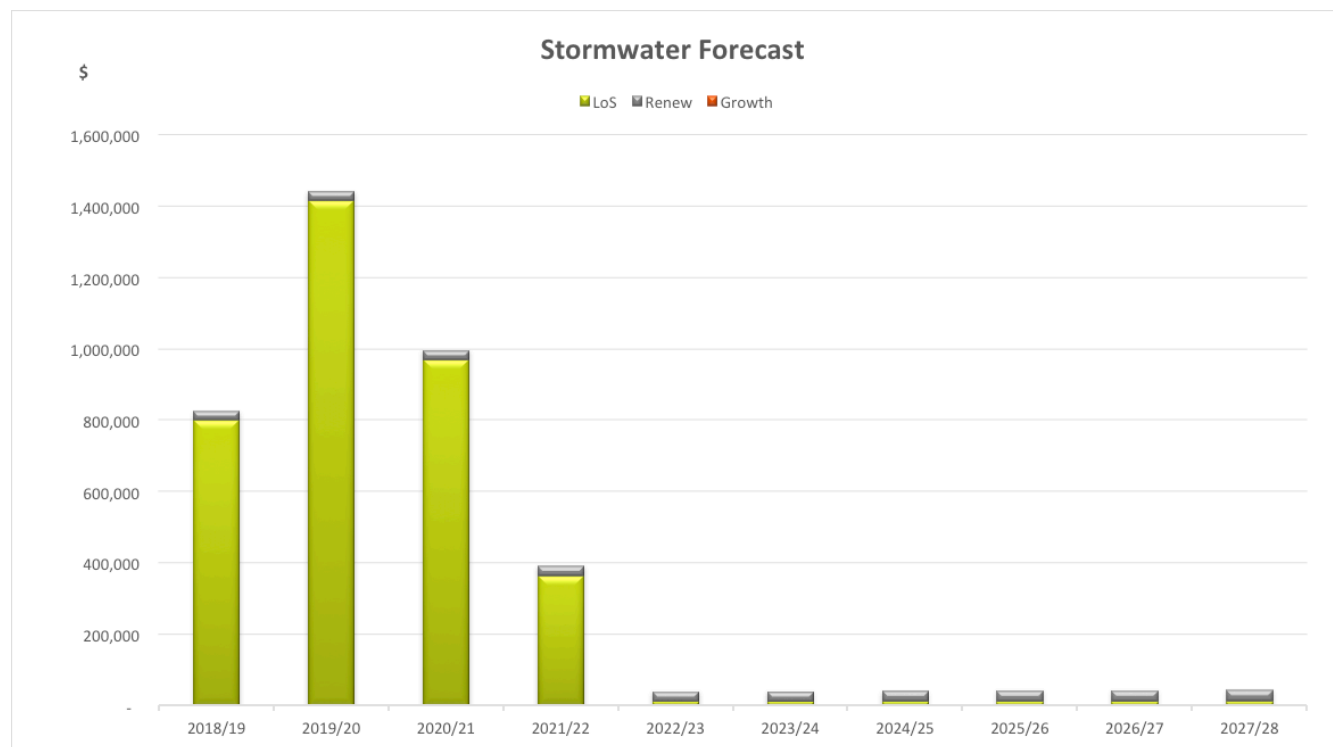
Wastewater

Figure 0.4: Projected Capital Expenditure – Wastewater



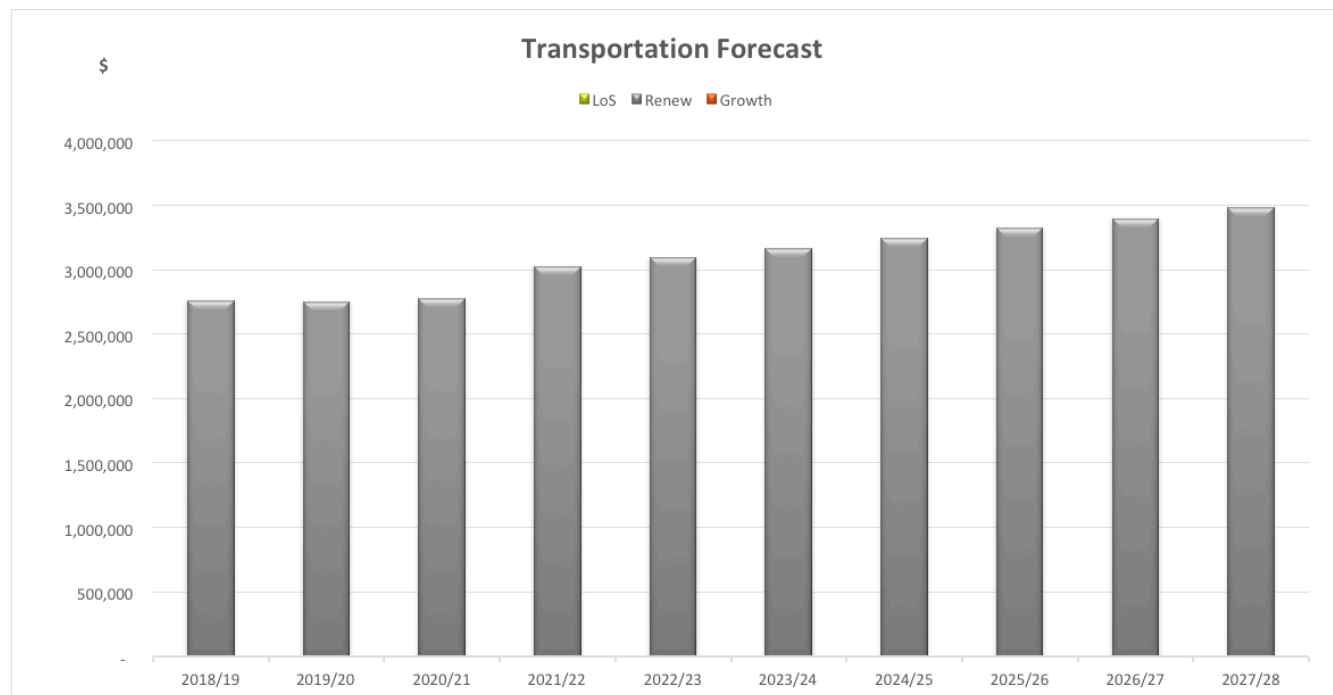
Stormwater

Figure 0.5: Projected Capital Expenditure - Stormwater



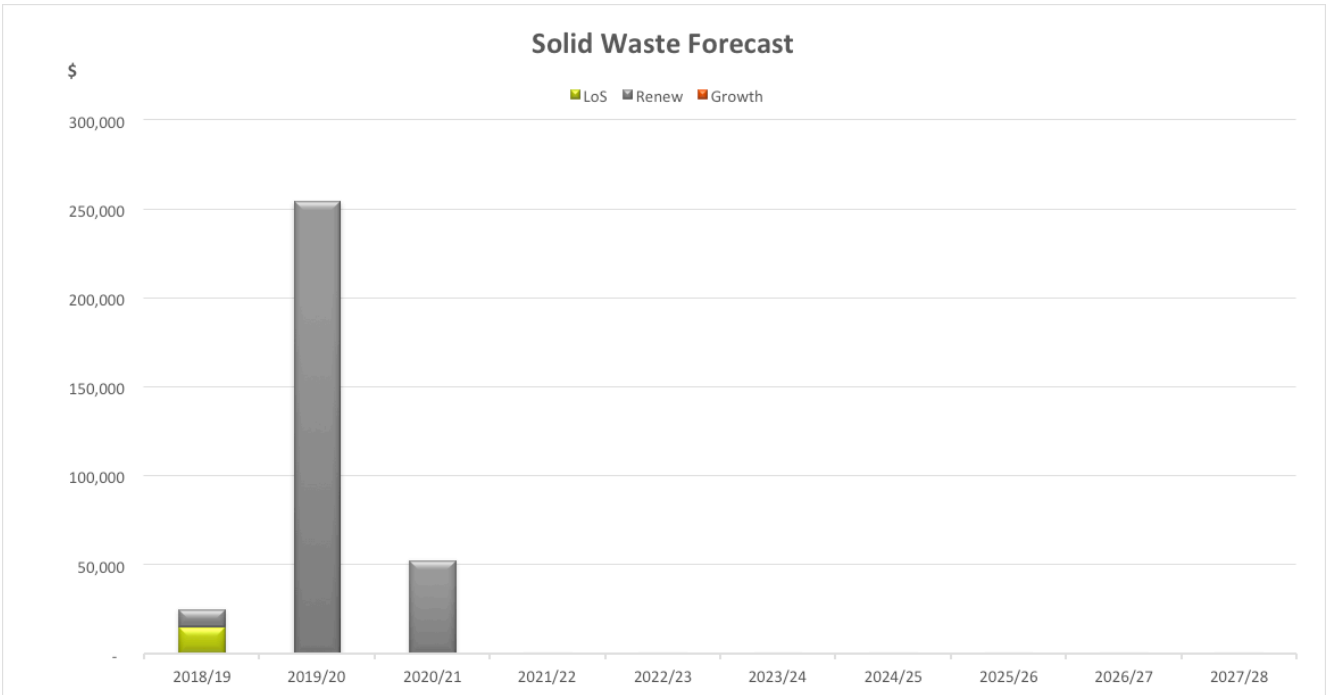
Transportation (Roads and Footpaths)

Figure 0.5: Projected Capital Expenditure – Transportation



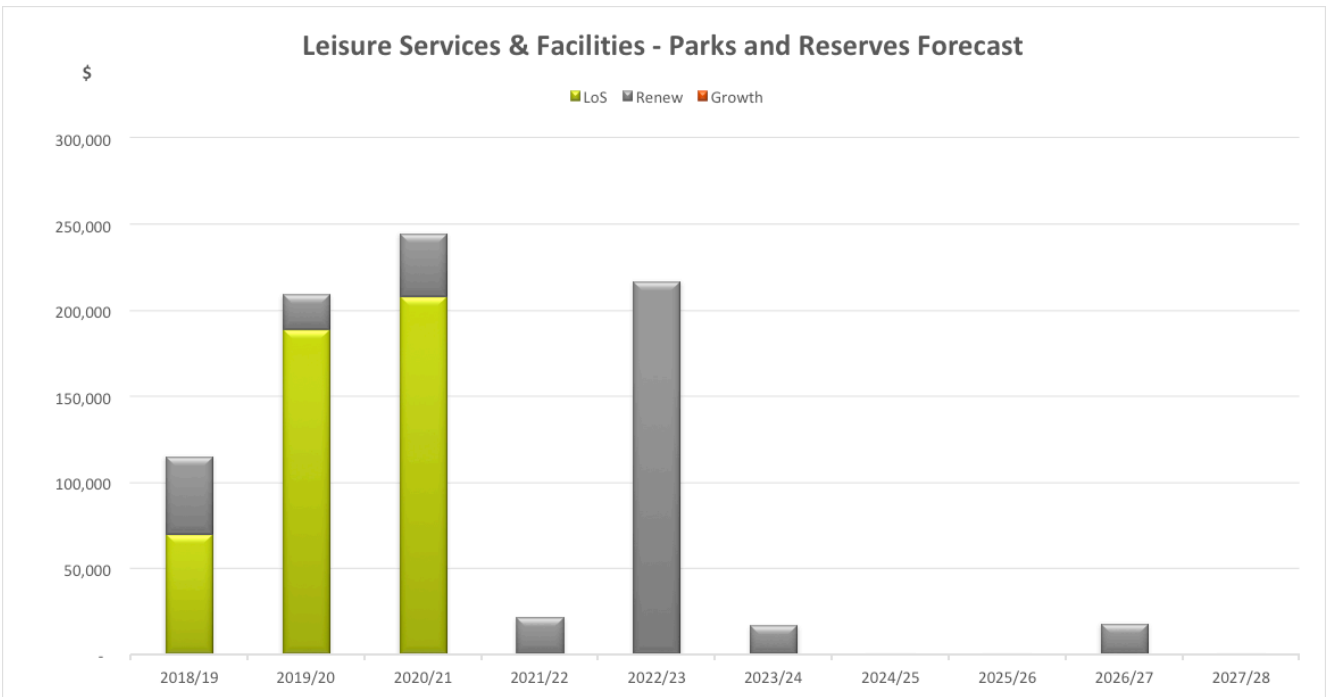
Solid Waste

Figure 0.6: Projected Capital Expenditure – Solid Waste



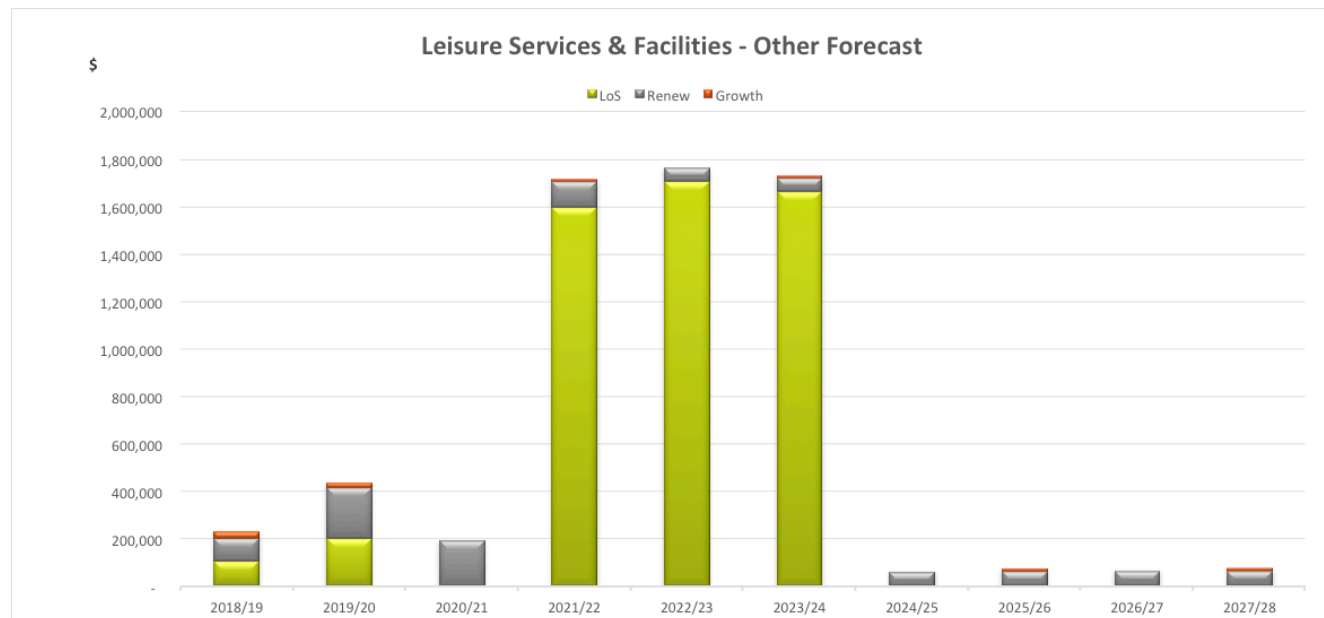
Reserves

Figure 0.7: Projected Capital Expenditure – Parks & Reserves



Leisure Services & Facilities - Other

Figure 0.8: Projected Capital Expenditure – Leisure Services & Facilities – Other (including Buildings, Swimming Pools, Museum, Cemeteries, Library, Civil Defence, West Coast Wilderness Trail & i-SITE)



FINANCING POLICIES

FINANCING POLICIES



REVENUE AND FINANCING POLICY

Introduction

This policy outlines the choices Council has made about the appropriate funding of operational and capital expenditure from the sources of funds listed in the Local Government Act 2002 (LGA). The policy also shows how Council has complied with section 101(3). 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.

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	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

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

WHAT ABOUT THE GREY?????

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". 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 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
- Corporate services
- Inspections and compliance
- Resource management
- Emergency management
- Animal control
- Community development and assistance
- Library
- Museum
- Public toilets
- Land and buildings
- Cemeteries
- Transportation
- 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
- Township development fund
- Swimming pools
- i-Site
- West Coast Wilderness Trail

- Water supply
- Parks and Reserves
- Land and Buildings
- Transportation
- Wastewater
- 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.

