

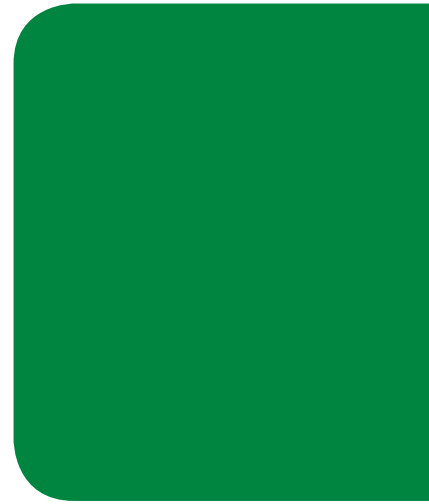


Westland District Council  
**LONG TERM  
PLAN**  
2012/22

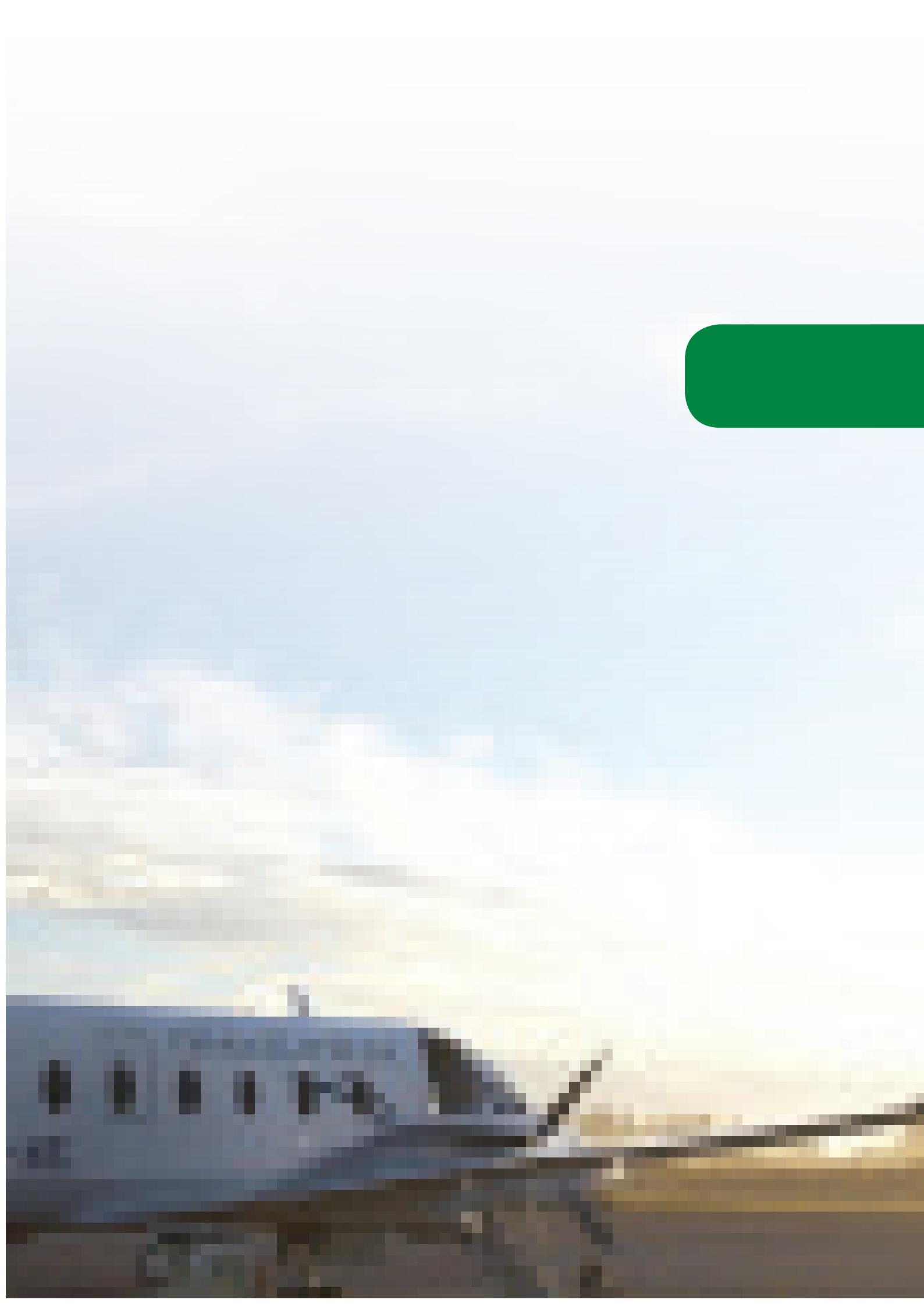
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**WESTLAND**  
DISTRICT COUNCIL





PLANNING FOR THE FUTURE OF  
OUR COMMUNITY  
2012/2022



# OUR VISION

“Westland will, by 2030, be a world class tourist destination and have industries and businesses leading through innovation and service.

This will be achieved by:

- Involving the community and stakeholders
- Having inspirational leadership
- Having expanded development opportunities
- Having top class infrastructure for all communities
- Living the ‘100% Pure NZ’ brand

Council by-line in promoting Westland:

“Westland, the last best place”

## Cautionary Note

The forecast financial statements outline how Council will be funded for the next 10 years and how that money will be spent. They are based on estimates of costs into the future. It is likely that changes will be needed as events alter and actual quotes for work are obtained. The information in the forecast financial statements is prepared to meet the requirements of the Local Government Act 2002 and may not be appropriate for purposes other than those described below.

## Statement of Responsibility

The forecast financial statements are prepared on the basis of best-estimate assumptions as to future events which the council expects to take place as of 1 July 2012. Actual results are likely to vary from the information presented and the variations may be material.

## Authorisation for Issue

This document was authorised for issue by Council on, and is dated, 28 June 2012.

## Purpose of Preparation

The Local Government Act 2002 (LGA 2002) requires a council to at all times have a Long Term Plan. The Westland District Long Term Plan was adopted on 28 June 2012.



Maureen Pugh  
Mayor



Robin Reeves  
Chief Executive Officer

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# INTRODUCTION

**Introduction from the Mayor and Chief Executive**

**About this Plan**

**Guide to the Plan**

**Have your say**

**Challenges and Opportunities**

**Financial Strategy**

**How we pay for services**

**Where your rate dollars go**

**How capital expenditure is funded**



# INTRODUCTION FROM THE MAYOR AND CHIEF EXECUTIVE

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The Long Term Plan (LTP) is the one place where Council brings together all the activities and services it provides and shows how we will pay for them.

It is a very important document and we thank you for your interest and feedback which has helped in shaping the future of our community.

The LTP document reflects the information that is required to be included, according to the Local Government Act 2002. This document is audited in both the draft and final form by Audit New Zealand on behalf of the Office of the Controller and Auditor General. While the LTP is invaluable for planning our future community, once again, the cost of preparation of this plan is of on-going concern to Council. The level of compliance demanded by Central Government is equally concerning for a small District like ours with limited resources.

The Plan has been reviewed and reformatted to allow you ready access those sections that may be of particular interest to you. The section "Challenges and Opportunities" highlights those matters that we believe are of higher interest and are the matters that Councillors gave strong consideration to when preparing this Plan. Foremost in our consideration are the challenges and opportunities that face our District and these are outlined in this document. Your feedback has helped us determine the projects that are going ahead and how we will fund them.

The current economic climate is still of concern, although our ratepayers' ability to pay is always a key focus in any planning that Council does. The experts tell us to maintain spending rather than cutting revenues and eliminating programmes and services. In particular we are advised not to trim capital projects which have limited impact on the operational budget. We recognise that we must continue to maintain our planned capital projects, such as upgrading water supplies to comply with Government imposed regulation. Councils around New Zealand are questioning how relevant and necessary compliance is to New Zealand Drinking Water Standards by 2015. For Westland to comply with the Standard is incredibly expensive for our District.

We have asked you to tell us what you think are the most important issues for you and as a Council we have worked hard to prioritise your feedback. In planning for the LTP, it became clear to Council that a number of significant projects will have a greater effect on the rate payers of Hokitika. Council has tried to limit the impact on Hokitika ratepayers while giving them the services and projects the community said they wanted.

The future of Waste Management in Westland is also an issue of importance, and very challenging. We are very pleased with the consultation we have received from the people of Westland. Thank you to all those who contributed and we will use the feedback to inform our new Waste Minimisation Plan and to guide future changes in managing waste.

As this Long Term Plan is finalised the Government has introduced a new Bill into Parliament with significant changes for Local Government. We need to seriously think about what this means for Westland and strategically position ourselves to avoid having change done "to us".

As required, the planned expenditure over the next ten years is all inflation adjusted. Most of Council's assets are funded for depreciation, and this ensures the long term integrity of those assets. A notable exception to this is Community Halls.

We consider consulting the community about projects that will contribute to further rates input to be the best way to prioritise 'nice to have' or less essential projects looking to the future. If you are dead against it – we won't do it. We will do our very best to ensure our Vision is fulfilled and respect your views as a resident and rate

payer. We can produce great things together and as Mayor I firmly believe the Haast Hollyford Road will one day become a reality.

This plan is an important reflection of the work Council has done to produce a Vision for Westland that guides our decision making. Our Vision inspires us to make decisions that ensure living and working here is very desirable.

“Westland will, by 2030, be a world class tourist destination and have industries and businesses leading through innovation and service.

This will be achieved by:

- Involving the community and stakeholders
- Having inspirational leadership
- Having expanded development opportunities
- Having top class infrastructure for all communities
- Living the ‘100% Pure NZ’ brand.

As you read through this plan you will notice how we have gathered together our Vision and core values and related them to all the activities and services that Council provides to its customers and the community. This helps us prioritise what is important and ensures Westland is the Last Best Place.

Thank you once again for all your contributions. Please keep having your say. It does make a difference.

Maureen Pugh  
Mayor

Robin Reeves  
Chief Executive Officer

# ABOUT THIS PLAN

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## Introduction

The LGA 2002 requires all Councils to have a Long Term Plan (LTP). The Westland Long Term Plan, planning for the future of our community is our LTP.

This LTP was prepared utilising plans, policies and documents already adopted by Council. It effectively summarises into a plan, the future direction in which Council will take our District, covering a 10 year period from 1 July 2012 to 30 June 2022.

This document includes detailed ten year financial forecasts, the levels of service and other information for all the activities Council is involved in providing the community.

The diversity of our District means that a wide range of projects is included. The Westland LTP process enables us, your representatives, to engage with our community to ensure that Westland continues to grow in a planned and managed way while remaining within the ability of our ratepayers to fund that growth.

We have chosen to summarise the asset management plans to make the document user friendly and more likely to be read by our community, please refer to appendix 2 – Summary of the Water and Sanitary Services assessment.

## Updating the Plan

This plan is one of the main ways you can influence what the Council decides to do and what to fund. Every 3 years, you'll have a chance to have your say.