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.

RATES REMISSION AND POSTPONEMENT 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

Objectives

To facilitate the on-going provision of non-commercial community services and recreational opportunities for the residents of 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 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 Schedule 1 of the Local Government (Rating) Act 2002.
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.
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.
4. The policy does not apply to groups or organisations who engage in recreational, sporting or community services as a secondary purpose only.

5. No remission will be granted on targeted rates for water supply, sewage disposal or refuse collection.
6. Organisations making first applications should include the following documents in support of their application:
 - 1) Evidence of constitution
 - 2) Statement of the organisation's objectives
 - 3) Full financial statements
 - 4) Information on planned activities and programmes
 - 5) Details of membership
7. All remissions made under this policy will be confirmed by Council or a delegated Committee in open meeting.
8. The list of entities receiving this remission will be reviewed annually
9. Annual remissions of 50% of all rates, other than those detailed in (5) above, will be applied to those societies and associations who meet the criteria.

Remission of Penalties

Objective

To enable Council to act 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 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 to clear all outstanding rates within an agreed timeframe.
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, serious illness or accident of a family member as at due date.
4. A penalty will be remitted where there is an administrative error on the part of Council or an agent acting for Council.

5. Each application will be in writing (including email) and will be considered on its merits.

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 pans charges then the fifth to tenth pan charges will be discounted by 25% and all pan charges exceeding ten will be discounted by 50%.
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.
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.

Remission on New Subdivisions

Objectives

- To provide temporary rates relief to new subdivisions to limit the immediate rates impact of multiple Uniform Annual General Charges (UAGC) and service charges in the first year.
- To provide a rating policy that is consistent with accommodating growth expectations for 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.
2. Remission of the UAGC, Community Rate, Tourism Rate and unconnected service charges will be actioned quarterly for each unsold lot except one.
3. Remission will apply for a maximum of two rating years.
4. Council or delegated committee may consider, in open meeting, an extension beyond this upon written application from the developer.

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

Objective

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 UAGC 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.
3. Applications will not be backdated
4. Rates types affected by this policy are:
 - Uniform Annual General Charge
 - Community rate
 - Tourism Rate
5. Rating units that receive a remission must be held in common ownership with each other and operated as a single farming or horticultural unit.
6. Applications for remissions must be in writing.
7. Remissions will continue (requiring no further application) until Council becomes aware of a change in circumstances or Council changes this policy.

POLICY ON REMISSION AND POSTPONEMENT OF RATES ON MAORI FREEHOLD LAND

This policy is prepared under Section 108 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. 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. recognising and taking account of the importance of the land for community goals relating to:
 - a. The preservation of the natural character of the coastal environment:
 - b. the preservation of outstanding natural features:
 - c. the protection of significant indigenous vegetation and significant habitats of indigenous fauna:
 - h. recognising the level of community services provided to the land and its occupiers
- i. recognising matters related to the physical accessibility of the land

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.
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

RATES POSTPONEMENT POLICY

DEVELOPMENT CONTRIBUTIONS 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.

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

Westland District Council (Council) is a territorial local authority governed by the Local Government Act 2002.

The primary objective of Council is to contribute to the purpose of local government in the Westland District by:

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

By providing goods or services for the community rather than making a financial return, Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The prospective financial statements are for Westland District Council only and do not include transactions related to the group.

BASIS OF PREPARATION

The financial statements are prospective information in terms of PBE FRS42: Prospective Financial Information. The purpose for which the information is prepared is to enable the public to participate in decision making processes as to the services to be provided by Council to the community. The prospective information may not be appropriate for purposes other than those described.

In preparing these prospective financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including

expectations or future events that are believed to be reasonable under the circumstances.

The information in the prospective financial statements is uncertain and its preparation requires the exercise of judgement. Actual financial results achieved are likely to vary from the information presented and the variations may be material. Events and circumstances may not occur as expected and may or may not have been predicted or the Council may subsequently take actions that differ from the proposed course of action on which the prospective financial statements are based.

The Council authorised the prospective financial statements on TBC 2018. The Council, which is authorised to do so and believes that the assumptions underlying these prospective financial statements are appropriate, approved the draft annual plan for consultation.

Council and management of Westland District Council accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. No actual results have been incorporated within the prospective financial statements.

Statement of Compliance

The prospective financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). The Financial Statements have been prepared in accordance with Tier 2 PBE Standards and disclosure concessions have been applied.

The criteria under which an entity is eligible to report in accordance with Tier 2 PBE Standards are

- Expenses > \$2m and < \$30m
- Not publicly accountable

These financial statements comply with PBE Standards.

Functional and Presentation Currency

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

Accounting Policies

The accounting policies have been applied consistently to all periods presented. There have been no significant changes to accounting policies as compared to the Long Term Plan 2015-25 or the Annual Report 2016-17.

SIGNIFICANT ACCOUNTING POLICIES

Cost Allocation Policy

- Direct costs are charged directly to significant activities.
- Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.
- Direct costs are those costs directly attributable to a significant activity.
- Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as staff numbers, items processed, and/or based on level of support provided to each activity.

Subsidiaries

Subsidiaries are those entities in which Council has control. Westland Holdings Ltd is Council's direct reporting subsidiary. This company controls two Council Controlled Organisations which are reporting entities under the Financial Reporting Act 1993. The Group consists of Destination Westland (name to be confirmed) and Westroads Ltd.

Investments in subsidiaries are recorded at cost. Transactions with subsidiaries are at arm's length and under normal trading terms. Recharges are invoiced at cost.

Basis of consolidation

The Group (Westland District Council and Westland Holdings Ltd) consolidated accounts are prepared by combining like items of assets, liabilities, equity, revenue and expenses on a line-by-line basis. All significant intra-group balances, transactions, revenue and expenses are eliminated on consolidation.

Revenue

Revenue is measured at the fair value of consideration received.

Rates revenue

Rates, including water-by-meter rates, are set annually by a resolution of Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable. Rates arising from late payment penalties are recognised as revenue when rates become overdue.

Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

Other revenue

Grants

Council receives government grants from New Zealand Transport Agency, which subsidises part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. Council also from time to time receives grants from other parties that are recognised on the same basis.

Building and resource consent revenue:

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Entrance fees:

Entrance fees are fees charged to users of the Council's local facilities and events, primarily the Hokitika Museum and Wildfoods Festival. Revenue from entrance fees is recognised upon entry to such facilities, or when the event is held.

Landfill fees:

Fees for disposing of waste at the Council's landfill are received and recognised as waste is disposed by users.

Provision of commercially based services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. The stage of completion is assessed by reference to surveys of work performed.

Sales of goods

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns or allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Revenue from investments

Interest revenue is recognised using the effective interest method.

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

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately

recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

Donated and bequeathed financial assets

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met e.g. as the funds are spent for the nominated purpose.

Construction Contracts

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract at balance date. The stage of completion is measured by reference to the contract costs incurred up to balance date as a percentage of total estimated costs for each contract. Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract, and an allocation of overhead expenses incurred in connection with the group's construction activities in general.

An expected loss on construction contracts is recognised immediately as an expense in the surplus or deficit.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred. When it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Construction work in progress is stated at the aggregate of contract costs incurred to date plus recognised surpluses less recognised losses and progress billings. If there are contracts where progress billings exceed the aggregate costs incurred plus surpluses less losses, the net amounts are presented as a liability.

Borrowing Costs

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

Revenue Tax

Revenue tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of revenue tax payable based on the taxable profit for the current year, plus any adjustments to revenue tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of revenue tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilized.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

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

LEASES

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the Council and Group recognises finance leases as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Financial Assets

Cash and cash equivalents

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

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

Trade and other receivables

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

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

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

Other financial assets

The Council and Group classify its financial assets into the following four categories: financial assets at fair value through the surplus or deficit, held-to-maturity investments, loans and receivables, and financial assets available for sale. The classification depends on the purpose for which the investments were acquired.

Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through the surplus or deficit in which case the transaction costs are recognised therein.

Purchases or sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council use a variety of methods and makes assumptions that are based

on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into a hedge accounting relationship for which hedge accounting is applied. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. After initial recognition they are measured at their fair values.

Gains or losses on re-measurement are recognised in the surplus or deficit where hedge accounting is not applied. Financial assets in this category include derivative financial instruments

Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity. They are included in current assets,

except for maturities greater than 12 months after balance date, which are included in non-current assets. After initial recognition they are measured at amortised cost using the effective interest method, less impairment.

Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit. The Council currently holds a portfolio of bonds that have been classified as held to maturity investments.

Financial assets available for sale

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. The Council and group includes in this category:

- Investments held for the long-term but which may be realised before maturity;
- Shareholdings held for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. On recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Council's investments in its subsidiaries are not included in this category as they are held at cost as allowed by PBE IPSAS 6 Consolidated and Separate Financial Statements.

Impairment of financial assets

At each balance sheet date, the Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

Loans and receivables, and held-to-maturity investments

Impairment is established when there is evidence that the Council and group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or

liquidation and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

Financial assets at fair value through other comprehensive revenue and expense

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit. Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit. If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is based on the first-in first-out principle, and

includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

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

When land held for development and future resale is transferred from investment property/property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment.

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

Property, Plant And Equipment

Property, plant and equipment consist of:

Operational assets

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

Restricted assets

Restricted assets are parks and reserves owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions. These include land vested under the Reserves Act 1977 and endowments or other property held in trust for specific purposes.

Infrastructure assets

Infrastructural assets are the fixed utility systems owned by the Council. Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment

losses. Each asset class includes all items that are required for the network to function. Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and Group and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised as an operating expense in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and museum artefacts, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Category	Depreciable life (years)	Depreciation Rates
OPERATIONAL		
Buildings	50	2%
Furniture and Fittings	10	10%
Motor Vehicles	5	20%
Plant & Equipment (including computers)	3 to 10	10% - 33.3%
Library collection	8	12.5%
Jackson Bay Wharf	50	2%
RESTRICTED		
Buildings	5 to 50	2% - 20%
INFRASTRUCTURE		
Waste Transfer Stations	20	5%
Roads		
Formation	N/A	0%
Sub-Base	N/A	0%
Base Course	20 to 75	1.33% - 5%
Surfacing (sealed)	1 to 16	6.25% - 100%
Surfacing (unsealed)	5	20%
Bridges	60 to 150	0.67% - 1.67%
Box culverts/channels	60 to 150	0.67% - 1.67%
Footpaths	5 to 50	2% - 20%
Streetlights	16 to 40	2.5% - 6.25%
Signs	10	10%
Water		
Pipeline	60 to 80	1.25% - 1.67%
Connections	60	1.67%
Reservoirs & Tanks	20 to 50	2% - 5%
Pump Stations	15 to 20	5% - 6.67%
Sewer		
Pipeline	60 to 80	1.25% - 1.67%
Manholes	50 to 60	1.67% - 2%
Pump Stations	15 to 20	5% - 6.67%
Oxidation Ponds	60 to 100	1% - 1.67%
Stormwater		
Open Drains	N/A	0%
Pipeline	60 to 80	1.25% - 1.67%
Bank protection	50 to 100	1% - 2%
Manholes	50 to 60	1.67% - 2%
Pump Stations	15 to 20	5% - 6.67%
Runway	67	1.5%

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

Revaluation

All valuations are carried out on a three to five-yearly cycle by independent qualified valuers, unless there is a significant change in carrying value, in which case they will be revalued as required. All other asset classes are carried at depreciated historical cost.

Land and buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Impairment of Non-Financial Assets

Assets that have a finite useful life are carried at cost and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is depreciated

replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

Value in use for non-cash-generating assets:

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets:

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

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

Intangible Assets

Software

Software licences and similar assets that are acquired by the Council, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

Carbon credits

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

Goodwill

Goodwill on the acquisition of businesses and subsidiaries is included in Intangible assets

Impairment of Intangible Assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Forestry Assets

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs, and silvicultural costs and takes into consideration environmental, operational, and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less costs to sell and from a change in fair value less costs to sell are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

Investment Property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs. After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Employee Benefits

Short-term benefits

Employee benefits that the Council expects to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date and sick leave, retiring and long service leave entitlements expected to be settled within 12 months. A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences. The Council recognise a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long-term benefits

Long service leave and retirement leave

Entitlements that are payable beyond 12 months, after the end of the period in which the employee renders the related service, such as long service leave and retiring leave; are calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and

- The present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave entitlements are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the board of trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme. Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Provisions

The Council recognises a provision for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event,
- it is probable that expenditures will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Trade and Other Payables

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

Borrowings

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

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

Accounting for Derivative Financial Instruments and Hedging Activities

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

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The movement in the fair value of the derivative contracts that are not hedge accounted is recognised in the surplus or deficit.

Council has no designated hedging instruments.

Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserve funds. The components of equity are:

- Retained earnings
- Restricted Reserves (Trusts and Bequests)
- Council Created Reserves (Special Funds, Separate Funds)
- Asset revaluation reserves
- Fair value through other comprehensive revenue and expense

Restricted Reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council. Restricted reserves include those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Asset revaluation reserve

This reserve relates to the revaluation of property, plant, and equipment to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to, or received from, the IRD, including the GST relating to investing and

financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget figures

The budget figures are those approved by Council during workshops and as a result of the consultation for the Long Term Plan 2018-28. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

Critical Accounting Estimates and Assumptions

In preparing the financial forecasts and statements the Council has makes estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Landfill aftercare provision

The estimate of the provision for landfill post-closure is based on assumptions, which may be influenced by changes in technology and society's expectations and could affect future results.

The Council has responsibility under its resource consent to provide on-going maintenance and monitoring of the landfill after the site is closed. The responsibilities include fencing, drainage, signage, planting, coverage and monitoring the site for a set number of years after closure. The cash outflows for landfill post-closure are expected to occur in one to thirty three years' time. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred.

Infrastructural assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes which are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be affected by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit.

To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

Accounting Standards Issued for Public Benefit Entities

The Council is subject to Tier 2 reporting requirements of the Accounting Standard for Public Benefit Entities.

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

Standards issued but not yet effective

IPSAS is a comprehensive set of standards through which Council ensures compliance with appropriate accounting regulations and conventions.

Standards issued but not yet effective and not early adopted

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

Financial instruments

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The main changes under PBE IFRS 9 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council and group has not yet assessed the effects of the new standard.

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS



STATEMENT OF BALANCED BUDGET

Council has a budget under the plan that balances in all years. (A balanced budget is considered one where each year's projected operating revenues are set at a level sufficient to meet that year's operating expenses).

For this plan Council has set its revenue to cover all actual money needed to be spent to provide the levels of service as detailed throughout the plan. This includes the replacement and renewal of assets where required.

Council is not fully funding the depreciation expense for all activities where it is assumed that assets will not be replaced or will be funded from external sources.

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Depreciation charge	5,962,122	6,206,455	6,371,198	6,455,523	6,494,294	6,505,820	6,547,760	6,611,413	6,662,245	6,717,485
Unfunded depreciation										
Water Supply	127,607	152,416	152,832	79,271	87,744	100,894	98,876	103,779	101,703	99,669
Wastewater	64,998	93,305	105,768	153,937	211,133	202,688	194,580	200,060	192,057	184,375
Stormwater	23,388	50,448	95,871	124,959	140,908	136,581	132,406	137,466	133,279	129,241
Solid Waste	55,050	57,143	62,070	61,828	64,261	62,655	61,088	63,790	62,195	60,640
Total unfunded depreciation	271,043	353,312	416,540	419,995	504,046	502,817	486,951	505,095	489,235	473,925
Funded depreciation	5,691,079	5,853,143	5,954,659	6,035,528	5,990,249	6,003,003	6,060,809	6,106,318	6,173,010	6,243,560

COMPREHENSIVE FUNDING IMPACT STATEMENT

The Funding Impact Statement is made up of three parts:

- Rates Information for 2018-19 including the Rating Policy,
- Rates Samples for 2018-19
- The Whole of Council FIS Statement for 2019-28.

The Funding Impact Statement is given effect by the Rating Policy and should be read in conjunction with the Revenue and Financing Policy and Financial Statements. The rates information and Rates Samples are GST inclusive; the Whole of Council Funding Impact Statement is GST exclusive.

Rating information for 2018-19

Council sets the following rates under the Local Government (Rating) Act 2002:

General Rates:

- General Rate
- Uniform Annual Charge

Targeted Rates:

- Kumara Community Rate
- Hokitika Community Rate
- Ross Community Rate
- Harihari Community Rate
- Whataroa Community Rate
- Franz Josef Glacier Community Rate
- Fox Glacier Community Rate
- Haast Community Rate
- Water rates
- Metered Water Rates
- Sewerage Rates
- Refuse Collection Rates
- Tourism Promotion Rate
- Hokitika Area Promotions Rate
- Kokatahi / Kowhitirangi Community Rates
- Kaniere Sewerage Capital Contribution Rate
- Hannah's Clearing Water Supply Capital Repayment Rate
- Emergency Management Contingency Fund Rate

Details of the activities these rates fund and the rating categories liable for the rates are listed below. This is followed by a table which shows how the rates are calculated and total revenue sought for each rate.

General Rates	
General Rate	A general rate is set and assessed on the capital value of all rateable land in the district. The general rate is set differentially based on the location of the land and use to which the land is put. The differential categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and differential factors are in the Rating Policy.
Uniform Annual General Charge	A uniform annual general charge is set and assessed on all rateable land in the district as a fixed amount per rating unit. The general rate and uniform annual general charge fund part of the following activities: democracy, corporate services, inspections and compliance, resource management, emergency management, animal control, community development and assistance, library, museum, public toilets, land and buildings, cemeteries, transportation and solid waste.

Targeted Rates

Kumara Community Rate	The Kumara community rate is set and assessed as an amount per rating unit, on all rateable land in the Kumara community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put. The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and the factors applied are in the Rating Policy. The Kumara community rate funds all or part of the following activities: Transportation, township development fund, and parks and reserves.
Hokitika Community Rate	The Hokitika community rate is set and assessed an amount per rating unit, on all rateable land in the Hokitika community rate zone (as mapped in the Rating Policy). Within that area the rate is set differentially based on the location of the land and the use to which the land is put. The differential categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and differential factors are in the Rating Policy. The Hokitika community rate funds all or part of the following activities: Transportation, stormwater, township development fund, parks and reserves, land and buildings (Carnegie Building, RSA Building, Custom House and Band rooms), community development and assistance (Regent Theatre), and swimming pools (Hokitika pool).
Ross Community Rate	The Ross community rate is set and assessed as an amount per rating unit, on all rateable land in the Ross community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put. The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and factors applied are in the Rating Policy. The Ross community rate funds all or part of the following activities: Transportation, township development fund, parks and reserves, community halls (Ross Memorial and Waitaha) and swimming pools (Ross pool).
Harihari Community Rate	The Harihari community rate is set and assessed as an amount per rating unit, on all rateable land in the Harihari community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put. The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and factors applied are in the Rating Policy. The Harihari community rate funds all or part of the following activities: Transportation, township development fund, and parks and reserves.
Whataroa Community Rate	The Whataroa community rate is set and assessed as an amount per rating unit, on all rateable land in the Whataroa community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put. The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and factors applied are in the Rating Policy. The Whataroa community rate funds all or part of the following activities: Transportation, township development fund (including Okarito), and parks and reserves.
Franz Josef /Waiau Community Rate	The Franz Josef Glacier community rate is set and assessed as an amount per rating unit, on all rateable land in the Franz Josef /Waiau community rate zone (as mapped in the Rating Policy). Within that area the rate is set differentially based on the location of the land and the use to which the land is put. The differential categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and differential factors are in the Rating Policy. The Franz Josef /Waiau community rate funds all or part of the following activities: Transportation, stormwater, township development fund, parks and reserves and community development & assistance (Glacier Country Promotions).
Fox Glacier Community Rate	The Fox Glacier community rate is set and assessed as an amount per rating unit, on all rateable land in the Fox Glacier community rate zone (as mapped in the Rating Policy). Within that area the rate is set differentially based on the location of the land and the use to which the land is put. The differential categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and differential factors are in the Rating Policy. The Fox Glacier community rate funds all or part of the following activities: Transportation, stormwater, township development fund, parks and reserves and community development & assistance (Glacier Country Promotions).

Targeted Rates	
Haast Community Rate	The Haast community rate is set and assessed as an amount per rating unit, on all rateable land in the Haast community rate zone (as mapped in the Rating Policy). Within that area the rate is set based on the location of the land and the use to which the land is put. The categories are: Residential, Rural Residential, Commercial and Rural. The definitions of each category and factors applied are in the Rating Policy. The Haast community rate funds all or part of the following activities: Transportation, stormwater, township development fund (Haast, Hannahs Clearing and Neils Beach), parks and reserves and community halls (Haast and Okuru).
Water Rates	Water rates are set and assessed as a fixed amount per connection for connected rating units and per rating unit for unconnected rating units, on all land, situated in specified locations, to which is provided or is available a council funded water supply service that is not metered. The rate is set differentially depending on the nature of the connection to the land and the use to which the land is put. Commercial properties are defined as they are for the general rate (see Rating Policy). The locations and differential categories are: • Hokitika and Kaniere Treated water – Connected (all rating units other than commercial ones) • Hokitika and Kaniere Treated water – Commercial connected • Hokitika and Kaniere Treated water – Unconnected • Rural Townships Treated water – Connected (all rating units other than commercial ones) • Rural Townships Treated water – Commercial connected • Rural Townships Treated water - Unconnected • Rural Townships Untreated – Connected (all rating units other than commercial ones) • Rural Townships Untreated –Commercial connected • Rural Townships Untreated – Unconnected Water rates fund part of the water supply activity.
Metered Water Rates	Water rates are set and assessed as a fixed charge per unit of water supplied on all properties located in a specified location and where the nature of the connection is a metered water supply. The locations are: • Hokitika and Kaniere metered water • Rural Townships metered water Metered water rates fund part of the water supply activity.
Milk Treatment Plant Water Rates	Water rates are set and assessed on the property used as a milk treatment plant in Hokitika. For 2018/19, the rates are: • Hokitika Milk Treatment Plant rate fixed charge (includes water 0 to 2,000,000 m³) • Hokitika Milk Treatment Plant metered water greater than 2,000,000 m³ Hokitika Milk Treatment Plant rates fund part of the water supply activity and as part of the first 2,000,000 m³ includes the cost of finance for the upgrade of the Hokitika Water Supply include the river intake, plant and new trunk main.
Sewerage Rates	Sewerage rates are set and assessed on all land to which is provided or has available to the land a council funded sewerage supply service. The rates are: • Sewerage Connected (per water closet or urinal) • Sewerage Unconnected (per rating unit) Sewerage rates fund part of the wastewater activity.
Refuse Collection Rates	Refuse collection rates are set and assessed as a fixed amount per bin on all land, located in specific locations, which is provided with a refuse collection service and according to where the land is situated. The locations are: • Hokitika refuse collection area • Rural refuse collection area A property may choose to have more than one supply and will pay a full refuse collection rate for each supply. Refuse collection funds part of the solid waste activity.

Targeted Rates

Tourism Promotion Rate	The tourism promotion rate is set and assessed as an amount per rating unit on all rateable properties in the district. The tourism promotion rate is set differentially based on the use to which the land is put and for commercial use properties on the capital value of the rateable properties. The differential categories are: • Commercial – Greater than \$10m – Greater than \$3m and up to \$10m – Greater than \$1m and up to \$3m – \$1m or less • Residential, Rural Residential and Rural The definitions of each category are the same as those in the Rating Policy for the general rate. The tourism and promotions rate funds part or all of the following activities: West Coast Wilderness Trail, i-Site and community development & assistance (Tourism West Coast grant).
Hokitika Area Promotions Rate	The Hokitika area promotions rate is set and assessed as a fixed amount per rating unit on all rateable properties defined as commercial use properties (using the same definition as for the general rate) and located in Hokitika (as mapped in the Rating Policy). The Hokitika area promotions rate funds the community development & assistance activity (Enterprise Hokitika grant).
Kokatahi / Kowhitirangi Community Rates	Kokatahi / Kowhitirangi community rates are set and assessed on all rateable properties located in the Kokatahi / Kowhitirangi Community area. The rate will be charged on the rateable land value of each property in the Kokatahi/Kowhitirangi area from Geologist Creek in the north to Hokitika Gorge in the south and the Kaniere/Kowhitirangi Road from Nesses Creek onward. The Kokatahi / Kowhitirangi community rate is set as a fixed rate per rating unit and as a rate on the land value per rating unit. The Kokatahi / Kowhitirangi community rate funds the community development & assistance activity (Kokatahi / Kowhitirangi community grant).
Kaniere Sewerage Capital Contribution Rate	The Kaniere sewerage capital contribution rate is set and assessed as a fixed rate per rating unit on all rateable properties that are connected to the Kaniere sewerage scheme and have not repaid the capital amount. The Kaniere Sewerage Capital Contribution Rate funds part of the Waste water activity (Kaniere sewerage upgrade loan).
Hannah's Clearing Water Supply Capital Repayment Rate	The Hannahs Clearing water supply capital repayment rate is set and assessed as a fixed rate per rating unit on all rateable properties located in Hannahs Clearing where the nature of the connection is a Council funded water supply. The Hannahs Clearing water supply capital repayment rate funds part of the water supply activity.
Emergency Management Contingency Fund Rate	The emergency management contingency fund rate is set and assessed on the land value of all rateable properties in the district. The emergency management contingency fund rate funds part of the emergency management & rural fire activity.

Council will accept lump sum contributions equivalent to the capital portion of the rate outstanding on the following rates:

- Kaniere Sewerage Capital Contribution Rate
- Hannahs Clearing Water Supply Capital Repayment Rate

RATING INFORMATION

Rate		SECTOR				TOTALS		
Factor	Rural	Rural Residential	Residential	Commercial	Units	Revenue	Inc GST \$	Ex GST \$
General Rates								
General Rate	Capital Value	1,001,093,200	382,317,470	597,204,250	428,363,180	2,388,167,700		
	Per \$ Capital Value	0.001467282	0.001100462	0.001467282	0.002934565			
Uniform Annual General Charge	Revenue	1,468,886	420,726	876,267	1,257,059		4,022,939	3,498,208
	Rateable Units	1,411	2,527	373	1307			
	Each	686	686	686	686			
	Revenue	968,282	1,734,124	255,624	896,913		3,854,943	3,352,124
Total General Rates		1,468,886	420,726	876,267	1,257,059		7,877,881	6,850,332
Targeted Rates								
Community Rates								
Kumara	Rateable Units	108	131.9	182	11.1	433		
	Each	230	230	230	230			
Hokitika	Revenue	24,825	30,319	41,836	2,552		99,532	86,549
	Rateable Units	566	699	1,723	189	3176.5		
	Each	408	408	544	1089			
	Revenue	231,091	285,599	937,740	205,273		1,659,703	1,443,220
Ross	Rateable Units	117	22	170	12	321		
	Each	428	428	428	428			
Harihari	Revenue	50,053	9,412	72,727	5,134		137,326	119,414
	Rateable Units	95	33	97	12	237		
	Each	91	91	91	91			
	Revenue	8,614	2,992	8,795	1,088		21,490	18,687
Whataroa	Rateable Units	94	88	56	18	255		
	Each	122	122	122	122			
Franz Josef	Revenue	11,433	10,672	6,770	2,139		31,014	26,969
	Rateable Units	77	44	140	63	324		
Fox Glacier	Each	298.34	298.34	397.78	795.56			
	Revenue	22,972	13,127	55,690	50,121		141,909	123,399
	Rateable Units	88	53	81	37	259		
	Each	324	324	432	864			
Haast	Revenue	28,506	17,168	35,200	31,529		112,403	97,742
	Rateable Units	198	218	79	27	522		
	Each	136	136	136	136			
	Revenue	27,017	29,746	10,779	3,684		71,226	61,935
Total Community Rates		1,343	1,289	2,528	368	5527.5	2,274,602	1,977,915
Revenue		404,511	399,036	1,169,537	301,519			

RATING INFORMATION

		SECTOR			TOTALS		
Rate	Factor	Rural	Rural Residential	Residential	Commercial	Units	Revenue
Other Targeted Rates							
Refuse Collection Rates							
Hokitika Refuse Collection	Per bin				279	1,596	445,325
Rural Refuse Collection	Per bin				279	1,423	397,114
Total Refuse Collection Rates						3,019	842,438
Water Supply Rates							
		Connected non commercial	Connected Commercial	Unconnected			
Rural Township Untreated Water	Each	318.04	480.1	159.02		187 / 5 / 27	
Rural Township Treated Water	Each	424.05	742.08	212.02		558 / 39 / 87	
Hokitika/Kaniere Water	Each	424.05	742.08	212.02		1797 / 12 / 123	1,146,700
Hannah's Clearing Capital	Each				575	10	5,750
Hokitika Milk Treatment Plant					3,128,230	1	3,128,230
Fixed Water Rate							
Metered Water Rates	Volumetric						405,950
Total Water Supply Rates							4,686,630
Sewerage Rates							
Connected	Each				445	3,735	1,663,436
Unconnected	Each				223	181	40,305
Total							1,703,742
Kaniere Sewerage Capital	Each				417	56	23,352
Total Sewerage Rates							1,727,094
Kokatahi / Kowhitirangi							
Community Rate							
Land Value	Per \$ Value				0.000043	201,060,000	8,567
Uniform Basis	Rateable Units				50	173	8,567
Total Kokatahi / Kowhitirangi							14,899
Community Rates							
Hokitika Area Promotions Rate	Rateable Units				335	134	44,850
Tourism Promotions Rates							
Non Commercial	Each				8	5,237	40,885
Commercial within Capital Value Range:		Over \$10 million	\$3 - 10 million	\$1 - 3 million	\$0 - 1 million		
	Units	5	13	70	294		
	Each	5,153	2,577	1,031	515		
	Revenue	25,767	33,496	71,631	151,409		
							282,303
Total Tourism Promotions Rates							281,033
Total Other Targeted Rates							7,641,333
Total Rates							17,793,816
							15,472,884

The following table quantifies the amounts and total revenue for each rate for 2018/19

Sector	Community	Capital Value 2017	Actual Rates 2017/2018 \$	Draft LTP Rates 2018/2019 \$	Value Change \$
Commercial	Fox Glacier	690,000	4,978	4,981	3
Commercial	Franz Josef	1,060,000	12,491	15,421	2,931
Commercial	Haast	1,290,000	6,636	5,639	-997
Commercial	Hari Hari	235,000	3,162	2,724	-438
Commercial	Hokitika	480,000	4,348	4,621	273
Commercial	Kumara	165,000	2,809	2,513	-296
Commercial	Ross	129,000	1,872	1,827	-44
Commercial	Whataroa	250,000	2,525	2,057	-468
Residential	Fox Glacier	140,000	1,576	1,766	190
Residential	Franz Josef	375,000	2,316	2,511	196
Residential	Haast	230,000	1,820	2,037	217
Residential	Hari Hari	114,000	1,272	1,270	-2
Residential	Hokitika	345,000	2,712	2,893	182
Residential	Kumara	132,000	1,571	1,715	144
Residential	Ross	170,000	2,085	2,074	-11
Residential	Whataroa	125,000	1,424	1,423	-1
Rural	Fox Glacier	130,000	1,131	1,209	78
Rural	Franz Josef	89,000	1,098	1,123	25
Rural	Haast	50,000	868	904	36
Rural	Hari Hari	2,100,000	4,373	4,203	-170
Rural	Hokitika	475,000	1,921	1,868	-54
Rural	Kumara	12,000	813	942	129
Rural	Ross	255,000	1,540	1,496	-44
Rural	Whataroa	1,170,000	2,587	2,501	-85
Rural Residential	Fox Glacier	86,000	1,030	1,113	83
Rural Residential	Franz Josef	290,000	1,296	1,312	16
Rural Residential	Haast	245,000	1,073	1,100	27
Rural Residential	Hari Hari	104,000	910	899	-11
Rural Residential	Hokitika	450,000	1,858	1,877	19
Rural Residential	Kumara	161,000	1,246	1,380	134
Rural Residential	Ross	570,000	2,071	2,028	-43
Rural Residential	Whataroa	295,000	1,163	1,140	-22