The vision for Westland informs the way we do business as well as the expectations and views of residents. It helps us to set realistic and achievable goals as well as stretching us to do more and improve the value of the services and facilities we provide.

In the years between each Westland Long Term Plan review, we will prepare an Annual Plan that will focus on the budgets of the particular year of publication. This information will be taken from the Westland Long Term Plan.

The Plan has been updated to reflect the Financial Reporting Regulations and major changes from the LTCCP include the following:

- An updated performance management framework
- Funding Impact Statements
- Statement of Special Funds and Reserves



# GUIDE TO THE PLAN

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The following is a brief guide about the information contained in each section of the Plan.

**Introduction** This section gives information about our District and an introduction to the Plan. You will find out about key issues facing the District, how we pay for services and the Council's strategic direction for the future.

**District Representatives** In here is identified who the representatives of the Council are, the committees they are members of and other outside organisations that play an important role within our community. It also identifies how Council works and what it does.

**Council Activities** Outlines each Council activity, what we do and why we do it; such as promoting and supporting our community, planning for our community and providing essential services for our community. This section includes financial information, levels of service and performance measures for each Council activity. This also describes the activities and objectives of the Council Controlled Organisations.

**Financial Overview** This section is where financial information is summarised. The 10 year forecasting financial statements as required by law. It also outlines the key assumptions used in preparing these statements. The Financial Forecast shows the profit or loss of each Group. The Funding Impact Statement allows the financial information to be easily understood by the reader by showing the sources of funding. The section more readily allows the reader to compare Councils if they wish to do so.

**Policies** Provides the key Council policies to assist with decision making and planning, including financial policies and principles.

**Appendices** This section contains a Schedule of Fees and Charges, Summary of Council's Water and Sanitary Services Assessment, Improvements to Asset Management Planning and the Audit Report from Audit New Zealand.



# HAVING YOUR SAY...

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## Swimming Pool

B CROMPTON The current site is central, a new facility elsewhere would inevitably be expensive

ROB JEWELL A swimming pool is a great community asset and promotes health and relaxation

CON NYLAND Community members not living near facility should not have to pay for something they don't use

JANE BOOTH Again upgrade in stages. Hokitika cannot afford a new pool or sports hub. Learn from Otago. Not enough population to fund this. We should think ourselves lucky to have the above facility

LM HAWKINS This is non-essential and can wait

## Museum

IAN MCCANN It's a good museum but with more money could no doubt be better

IAN HUSTWICK The museum is a core council function, nobody else will provide this service.

VICKI KLEMM Is it earthquake prepared?

SHELLY ALEXANDER close it down

JONATHAN CROFTON museum could be strategic asset here

GRANT HINCHLIFF The museum should reflect the history of the region not just Hokitika

SHARON KNIGHTBRIDGE A great community asset. Archival material needs to be housed appropriately

DAVE RITCHIE These are some of your best staff give them some time and reassurance and see what they can do explore commercial museums

## Hokitika Beachfront Erosion

NATALIE WIN The sea will have its way! We cannot afford millions like Japan to do this

CHRIS MANUEL AND LYNDA MURPHY The beachfront is a major asset to the town. If the groynes will work to prevent erosion then just do that and upgrade paths, but if not, consider need for sea wall

MURRAY MANSON The appeal of the beach is its wild natural look. Erosion comes and goes place rock as and when required

PETER HALFORD Hokitika is a beachfront town with no emphasis on the beachfront. Make it an asset that will increase visitor numbers

JOHN STRANGE Suggest a coastal erosion report be obtained prior and consideration of any major works

## Strategic Assets

GENE AND KIRSTY WILSON giving management of any community asset gives control to people who have not been elected by the community

IAN HUSTWICK As the property company generates increasing revenue it will provide funds for the less income generating services good tax position

D HOWAT Westroads and Airport are good examples

JANE BROWNIE I am suspicious about the need to take a more "commercial approach" of these facilities

## Democracy Services

HUGH CAMERON Focus on saving money reducing rates burden

DAVE KWANT The vision says it will achieve the vision through inspirational leadership so if WDC is serious about its vision then it is time to get serious about achieving it. We need our leaders to inspire us as a community not divide us. These proposed projects should not be seen as optional extras but fundamental to achieving the vision by 2030

D WAUGH with the small rating base and large geographical area WDC has to service the council needs to focus on the essential and core functions of the Territorial Authority not aim for the biggest and the best. With that constraint in mind it is important that council look first to the cheapest and good option in looking for solutions

## Public Toilets

ROSS AND CAROL JACKSON adequate toilet facilities need to be provided as well as facilities to dispose of rubbish and these need to be provided in readily accessible places

SIMON ROBINSON There is a perceived problem with waste from freedom campers. How can this be improved by closing the Tancred St toilets? They are near the museum and near the Quay, so near to tourists. The should be improved not closed. I would prioritise their upgrade above the Cass sq. ones.

DAVID EASTWOOD Public toilets are very important including being open over the whole 24 hours. None of the existing toilets should be closed. Modest maintained and upgrading should be done on a rotational basis. Toilets are part of the top class infrastructure for all communities (achievement part of vision statement). including the travelling tourist community.

## Parks and Reserves

SCOTT ADAMS Concerned that parks and reserves should be available for all sports and people with no fees

## Regent Theatre

E WALKER I feel council should go into discussion with the trust and look at purchasing the theatre as the town hall of Hokitika. Most town of NZ have town halls and run them successfully

COLIN JACKSON If council funds the regent theatre operating deficit then it should also be included into Westland District Property list of assets

DR ANNE HALL I am in favour of supporting the Regent Theatre but wonder if it could be supported by say the milk factory encouraged by Council.

SIMON ROBINSON We should celebrate what has happened with the regent over the past few years. Hokitika needs a public hall the regent serves this purpose. Council should financially support it.

## Cycle Trail

DAVE KWANT I'd like to recommend WDC on its excellent work in making the cycle trail a reality. I think this asset will be invaluable to the district and will have a lasting impact long into the future.

## Ok it's all over now – what happened?

Westland District Council sat on Monday 28 and Tuesday 29 May to hear the verbal and consider all submissions. After the process is completed submitters will be contacted by Council to let you know what happened. This will usually occur in writing four to six weeks after the meeting.

Council sent copies of the LTP Summary and a consultation form to ratepayers in the mail and had copies available at the Council, District Library and Hokitika Museum. Other types of submissions were also welcome and received. Councillors were sent copies of submissions and results from the survey on a weekly basis up to the time of the hearing so they were as updated as much as possible. The requirement to have the Long Term Plan audited meant we had a very tight timeframe. Council apologises to any submitter who wanted to be heard by Council that was missed in the sorting of the submissions. We will do everything we can to make sure that doesn't happen again. It is really important to Council that the whole community gets to participate in our process. Be assured every submission was considered individually by Council. Council directed staff to do certain actions, and changes were made to the Plan.

Council was impressed by the interest and enthusiasm of Westland residents and rate payers by sending over 430 consultation forms and 250 other types of submissions. This is a record number of submissions for Westland and gives us confidence in the results of the feedback.

Strategic Assets are important to the community and are covered comprehensively in the Local Government Act 2002. In particular the community needs to be informed about the reasons to transfer ownership before a decision is made. This initial consultation has shown how comfortable the community is with this idea at the moment. Many submitters said they were not able to make a decision because they didn't have enough information about the benefits. Council wants to do some more work around this to show what the benefits of transferring ownership will be. The community needs to be confident about what Council is doing and why we are doing it. That is why more consultation will occur. In the meantime the Westland District Property Ltd (WDPL) will help manage some of the assets like Jackson Bay Wharf and the Hokitika Swimming Pool.

Council did note from the submissions that Community Halls are an asset the community does not want to transfer to the WDPL. Community Halls will be kept within Council. Council would like to remind the community that it does not fund the maintenance or renewal of halls; therefore, it is up to the community to support the upkeep of their local halls in the future if they want them to survive.

### Other decisions:

- Rubbish bags will be \$5 per bag but residents are welcome to use all official Westland District Council rubbish bags no matter what colour they are until they are used up.
- Tancred Street toilet facility will remain open
- Council supports the concept of the Westland Sports Hub to create a multisport facility. This may be some time away.
- The swimming pool will be partially upgraded in the meantime, for example, improving the changing rooms as well as investigating all options to improve the pool itself.
- Council has agreed to fund \$25,000 to the Regent Theatre for one year. 75% of this cost will be borne by Hokitika and 25% by the rest of the District on the proviso that Council is provided with business information regularly including cash flow statements and forward bookings. Some Council staff resources are also made available to the Theatre if they wish.
- Council will maintain the status quo at the Hokitika Museum
- The beachfront development will not go ahead but an updated beachfront erosion report is to be commissioned in order to make informed decisions about the future protection of Hokitika Beach. It is expected this issue will be reviewed extensively in the next three years.
- The consultation form survey results showed that Tourism West Coast (TWC) is not supported by the majority of the community. However, Council noted that industry leaders and organisations wanted to give TWC a chance to succeed with their new CEO and Council agreed to fund for another year. They also noted that TWC may like to consider how they can better communicate their value to the whole community.

- Many submissions were about land use or building issues. These submissions have been directed to the Strategy Committee and referred to the current review of the District Plan. The community will have an opportunity to make submissions to this plan in the future.
- Levels of service regarding the control of dogs in the District are being reviewed.

A number of submitters expressed concern at the size of the rate increase this year. While the total rate collected by Council will increase by 7.3%, the general rate has only increased by 0.8%. Those who receive direct Council services (water, sewerage and refuse collection) have significant increases this year as Council ensures that the actual costs of providing these services are met by the users. Consultation with the community has told us that you prefer more user pays. Targeted rates for services you receive from Council like treated water supply and sewerage have increased by 22.3%. If you are on tank water, have septic tanks or no rubbish collection – you will not be paying targeted rates for these services.

These services are required to meet stringent legislative requirements, and Council has no other option but to recover these costs.

In setting these targeted rates, Council noted the following comparisons with other West Coast towns:

	Westport	Reefton	Greymouth	Hokitika
Water	621.00	506.00	372.00	460.00
Sewer	851.00	552.00	525.00	222.00
Refuse Collection	232.00	232.00	233.00	225.00
Total Targeted Rates	<b>1,704.00</b>	<b>1,290.00</b>	<b>1,130.00</b>	<b>907.00</b>

This information was gathered from the specified Districts Draft Long Term Plan

## How decisions are made

Council takes into account:

- The evidence available
- Particular views of people or groups
- The advice of Council Staff
- The views of affected people and parties
- The number of people who have a particular view
- The knowledge and expertise of the submitter

Councillors don't just take into account the amount of submissions on a topic. They take note of all the evidence and arguments when they make a decision.

# CHALLENGES AND OPPORTUNITIES

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## 1. Financial Strategy

The continuing challenge for Westland is providing services to its large geographical area and small population.