PROSPECTIVE FUNDING IMPACT STATEMENT

For the years ending 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
OPERATING FUNDING											
Sources of operating funding											
General rates, UAGC and rates penalties	7,006,077	7,012,991	7,227,753	7,615,992	7,722,865	7,838,887	8,028,774	8,065,273	8,252,840	8,351,340	8,329,128
Targeted rates	8,198,621	8,597,587	8,829,925	8,654,392	8,482,880	8,648,023	8,927,118	9,111,596	9,099,864	9,292,571	9,391,230
Grants, subsidies and donations	2,235,269	1,942,569	1,994,656	1,835,214	1,806,078	1,857,067	1,910,391	1,968,316	2,031,259	2,099,554	2,173,741
Fees and charges	2,409,414	1,840,137	1,885,101	1,929,434	1,970,489	2,018,822	2,059,212	2,107,106	2,162,943	2,209,527	2,265,399
Interest and dividends from investments	622,314	608,515	619,478	631,219	643,150	655,908	669,537	683,412	698,815	715,561	734,139
Local authorities fuel tax, fines, infringement fees and other	4,673,019	4,257,515	4,437,695	4,760,203	4,548,073	4,602,716	4,957,483	4,790,194	4,867,083	5,267,821	5,029,996
Total operating funding	25,144,714	24,259,314	24,994,608	25,426,455	25,173,535	25,621,424	26,552,515	26,725,896	27,112,803	27,936,374	27,923,634
Applications of operating funding											
Payments to staff and suppliers	18,684,923	18,491,023	18,892,695	19,539,843	19,513,802	19,805,225	20,559,453	20,588,775	21,059,469	21,884,421	21,868,461
Finance costs	777,592	756,669	797,398	831,090	880,314	981,897	1,031,640	1,049,027	998,404	947,769	897,122
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	19,462,515	19,247,692	19,690,093	20,370,933	20,394,116	20,787,123	21,591,093	21,637,802	22,057,873	22,832,191	22,765,584
Surplus/(deficit) of operating funding	5,682,199	5,011,622	5,304,515	5,055,522	4,779,419	4,834,301	4,961,421	5,088,094	5,054,930	5,104,183	5,158,050
CAPITAL FUNDING											
Sources of capital funding											
Grants, subsidies and donations	2,391,040	3,753,695	1,798,153	2,040,984	2,159,167	2,203,234	2,247,302	2,293,205	2,340,945	2,390,521	2,441,933
Development and financial contributions	93,795	93,336	94,936	96,650	98,399	100,271	102,270	104,316	93,347	95,583	98,063
Increase/(decrease) in debt	2,760,196	1,044,324	863,899	1,262,148	2,604,706	1,275,454	445,812	(1,298,013)	(1,298,327)	(1,298,643)	(1,298,963)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total capital funding	5,245,031	4,891,355	2,756,988	3,399,782	4,862,272	3,578,959	2,795,384	1,099,507	1,135,965	1,187,460	1,241,033

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Applications of capital funding											
Capital expenditure - meet additional demand	60,300	39,300	30,650	10,480	21,340	10,960	22,280	11,470	23,270	12,000	24,320
Capital expenditure - improve level of service	588,800	4,844,880	2,731,845	2,729,681	3,545,102	2,459,204	1,672,817	12,600	12,884	13,178	13,484
Capital expenditure - replace existing assets	6,721,475	4,123,713	4,405,048	3,328,543	3,807,697	4,134,084	4,598,429	4,097,291	4,514,038	4,457,928	4,494,355
Increase/(decrease) in reserves	3,556,654	895,084	893,960	2,386,601	2,267,552	1,809,012	1,463,279	2,066,241	1,640,704	1,808,538	1,866,924
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	10,927,229	9,902,977	8,061,503	8,455,304	9,641,691	8,413,260	7,756,805	6,187,602	6,190,895	6,291,644	6,399,083
Surplus/(deficit) of Capital Funding	(5,682,198)	(5,011,622)	(5,304,515)	(5,055,522)	(4,779,419)	(4,834,301)	(4,961,421)	(5,088,094)	(5,054,930)	(5,104,183)	(5,158,050)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE

For the years ending 30 June 2019 – 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Operating Income											
Rates	15,036,433	15,447,578	15,891,418	16,100,633	16,032,429	16,309,781	16,774,688	16,991,498	17,162,884	17,449,536	17,520,929
Rates penalties	168,264	163,000	166,260	169,751	173,316	177,129	181,203	185,371	189,820	194,375	199,429
Finance income	622,314	608,515	619,478	631,219	643,150	655,908	669,537	683,412	698,815	715,561	734,139
Fees and charges	2,409,414	1,840,137	1,885,101	1,929,434	1,970,489	2,018,822	2,059,212	2,107,106	2,162,943	2,209,527	2,265,399
Recoveries	4,183,099	157,451	160,891	164,362	167,860	171,457	175,205	178,985	182,926	186,852	190,947
Commissions	62,154	1,800	1,838	1,876	1,916	1,958	2,003	2,049	2,098	2,149	2,202
NZTA subsidy	4,113,630	3,660,000	3,740,520	3,822,811	3,910,736	4,004,594	4,100,704	4,203,222	4,312,505	4,428,943	4,552,953
Petrol tax	120,000	130,000	132,860	135,783	138,906	142,240	145,653	149,295	153,176	157,312	161,717
Grants and subsidies	512,679	2,036,264	52,289	53,387	54,508	55,708	56,989	58,300	59,699	61,132	62,721
Rentals	29,750	151,009	149,515	152,403	155,166	156,926	165,603	179,885	183,566	187,334	191,515
Contributions	93,795	93,336	94,936	96,650	98,399	100,271	102,270	104,316	93,347	95,583	98,063
Forestry harvest	-	-	-	-	-	-	-	-	-	-	-
Assets vested in council	-	-	-	-	-	-	-	-	-	-	-
Profit on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Share revaluation	-	-	-	-	-	-	-	-	-	-	-
Revaluation gains	175,517	-	-	-	-	-	-	-	-	-	-
Miscellaneous income	278,016	34,611	35,337	36,084	36,850	37,666	38,538	39,433	40,385	41,363	42,419
Internal charges	-	-	-	-	-	-	-	-	-	-	-
Total operating income	27,805,065	24,323,701	22,930,443	23,294,394	23,383,726	23,832,459	24,471,605	24,882,871	25,242,163	25,729,667	26,022,435

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Operating Expenditure											
Leadership	5,016,480	1,689,746	1,693,073	1,364,005	1,600,910	1,736,470	1,774,699	1,819,979	1,896,076	1,891,075	1,874,914
Transportation	5,845,505	5,822,879	5,990,397	6,117,281	6,211,923	6,397,815	6,513,184	6,617,349	6,839,011	6,979,842	7,092,571
Water Supply	3,066,326	3,075,517	3,073,495	3,123,278	3,148,433	3,196,908	3,297,184	3,339,473	3,361,323	3,459,908	3,493,298
Wastewater	1,123,632	1,566,265	1,649,321	1,743,145	1,857,188	1,839,256	1,853,214	1,860,145	1,793,151	1,812,530	1,818,602
Stormwater	494,236	509,428	581,728	671,757	716,344	715,632	716,871	713,189	699,112	703,627	697,730
Solid Waste	2,217,036	2,311,923	2,356,615	2,425,936	2,460,109	2,492,887	2,547,205	2,595,148	2,637,653	2,698,626	2,735,771
Community Services	1,217,687	1,224,142	1,246,085	1,287,017	1,285,980	1,306,566	1,332,414	1,343,607	1,369,168	1,399,814	1,419,996
Leisure Services & Facilities	3,859,126	2,963,727	2,987,753	3,051,668	3,054,877	3,084,543	3,126,836	3,148,653	3,193,178	3,232,697	3,246,960
Planning & Regulatory	2,430,404	2,263,543	2,360,827	2,688,349	2,466,498	2,418,871	2,504,826	2,507,472	2,575,682	2,623,505	2,662,032
Bad debts	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Revaluation losses	-	-	-	-	-	-	-	-	-	-	-
Total operating expenditure	25,270,432	21,427,170	21,939,294	22,472,437	22,802,263	23,188,947	23,666,433	23,945,015	24,364,354	24,801,624	25,041,873
Surplus/(deficit) before tax	2,534,633	2,896,531	991,150	821,957	581,463	643,512	805,173	937,856	877,809	928,043	980,562
Taxation expense	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after tax	2,534,633	2,896,531	991,150	821,957	581,463	643,512	805,173	937,856	877,809	928,043	980,562
Note: Total expenditure includes -											
Depreciation	5,807,916	5,962,122	6,206,455	6,371,198	6,455,523	6,494,294	6,505,820	6,547,760	6,611,413	6,662,245	6,717,485
Finance expenditure	777,592	756,669	797,398	831,090	880,314	981,897	1,031,640	1,049,027	998,404	947,769	897,122

COMPREHENSIVE REVENUE

For the years ending 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Surplus/(deficit) after tax	2,534,634	2,896,531	991,149	821,958	581,463	643,512	805,173	937,855	877,810	928,042	980,562
Increase/(decrease) in restricted reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in revaluation reserves	16,976,700	17,905,354	-	2,737,575	23,543,876	-	3,076,899	26,683,495	-	3,499,737	30,988,562
Financial assets at fair value through other comprehensive revenue	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive revenue	16,976,700	17,905,354	-	2,737,575	23,543,876	-	3,076,899	26,683,495	-	3,499,737	30,988,562
Total comprehensive revenue	19,511,334	20,801,884	991,149	3,559,533	24,125,339	643,512	3,882,072	27,621,351	877,810	4,427,780	31,969,123

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY
For the years ending 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Equity at start of year	425,746,369	430,607,727	451,409,611	452,400,761	455,960,294	480,085,633	480,729,145	484,611,216	512,232,567	513,110,377	517,538,157
Total comprehensive revenue	19,511,334	20,801,884	991,149	3,559,533	24,125,339	643,512	3,882,072	27,621,351	877,810	4,427,780	31,969,123
Equity at end of year	445,257,703	451,409,611	452,400,761	455,960,294	480,085,633	480,729,145	484,611,216	512,232,567	513,110,377	517,538,157	549,507,280
Components of equity											
Retained earnings at start of year	153,029,000	149,636,527	151,514,159	151,485,946	149,794,097	147,970,059	146,650,829	145,808,280	144,467,769	143,445,026	142,232,799
Surplus/(deficit) after tax	2,534,634	2,896,531	991,149	821,958	581,463	643,512	805,173	937,855	877,810	928,042	980,562
Transfers (to)/from restricted/council created reserves	(3,876,665)	(1,018,898)	(1,019,363)	(2,513,807)	(2,405,500)	(1,962,742)	(1,647,723)	(2,278,366)	(1,900,553)	(2,140,269)	(2,290,121)
Retained earnings at end of year	151,686,969	151,514,159	151,485,946	149,794,097	147,970,059	146,650,829	145,808,280	144,467,769	143,445,026	142,232,799	140,923,239
Revaluation reserves at start of year	267,817,440	274,390,750	292,296,104	292,296,104	295,033,679	318,577,556	318,577,556	321,654,455	348,337,950	348,337,950	351,837,687
Revaluation gains	16,976,700	17,905,354	-	2,737,575	23,543,876	-	3,076,899	26,683,495	-	3,499,737	30,988,562
Revaluation reserves at end of year	284,794,140	292,296,104	292,296,104	295,033,679	318,577,556	318,577,556	321,654,455	348,337,950	348,337,950	351,837,687	382,826,249
Restricted/council created reserves at start of year	4,899,929	7,599,348	7,599,348	8,618,711	11,132,518	13,538,018	15,500,759	17,148,482	19,426,848	21,327,401	23,467,670
Transfers (to)/from reserves	3,876,665	1,018,898	1,019,363	2,513,807	2,405,500	1,962,742	1,647,723	2,278,366	1,900,553	2,140,269	2,290,121
Financial asset revaluation gains	-	-	-	-	-	-	-	-	-	-	-
Restricted/council created reserves at end of year	8,776,594	7,599,348	8,618,711	11,132,518	13,538,018	15,500,759	17,148,482	19,426,848	21,327,401	23,467,670	25,757,792
Equity at end of year	445,257,703	451,409,611	452,400,761	455,960,294	480,085,633	480,729,145	484,611,216	512,232,567	513,110,377	517,538,157	549,507,280

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY

For the years ending 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
ASSETS											
Current assets											
Cash and cash equivalents	6,763,316	5,746,335	6,835,830	9,251,560	11,555,147	13,371,433	14,832,908	16,900,198	18,560,931	20,378,773	22,255,308
Debtors and other receivables	2,666,239	2,695,129	2,578,272	2,643,132	2,630,380	2,677,733	2,771,433	2,792,656	2,833,283	2,917,224	2,921,170
Inventory	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-
Non-current assets held for sale	-	-	-	-	-	-	-	-	-	-	-
Total current assets	9,429,555	8,441,464	9,414,103	11,894,692	14,185,527	16,049,166	17,604,341	19,692,854	21,394,214	23,295,997	25,176,478
Non-current assets											
Property, plant and equipment	452,668,212	459,853,439	460,814,528	463,249,609	487,712,101	487,822,055	490,686,660	514,943,756	512,882,536	514,203,134	543,006,370
Forestry assets	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Investment property	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-	-
Other financial assets	39,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Council controlled organisations	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000
Intangible assets	71,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000
Investments	1,359,000	371,188	371,188	371,188	371,188	371,188	371,188	371,188	371,188	371,188	371,188
Total non-current assets	462,834,212	469,030,627	469,991,716	472,426,797	496,889,289	496,999,243	499,863,848	524,120,944	522,059,724	523,380,322	552,183,558
Total assets	472,263,767	477,472,091	479,405,819	484,321,488	511,074,816	513,048,409	517,468,189	543,813,798	543,453,937	546,676,319	577,360,036

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
LIABILITIES											
Current liabilities											
Creditors and other payables	2,423,192	2,417,379	2,483,231	2,564,314	2,574,623	2,616,026	2,694,225	2,702,725	2,749,110	2,828,234	2,827,144
Borrowings	6,343,000	1,701,426	1,310,692	939,334	1,106,786	1,225,898	1,309,483	1,310,057	1,310,643	1,311,243	1,311,243
Employee entitlements	296,000	182,000	186,368	190,654	194,849	198,746	202,522	206,167	209,672	212,817	215,797
Provisions	-	-	-	-	-	-	-	-	-	-	-
Tax payable	3,000	3,000	3,063	3,127	3,193	3,263	3,338	3,415	3,497	3,581	3,670
Other current liabilities	193,000	377,000	384,917	393,000	401,253	410,081	419,513	429,161	439,461	450,008	461,259
Total current liabilities	9,258,192	4,680,805	4,368,271	4,090,430	4,280,704	4,454,014	4,629,081	4,651,526	4,712,384	4,805,884	4,819,113
Non-current liabilities											
Provisions	1,000,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000
Borrowings	16,304,452	18,744,675	19,999,308	21,632,814	24,070,068	25,226,410	25,588,636	24,290,049	22,991,136	21,691,892	20,392,929
Employee entitlements	29,000	20,000	20,480	20,951	21,412	21,840	22,255	22,656	23,041	23,387	23,714
Derivative financial instruments	384,420	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Deferred tax	-	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Other non-current liabilities	30,000	-	-	-	-	-	-	-	-	-	-
Total non-current liabilities	17,747,872	21,381,675	22,636,788	24,270,765	26,708,480	27,865,250	28,227,891	26,929,705	25,631,177	24,332,279	23,033,643
Equity											
Public equity	151,686,969	151,514,159	151,485,946	149,794,097	147,970,059	146,650,829	145,808,280	144,467,769	143,445,026	142,232,799	140,923,239
Restricted reserves	8,776,594	7,535,348	8,554,711	11,068,518	13,474,018	15,436,759	17,084,482	19,362,848	21,263,401	23,403,670	25,693,792
Asset revaluation reserves	284,794,140	292,296,104	292,296,104	295,033,679	318,577,556	318,577,556	321,654,455	348,337,950	348,337,950	351,837,687	382,826,249
Other reserves	-	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000
Total equity	445,257,703	451,409,611	452,400,761	455,960,294	480,085,633	480,729,145	484,611,216	512,232,567	513,110,377	517,538,157	549,507,280
Total liabilities and equity	472,263,767	477,472,091	479,405,819	484,321,488	511,074,816	513,048,409	517,468,189	543,813,798	543,453,937	546,676,319	577,360,036

PROSPECTIVE STATEMENT OF CASHFLOWS

For the years ending 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
CASH FLOWS FROM OPERATING ACTIVITIES											
Cash was received from:											
Receipts from rates revenue	15,204,697	15,610,578	16,057,678	16,270,384	16,205,745	16,486,910	16,955,891	17,176,869	17,352,703	17,643,911	17,720,358
Grants, subsidies and donations	4,626,309	5,696,264	3,792,809	3,876,199	3,965,245	4,060,301	4,157,693	4,261,521	4,372,204	4,490,075	4,615,675
Petrol tax	120,000	130,000	132,860	135,783	138,906	142,240	145,653	149,295	153,176	157,312	161,717
Finance revenue	622,314	608,515	619,478	631,219	643,150	655,908	669,537	683,412	698,815	715,561	734,139
Regional council rates											
Receipts from other revenue	6,189,698	6,329,859	6,401,729	6,585,645	6,490,808	6,532,216	6,879,612	6,831,097	6,929,569	7,331,678	7,227,796
	26,763,018	28,375,216	27,004,554	27,499,229	27,443,853	27,877,575	28,808,386	29,102,194	29,506,468	30,338,537	30,459,684
Cash was applied to:											
Payments to suppliers & employees	17,761,731	18,029,643	18,814,015	19,445,853	19,490,519	19,750,598	20,467,559	20,566,503	20,998,813	21,791,175	21,854,903
Regional council rates	-	-	-	-	-	-	-	-	-	-	-
Finance expenditure	777,592	756,669	797,398	831,090	880,314	981,897	1,031,640	1,049,027	998,404	947,769	897,122
	18,539,323	18,786,313	19,611,413	20,276,943	20,370,832	20,732,495	21,499,199	21,615,530	21,997,217	22,738,945	22,752,025
Net cash flow from operating activities	8,223,695	9,588,903	7,393,141	7,222,287	7,073,021	7,145,080	7,309,187	7,486,664	7,509,251	7,599,592	7,707,659
CASH FLOWS FROM INVESTING ACTIVITIES											
Cash was received from:											
Sale of property, plant & equipment	-	-	-	-	-	-	-	-	-	-	-
Term investments, shares and advances	450,000	-	-	-	-	-	-	-	-	-	-
Forestry investment	-	-	-	-	-	-	-	-	-	-	-
	450,000	-	-	-	-	-	-	-	-	-	-

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Cash was applied to:											
Purchase of property, plant and equipment	7,370,575	9,007,893	7,167,543	6,068,704	7,374,139	6,604,248	6,293,526	4,121,360	4,550,192	4,483,106	4,532,159
Term investments, shares and advances	-	-	-	-	-	-	-	-	-	-	-
Forestry capital expenditure	-	-	-	-	-	-	-	-	-	-	-
	7,370,575	9,007,893	7,167,543	6,068,704	7,374,139	6,604,248	6,293,526	4,121,360	4,550,192	4,483,106	4,532,159
Net cash flow from investing activities	(6,920,575)	(9,007,893)	(7,167,543)	(6,068,704)	(7,374,139)	(6,604,248)	(6,293,526)	(4,121,360)	(4,550,192)	(4,483,106)	(4,532,159)
CASH FLOWS FROM FINANCING ACTIVITIES											
Cash was received from:											
Proceeds from borrowings	4,552,000	2,615,000	2,565,325	2,572,840	3,544,040	2,382,240	1,671,710	11,470	11,730	12,000	12,280
	4,552,000	2,615,000	2,565,325	2,572,840	3,544,040	2,382,240	1,671,710	11,470	11,730	12,000	12,280
Cash was applied to:											
Repayment of borrowings	1,791,804	1,570,676	1,701,426	1,310,692	939,334	1,106,786	1,225,898	1,309,483	1,310,057	1,310,643	1,311,243
	1,791,804	1,570,676	1,701,426	1,310,692	939,334	1,106,786	1,225,898	1,309,483	1,310,057	1,310,643	1,311,243
Net cash flow from financing activities	2,760,196	1,044,324	863,899	1,262,148	2,604,706	1,275,454	445,812	(1,298,013)	(1,298,327)	(1,298,643)	(1,298,963)
Net increase/(decrease) in cash held	4,063,316	1,625,334	1,089,497	2,415,731	2,303,588	1,816,286	1,461,473	2,067,291	1,660,732	1,817,843	1,876,537
Add cash at start of year (1 July)	2,700,000	3,308,000	4,933,334	6,022,831	8,438,562	10,742,150	12,558,436	14,019,909	16,087,200	17,747,932	19,565,775
Balance at end of year (30 June)	6,763,316	4,933,334	6,022,831	8,438,562	10,742,150	12,558,436	14,019,909	16,087,200	17,747,932	19,565,775	21,442,312
REPRESENTED BY:											
Cash, cash equivalents and bank overdrafts	6,763,316	4,933,334	6,022,831	8,438,562	10,742,150	12,558,436	14,019,909	16,087,200	17,747,932	19,565,775	21,442,312
	6,763,316	4,933,334	6,022,831	8,438,562	10,742,150	12,558,436	14,019,909	16,087,200	17,747,932	19,565,775	21,442,312

PROSPECTIVE RECONCILIATION OF NET SURPLUS TO OPERATING ACTIVITIES

For the years ending 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Surplus/deficit after tax	2,534,634	2,896,531	991,149	821,958	581,463	643,512	805,173	937,855	877,810	928,042	980,562
Add/(Less) non cash expenses											
Revaluation (gains)/losses	(175,517)	-	-	-	-	-	-	-	-	-	-
Depreciation & amortisation	5,807,916	5,962,122	6,206,455	6,371,198	6,455,523	6,494,294	6,505,820	6,547,760	6,611,413	6,662,245	6,717,485
Bad debts	-	-	-	-	-	-	-	-	-	-	-
Assets vesting in council	-	-	-	-	-	-	-	-	-	-	-
	5,632,399	5,962,122	6,206,455	6,371,198	6,455,523	6,494,294	6,505,820	6,547,760	6,611,413	6,662,245	6,717,485
Add/(Less) items classified as investing or financing activities											
(Gains)/losses on sale of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
(Gains)/losses in fair value of forestry assets	-	-	-	-	-	-	-	-	-	-	-
(Gains)/losses in fair value of investment properties	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Plus/(less) movements in working capital											
(Increase)/decrease in inventories	-	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in debtors and other receivables	(866,530)	261,500	125,174	(56,396)	21,372	(38,200)	(83,968)	(11,291)	(30,069)	(73,179)	7,482
Increase/(decrease) in creditors and other payables	923,192	468,750	65,995	81,239	10,469	41,578	78,386	8,694	46,593	79,339	(849)
Increase/(decrease) in employee entitlements	-	-	4,368	4,286	4,194	3,897	3,776	3,645	3,505	3,145	2,979
Increase/(decrease) in provisions	-	-	-	-	-	-	-	-	-	-	-
	56,662	730,250	195,537	29,130	36,036	7,274	(1,806)	1,048	20,029	9,305	9,612
Net cashflow from operating activities	8,223,695	9,588,903	7,393,141	7,222,287	7,073,021	7,145,080	7,309,187	7,486,664	7,509,251	7,599,592	7,707,659

PROSPECTIVE RECONCILIATION OF NET SURPLUS/(DEFICIT) TO COUNCIL FUNDING IMPACT STATEMENT

For the years ending 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Operating surplus/(deficit) from cost of service statements											
Leadership	445,517	(162,523)	(103,004)	(47,577)	(24,926)	(24,911)	(5,488)	7,500	7,500	7,500	7,500
Transportation	724,358	59,275	29,919	54,607	153,020	116,523	139,933	164,641	116,783	144,162	172,793
Water Supply	1,060,134	1,059,683	1,088,874	580,221	165,834	169,689	193,802	195,820	190,918	192,993	195,027
Wastewater	10,000	2,001,252	22,445	30,226	47,557	57,361	65,806	73,914	68,434	76,437	84,119
Stormwater	57,474	13,612	26,552	51,854	71,236	73,511	78,386	83,122	78,635	83,408	88,047
Solid Waste	68,566	(16,067)	(16,202)	(3,847)	2,985	6,497	4,674	80	2,266	8,111	15,917
Community Services	-	(13,094)	(13,233)	(13,481)	(13,492)	(14,133)	(14,150)	(14,150)	(14,587)	(14,605)	(14,605)
Leisure Services & Facilities	168,585	(45,607)	(44,202)	(40,045)	(30,751)	48,975	132,210	216,930	217,861	220,036	221,764
Planning & Regulatory	-	-	-	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
Administration and support services	-	-	-	-	-	-	-	-	-	-	-
add Vested assets	-	-	-	-	-	-	-	-	-	-	-
add Interest on internal borrowing	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after tax per Statement of Financial Performance	2,534,634	2,896,530	991,150	821,958	581,462	643,512	805,173	937,855	877,809	928,042	980,562
Gains and Losses on Derivatives	(175,517)	-	-	-	-	-	-	-	-	-	-
less Vested assets and interest on internal borrowing not included in the FIS	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) before vested assets and internal interest	2,359,117	2,896,530	991,150	821,958	581,462	643,512	805,173	937,855	877,809	928,042	980,562
less Capital grants, subsidies and donations	(2,391,040)	(3,753,695)	(1,798,153)	(2,040,984)	(2,159,167)	(2,203,234)	(2,247,302)	(2,293,205)	(2,340,945)	(2,390,521)	(2,441,933)
less Development and financial contributions	(93,795)	(93,336)	(94,936)	(96,650)	(98,399)	(100,271)	(102,270)	(104,316)	(93,347)	(95,583)	(98,063)
less Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
add Depreciation not included in the FIS	5,807,916	5,962,122	6,206,455	6,371,198	6,455,523	6,494,294	6,505,820	6,547,760	6,611,413	6,662,245	6,717,485
Surplus/(deficit) of operating funding	3,323,081	5,011,622	5,304,516	5,055,522	4,779,419	4,834,301	4,961,421	5,088,094	5,054,930	5,104,183	5,158,051
Balance as per Council FIS surplus/(deficit) of funding	5,682,198	5,011,622	5,304,515	5,055,522	4,779,419	4,834,301	4,961,421	5,088,094	5,054,930	5,104,183	5,158,051

PROSPECTIVE STATEMENT OF SPECIAL FUNDS RESERVES

For the years ending 30 June 2019 - 2028

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Council Created Reserve Funds											
Kumara Township Fund											
Opening Balance	116	-	-	-	-	-	-	-	-	-	-
Deposits	14,004	-	-	-	-	-	-	-	-	-	-
Withdrawals	(14,000)	-	-	-	-	-	-	-	-	-	-
Closing Balance	120	-	-	-	-	-	-	-	-	-	-
Harihari Township Fund											
Opening Balance	1,623	-	-	-	-	-	-	-	-	-	-
Deposits	14,058	-	-	-	-	-	-	-	-	-	-
Withdrawals	(14,000)	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,681	-	-	-	-	-	-	-	-	-	-
Whataroa Township Fund											
Opening Balance	1,554	-	-	-	-	-	-	-	-	-	-
Deposits	14,056	-	-	-	-	-	-	-	-	-	-
Withdrawals	(14,000)	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,610	-	-	-	-	-	-	-	-	-	-
Ross Township Fund											
Opening Balance	311	-	-	-	-	-	-	-	-	-	-
Deposits	14,011	-	-	-	-	-	-	-	-	-	-
Withdrawals	(14,000)	-	-	-	-	-	-	-	-	-	-
Closing Balance	322	-	-	-	-	-	-	-	-	-	-
Haast Township Fund											
Opening Balance	410	-	-	-	-	-	-	-	-	-	-
Deposits	14,015	-	-	-	-	-	-	-	-	-	-
Withdrawals	(14,000)	-	-	-	-	-	-	-	-	-	-
Closing Balance	425	-	-	-	-	-	-	-	-	-	-
Franz Township Fund											
Opening Balance	1,500	1,000	1,019	1,038	1,058	1,079	1,102	1,128	1,157	1,192	1,235
Deposits	35,054	19	19	20	21	23	26	29	35	43	53
Withdrawals	(35,000)	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,554	1,019	1,038	1,058	1,079	1,102	1,128	1,157	1,192	1,235	1,288

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Fox Township Fund											
Opening Balance	1,036	900	917	934	952	971	991	1,015	1,041	1,072	1,111
Deposits	35,037	17	17	18	19	20	24	26	31	39	48
Withdrawals	(35,000)	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,073	917	934	952	971	991	1,015	1,041	1,072	1,111	1,159
Kokatahi/Kowhitirangi Community Rate											
Opening Balance	156	-	-	-	-	-	-	-	-	-	-
Deposits	8,006	-	-	-	-	-	-	-	-	-	-
Withdrawals	(8,000)	-	-	-	-	-	-	-	-	-	-
Closing Balance	162	-	-	-	-	-	-	-	-	-	-
Foreshore Protection Fund											
Opening Balance	26,936	19,000	19,361	19,729	20,104	20,506	20,937	21,439	21,996	22,656	23,472
Deposits	970	361	368	375	402	431	502	557	660	816	1,009
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	27,906	19,361	19,729	20,104	20,506	20,937	21,439	21,996	22,656	23,472	24,481
Glacier Country Promotions											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Deposits	65,000	-	-	-	-	-	-	-	-	-	-
Withdrawals	(65,000)	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-	-
The Preston Bush Trust											
Opening Balance	8,702	16,000	16,304	16,614	16,930	17,269	17,632	18,055	18,524	19,080	19,767
Deposits	313	304	310	316	339	363	423	469	556	687	850
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	9,015	16,304	16,614	16,930	17,269	17,632	18,055	18,524	19,080	19,767	20,617
Harihari Community Complex											
Opening Balance	128,000	129,000	131,451	133,949	136,494	139,224	142,148	145,560	149,345	153,825	159,363
Deposits	4,608	2,451	2,498	2,545	2,730	2,924	3,412	3,785	4,480	5,538	6,853
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	132,608	131,451	133,949	136,494	139,224	142,148	145,560	149,345	153,825	159,363	166,216