The spread of the cost of doing business is amongst a small group of people and any increases of rates to pay for infrastructure and projects are very noticeable. The challenge for Westland District Council is to keep things affordable for our ratepayers and residents while providing the services and facilities you expect and need. We want to be sure you have input into what projects go ahead and you are clear about what you are paying for.

Westland District Council does not want to waste money on services and facilities you don't want to pay for. That is why we are asking you to continue to and increase your participation in our surveys and submission processes.

## 2. Solid Waste Management

Solid Waste continues to offer challenges and opportunities for our District, evident from the feedback from the community and interactions from central government and businesses in Westland.

Keeping solid waste affordable and getting recycling clean and good quality are challenges while the opportunity to review and implement a new Solid Waste Minimisation Plan in 2012 provides a great platform for the future management of waste in Westland.

In 2011 / 2012 we told you a lot about how we manage waste and what the constraints are from central government. Council also wants to do the best we can to protect our environment. As a District, we need to do better at managing our waste at work, school, at home and at play. We all need to take responsibility for our waste.

Council has put in place recycling bins on various floors in the main Council building as well as doing spot checks of office rubbish bins to make sure staff are recycling everything they can. Council must lead by example in everything we do. We encourage other businesses to progress waste reduction in their work places.

The cost of managing our waste has changed due to Butler's Landfill becoming operational and changes made with our contractor. There is a marked increase in the disposal cost of waste per tonne and this is reflected in how much official bags cost and the cost of waste disposal at the transfer station. The price of \$2.00 per bag has been below the real cost of disposing waste for the last two years. In our waste consultation you told us you preferred the status quo and that waste should be funded 50% by user pays and 50% by rates with a trend towards preferring more user pays. Using this model, the price of bags will be \$5.00 per bag and the cost of waste per tonne to dispose of at the transfer station has increased. New bags will cost \$5.00 per bag. Residents are welcome to use any old official Westland District Council Rubbish Bags until they are used up. Old bags will continue to be collected at your gate if you are part of the WDC's refuse collection service.

## 3. Community Facilities

### 3.1 Proposed Projects that are now included in this plan

Regent Theatre - Some community run facilities are requesting Council to assist them financially. This is especially so with the Westland Community Centre (the Regent Theatre), who wanted us to fund an operational deficit. Council considered all submissions very carefully and decided to fund the Regent Theatre for \$25,000 for one year.

Tancred Street Toilets - Council decided to keep the Tancred Street Public Toilets open and to look at ways of improving our services and assets.

### 3.2 Projects for Investigation

Future of Swimming Pool - The proposed Sports Hub is most likely some years away from becoming a reality. Council encourages the community to participate and support the committee endeavouring to make the Sports Hub a reality.

The Hokitika Swimming Pool is a strategic asset that the Council is considering transferring the ownership to Westland District Property Limited. (WDPL) Council will conduct further investigation and consult further with the community about the transfer of ownership. WDPL will help manage the Hokitika Swimming Pool in the meantime.

Future of Hokitika Museum - The Hokitika Museum requires investment to meet museum standards in storage of collection objects and to provide the community with the quality of exhibitions it wants to see as demonstrated by the visitor numbers that have attended the recent Whitebait exhibition that was funded by a grant from central government.

Council will continue the status quo at the museum for the foreseeable future and requires the museum to produce a strategic review and recommendations for the future. It is likely Council will ask the community more questions about the future of the museum when the LTP is reviewed in 3 years time.

## 4. Standardising the water rates across the District

The cost of providing water has not been met fully by ratepayers in recent years. In order to make up a deficit in this area and to provide equity across the District all ratepayers on a fully treated water supply will pay the same fee.

## 5. Levels of Service

Council considered the submissions from the community about our levels of service and maintaining the services and facilities we already have. While a minority of people wanted to significantly increase or decrease our services and facilities - the vast majority of submissions wanted Council to do their best to at least maintain the current levels of service or try to improve them where possible.

## 6. Strategic Assets – Schedule to be transferred to Westland District Property Limited

Council is proposing to transfer the ownership and management of some strategic assets to Westland District Property Limited. The reason for transferring the management and some instances ownership to the property company is the belief that the property company will be able to commercialise the governance and administration of these facilities.

Council will be pulling together more information on the impacts of this transfer and putting it the community for consideration.

Strategic Asset	Location/Description	Status	Proposed Action	Rationale
Pensioner Flats				
Hokitika	Revell Street Pensioner Flats	Freehold	Transfer Ownership to WDPL	Commercialise the governance and administration
	Tancred Street Pensioner Flats	Freehold	Transfer Ownership to WDPL	Commercialise the governance and administration
	Sewell Street Pensioner Flats	Freehold	Transfer Ownership to WDPL	Commercialise the governance and administration
Ross	Grimond Street Pensioner Flats	Freehold	Transfer Ownership to WDPL	Commercialise the governance and administration
Swimming Pools				
	Hokitika	Freehold	Transfer Ownership to WDPL	Commercialise the governance and administration
Parks & Reserves				
	Ross Squash Courts	Freehold	Transfer Ownership to WDPL	Commercialise the governance and administration
	Kumara Sport Grounds and Toilets	Freehold	Transfer Ownership to WDPL	Commercialise the governance and administration
Jacksons Bay Wharf				
	Jackson's Bay Wharf	Freehold	Transfer Ownership to WDPL	Commercialise the governance and administration

## 7. Changes to the Revenue and Financing Policy

Council has reviewed its Revenue and Financing Policy with a view towards making the policy more realistic and durable. The following table highlights the major changes and the rationale for that change. One of the main changes is to move to a range of percentages as opposed to a certain concrete figure. Council has also reviewed the distribution of benefits, and has followed the recommendations of the Technical Assessment Group, which considered the funding mechanisms for Inspections & Compliance, Waste Management, Community Development (funding for Tourism West Coast) and the i-Site.

	TYPE OF RATE	PREVIOUS POLICY	CURRENT FUNDING FROM RATES	Rationale for change
<b>Promoting and Supporting the Community</b>				
Library	General	94%	90 - 95%	
Safer Community Council	General	24%	60 - 65%	Grants from Central Government are no longer available.
Museum	General	NONE	80 - 85%	New Policy is required. The main benefit is to the local community.
Elderly Housing	n/a	0%	0%	
Swimming Pools	General	80%	100%	Council will be paying only a contract price to Westland District Property Limited, who will be retaining any fees.
Community Development	General	100%	100%	
Community Halls and Buildings	General	90%	85 - 90%	
i-Site	General	n/a	35 - 40%	This activity used to be included in the Westland Business Unit. Therefore a new policy is required.
Events	n/a	0%	0%	
<b>Planning for our Community</b>				

	TYPE OF RATE	PREVIOUS POLICY	CURRENT FUNDING FROM RATES	Rationale for change
Animal Control	General	6%	0 - 5%	
Resource Management	General	70%	55 - 60%	Council is decreasing the rates contribution because the main benefit is to the users of the service (fees and charges).
Inspectorate & Regulatory	General	40%	30 - 35%	Council is decreasing the rates contribution because the main benefit is to the users of the service (fees and charges).
Emergency Management	General	98%	95 - 100%	
Rural Fire	General	100%	80 - 85%	Council is decreasing the rates contribution because a grant is available.
<b>Providing Essentials for the Community</b>				
Cemeteries	General	60%	55 - 60%	
Parks and Reserves	General	90%	90 - 95%	
Land and Buildings	n/a	0%	0%	
Transportation	General	35%	30 - 35%	
Stormwater	General	100%	95 - 100%	
Public Toilets	General	100%	100%	
Community Township Development	General	100%	100%	
Water Supplies	Targeted	30%	35 - 40%	More of the cost will be paid for by the users of the service, and rates will be standardised across the District.
Wastewater	Targeted	82%	90 - 95%	More of the cost will be paid for by the users of the service, and rates will be standardised across the District.
Waste Management	Targeted	100%	40 - 50%	Moving to a fully user-pays system over time.
<b>Providing Leadership for the Community</b>				
Governance	General	100%	100%	

# FINANCIAL STRATEGY

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## 1. Council's Goal

The goal of Council's financial strategy is the prudent and sustainable stewardship of Council resources on behalf of current and future ratepayers.

This entails consideration of Council's financial performance and position through the ten year period of this LTP – balancing the current affordability of rates with equity for future ratepayers (for example, not borrowing for expenditure that only benefits current ratepayers when future ratepayers will have to repay that debt).

Through its financial strategy Council seeks to maintain existing levels of service, ensure that costs are kept under tight control, and ensure that rates increases are kept as low as realistically possible, while at the same time maintaining a strong balance sheet and affordable levels of debt.

## 2. Core Principles

In reviewing the LTP, we revised our core principles and these have been used as the basis in developing our Financial Strategy. These principles are:

- Economic uncertainty
- Focus on core services
- Financial responsibility and affordability
- Continuous improvement in service to everyone in our district
- Maximise returns from Westland Holdings Limited
- Intergenerational equity

### 2.1 Core Principles Explained

Economic uncertainty

Since the preparation of the last Long Term Council Community Plan, the global economy is still in a period of unprecedented turmoil.

Economic commentators and market analysts are uncertain how long the current uncertainty in the world economy will last or what its long term consequences will be.

Although this LTP has been prepared based on the best data available at the time of writing, the nature of the economic uncertainty is such that assumptions made in this document, along with other planning assumptions made by Council, may not eventuate.

To mitigate the possible consequences of inaccurate growth and inflation assumptions in the short term Council has taken a conservative approach in preparing other assumptions.

Further information on these assumptions is available in the Summary of Assumptions section of this LTP.

### Focus on Core Services

The focus on core services is consistent with the intent of the Local Government Act 2002 (The Act).

The Act says that

*In performing its role, a local authority must have particular regard to the contribution that the following core services make to its communities:*

*(a) network infrastructure:*

*(b) public transport services:*

*(c) solid waste collection and disposal:*

*(d) the avoidance or mitigation of natural hazards:*

*(e) libraries, museums, reserves, recreational facilities, and other community infrastructure.*

As a rural district, our focus has always been on key infrastructure – roading, water and sewerage. We have undertaken significant work to improve our water supply and wastewater assets. While community services and facilities (e.g. halls, libraries, public toilets, reserves etc.), may not be seen as essential services, they do form an important part of the community's infrastructure.

We have undertaken significant community projects in the last three years including the relocation of the District Library in Hokitika, the upgrade of the Regent Theatre and the installation of recycling facilities in South Westland.

### Financial Responsibility and Affordability

Affordability of rates is a key aspect in the preparation of the 2012/22 LTP and in that respect; we have aimed to limit the general rates increases to the estimated BERL Overall Local Government Cost Index (LGCI). Council has chosen this index since it is based on the prices faced by local government, not households. The Overall LGCI includes two sub-components – the operating cost index (OPEX LGCI) and the capital expenditure cost index (CAPEX LGCI). We have used the Overall LGCI to limit our general rates since we do fund capital projects from the general rates from time to time. Targeted rates are in addition to general rates and are used for specific services like water and waste management, and we will endeavour to limit increases to the estimated LGCI plus 2.5%. Costs do increase, and we are ever mindful of the need to ensure that these costs are appropriately funded, while ensuring our debt levels remain within the limits of our liability management policy.