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Guy Menzies Day											
Opening Balance	1,243	1,000	1,019	1,038	1,058	1,079	1,102	1,128	1,157	1,192	1,235
Deposits	45	19	19	20	21	23	26	29	35	43	53
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,288	1,019	1,038	1,058	1,079	1,102	1,128	1,157	1,192	1,235	1,288
Cycleway											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-	-
Emergency Contingency Fund											
Opening Balance	51,800	51,000	51,969	52,956	253,962	459,041	668,681	884,729	1,107,732	1,340,964	1,589,239
Deposits	1,865	969	987	201,006	205,079	209,640	216,048	223,003	233,232	248,275	268,337
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	53,665	51,969	52,956	253,962	459,041	668,681	884,729	1,107,732	1,340,964	1,589,239	1,857,576
Transportation Asset Renewal											
Opening Balance	-	35,000	35,665	36,343	37,034	37,775	38,568	39,494	40,521	41,737	43,240
Deposits	-	665	678	691	741	793	926	1,027	1,216	1,503	1,859
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	35,665	36,343	37,034	37,775	38,568	39,494	40,521	41,737	43,240	45,099
Water Renewal											
Opening Balance	508,676	2,056,000	2,095,064	2,134,870	2,175,433	2,218,942	2,265,540	2,319,913	2,380,231	2,451,638	2,539,897
Deposits	18,312	39,064	39,806	40,563	43,509	46,598	54,373	60,318	71,407	88,259	109,216
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	526,988	2,095,064	2,134,870	2,175,433	2,218,942	2,265,540	2,319,913	2,380,231	2,451,638	2,539,897	2,649,113
Wastewater Renewal											
Opening Balance	816,368	1,702,000	1,734,338	1,767,290	1,800,869	1,836,886	1,875,461	1,920,472	1,970,404	2,029,516	2,102,579
Deposits	29,389	32,338	32,952	33,579	36,017	38,575	45,011	49,932	59,112	73,063	90,411
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	845,757	1,734,338	1,767,290	1,800,869	1,836,886	1,875,461	1,920,472	1,970,404	2,029,516	2,102,579	2,192,990

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Stormwater Renewal											
Opening Balance	701,372	284,000	289,396	294,895	300,498	306,508	312,945	320,456	328,788	338,652	350,843
Deposits	25,249	5,396	5,499	5,603	6,010	6,437	7,511	8,332	9,864	12,191	15,086
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	726,621	289,396	294,895	300,498	306,508	312,945	320,456	328,788	338,652	350,843	365,929
Solid Waste Renewal											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-	-
Parks Renewal											
Opening Balance	-	84,000	85,596	77,022	78,485	80,055	81,736	83,698	85,874	88,450	91,634
Deposits	-	1,596	1,626	1,463	1,570	1,681	1,962	2,176	2,576	3,184	3,940
Withdrawals	-	-	(10,200)	-	-	-	-	-	-	-	-
Closing Balance	-	85,596	77,022	78,485	80,055	81,736	83,698	85,874	88,450	91,634	95,574
Buildings Renewal											
Opening Balance	264,180	576,000	586,944	598,096	609,460	621,649	634,704	649,937	666,835	686,840	711,566
Deposits	9,510	10,944	11,152	11,364	12,189	13,055	15,233	16,898	20,005	24,726	30,597
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	273,690	586,944	598,096	609,460	621,649	634,704	649,937	666,835	686,840	711,566	742,163
Administration Renewal											
Opening Balance	130,536	239,000	243,541	248,168	252,883	257,941	263,358	269,679	276,691	284,992	295,252
Deposits	4,699	4,541	4,627	4,715	5,058	5,417	6,321	7,012	8,301	10,260	12,696
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	135,235	243,541	248,168	252,883	257,941	263,358	269,679	276,691	284,992	295,252	307,948
Library Books Renewals											
Opening Balance	(20,000)	168,000	171,192	174,445	177,759	181,314	185,122	189,565	194,494	200,329	207,541
Deposits	52,000	3,192	3,253	3,314	3,555	3,808	4,443	4,929	5,835	7,212	8,924
Withdrawals	(52,720)	-	-	-	-	-	-	-	-	-	-
Closing Balance	(20,720)	171,192	174,445	177,759	181,314	185,122	189,565	194,494	200,329	207,541	216,465

Council Created Reserve Funds - Summary											
	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Council Created Reserve Funds - Summary											
Opening Balance	2,624,519	5,361,900	5,463,776	5,557,387	5,862,979	6,180,239	6,510,027	6,866,268	7,244,790	7,662,135	8,137,974
Deposits	360,201	101,876	103,811	305,592	317,260	329,788	356,241	378,522	417,345	475,839	549,932
Withdrawals	(265,720)	-	(10,200)	-	-	-	-	-	-	-	-
Closing Balance	2,719,000	5,463,776	5,557,387	5,862,979	6,180,239	6,510,027	6,866,268	7,244,790	7,662,135	8,137,974	8,687,906
Restricted Reserve Funds											
Offstreet Parking											
Opening Balance	32,116	32,000	32,608	33,228	33,859	34,536	35,261	36,107	37,046	38,157	39,531
Deposits	1,156	608	620	631	677	725	846	939	1,111	1,374	1,700
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	33,272	32,608	33,228	33,859	34,536	35,261	36,107	37,046	38,157	39,531	41,231
Reserve Development											
Opening Balance	571,872	450,000	418,550	406,102	288,932	379,774	398,803	497,308	601,218	712,418	833,464
Deposits	20,587	88,550	89,552	91,030	90,842	94,910	98,505	103,910	111,200	121,046	133,718
Withdrawals	-	(120,000)	(102,000)	(208,200)	-	(75,880)	-	-	-	-	-
Closing Balance	592,459	418,550	406,102	288,932	379,774	398,803	497,308	601,218	712,418	833,464	967,182
Museum Assistance Fund											
Opening Balance	20,720	20,000	20,380	20,767	21,162	21,585	22,038	22,567	23,154	23,849	24,708
Deposits	746	380	387	395	423	453	529	587	695	859	1,062
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	21,466	20,380	20,767	21,162	21,585	22,038	22,567	23,154	23,849	24,708	25,770
Kumara Endowment Fund											
Opening Balance	350,388	346,000	352,574	359,273	366,099	373,421	381,263	390,413	400,564	412,581	427,434
Deposits	12,614	6,574	6,699	6,826	7,322	7,842	9,150	10,151	12,017	14,853	18,380
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	363,002	352,574	359,273	366,099	373,421	381,263	390,413	400,564	412,581	427,434	445,814
Euphemia Brown Bequest											
Opening Balance	23,310	23,000	23,437	23,882	24,336	24,823	25,344	25,952	26,627	27,426	28,413
Deposits	839	437	445	454	487	521	608	675	799	987	1,222
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	24,149	23,437	23,882	24,336	24,823	25,344	25,952	26,627	27,426	28,413	29,635

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Waiho River – Franz Josef											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-	-
Mayors Trust Funds											
Opening Balance	13,054	15,000	15,285	15,575	15,871	16,188	16,528	16,925	17,365	17,886	18,530
Deposits	470	285	290	296	317	340	397	440	521	644	797
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	13,524	15,285	15,575	15,871	16,188	16,528	16,925	17,365	17,886	18,530	19,327
Three Mile Domain											
Opening Balance	203,470	203,000	206,857	210,787	214,792	219,088	223,689	229,058	235,014	242,064	250,778
Deposits	7,325	3,857	3,930	4,005	4,296	4,601	5,369	5,956	7,050	8,714	10,783
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	210,795	206,857	210,787	214,792	219,088	223,689	229,058	235,014	242,064	250,778	261,561
Ross Endowment Land											
Opening Balance	52,836	65,000	66,235	67,493	68,775	70,151	71,624	73,343	75,250	77,508	80,298
Deposits	1,902	1,235	1,258	1,282	1,376	1,473	1,719	1,907	2,258	2,790	3,453
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	54,738	66,235	67,493	68,775	70,151	71,624	73,343	75,250	77,508	80,298	83,751
Big Brothers Big Sisters											
Opening Balance	-	(650)	(662)	(675)	(688)	(702)	(717)	(734)	(753)	(776)	(804)
Deposits	-	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	(12)	(13)	(13)	(14)	(15)	(17)	(19)	(23)	(28)	(35)
Closing Balance	-	(662)	(675)	(688)	(702)	(717)	(734)	(753)	(776)	(804)	(839)
Community Patrol											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-	-

	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Graffiti											
Opening Balance	1,036	3,500	3,567	3,635	3,704	3,778	3,857	3,950	4,053	4,175	4,325
Deposits	37	67	68	69	74	79	93	103	122	150	186
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,073	3,567	3,635	3,704	3,778	3,857	3,950	4,053	4,175	4,325	4,511
Taxi Chits											
Opening Balance	-	(2,300)	(2,344)	(2,389)	(2,434)	(2,483)	(2,535)	(2,596)	(2,663)	(2,743)	(2,842)
Deposits	-	(44)	(45)	(45)	(49)	(52)	(61)	(67)	(80)	(99)	(122)
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	(2,344)	(2,389)	(2,434)	(2,483)	(2,535)	(2,596)	(2,663)	(2,743)	(2,842)	(2,964)
Restricted Reserve Funds - Summary											
Opening Balance	1,297,603	1,154,550	1,136,487	1,137,678	1,034,408	1,140,159	1,175,155	1,292,293	1,416,875	1,552,545	1,703,835
Deposits	46,713	101,993	103,249	104,988	105,814	110,944	117,216	124,668	135,773	151,417	171,301
Withdrawals	-	(120,056)	(102,058)	(208,258)	(63)	(75,947)	(78)	(86)	(103)	(127)	(157)
Closing Balance	1,344,316	1,136,487	1,137,678	1,034,408	1,140,159	1,175,155	1,292,293	1,416,875	1,552,545	1,703,835	1,874,979
Depreciation Reserve Funds - Summary											
Opening Balance	977,807	-	935,085	1,859,646	4,171,131	6,153,620	7,751,577	8,925,921	10,701,183	12,048,721	13,561,861
Deposits	11,106,046	9,942,978	8,092,104	8,380,189	9,356,628	8,202,205	7,467,870	5,896,623	5,897,730	5,996,246	6,101,204
Withdrawals	-7,370,575	(9,007,893)	(7,167,543)	(6,068,704)	(7,374,139)	(6,604,248)	(6,293,526)	(4,121,361)	(4,550,192)	(4,483,106)	(4,532,159)
Closing Balance	4,713,278	935,085	1,859,646	4,171,131	6,153,620	7,751,577	8,925,921	10,701,183	12,048,721	13,561,861	15,130,906
Special Funds Reserves - Summary											
Opening Balance	4,899,929	6,516,450	7,535,348	8,554,711	11,068,518	13,474,018	15,436,759	17,084,482	19,362,848	21,263,401	23,403,670
Deposits	11,512,960	10,146,847	8,299,164	8,790,769	9,779,702	8,642,937	7,941,327	6,399,813	6,450,848	6,623,502	6,822,437
Withdrawals	(7,636,295)	(9,127,949)	(7,279,801)	(6,276,962)	(7,374,202)	(6,680,195)	(6,293,604)	(4,121,447)	(4,550,295)	(4,483,233)	(4,532,316)
Closing Balance	8,776,594	7,535,348	8,554,711	11,068,518	13,474,018	15,436,759	17,084,482	19,362,848	21,263,401	23,403,670	25,693,792

FINANCIAL REPORTING AND PRUDENCE DISCLOSURES

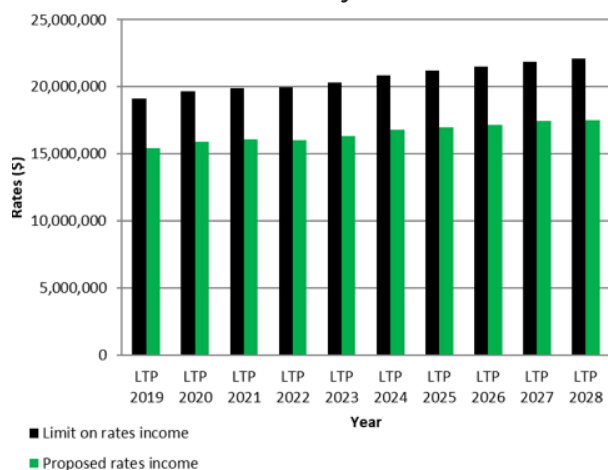
Purpose

The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The limits for these benchmarks are contained in the Financial Strategy and the Liability Management Policy.

Council is required to include this statement in its Long Term Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates (Income) Affordability Benchmark

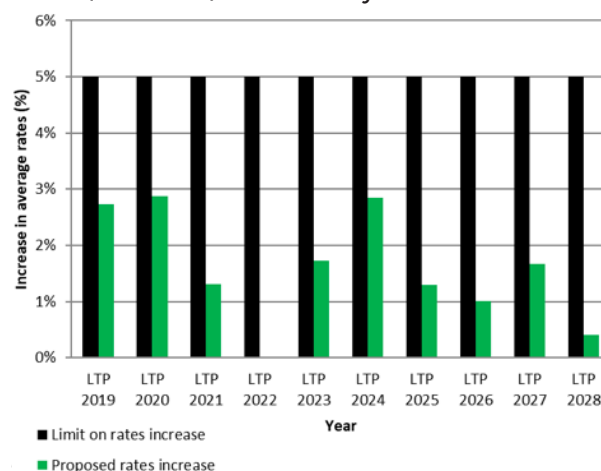


The council meets the rates (income) affordability benchmark if planned revenue from rates is equal to or less than the quantified limit. The overall limit for rates revenue is the aggregate of the maximum Council has prescribed for each of its activities (as outlined in the Revenue and Financing Policy). This means the limit for each year is individually set but the range is narrow. The lowest being 78% and the highest being 85% of total income.

The graph below compares the expected rates revenue as a proportion of total revenue against this benchmark.

Council meets this benchmark in all years of the LTP.

Rates (Increases) Affordability Benchmark

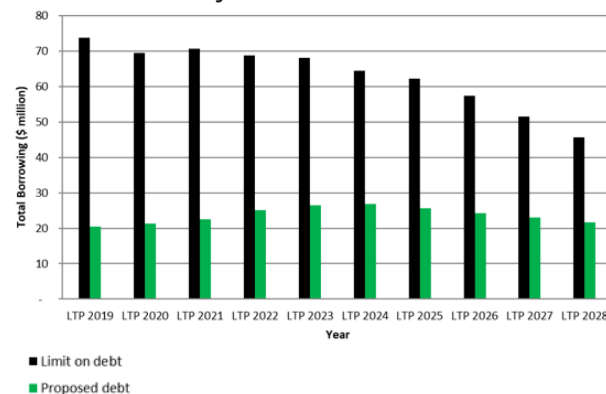


The Council meets the rates (increases) affordability benchmark if the planned increase in revenue from rates as a percentage of the same for the previous year is equal to or less than the quantified limit. It has determined that total rates increases in any one year should not exceed 5%.

The graph above compares the expected rates increases in the financial forecasts against this benchmark.

Council meets this benchmark in all years of the LTP.

Debt Affordability Benchmark



Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. Council's limit for debt is linked to debt serviceability and is therefore set so that finance costs will not exceed 10% of revenue.

The above graph compares Council's forecast borrowing with the quantified limit stated in Council's liability management policy.

Council meets this benchmark in all years of the LTP.

Balanced budget benchmark



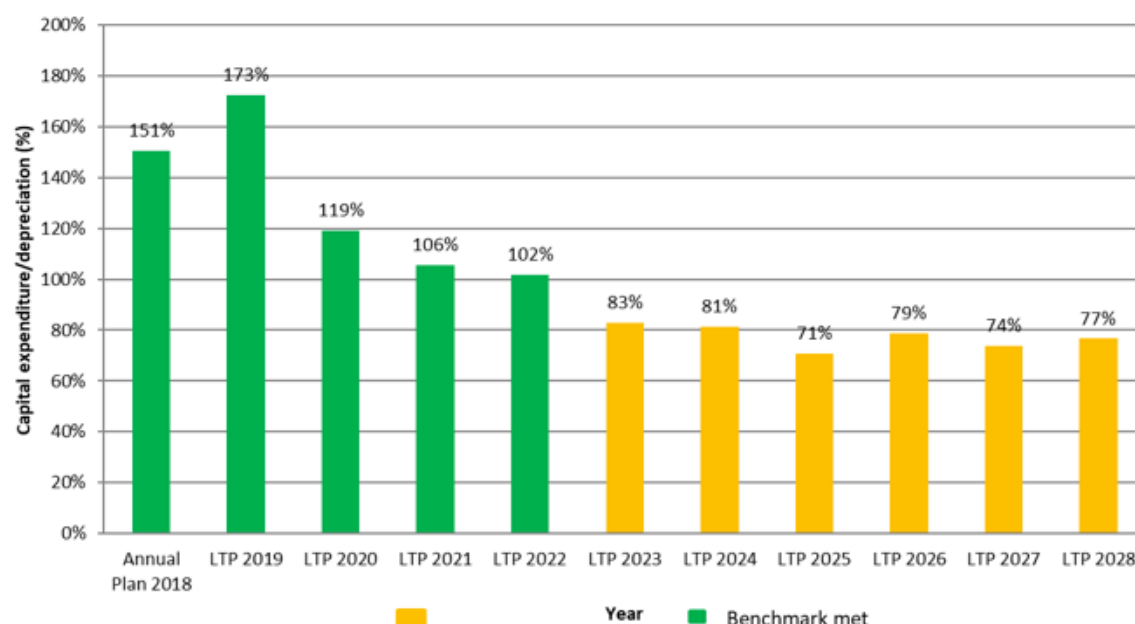
Council meets this benchmark if its revenue equals or is greater than its operating expenses.