### Continuous Improvement in Service to Everyone in our District

In the context of affordability, we aim to improve our customer service to everyone who needs and wants our services. This includes our residents and ratepayers, as well as visitors to our district. Our 2 yearly resident satisfaction survey provides us with good information to gauge how we are doing and where to improve. Whereas actual levels of service in most cases are intended on being maintained, our aim for continuous improvement relates to getting the best out of our contracts for service, having helpful friendly staff, being responsive to complaints and service requests by getting back to customers quickly, etc.

We are committed to maintaining our levels of service. In some areas, we intend to increase the levels of service, through:

- Complying with the increased Drinking Water Standards
- Township Development Programme
- Improving our customer service (within existing budgets)
- Building new or upgraded facilities
- Improving the water supply in Franz Josef and Haast
- Treatment Improvements to wastewater in Hokitika, Franz Josef and Haast
- Improving transfer stations and recycling facilities around the District

Each of these increased levels of service will be funded through rates or other mechanisms such as the use of external borrowings, to ensure that the rates increases imposed are kept to an affordable level.

### Maximise returns from Westland Holdings Limited

The main benefit is to the District as a whole and the advantages gained by having the subsidiary company managed and governed in a professional and competent manner so that profits can offset rates.

Westland Holdings Limited is 100% owned by Westland District Council. The Company was incorporated on 24 July 2002 when Council raised a loan of \$5,800,000 to finance the transfer of the shares and assets of Westroads Limited and Hokitika Airport Limited from Council to the Holding Company. On the 6 May 2010 the Westland District Property Company was established with some council owned property being sold to the company, which meant raising a loan of \$2,626,792 to finance the transfer of ownership. Properties that council leased out are also now managed by the property company.

The principal activity of the Holding Company is to operate in a governance and reporting role over the activities of the subsidiary companies Westroads Limited, Westland District Property Limited and Hokitika Airport Limited.

Outputs for Westland Holdings Limited

Return a dividend to Council in accordance with the Statement of Intent

Prepare an Annual Report in accordance with the requirements of the LGA 2002.

Subsidiary Statement of Intents will be submitted to the Shareholder (Council) by 31 March and finalised by 30 June.

Intergenerational equity

Council seeks to ensure that today's ratepayers pay only for the services and assets which currently provide a benefit to the District, and not for benefits that will be received by ratepayers in the future. This is known as intergenerational equity. Intergenerational equity is primarily achieved by funding the cost of renewing and replacing assets through revenue sources including rates. This means that the costs of replacing the assets which benefit existing ratepayers are being funded by those ratepayers.

Funding for assets that are new is in line with the capital expenditure provisions of the Revenue and Finance Policy. Any debt funding for assets is normally repaid over 20 years. The repayment of this debt is funded through rates or corporate revenues. This means that rates in future years, received from ratepayers who are benefiting from those new assets, are servicing the debt on these new assets.

### 3. Key Funding Mechanisms

We have three key arms to our funding structure to meet the operating and capital expenditure planned for the period of the LTP.

#### 3.1. Rates

Under the Local Government (Rating) Act 2002, we have the ability to set rates to fund the activities we undertake. The way we set our rates is set out in the Funding Impact Statement. This Financial Strategy also sets out requirements for us to place limits on rate increases and this is discussed further below.

#### 3.2. Distributions from subsidiaries

The use of distributions from Westland Holdings Limited is a key funding option available to offset the costs of rates throughout the district. The plan estimates that an expected yearly amount of \$496,000 will be used from the distributions from Westland Holdings Limited.

#### 3.3. External Borrowing

Council will only take on external debt to fund core infrastructure projects. Other projects which do not provide essential services will be expected to attract funding from outside sources, e.g. community halls and parks and reserves. Council will need to begin a borrowing programme that will partially fund new assets. This borrowing will have a term of twenty years which will ensure that those residents benefiting from the use of new assets will pay for those assets through interest and principal repayments.

Despite this anticipated increase in debt over the next ten years the Council is continuing to ensure prudent and sustainable financial management of its operations. The implication of this is that Council will not borrow beyond its ability to service and repay that borrowing. Debt will be capped at \$19.5 million for the 10 year period.

Council considers its financial strategy to be prudent. It ensures that Council resources are safeguarded, assets are maintained and renewed, and debt remains at an affordable level, while ensuring that rates increases are kept at an affordable level throughout the period of this LTP and beyond.

The Council will continue to fund its operations and capital programme in the same manner as detailed in this LTP document. Council will borrow to fund the purchase and construction of new assets.

## 4. Current Financial Position

Financial Position as at 2012:

Our financial position at the start of the LTP period is set out in the 2011/2012 Annual Plan shown below:

The total rates were set at \$8.3 million; of which \$4.6 million are in District Wide rates and \$3.7 million are in targeted rates.

Total income from non-rate sources was \$10.7 million, which includes \$560,000 in distributions from the Westland Holdings Group.

Total Operating Expenditure is forecast at \$15.7 million with Capital and Renewals expenditure for the 2011/2012 year is expected to be \$8.7 million.

Total Assets as at 30 June 2012 was \$412 million, of which \$364 million related to our infrastructure.

The Relevance of the Current Financial Situation to the Financial Strategy:

The current financial situation is relevant to the financial strategy as it provides the starting point for the development of the budgets for the LTP.

## 5. Forecast Financial Position as at 2022

At the end of the LTP period, our position is forecast as follows:

Total rates revenue of \$12.9 million; of which \$6.4 million are in District Wide rates and \$6.5 million are in targeted rates.

Total income from non-rate sources is expected to be \$9.4 million

Total Operating Expenditure is forecast at \$22.318 million and Capital expenditure at the end of 2021/2022 is expected to be \$8.6 million.

External Debt was expected to be \$13.98 million at the end of June 2022.

Total Assets as at 30 June 2022 is forecast to be \$524 million.

## 6. Population Changes

The LTP has been prepared on the basis that the population will stay the same. Minimal impact of new residents has occurred due to the effect of the Canterbury Earthquakes, the 2011 Census was cancelled. Therefore, we have used the population projections from the 2006 Census as forecasted in our previous Long Term Council Community Plan for the period of the LTP.

Capital and Operating Costs of Providing for Changes in Population

Although our assumptions about population suggest that our population will remain stable – tourist numbers can impact the demand on our infrastructure. Westland has a large number of tourists who tend to visit within a short time frame of a few months every year and most of them will visit Glacier Country. Council will prioritise where necessary.

## 7. Changes in Land Use

Westland District has historically been agriculture and mining based district - dairy farming and gold mining.

Over the past ten years, there have been marked changes to the use of land throughout the District. A residential land sale boom led to farmland being subdivided for rural lifestyle properties. While this demand has dropped off it has conflicted with the demand for gold mining consents as the mining activity comes into conflict with new residential owners of rural properties.

The new subdivisions also mean new roads have been created increasing demand from residents to seal roads and maintain them to a higher standard.

Growth in the dairy industry has increased demand on our water supply, particularly in Hokitika.

### Capital and Operating Costs of Providing for Changes in Land Use

Because of the uncertainty of the changes in land use, no specific allowance has been made for changes to capital or operational costs to allow for this.

## 8. Key Levels of Service

### Operating Expenditure:

For most of our activities, we propose to maintain the service we currently deliver, not improve or reduce it. We will continue to enhance how we operate, or work in partnerships with others, to ensure that if we can make efficiencies and improve systems to deliver a better or cheaper service then it will happen. We also hope that through gaining a better understanding of what the community wants and working more efficiently we are able to ensure a greater satisfaction with the services we provide.

In certain activities, Council has elected to not fully fund depreciation. For example, in Transportation there is a clearly defined programme from NZTA, which identifies the renewals required for the roading network. The value of this programme is far less than the depreciation on the assets and therefore the Transportation activity runs deficits from 2015/16 to 2021/22, since Council cannot afford to fund all of the depreciation on the books. Fulfilling the NZTA programme ensures that the current level of service is still maintained, despite the accounting deficit.

### Capital Expenditure Programme:

Capital expenditure requirements for our infrastructural assets and roads are dictated by the levels outlined in the Asset Management Plans (AMPs) for each activity. The AMPs are updated on a regular basis to ensure that various changes to the plan in the interim period are accounted for.

We face potential issues in the future regarding the level of funding that is expected to be provided for roading from the NZTA. Since the last Long Term Council Community Plan was adopted, there was a change to the level of expenditure that the NZTA is prepared to fund and this means that the expenditure allowed for in the LTP budgets are significantly short of what was provided for in the original LTCCP. Although we have achieved greater efficiencies in the current contracts for the roading network in the short term, our ability to continue to meet the current level of service into the future may not be achieved without a greater input directly from ratepayers.

In general, Capital Expenditure is broken down to three key categories:

1. Capital expenditure relating to meeting the existing levels of service. This will be principally replacement of the existing assets
2. Capital expenditure aimed at improving the current levels of service
3. Capital expenditure on assets required due to growth.

Some items of Capital Expenditure may actually fall into more than one category. For example, the replacement of a length of water pipe is required to provide water to existing consumers, but the diameter of that length of pipe may be increased from its existing diameter to allow for greater capacity in the future. An assessment

is carried out as to apportion the cost of each project to the category to which it relates and if that cannot be readily assessed, the category will be determined by the key reason for the work to be undertaken.

It is important to note here that the Funding Impact Statements do not reflect this approach, instead the project is recognised in the category with the majority of the cost.

Over the period of the LTP, we have budgeted \$51.3 million to spend on Capital and Renewal expenditure. Of this balance, \$27.4 million related to maintaining the existing levels of service by providing for replacement of current assets. A further \$23.8 million is aimed at making improvements. The key area of capital expenditure is relating to the infrastructural assets.

Of the total Capital Expenditure programme for the ten years of \$51.3 million; \$28.6 million relates to Roads and Footpaths; \$11 million relates to Water Supplies and \$6.0 million relates to Sewerage Schemes.

## 9. Rates

We base general rates on the land value of each property and Targeted rates a mixture of Land and Capital value. We set our rates by way of District Wide Rates and Targeted Rates.

District Wide rates are charged on all properties in the district, regardless of location. They are broken down further to: Governance; Roading; Planning; Waste Management; Leisure and Cultural Activities; Stormwater; Community Development and other general rates.

Targeted rates are charged for specific activities based on services provided or land use. They are broken down further to: Water; Sewer; Waste Management and Refuse Collection; Specific Township Development, Rural fire; Tourism and Other Sundry Targeted rates

The rates and how they are set are further defined in the Funding Impact Statement; key changes to relating to how council applies rates were based on recommendations by the Technical Assessment Group and public consultation on Solid Waste Management.

Technical Assessment Group (TAG)

The TAG made several recommendations to Council about funding for Tourism Promotion, i-Site, Inspections and Compliance and Solid Waste Management. These recommendations were adopted by Council and have been implemented as much as possible in the Plan.