The above graph displays Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative

financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

Council meets this benchmark in all years of the LTP.

Essential Services Benchmark



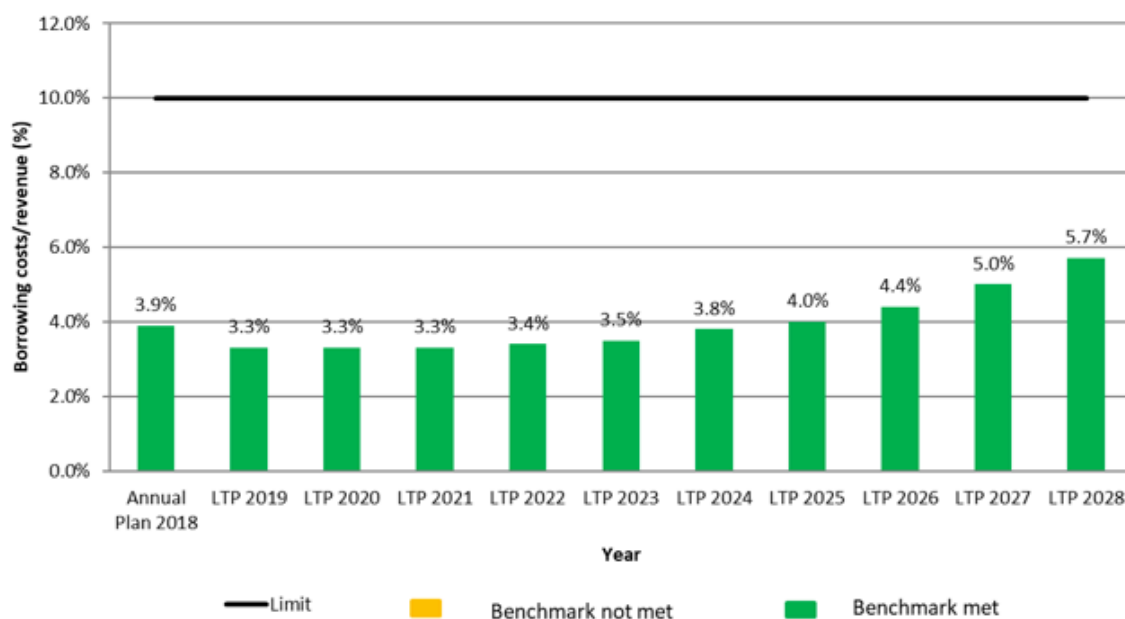
Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

The above graph displays Council's forecast capital expenditure on network services as a proportion of depreciation on network services.

Council does not meet this benchmark for the final five years of the plan. Council have

reprioritised the capital renewals programme for assets at the end of life, and have instead made the decision to upgrade existing assets, this is in order to meet the increasing demand from Tourism and to address the impact of new drinking water standards. These changes are further explained in Councils infrastructure and financial strategies.

Debt Servicing Benchmark



The regulations prescribe this benchmark. Based on the assumption that Westland will not be a high growth district, Council meets this benchmark if borrowing costs equal or are less than 10% of its revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) for the year.

The graph above compares Council's forecast interest costs as a proportion of revenue against this benchmark.

Council meets this benchmark in all years of the LTP.

FEES AND CHARGES FOR 2018/19

All Fees and Charges are GST inclusive unless otherwise stated

Corporate Service charges	
Customer enquiries	
First 30 minutes of staff costs, after that pro-rata \$55/hour	
Black & White Photocopying	
Single Sided - A4	\$0.30
Single Sided - A3	\$0.50
Double Sided - A4	\$0.40
Double Sided - A3	\$0.60
Single Sided - A2	\$2.60
Single Sided - A1	\$3.60
Single Sided - A0	\$5.10
Overheads - A4	\$0.50
Colour Photocopying	
Single Sided - A4	\$2.60
Single Sided - A3	\$4.10
Double Sided - A4	\$3.60
Double Sided - A3	\$5.10
Laminating	
A4 - Per Page	\$3.10
A3 - Per Page	\$4.10
Binding	
Small - less than 100 pages	\$4.10
Large - more than 100 pages	\$6.10
Scanning and scanning to email	
Large scale format scanning	\$3.00 per scan
Document scanning via photocopy machine	\$1.00 per scan
Requests under the Local Government Official Information and Meetings Act (LGOIMA)	
First hour of staff costs	Free
First 20 black and white copies	Free
Additional time	\$38 per ½ hour
Other charges as per fees and charges schedule	
Marriage services	
No longer offered: all enquiries regarding Births, Deaths, or Marriages please free phone 0800 225 252	

Westland Library	
Overdue Charges - per day (Adults)	\$0.30 (Max \$9.00)
Overdue charges - per day (Children)	\$0.10 (Max \$3.00)
DVDs	\$3.00
Adult music CDs	\$2.00
Book reserve fee	\$1.00
Replacement cards	\$5.00
Lost / Damaged Items	Replacement Cost
	\$20.00 per card per month
Visitors from other NZ Districts - Subscription charges –	\$25.00 for 3 Months
	\$50.00 for 6 Months
No subscription charges for residents of Westland, Buller, Grey or Selwyn Districts.	
No subscription charge is made for exchange students staying with families in the District for six months or more	
Interlibrary loans (per item)	\$7.00 - \$21.00
Corporate Interlibrary Loans (per Item)	\$41.00
Book Covering	\$4.00 - \$6.00
Computer print outs: single side A4	\$0.30
Computer print outs: double side A4	\$0.40

Hokitika Museum	
Admission free	
Westland residents	Free
Adult visitors	\$6.00
School age visitors (under 5 years old free)	\$3.00
Research	
In person enquiry first half hour	\$5.00
Additional hours thereafter	\$30 per half hour
Written research service (per hour)	\$60.00
Minimum charge	\$30.00
Special project research	By negotiation
Postage/packing	At cost

Hokitika Museum	
Photographs	
Photographic prints	A5: \$15 A4: \$20
Laser copy on card	A5/A4: \$8, A3: \$12
Digital image – 1-2MB jpg	\$20
Digital image – High resolution TIF	\$40
Flash drive for supply of digital images	\$10 per 4GB flash drive No extra charges beyond image charges above
Photocopies	
Photocopying- Black and white A4 and A3	Refer to charges as set out in Corporate Services Section
Reproduction fees (The following charges are for reproduction of Museum items for the purposes below, and are additional to the above charges)	
Books/publications (including internet and other digital publications)	\$20.00 per item
Greeting cards/Postcards/Advertising/Display/Publicity	\$100.00 per item
Full reproduction and reprint of items from the museum collection, including books, manuscripts, fine art or other material	5% of the recommended retail price of entire print run
Motion pictures, TV, videos (excluding for TV news items)	\$22.50
Filming in museum under supervision (per hour or part thereof)	\$75.00
Reproduction charges for the purposes of news media, newspaper articles and news broadcasts	No fee
Reproduction charges for the purpose of family histories	Negotiable
Venue Hire	
Carnegie Gallery Hire (per week)	\$60.00
Commission on sales	20%
Carnegie Gallery Hire (per week)	\$60.00
Commission on sales	20%
Staff supervision outside normal hours	\$60.00 per hour

Sports field charges	
Cass Square (season hire)	
Touch Rugby per season	\$165.00
Softball per season	\$165.00
Rugby - per season	\$900.00
Cricket per season	\$165.00
Soccer per season	\$900.00
Cass Square (casual use)	
Daily	\$60.00
Hourly	\$25.00
Wildfoods Festival	\$5,750.00
Showers and Changing Rooms	\$40.00
Changing Rooms Only	\$20.00
Commercial Operators	To be negotiated depending on type of usage

Cemetery Charges	
Hokitika	
New Grave (includes plot, interment and maintenance in perpetuity)	\$1,703.00
Ashes Plot Purchase and Interment (includes plot in Ashes Garden area and opening of plot)	\$477.00
Pre-purchase new Plot	\$1,299.00
Dig Grave site to extra depth	\$124.00
Interment on Saturday, Sunday or Public Holiday	\$269.00
Additional Cost to excavate grave on Saturday, Sunday or Public Holiday	\$349.00
Reopen a grave site	\$683.00
Intern Ashes in an existing grave	\$139.00
New grave in RSA area	\$644.00
Reopen a grave in the RSA Area	\$644.00
Intern a child under 12 in Lawn Area	\$1,703.00
Intern a child under 12 in children's section	\$387.00
Intern a child under 18 months in the children's section	\$181.00
Research of cemetery records for family trees per hour (one hour minimum charge)	\$35.00

Cemetery Charges	
Ross and Kumara	
New Grave (includes plot, interment and maintenance in perpetuity)	\$1703.00
Inter a child under 18 months in a new grave	\$451.00
Pre-purchase new plot	\$1299.00
Bury Ashes (including registration)	\$387.00
Reopen a grave site	\$683.00
Research of cemetery records for family trees per hour (one hour minimum charge)	\$35.00
Minimum Charge	\$35.00

Land Information Services	
Land online Search—CT or Plan Instrument	\$15.00
Land Information	
GIS Map—A4	\$10.00
GIS Map- A4 with aerial photos	\$15.00
GIS Map - A3	\$20.40
GIS Map - A3 with aerial photos	\$31.00
GIS Client Services (per hour)	\$100.00

Land information memoranda	
Land Information Memoranda	\$210.00
Urgent - within 48 hours	\$330.00

Animal Control	
Dog control	
Standard Registration	
Registration Fee: Hokitika and Kanieri township (urban)	\$74.00
Registration Fee: Other Areas	\$58.50
Selected Owners	
Registration Fee: all areas	\$45.00
Working Dogs	
Registration Fee: all areas	\$30 for first, \$20 for subsequent
Dangerous dogs	
Registration Fee: all areas	Standard registration fee plus 50%
Late Registration	
Registration Penalty - 1 August	50% of applicable registration fee

Animal Control	
Dog Impounding Fees	
First Impounding Offence	\$82.00
Second Impounding Offence	\$164.00
Third Impounding Offence	\$245.00
Feeding per day	\$26.00
Second & Third Impounding will apply if occurring within 12 months of the first impounding date.	
Call-out for Dog Reclaiming	\$78.00
Impounding Act	
Stock Control Callout Fees	\$225.00 per callout
Stock poundage and sustenance Fees	Cattle, horse, deer, mule: \$25.00/head/day
	Sheep, goats, pigs, other animals: \$5.00/head/day

Health Act and Food Act	
Food Act 2014 – registration fee	\$200.00 (initial registration)
	\$100.00 (renewal of registration)
Food Act 2014 – verification fee (audit)	\$200.00 flat rate plus \$150 per hour (\$100 per hour administration time after first 30 minutes)
Food Act 2014 – Compliance and Monitoring fee	\$150 per hour (\$100 per hour administration time)
Hairdressers Registration	\$388.00
Offensive Trade Registration	\$388.00
Mortuary Registration	\$388.00
Camping Ground Registration	\$388.00
Camping Ground - fewer than 10 sites	\$286.00
Transfer of Registration	50% of registration fee

LGA Activities	
Trading in Public Places (Hawkers and Mobile Shops)	
Full Year	\$500
1 October to 31 March only	\$350

Activities under other Legislation	
Amusement Devices	
For one device, for the first seven days of proposed operation or part thereof.	\$11.50
For each additional device operated by the same owner, for the first seven days or part thereof.	\$2.30
For each device, for each further period of seven days or part thereof.	\$1.12
Class 4 Gaming	
Class 4 Gambling Venue	\$287.50

Resource Management	
NOTE: All fees and charges below, unless specified as a Fixed Fee, are deposits and minimum fees paid as initial charges on application. Staff time will be calculated at the hourly rates below. Under Section 36 of the Resource Management Act 1991, the costs of staff time and costs incurred processing the consent over the deposit will be invoiced, and where a charge is inadequate to enable the recovery of actual and reasonable costs the Council may require payment of any additional charge.	
Printed copy of the District Plan	\$154.00
Preparation & change to the District Plan (deposit)	\$5,000.00
Pre-application enquiries that exceed 30 minutes	Rate \$150.00/ Hour
New Designations	\$1,000.00
Notified Resource Consents (in addition to consent deposit)	\$1,000.00
Hearing	\$2,000.00
Variations to Designations	\$500.00
Land use activities (not listed elsewhere)	\$700.00
Mining consents	\$800.00
Subdivisions	\$900.00
Variations to Resource Consents	\$350.00
Subdivision Consents - including land use	\$1,000.00
Certificates of Compliance and Existing Use Certificates	\$300.00
Extension of time (S 125)	\$300.00
Survey Plan Approval (S 223) : Fixed Fee	\$100.00
S 224 approval deposit	\$200.00
Certification: Fixed Fee	\$200.00
Notices of Requirements & Heritage Orders	\$1000.00
Boundary activities	\$300.00
Marginal or temporary activities	\$300.00
Monitoring charges	\$150/hour
Monitoring fee charged upon issue of each consent (fixed fee)	\$100.00

Resource Management	
Administration fee charged on each consent	\$100.00
Approval of Outline Plan	\$350.00
Consideration of Waiving of Outline Plan	\$150.00
Issue of abatement notice: Fixed Fee	\$300.00
Return of items seized pursuant to Section 328 of the Resource Management Act 1991: Fixed Fee	\$150.00
Release of Covenants : Fixed Fee	\$100.00
Planning staff processing time for resource management activities	\$150/hour
Administration Planning staff time	\$100.00/hour
In-house Engineering Services that exceed 15 minutes	\$150/hour
Councillor Hearing Commissioner (Chair)	\$100/hour
Councillor Hearing Commissioner (Committee)	\$80/hour
Independent commissioner	At cost
Recreation contribution	
5% of the value of each new allotment or the value of 4,000m ² of each new allotment, whichever is the lesser. The minimum charge is \$1,000.00 per new allotment and the maximum charge is \$3,000.00 per new allotment, both GST-inclusive.	
Performance Bonds	
Performance bonds may be put in place from time to time with the amount to be established on a case by case basis. Lodgement fee \$250.00	
Relocated buildings	
In addition to building consent fees, and the building Research levy, a minimum deposit of up to \$10,000 is required for buildings being relocated.	