Solid Waste Management

After public consultation and taking into consideration the recommendations from the Technical Assessment Group it was decided that Solid Waste Management funding should remain the same, which is 50% funding from Targeted Rates and 50% from Fees and Charges. The Revenue and Financing Policy has been updated with this change.

### 9.1 Rate Increases

In broad terms, we have aimed to limit the general rates increases to the estimated BERL Overall Local Government Cost Index (LGCI). Targeted rates will fluctuate over the 10 year period and this is due to capital projects which are programmed to meet legislation. For example, Council has programmed upgrades to water treatment to comply with National Drinking water standards. These projects by nature are extremely expensive. The operating expenses associated with these projects once they come online will include but are not limited to interest, depreciation and insurance, which adds additional operating costs on these activities. Council will assess the affordability of these projects to the community on an annual basis. However, the actual increases in rates from an organisational point of view do change from year to year depending on the funding options chosen and also the fact that there are operational costs that are not carried out every year, but need to be funded in the year they are incurred. As a result, as the rates increase is an amalgamation of many individual rate increases, we intend to set the rates at the level that is required, rather than to ensure the overall rate increase is strictly limited to the LGCI. Westland District has a small population (one of the smallest in New Zealand – 8,403

from Statistics New Zealand), and because of this, various factors can have a marked effect on the rates increases in any one year as there are fewer people to spread the cost across. As a result, there is an allowance for any rate increases being higher than the LGCI due to extraordinary items. These items include, but not limited to, the following:

- Capital expenditure requirements, which increases the level of debt for individual communities
- Increase expenditure due to compliance with new legislation.
- Increased expenditure resulting from extraordinary events, such as the Canterbury Earthquakes

Because of the structure of our rating system, the overall increase in rates will not be consistent for each property throughout the district. It will depend on the targeted rates that are charged to that particular property and also the land value of the property.

There are various factors facing us that will require us to increase rates at levels well above what we anticipated when we prepared the last LTP (the 2009-2019). We are experiencing the on-going financial impact of the Canterbury Earthquakes. In particular, there has been a significant increase in the cost of insurance for everyone. While the increase is large and affects the overall rates increases, we consider it necessary and responsible to insure our keys assets. Meeting drinking water compliance is a costly issue. We consider the cost of complying with the standards to be unaffordable and in most instances unnecessary.

Maintaining the current levels of service for roading into the future is an area that may compromise either our ability to do so, or our aim to remain affordable. The long term effect of less NZTA funding compared with the work needing to be done, may eventually have a detrimental effect on our ability to maintain the current levels of service without increasing rates.

Rates	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
General	4,643	4,999	5,235	5,323	5,420	5,592	5,725	5,877	6,074	6,232	6,426
Targeted	3,717	3,974	4,331	4,756	5,134	5,405	5,592	5,760	5,924	6,100	6,549
Total	8,361	8,973	9,566	10,079	10,554	10,997	11,318	11,637	11,997	12,332	12,975
<b>Change \$</b>											
General		355	236	88	97	172	133	151	197	158	194
Targeted		257	357	425	378	271	187	168	163	177	449
<b>Change %</b>											
General		7.7%	4.7%	1.7%	1.8%	3.2%	2.4%	2.6%	3.4%	2.6%	3.1%
Targeted		6.9%	9.0%	9.8%	8.0%	5.3%	3.5%	3.0%	2.8%	3.0%	7.4%
Overall		7.3%	6.6%	5.4%	4.7%	4.2%	2.9%	2.8%	3.1%	2.8%	5.2%

## 9.2 Limits on Rate Increases

All Councils are required to set a limit on rates increases over the ten year period of the LTP. There are no set rules around how we are to determine what limit it imposes.

## 9.3 Limits

Council will endeavour to keep general rates increases to the estimated BERL Overall Local Government Cost Index. The table below demonstrates our approach:

<b>General Rates</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
Rates Cap	3.79%	3.46%	3.17%	3.27%	3.42%	3.26%	3.38%	3.69%	3.89%	3.90%
Proposed Rates Increase	7.65%	4.72%	1.69%	1.82%	3.18%	2.38%	2.64%	3.36%	2.61%	3.11%
Difference	3.86%	1.26%	-1.48%	-1.45%	-0.24%	-0.88%	-0.74%	-0.33%	-1.28%	-0.79%
<b>Targeted Rates</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
Rates Cap	6.29%	5.96%	5.67%	5.77%	5.92%	5.76%	5.88%	6.19%	6.39%	6.40%
Proposed Rates Increase	6.92%	8.98%	9.80%	7.95%	5.28%	3.46%	3.00%	2.84%	2.98%	7.35%
Difference	0.63%	3.02%	4.13%	2.18%	-0.64%	-2.30%	-2.88%	-3.35%	-3.41%	0.95%

In years 2012/13, 2013/14, 2014/15 and 2015/16, Council breaches the limits for targeted rates. This is due to the capital projects which are programmed during that period. The projects are related to water supply and wastewater. Some of the projects may not occur if the planned subsidies are not received and are therefore unaffordable to the community.

In years 2012/2013 and 2013/2014 Council breaches the limits on general rates. This is due to the capital projects relating to the District Plan, Cemeteries, Library and Township Development.

## 10. Non-Rates Income

We rely heavily on other forms of income to finance our operations.

### 10.1 New Zealand Transport Authority Subsidies

The first key component of non-rate income is NZTA subsidies, which are used to fund both operating and capital expenditure relating to the roading network. We have assumed that the current rate of funding provided by NZTA will be maintained for the period of the LTP.

### 10.2 Fees and Charges

Fees and Charges account for the remaining non-rate income. We review our fees and charges each year and try to ensure that they help offset actual costs and that the activities are not overly reliant on rate funding instead. We also aim to make the fees and charges affordable and fair on those who use them.

## 11. Targets for Investments

### 11.1 Cash Investments

Over the period of the LTP, we expect to maintain our investment portfolio. We own cash assets in the form of bonds; these are long term and are typically invested for five years. The portfolio currently has an effective interest rate of 7%. As these investments mature, we expect the rate of return to be 4%.

To address any unanticipated operational or capital costs we have a short term deposit investment of less than three months which currently earns a small amount of interest as the interest rates are better than holding the funds in a current account. The return on these short term deposits is currently 4%.

We expect an average return of 5% on cash investments or \$208,500 inflated for the life of the Plan.

## 11.2 Equity Investments

Currently, we hold \$8,735,000 in equity investments. Of this, \$8,695,000 are Council Controlled Organisations and we have objectives for retaining ownership of these investments.

Our \$40,000 holding in Civic Assurance was to maintain Civic as an option in the insurance market. Civic was set up to provide Local Authorities with an option for insurance that generally met the unique insurance requirements faced by Councils. Civic Assurance was heavily affected by the claims made as a result of the Canterbury Earthquakes and there was a need to recapitalise to ensure that it remains part of the insurance market for local authorities in the future. It is not expected to return a dividend over the period of the LTP.

Westland Holdings Limited is 100% owned by Westland District Council, which owns and operates Hokitika Airport Limited, Westland Property Limited and Westroads Limited. We have budgeted to receive \$497,000 per annum in distributions from this investment. This meets the expected return on investments of 5%.

## 12. External Debt

Borrowings have been drawn down to fund key capital projects in the past few years; we needed to take on external debt to manage cash flow.

Council is not proposing to join the Local Government Funding Agency at this time. Council does not currently have a debenture trust deed in place, and is aware that this change in instruments is expensive and that the cost may outweigh the benefit. The Council may consider this option in the future, depending on its capital requirements.

### 12.1 Anticipated Levels of External Debt

As at 30 June 2011, the total amount of external debt we held was \$13.5 million. At the end of the ten year period, the debt is expected to be \$14.0 million, with the debt level is expected to peak at \$14.8 million over the period between July 2015 and June 2016. The anticipated debt levels over the period are:

Year	Total Anticipated Debt	Interest Expense as a % of Total Rates
2012/2013 (Year 1)	\$12.1 million	3%
2013/2014 (Year 2)	\$12.8 million	4%
2014/2015 (Year 3)	\$12.7 million	5%
2015/2016 (Year 4)	\$14.8 million	5%
2016/2017 (Year 5)	\$14.5 million	5%
2017/2018 (Year 6)	\$13.7 million	5%
2018/2019 (Year 7)	\$12.9 million	5%
2019/2020 (Year 8)	\$12.0 million	5%
2020/2021 (Year 9)	\$11.2 million	5%
2021/2022 (Year 10)	\$14.0 million	6%

### 12.2 Limits on Debt Levels

Our Revenue and Finance Policy sets out the limits on the level of debt that we can take on. The ratios have been developed in accordance to the industry standard and have been set against the levels that are appropriate for us to take debt from the Local Government Funding Agency (LGFA).

The average debt limits will not exceed \$3,000 per property. This provides for a limit of debt that could be taken on is \$19.5 million. The total interest cost shall be no more than 15% of the total annual rates income, being the total general rates, penalties and targeted rates.

### 12.3 Security for Borrowing

Westpac Bank currently has a deed of charge over Council's rates.

## 13. Long term implications of this financial strategy

Westland District Council is committed to sustainable management of the District's finances and this LTP demonstrates this in two key ways:

1. For every year of the LTP Council plans to earn sufficient operating revenue to meet that year's projected operating expenditure (see the Prospective Statement of Comprehensive Income). Council has prepared a balanced budget for all activities, but has incurred deficits in some activities due to its funding of depreciation policy. For example, it is not prudent or affordable for Council to fund all of the transportation depreciation, only the amount that is contributes to fulfilling the NZTA roading programme.
2. For every year of the LTP Council plans to have a positive cash flow.

Over the next ten years it is not anticipated that Council's financial strategy will change from that outlined in this section.

The main components of Council's financial strategy underlying the forecast in this Plan are as follows:

Council intends to move away from increasing general rates to fund its activities, drawing greater revenue from targeted rates so that those benefitting directly from Council services pay a greater share of the cost.

In the short term, , Council intends to raise the water and sewer rates to improve its cash position and correct the shortfall from previous years.

In the medium term, Council is intending to borrow more to fund its capital programme.

In the long term, Council aims to conserve and increase its cash balances as a financially prudent measure

Overall Council considers its financial strategy to be prudent. It ensures that Council resources are safeguarded, assets are maintained and renewed, and debt remains at an affordable level, while ensuring that rates increases are kept at an affordable level throughout the period of this LTP and beyond.

# HOW WE PAY FOR SERVICES

Rates are the main source of funding for the activities of Westland District Council. Westland District Council collects over \$8 million dollars of rates every year. This helps pay for essential services like water supply, roading and waste water treatment, as well as capital projects and provision for community development.

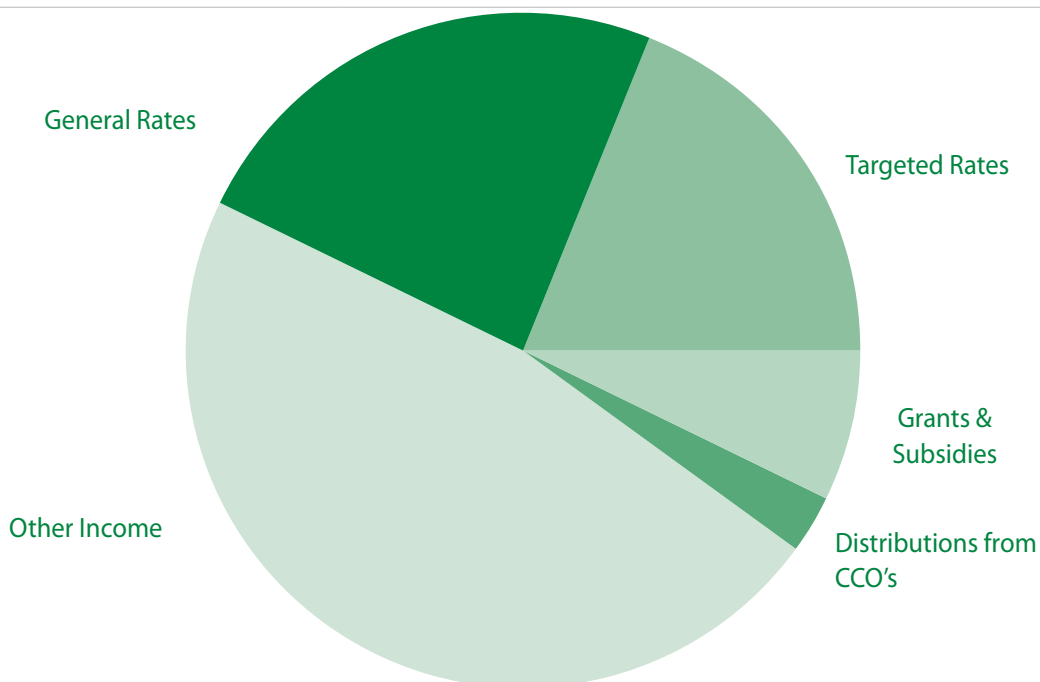
The Council supplements its income with funding from other sources such as fees and charges, Government subsidies, interest and distributions from shares in other companies.

Council owns shares in a number of local companies through its wholly owned subsidiary Westland Holdings Limited. These Council Controlled Organisations (CCOs) include Westroads Limited, Hokitika Airport Limited and Westland District Properties Limited.

These wholly Council owned companies pay distributions to assist with the operating costs of Council.

Below is the split of funding source for the 2012/13 year. This split is consistent across all ten years of the Plan.

Funding Sources 2012/13	\$000s	%
General rates	4,999	24%
Targeted rates	3,974	19%
Grants & subsidies	1,486	7%
Distributions from CCOs	495	3%
Other income	9,740	47%
<b>Total</b>	<b>20,694</b>	<b>100%</b>





# WHERE YOUR RATE DOLLARS GO

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## Introduction

Much of what Council does is required by law. Resource Management, Inspections and Compliance, Animal Control and Water Supply are just some examples. Recently the LGA 2002 was amended to identify 'core services'.

Core services include:

- Network infrastructure
- Public Transport
- Solid waste collection and disposal
- Avoidance or mitigation of natural hazards
- Libraries, museums, reserves, recreational facilities and other community infrastructure

Council has reviewed and looked at all its services to make sure that we are prioritising core services and we have consulted the community about what projects to include.

## How does Council pay for these services?

Council can pay for services through:

- General rates
- Targeted rates
- Fees and charges
- Subsidies and grants
- Dividend and Interest Income

Council has to cover the cost of each service or project. Council also has to consider who will get the most benefit from the service and determine what the fairest method of paying for the service is.

## Does the service benefit everyone in the District or just the user of the service?

If everyone benefits it gets funded through the General Rate and if only a few people benefit they fund it through a Targeted Rate.

An important thing to remember is that Council is only covering the cost of the service. For example, if Council lowers the Fees and Charges for a service, the rest of the cost will be recovered by rates. Lower fees means higher rates and vice versa.

## How does Council set the rates?

Once Council identifies the cost of the services and knows how much rates are needed, the rates can be set.

- The amount of General Rates is a set amount divided by the total land value in the District. This gives a rate on the dollar which is applied to the land value of the individual.
- The same principle is applied to the Targeted Rate, only this type of rate is levied on the direct user of the service.

## What are the different types of rates?

General Rates are for services that everyone in the District directly or indirectly benefits from. The rate you pay depends on the value of your land.

The General Rate can differ depending on where you live; for example, residents in Hokitika pay a higher General Rate for Parks and Reserves as they benefit from having more Parks and Reserves in Hokitika.

Targeted Rates are for specific services or for a specific purpose such as water or kerbside collection of waste.

The Local Government (Rating) Act 2002 enables us to rate fixed dollar charges or Uniform Charges based on the number of 'separately used or inhabited parts' of a rating unit.

A rating unit is generally all the land defined in a certificate of title and a separately used or inhabited part is defined as "any part of a Rating Unit used or inhabited by the rate payer, or by any other person having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement."

Uniform Charges are used to fund the Library, Museum and Civil Defence. These services are generally seen to benefit the whole District.

## Why doesn't Council charge everyone the same?

Councils are not allowed to charge more than 30% of their total annual rates as a Uniform Charge.

## How to view your proposed 2012/2013 rates:

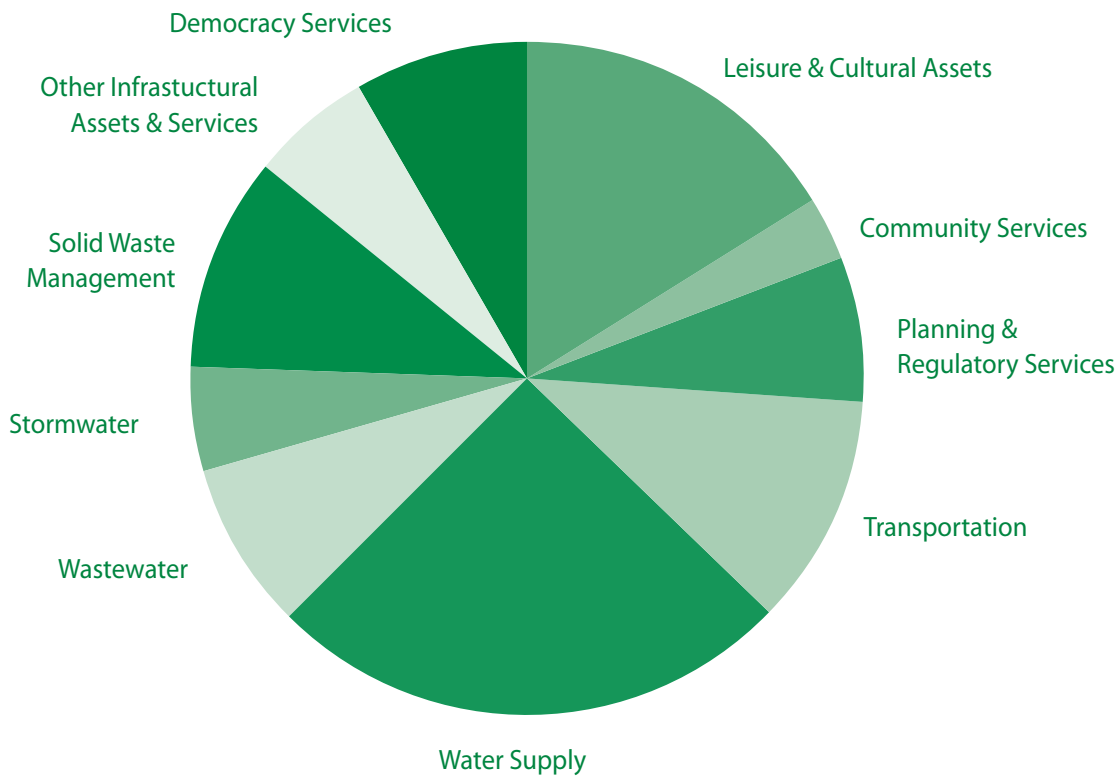
Go to Council's website at [www.westland.govt.nz](http://www.westland.govt.nz) to see how much your rates will be under the proposed LTP.

Click on 'Rating Information Database' then enter either: your valuation number from your rates notice e.g. 2586000000 or street name house number e.g. Weld 36 or keyword e.g. DP 1234 or RES 1765.

It is not possible to search your property by the owners name due to privacy issues. Your details for 2012/2013 will be shown under 'Rates for Current Year'. Click on 'NEXT YEAR 2013/2014' to compare what your rates will be for that year.

## Where your rates dollars go 2012/13

Activity	\$000s	%
Leisure & Cultural Assets	1,461	16%
Community Services	300	3%
Planning & Regulatory Services	614	7%
Transportation	1,006	11%
Water Supply	2,222	25%
Wastewater	739	8%
Stormwater	467	5%
Solid Waste Management	894	10%
Other Infrastructural Assets & Services	574	6%
Democracy Services	695	8%
<b>Total</b>	<b>8,973</b>	<b>100%</b>





# HOW CAPITAL EXPENDITURE IS FUNDED

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In very broad terms Council spends around \$3.5 million every year renewing and replacing existing assets plus another \$1.5 million on new assets that either provide increased levels of service for Westland or increase the capacity of Council's infrastructural assets to accommodate the needs of the community and businesses.

Council's overall approach to funding capital expenditure is as follows:

- Where revenues are available to fund a specific capital expenditure project, such as New Zealand Transport Agency subsidies, these revenues will be the first source of funding for that project.
- Where reserve or special funds are available to fund a specific capital expenditure project, such as recreation contributions or bequests, these reserves will be the next source of funding for that project.
- Funding sources for the balance of the capital programme as a whole will be as follows:

Capital expenditure type	Funding source
Equity investments in CCTOs	Interest-only borrowing
New assets	Borrowing and rates (funded depreciation)
Renewal and replacement assets	Rates (funded depreciation)

For details of Council's planned capital expenditure see the capital works programme.