Building Consent Activity	
1) Total fees will vary according to the extent of processing required to grant a building consent and the number of inspections that may need to be undertaken. An estimated number of inspections will be charged for at the outset, but refunds will be available for any unused inspections.	
Free-standing Fire Places	
Project Information Memorandum	\$150 per hour (\$100 per hour for administrative staff)
	\$31.00 Fee
Consent	plus \$150.00 per hour (\$100 per hour for administrative staff)
BCA Accreditation Levy	\$56.00
Inspection Fee	\$205.00 each

Building Consent Activity	
	\$31.00 Fee
Code Compliance Certificate	plus \$150.00 per hour (\$100 per hour for administrative staff)
Accessory Buildings	
	\$75 Fee
Project Information Memorandum	plus \$150.00 per hour (\$100 per hour for administrative staff)
Compliance Check	\$61.00
	\$184.00 Fee
Consent	plus \$150.00 per hour (\$100 per hour for administrative staff) Plus 0.065% of estimated value of consented works in excess of \$125,000 (online processing charge).
BCA Accreditation Levy	\$56.00
Inspection Fee	\$205.00 each
Code Compliance Certificate	\$61.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
Alterations/Renovations (Minor)	
	\$75 Fee
Project Information Memorandum	plus \$150.00/hour (\$100 per hour for administrative staff)
Compliance Check	\$61.00
	\$184.00
Consent	plus \$150.00 per hour (\$100 per hour for administrative staff)
BCA Accreditation Levy	\$56.00
Inspection Fee	\$205.00 each
	\$61.00 Fee
Code Compliance Certificate	plus \$150.00 per hour (\$100 per hour for administrative staff)
Alterations/Renovations (Major)	
	\$75 Fee
Project Information Memorandum	plus \$150.00 per hour (\$100 per hour for administrative staff)
Compliance Check	\$61.00

Building Consent Activity	
	\$409.00
Consent	plus \$150.00 per hour (\$100 per hour for administrative staff) Plus 0.065% of estimated value of consented works in excess of \$125,000 (online processing charge).
BCA Accreditation Levy	\$56.00
Inspection Fee	\$205.00 each
	\$511.00 Fee
Code Compliance Certificate	plus \$150.00 per hour (\$100 per hour for administrative staff)
Temporary Buildings	
Project Information Memorandum	\$150 per hour (\$100 per hour for administrative staff)
Compliance Check	\$61.00
	\$102.00 Fee
Consent	plus \$150.00 per hour (\$100 per hour for administrative staff)
BCA Accreditation Levy	\$56.00
Inspection Fee	\$205.00 each
	\$61.00 Fee
Code Compliance Certificate	plus \$150.00 per Hour (\$100 per hour for administrative staff)
Marquees Only	
	\$61.00 Fee
Consent	plus \$150.00 per Hour (\$100 per hour for administrative staff)
BCA Accreditation Levy	\$56.00
Inspection Fee	\$205.00 each
Reports	
Monthly building consent reports	\$49.10
Signs	
Project Information Memorandum	At cost \$150.00/hour (\$100 per hour for administrative staff)
Compliance Check	\$61.00
	\$123.00 Fee
Consent	plus \$150.00 per Hour (\$100 per hour for administrative staff)
BCA Accreditation Levy	\$56.00

Building Consent Activity	
Inspection Fee	\$205.00 each
Code Compliance Certificate	\$31.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
Election Signs	
Up to 3 signs	\$307.00
Up to 6 signs	\$613.00
For each additional sign in excess of 6. signs	\$20.00
Housing - Average (<120m2)	
Project Information Memorandum	\$75 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
Compliance Check	\$61.00
Consent	\$409 Fee plus \$150.00 per hour (\$100 per hour for administrative staff) Plus 0.065% of estimated value of consented works in excess of \$125,000 (online processing charge).
BCA Accreditation Levy	\$56.00
Inspection Fees	\$205.00 each
Code Compliance Certificate	\$511.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
Housing Executive (>120m2)	
Project Information Memorandum	\$75 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
Compliance Check	\$61.00
Consent	\$613.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff) Plus 0.065% of estimated value of consented works in excess of \$125,000 (online processing charge).
BCA Accreditation Levy	\$56.00
Inspection Fees	\$205.00 each
Code Compliance Certificate	\$613.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)

Building Consent Activity	
Drainage & Plumbing - Public System	
Project Information Memoranda	At cost \$150.00 per hour (\$100 per hour for administrative staff)
Consent- Public Sewerage System	\$123.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
BCA Accreditation Levy	\$56.00
Inspection Fee	\$205.00 each
Code Compliance Certificate	\$51.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
Drainage & Plumbing – Stand Alone System	
Project Information Memorandum	At cost \$150.00 per hour (\$100 per hour for administrative staff)
Consent – Stand Alone System	\$184.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff) Plus 0.065% of estimated value of consented works in excess of \$125,000 (online processing charge).
BCA Accreditation Levy	\$56.00
Inspection Fee	\$205.00 each
Code Compliance Certificate	\$51.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
Commercial/Industrial/Multi Unit Development	
Project Information Memorandum	\$125 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
Compliance Check	\$61.00
Consent	\$664.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff) Plus 0.065% of estimated value of consented works in excess of \$125,000 (online processing charge).
CA Accreditation Levy	\$56.00

Building Consent Activity	
Inspection Fee	\$205.00 each
Code Compliance Certificate	\$664.00
Other	
Residential Swimming Pool compliance inspection	\$205.00
Building Consent Amendment	\$123.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff) Plus 0.065% of estimated value of consented works in excess of \$125,000 (online processing charge).
Extension of time for exercise of building consent	\$123.00
Extension of time for obtaining CCC	\$123.00
Building Consent Holding Fee (not uplifted within 10 working days)	\$72.00
Road Damage Deposit – Refundable deposit	\$716.00
Building Research Levy	
In addition to the Building Consent fee, a Building Research levy based upon \$1.00 per \$1,000 or part thereof of total value is required to be paid.	
Consents of lesser value than \$20,000 are exempt from this levy.	
Building MBIE Levy	
In addition to the Building Consent, a Building Industry levy based upon \$2.01 per \$1,000 or part thereof of total value is required to be paid.	
Consents of lesser value than \$20,000 are exempt from this levy.	
Independent Building Consent Authority (BCA)	
Where the services of a Building Certifier are used, the fee will be established on a case by case basis to ensure full cost recovery.	
Demolition (if not exempt work under Schedule 1 of Building Act 2004)	
Consent	\$123.00 Fee plus \$150.00 per Hour (\$100 per hour for administrative staff)
Inspection Fee (where necessary)	\$205.00 each

Building Consent Activity	
Receiving and Checking Building Warrant of Fitness	
On or before due date	\$90.00, plus \$40.00 for 3 systems or less, plus \$15.00 for each additional system in excess of 3
After due date	\$180.00, plus \$40.00 for 3 systems or less, plus \$15.00 for each additional system in excess of 3
Other Building Charges	
Soakage Tests	\$205.00
Certificate of Acceptance	\$511.00 Fee plus \$150.00 per Hour (\$100 per hour for administrative staff) Plus applicable Building Consent Fee Plus 0.065% of estimated value of consented works in excess of \$125,000 (online processing charge).
Certificate of Public Use	\$256.00 Fee plus \$150.00 per hour (\$100 per hour for administrative staff)
Compliance Schedules	\$286.00
Duplicate Schedules	\$143.00
Amendment to Compliance Schedule	\$92.00
Preparation of Certificates for Lodgement	\$358.00
Preparation of Sec 37 Certificate	\$153.00
Receipt and checking of Schedule 1 advice	\$123.00
Notices to Fix	\$256.00 fee for first \$512.00 Fee for second \$768.00 Fee for third Plus \$200.00 per hour
Additional Inspections	\$205.00
Application for PIM only	
Residential	\$75.00 fee plus \$150.00/hour (\$100 per hour for administrative staff)

Building Consent Activity	
	\$125.00 Fee
Commercial/Industrial	plus \$150.00/hour (\$100 per hour for administrative staff)
Stock Underpass	Levies Only
Solar water heating installations	Levies Only
Where any building charge is inadequate to enable the recovery of the actual and reasonable costs, a further charge may be payable.	

Hokitika Swimming Pool	
Single Admission	
Adult	\$5.00
Senior Citizen (60+)	\$4.00
Child at school	\$3.00
Pre Schooler	\$1.50
Pre Schooler and Parent	\$3.00
Family (2 adults / 2 children)	\$13.00
Spectator	Free
Concession Ticket - 10 Swims	
Adult	\$40.00
Senior Citizen (60+)	\$32.00
Child at school	\$24.00
Pre Schooler	\$12.00
Pre Schooler and Parent	\$24.00
Family (2 adults / 2 children)	\$104.00
Season Ticket	
Adult	\$280.00
Senior Citizen (60+)	\$224.00
Child at school	\$168.00

Baches on Unformed Legal Road	
Annual Site Fee	\$2,050.00

District Assets	
Water Supply Connections	
Actual cost recovery relating to the installation of water supply connections.	
Sewerage & Stormwater Connections	
Actual cost recovery relating to the installation of sewerage and stormwater connections.	
Vehicle Crossings	
Actual cost recovery relating to the installation of vehicle crossings.	
Sewerage Supply	
Trade Waste charges are levied separately according to waste volume and utilisation of sewerage system.	Minimum fee of \$1600 per annum

District Assets	
Water Supply Annual Charges	
Hokitika/Kaniere Water Supply	Commercial metered supply per cubic metre \$1.30
There is a minimum standing charge for commercial metered connections. This is currently \$96 per quarter. Council reserves the right to negotiate metered charges with significant users.	
Treated Supplies—Rural Towns Fox Glacier/Franz Josef/Whataroa/Hari Hari	Commercial metered supply per cubic metre \$1.20

Elderly Housing Property Rentals	
Council property rentals are regularly reviewed to ensure they are set at fair market value.	

Temporary Road Closures	
Non-refundable application fee	\$100.00
Additional Information request (from applicant)	\$100 per hour
Public Notification on approval	At cost
Management of temporary road closure	At cost
Call Out / Audit of Traffic Management Plan	\$225.00 per hour
Not for Profit Organisations	Exempt

Hokitika Transfer Station Refuse Site Gate Fees	
General Waste	
Per tonne	\$475.00
60L bag	\$4.00
Green Waste	
Green Waste per tonne	\$46.00
60L bag Green Waste uncompacted	\$0.50
Accepted Recyclable Items*	Free
*All glass will be accepted free of charge.	
Non Weighbridge Sites	
Uncompacted General Waste	
Per Cubic Metre small loads < 0.5m ³	\$65.00
Per Cubic Metre large loads > 0.5m ³	\$95.00
60L bag	\$4.00
120L Wheelie Bin	\$8.00
240L Wheelie Bin	\$16.00
Small Trailer /Ute (0.68m ³)*	\$65.00
Medium Trailer (0.91m ³)*	\$90.00
Cage or Large Trailer (2.7m ³)*	\$260.00
*Take to Hokitika site. All glass accepted free of charge	

Hokitika Transfer Station Refuse Site Gate Fees

Uncompacted Green Waste

Per Cubic Metre	\$10.00
60L bag	\$0.50
Small Trailer /Ute (0.68m ³)	\$6.00
Medium Trailer (0.91m ³)	\$10.00

All Sites: Other Items

Whiteware (Fridges must be degassed, per item)	\$10.00
Tyres (Based on average weight of 7.5kg, per item)	\$3.50
Cars Prepared (Conditions apply, per item)	\$45.00

Rubbish & recycling receptacles

Replacement recycling bin 240 L	\$95.00
Replacement rubbish bin 120 L	\$85.00
Delivery fee for replacement bins	\$20.00

Jackson Bay Wharf Charges (prices exclude GST)

Commercial Fishing Vessels operating from the Wharf for discharge of wet fish and/or crayfish must have a licence to occupy.

Annual Charge	
Vessels over 13.7 metres (45 feet)	\$4,000.00
Vessels between 9.1 metres and 13.7 metres (30-45 feet)	\$1,500.00
Vessels up to 9.1 metres (30 feet)	\$1,000.00

Casual users landing wet fish (per tonne)	\$23.00
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Casual users landing crayfish (per tonne)	\$300.00
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Other Vessels (not discharging) must pay a daily charge (24 hours) as below

Vessels over 13.7 metres (45 feet)	\$250.00
Vessels between 9.1 metres and 13.7 metres (30-45 feet)	\$200.00
Vessels up to 9.1 metres (30 feet)	\$100.00

For information:
management@westlanddistrictproperty.co.nz
Westland District Property Ltd (03) 755 8497.

Waste Management continued:

Any legislative charges under the Waste Management Act will be imposed as a levy if required. Note: Government requires Council to charge a levy of \$10.00 per tonne, or equivalent volume at non weighbridge sites, on all waste disposed of to landfill. This is included in the above fees.

For non-standard loads, the Transfer Station Operators reserve the right:

- To measure the waste and charge the per cubic metre rate or;
- To measure the load and use the Ministry for the Environment Conversion Factors for compacted or dense waste.

Sale and supply of alcohol

On, Off or Club Licence

Applications and renewals for On, Off or Club Licence are assessed using a cost/risk rating system. The cost/risk rating of the premises is the sum of the highest applicable weighting for the type of premises and type of licence, the hours of operation and any enforcement holdings in the last 18 months.

Cost/risk rating	Fees category	Application fee \$ incl GST	Annual fee \$ incl GST
0-2	Very low	\$368.00	\$161.00
3-5	Low	\$609.50	\$391.00
6-15	Medium	\$816.50	\$632.50
16-25	High	\$1,023.50	\$1035.00
26 plus	Very High	\$1,207.50	\$1437.50

The cost/risk rating used to set the fees above is calculated using the tables below.

Latest alcohol sales time allowed for premises

Type of Premises	Latest trading time allowed (during 24 hour period)	Weighting
Premises for which an on-licence or club-licence is held or sought	2.00 am or earlier	0
	Between 2.01 and 3.00am	3
	Any time after 3.00am	5
Premises for which an off-licence is held or sought (other than remote sales)	10.00pm or earlier	0
	Any time after 10.00pm	3
Remote sales premises	Not applicable	0

Type of premises

Type of Licence	Type of Premises	Weighting
On-licence	Class 1 restaurant, night club, tavern, adult premises	15
	Class 2 restaurant, hotel, function centre	10
	Class 3 restaurant, other premises not otherwise specified	5
	BYO restaurants, theatres, cinemas, winery cellar doors	2
Off-Licence	Supermarket, grocery store, bottle store	15
	Hotel, Tavern	10
	Class 1, 2 or 3 club, remote sale premises, premises not otherwise specified	5
	Winery cellar doors	2
Club-licence	Class 1 club	10
	Class 2 club	5
	Class 3 club	2

Enforcement holdings

Number of enforcement holdings in respect of the premises in the last 18 months	Weighting
None	0
One	10
Two or more	20

Definitions for types of premises

Type	Class	Description
Restaurants	1	A restaurant that has or applies for an on-licence and has, in the opinion of the Territorial Authority, a significant bar area and operates that bar area at least one night a week in the manner of a tavern.
	2	A restaurant that has or applies for an on-licence and has, in the opinion of the Territorial Authority, a separate bar area and does not operate that bar area in the manner of a tavern at any time.
	3	A restaurant that has or applies for an on-licence and, in the opinion of the Territorial Authority, only serves alcohol to the table and does not have a separate bar area.

Type	Class	Description
	BYO	A restaurant for which an on-licence is or will be endorsed under section 37 of the Act.
Clubs	1	A club that has or applies for a club licence and has at least 1,000 members of purchase age and in the opinion of the territorial authority, operates any part of the premises in the nature of a tavern at any time.
	2	A club that has or applies for a club licence and is not a class 1 or class 3 club
	3	A club that has or applies for a club licence and has fewer than 250 members of purchase age and in the opinion of the territorial authority, operates a bar for no more than 40 hours each week.
Remote sales premises		Premises for which an off-licence is or will be endorsed under section 40 of the Act.
Enforcement holding		A holding as defined in section 288 of the Act, or an offence under the Sale of Liquor Act 1989 for which a holding could have been made if the conduct had occurred after 18 December 2013.

Special Licences

The fee payable for a Special Licence is assessed using a cost/risk rating system depending on the size of the event and the number of events applied for.

Large event: Means an event that the territorial authority believes on reasonable grounds will have patronage of more than 400 people.

Medium event: Means an event that the territorial authority believes on reasonable grounds will have patronage of between 100 and 400 people.

Small event: Means an event that the territorial authority believes on reasonable grounds will have patronage of fewer than 100 people.

Class	Issued in respect of	Application fee \$ incl GST
1	1 large event: More than 3 medium events: More than 12 small events	\$575.00
2	3 to 12 small events: 1 to 3 medium events	\$207.00