# YOUR COUNCIL AND HOW THEY REPRESENT YOU IN THE DISTRICT





Mayor and Councillors Contact Details

How Council works

What Council does



# MAYOR AND COUNCILLORS CONTACT DETAILS

Mayor				
M.H. Pugh (Maureen)	Turiwhate, Private Bag 614, Greymouth 7840	03 736 9843	03 736 9843	maureen.pugh@westlanddc.govt.nz mayor@westlanddc.govt.nz
<b>Northern Ward</b>				
A.N. Bradley (Neil)	Three Mile, RD 2, Hokitika 7882	03 755 7279	03 755 7280	bradleynm@xnet.co.nz
M.D Montagu (Murray)	1508 Kumara Junction Highway, RD 2, Hokitika 7882	03 755 6807		murray@snap.net.nz
C.A. van Beek (Kees)	1616 Old Christchurch Road, RD 2, Hokitika 7882	03 736 9844 03 755 8844	03 755 8844	kawahakastation@kinect.co.nz
<b>Hokitika Ward</b>				
J.H. Butzbach (Jim)	56 Brittan Street, Hokitika, 7810	03 755 8180 (wk)		jimbutzbach@westlandmed.co.nz jbutzy1@gmail.com
A.M. Hurley (Allen)	12 Fitzherbert Street, Hokitika 7810	03 755 8098	03 755 8096	heritage@minidata.co.nz
K.R. Scott (Kyle)	88 Stafford Street, Hokitika 7810	03 755 6581	n/a	kylescott@xtra.co.nz
F.I.W Stapleton (Frances)	112 Stafford Street, Hokitika	03 755 6205	03 755 6200	frances@quik.co.nz
<b>Southern Ward</b>				
J.G. Birchfield (John)	P O Box 130, Bruce Bay, South Westland 7950	03 751 0095	03 751 0195	johnb@farmside.co.nz
K.J. Eggeling (Kerry)	P O Box 8, Haast 7844	03 750 0848	03 750 0713	bigegg.dragon@hotmail.com
B.O. Thomson (Bryce) (Deputy Mayor)	Petersen Road, Harihari 7844	03 753 3138	03 753 3138	bryce.lorraine@xtra.co.nz

## COMMITTEES

### Performance Management Committee

Deputy Mayor Councillor Bryce Thomson  
Councillor Murray Montagu - Chairperson  
Councillor Allen Hurley  
Councillor Kees van Beek  
Councillor Kyle Scott  
Councillor Jim Butzbach  
Councillor Frances Stapleton

### Strategy Committee

Mayor Maureen Pugh  
Deputy Mayor Councillor Bryce Thomson - Chairperson  
Councillor Murray Montagu  
Councillor Frances Stapleton  
Councillor Allen Hurley

### Operations Committee

Councillor Kyle Scott - Chairperson  
Councillor Kerry Eggeling  
Councillor Murray Montagu  
Councillor Neil Bradley  
Councillor John Birchfield

### Risk Management Committee

Mayor Maureen Pugh - Chairperson  
Deputy Mayor Councillor Bryce Thomson  
Councillor Jim Butzbach  
Councillor John Birchfield  
Councillor Kees van Beek  
Councillor Allen Hurley

## Appointments to other organisations

Big Brothers Big Sisters		Cr. Neil Bradley
Community Associations	Kumara	Cr. Murray Montagu (or Cr. Van Beek if unavailable)
	Enterprise Hokitika	Cr. Kyle Scott
	Heritage Hokitika	Cr. Kyle Scott
	Kokatahi/Kowhitirangi	Cr. Murray Montagu
	Ross Community Society	Cr Bryce Thomson (or Cr. van Beek, or Cr. Scott, or Cr. Stapleton if unavailable)
	Harihari Community Association	Cr. Bryce Thomson
	Whataroa Community Association	Cr. Bryce Thomson
	Okarito Community Association	Cr. John Birchfield
	Franz Josef Community Forum	Cr. John Birchfield
	Franz Inc.	Cr. John Birchfield
	Fox Glacier Community Association	Cr. John Birchfield
	Glacier Country Tourism Group	Cr. John Birchfield
	Haast Promotions Group	Cr. Kerry Eggeling
Development West Coast – Appointment Panel		Mayor Maureen Pugh
Life Education Trust		Community Services Officer
Local Government New Zealand & National Council Representative		Mayor Maureen Pugh
Heritage West Coast		Richard Simpson
Road Controlling Authority Forum		Group Manager – Assets & Operations
Tourism West Coast Representative		Jenny Keogan
Wasteminz		Community Development Officer
West Coast Regional Land Transport Committee		Cr. Kerry Eggeling
West Coast Rural Fire District		Cr. Murray Montagu, Manager: Planning and Regulatory
West Coast Waste Management Group		Mayor Maureen Pugh, Cr. Frances Stapleton, Cr. Jim Butzbach, Group Manager – Assets & Operations
Safer Community Council		Cr. Frances Stapleton, Cr. Kyle Scott, Cr. Kees van Beek



# HOW COUNCIL WORKS

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The LGA 2002 (LGA 2002) states that the purpose of local government is to:

- enable democratic local decision-making and action by, and on behalf of, communities; and
- promote the social, economic, environmental, and cultural well-being of communities, in the present and for the future.

Local government provides the framework for our communities to function.

Westland District Council is a territorial authority and operates under the LGA 2002 as well as a number of other pieces of legislation.

We live in a democracy and Council is elected on a regular three year cycle to represent the community it serves. Eligible voters must be enrolled to vote. The Electoral Commission is tasked with reminding voters to enrol and they take care of the administration of the Electoral Roll. Members of the community are also encouraged to participate as much as possible in decision making and to put themselves forward to become elected representatives.

It is important for democracy that diversity and the special relationship with tangata whenua are reflected in the way Council organises itself and the policy it sets.

## What do Mayors do?

The role of Mayor doesn't come with a formal job description and most Mayors will stamp the position with their own personal style and ways of doing things.

There are some common functions and duties that most Mayors will do. These include:

- Develop strategic goals and objectives with other Councillors, Council staff and the community
- Chair meetings and committees in order to lead the Council towards their stated strategic goals and objectives
- Perform Civic Duties
- Strongly advocate for the District

## What do Councillors do?

The role of the Mayor and Councillors provides governance to the provision of services and facilities for the community. Council will typically meet once a month for a full Council meeting while different committees will sit and discuss issues on either side of the full Council meeting. Common functions and duties that Councillors perform include:

- Setting policy
- Appointment of the Chief Executive Officer (CEO)
- Monitoring of the performance of the CEO
- Develop a strategic direction and vision for the District
- Develop relationships with business and the community
- Support the Mayor in their Civic Duties
- Work together as a team to fulfil the strategic goals and objectives of Council.

## What does Council staff do?

### The Chief Executive Officer

The role of the Chief Executive Officer is to act on the strategic direction and goals set by the Council. The CEO is responsible for the performance of the staff working at the Council as well as providing direct support to the Mayor and other Councillors.

The CEO is also responsible for making sure Council is delivering on all its statutory requirements as well as providing leadership and developing relationships with central government, business and the community.

This role is challenging as it demands a high level of skills in many areas.

### Senior Managers

Senior Managers in a Council will be responsible for a number of activities or services that are related to each other. A good example of this is Planning and Regulatory Services. The Manager is responsible for Resource Management, Inspections and Compliance as well as a number of other areas that demand statutory compliance. Managers are responsible for the performance of their team and will report back to Council on whether they are meeting their targets and performance measures.

Senior managers will also ensure that what they and their team are doing contributes to the strategic objectives and goals set by Council.

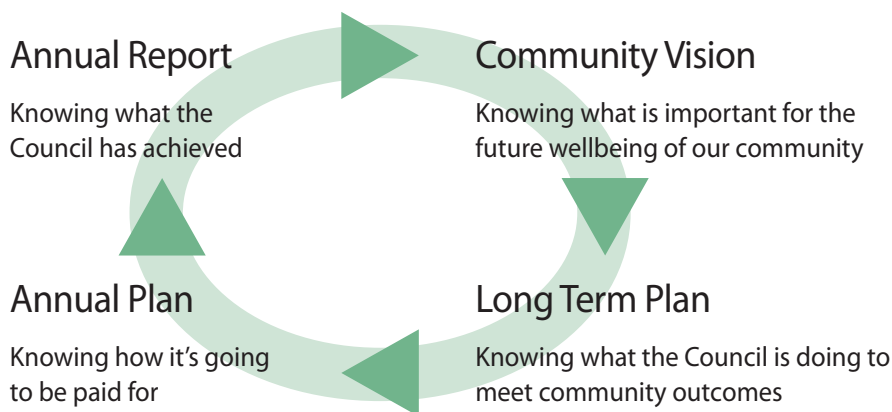
### Council Staff

Council employees work in all the areas that Council is responsible for to ensure that all the activities and services run smoothly and strategic goals and objectives of Council are met. Performance of staff is monitored and measured.

### The planning cycle

It is the Council's role to set strategic goals and objectives and it is the role of Council staff to act on these goals and objectives. However, nothing can happen without a plan, and Council has a planning cycle so the community can be assured that their money is being spent appropriately. Residents and ratepayers can also have input into decision making by making submissions during the planning cycle.

During the annual planning and long term planning process there is a special consultative process and the community and groups have the opportunity to specifically address issues that impact the District and the opportunity to change planning decisions. Westland District Council encourages residents, home owners, businesses, community groups and all those with a vested interest in the future of Westland to participate fully in this process.



# WHAT COUNCIL DOES

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## Introduction

Council works for the community to provide basic and necessary infrastructure and services and to plan for the future development of our community. The parameters of how we operate are determined by the LGA 2002 as well as other legislation like the Resource Management Act 1991 and the Waste Minimisation Act 2008.

Central Government expectation of territorial authorities includes financial prudence, transparency in decision making and leadership for the community. To determine we are fulfilling this expectation and our statutory obligations, Audit New Zealand audits all our Annual Plans, Reports and Long Term Plans of Westland District Council.

Council's services are generally delivered within four categories which are described below. The following diagram shows the range of activities that Council provides.

<b>Groups of Activities</b>	<b>Description</b>
<b>Promoting and supporting the community</b>	
Leisure and cultural assets	Library
	Museum
	Swimming Pools
	Parks and Reserves
	Community halls and buildings
	i-Site
	Cemeteries
	Events
Community Services	Community Development
<b>Planning for our community</b>	
Planning and Regulatory Services	Inspections and compliance
	Resource management
	Animal control
	Emergency management

Groups of Activities	Description
<b>Providing essentials for our community</b>	
Transportation	Transportation
Water supply	Water supply
Wastewater	Wastewater
Storm water	Storm water
Solid Waste	Solid Waste
Other infrastructural assets and services	Public toilets
	Community township development
	Land and buildings
<b>Providing leadership for the community</b>	
Corporate services	Corporate services
Governance	Governance
Council controlled organisations	Council controlled organisations

For each activity we have outlined the future directions and actions, contribution to the vision for Westland, performance measures and financial information. Each of these activities has been described on the following pages and includes the information that follows

## Vision

This explains how the activity or service relates to the vision for Westland.

## Where do we want to be?

The impact of growth and trends are considered and an analysis of how the Council will cope with these to deliver the services. This sets out how any change in demand will be managed and the implications of any change to the service provision.

## How are we going to get there?

What proposals or improvements are planned over the period including those to cater for growth or a change in level of service and a brief description of major projects is provided and whether there were any options Council had to consider. It shows the programme for the next 10 years. Cost of services statement details the costs involved both operating – the day to day delivery of this activity, and the summary of capital projects to be carried. It also details when the costs are anticipated to occur, and how they will be funded.

## Service Levels and Performance Measures

We have identified the value that the customer sees in the services we provide. We have detailed the levels of service we will provide through this activity over the next ten years, and how we will measure how well we are doing, including the targets we are aiming for, and the source from where the information can be retrieved.

Groups of Activities	Description
Library	Promoting and Supporting the Community

## Financial summary for each activity

A financial summary for each activity, which includes the operating and capital costs, and how we expect to pay for the activity.

## What we do

A description of what each activity involves.

## Why we do it

The rationale for why Council is involved in each activity including the community outcomes the activity contributes towards.

## Where are we now?

This describes the size and scope of the activity and provides a summary of the main assets provided through the activity. Detail may be provided on the history and the issues that have helped shape the way this activity has developed.

## Key Issues affecting this Activity

The main issues that have been identified that will impact on the activity have been detailed.

## Asset Management

This sets out Councils specific approach for ensuring the day to day delivery of the service and management of assets.

## Rationale for Financing this Activity

This section describes benefits of the activity and why the sources of funds have been selected in terms of Section 101(3) of the LGA.

## Significant Negative Effects

A summary of adverse impacts the activity may have on the wellbeing of the community.



# OUR COMMITMENTS TO THE COMMUNITY

Our commitments to the community





# OUR COMMITMENTS TO THE COMMUNITY

Westland District Council is committed to providing Westland the best services and facilities it can at the best value for money.

Our vision for Westland allows us to prioritise our goals and objectives. We will always ask for your thoughts and opinions and take them into account when we make decisions about the future of our District. While all of our activities relate to our vision and core values we have prioritised the top 3 or 4 most obvious connections for us to focus on each one.

We promise to work harder and smarter to deliver better value for your money.

VISION	Innovation	World Class Service	Community and Stakeholder Involvement	Inspirational Leadership	Expanded Development Opportunities	Top Class Infrastructure	100% Pure New Zealand
VALUE	Affordability, Customer Focus, Quality	Customer Focus, Quality, Reliability / Responsiveness	Accessibility, Building relationships, Customer focus	Building relationships, Customer Focus, Quality	Accessibility, Customer Focus, Sustainability	Affordability, Quality, Reliability / Responsiveness, Safety	Building relationships, Quality, Sustainability
ACTIVITY		✓	✓			✓	
Water Supply	✓	✓	✓			✓	
Sewerage	✓	✓	✓			✓	
Stormwater	✓	✓	✓			✓	
Transportation	✓	✓	✓			✓	
Land & Buildings	✓	✓	✓		✓		
Community Township Development	✓		✓		✓		
Solid Waste Management		✓	✓			✓	
Inspections & Compliance		✓	✓		✓		
Animal Control		✓	✓	✓			
Resource Management		✓		✓	✓		
Public Toilets		✓	✓			✓	
Cemeteries	✓	✓				✓	
Community Development		✓	✓	✓			

VISION	Innovation	World Class Service	Community and Stakeholder Involvement	Inspirational Leadership	Expanded Development Opportunities	Top Class Infrastructure	100% Pure New Zealand
VALUE	Affordability, Customer Focus, Quality	Customer Focus, Quality, Reliability / Responsiveness	Accessibility, Building relationships, Customer focus	Building relationships, Customer Focus, Quality	Accessibility, Customer Focus, Sustainability	Affordability, Quality, Reliability / Responsiveness, Safety	Building relationships, Quality, Sustainability
Emergency Management (Civil Defence & Rural Fire)		✓	✓	✓			
i-Site	✓	✓					✓
Events	✓				✓		✓
Library	✓	✓	✓		✓		
Museum		✓	✓				✓
Swimming Pools	✓	✓				✓	
Parks and Reserves		✓	✓			✓	
Community Halls & Buildings		✓	✓	✓			
Governance	✓		✓	✓			
Corporate Services	✓	✓		✓			

## Developing Our Vision

Councillors are elected representatives of the community. Councillors used their knowledge of the community and experiences to develop this vision as well as relating the vision to community outcomes. The Local Government Act 2002 defines community outcomes as outcomes that a local authority aims to achieve in order to promote the social, economic, environmental, and cultural well-being of its district or region, in the present and for the future.

A series of workshops were held where we discussed a new vision for Westland. This work coincided with a branding exercise undertaken by the Westland Business Unit. 'Westland – The Last Best Place' came from this branding exercise. It is also consistent with the community outcomes that the Council contributes to and is aligned with the four well-beings in the Local Government Act 2002.

We wanted to test the vision and slogan and to do this we put together a small consultation document to reach out to the community. A number of residents also used the submission process during the Annual Plan to make comments about the vision for Westland.

The most commented part of the vision was by far the last bullet point related to living the '100% Pure NZ' brand. People who made submissions about this were most concerned that we were not living up to being environmentally friendly, clean and green.

When Council considered this aspect of the vision we drew down information from the National Strategy for Tourism in New Zealand. 100% Pure isn't about 'clean and green' although we acknowledge this a very important concept. It's really about being authentically New Zealand and in our context we need to think about what it means to be a 'Westlander'. It is our unique environment and the people that live here that create amazing experiences for our visitors and a special place to live and raise families.

We considered all the feedback and remain committed to the vision in its current form. We are also committed to reviewing and updating the vision and our proposed outcomes regularly to maintain relevance.

# What it means to us

## Innovation

Innovation is important for a small District like Westland. We don't have the number of people or the resources to fall back on like other large Districts like Auckland or Canterbury. As the great New Zealander Sir Ernest Rutherford said "We haven't got the money, so we've got to think!"

Hon Nick Smith MP, former Minister for Local Government announced sweeping changes to the way local government will work in the future. In order to provide the services and facilities you need and want, we need to be more efficient, focus on our customers, provide quality and innovate. The foundation for our desire to innovate is our commitment to provide value for money for Westland District.

## World Class Service

Focussing on our customers and providing them with world class service is aspirational and part of our desire to provide quality information and services to all our customers.

We know we won't always get it right but our commitment is to learn from our mistakes and keep getting better. We promise to act with integrity and enthusiasm and evolve to meet the needs of all our customers. We will do this in a friendly, approachable and professional manner.

## Community and Stakeholder Involvement

Building relationships with our community is incredibly important to us. We want to build relationships with agencies and businesses that help fulfil our vision.

We don't want to put energy or money into projects or services that are not relevant to our community. Our commitment is to make sure we consult and know what our community thinks about issues that matter and tell you what our challenges are. The Council is the community and the community is the Council.

## Inspirational Leadership

As elected representatives of our community Councillors know how privileged we are to serve the community and we have a duty of care to provide excellent leadership and governance to Westland District. We want to do this by creating long and meaningful relationships with the community based on mutual respect and understanding.

Councillors and staff of Westland District Council are committed to providing leadership to each other and the community in all the things we do.

We know at times the decisions we make may be unpopular but if we uphold our values and our vision for Westland we can make those unpopular decisions with integrity and the knowledge that the community understands the reasons why we made that decision.

## Expanded Development Opportunities

We are committed to providing efficient service and processes that allow for expanded development opportunities.

Council wants the private sector to grab hold of the opportunities and potential there is in Westland. Our commitment is to make sure our part of the process is as smooth and fast as possible. We promise to do this in the context of our other important priority to balance the needs of business and industry with the need to mitigate risk of harmful effects to our environment.

We will seek meaningful opportunities on behalf of Westland District that are economically and socially sustainable.

## Top Class Infrastructure

We want Westland District to be the most desirable place in New Zealand to live, work and play. In order to do this we are determined to maintain and create top class infrastructure for all our communities.

We will do this by using all the tools at our disposal and are outlined in this document including asset management plans and our financial strategy.

Our commitment is to provide our 'core services' to our community at excellent quality and best value for money.

## Living the '100% Pure NZ' Brand

We are proud to serve the Westland District and part of our journey to fulfil the vision for Westland is our commitment to know what means to be a 'Westlander' and to do this this by supporting and promoting our community.

Our culture and heritage and our commitment to be a world class tourist destination lies at the heart of living the '100% Pure NZ' brand and we support our Museum, Events and i-SITE in making our visitors and residents understand the magic and beauty of this place and the people that live here. By doing this we also provide a wider economic benefit by promoting businesses who service our tourism industry.

## Applying this to the work we do

As you work through this LTP you will notice how we have pulled together and related all our activities, core values and vision.

Our levels of service and performance measures allow you to see what our commitments are to you in every activity and service we provide.

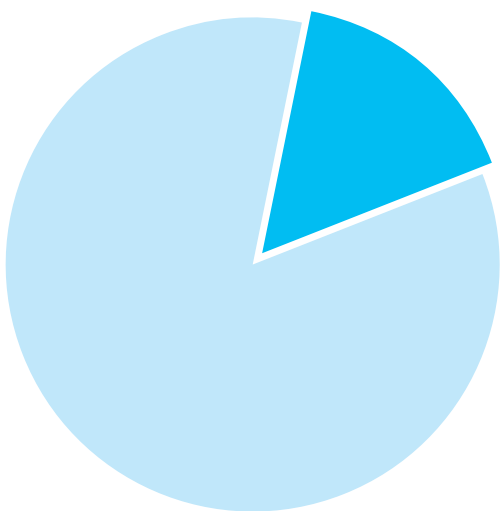






# PROMOTING AND SUPPORTING THE COMMUNITY

16% of total operating expenditure in the 2012/13 Budget



## 2012/13 Annual budget

**\$2,445,000**

\$1,455,000 from general rates

\$6,000 from targeted rates

\$1,096,000 from other income

\$112,000 surplus to fund other activities

PROMOTING AND SUPPORTING THE  
COMMUNITY

# LEISURE AND CULTURAL ASSETS

Library

Museum

Swimming Pools

i-Site

Events

Community Halls and Buildings

Parks and Reserves

Cemeteries

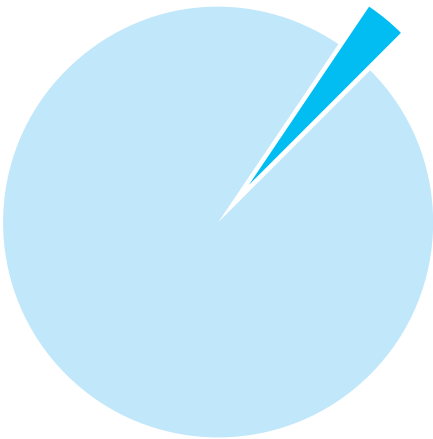
Elderly Housing





# LIBRARY

3% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\$448,000**

\$424,000 from general rates

\$0 from targeted rates

\$24,000 from other income

## Vision

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

## What we do

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

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

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The predominant benefit from the Library service is to the District by providing resources to the community. Providing a space for the community to be involved in decision making and to connect with each other.	90 - 95% General Rates, uniform annual charge
Private	Fees paid by actual users.	5 – 10% user fees such as rentals and donations

## Why we do it

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

The achievement of service levels will contribute to achieving Council's vision for Westland.

## Where are we now?

The Council operates a District Library in Hokitika. Volunteer run community libraries in Kumara, Ross, Harihari, Whataroa, Okarito Franz Josef, Fox Glacier, Jacobs River and Haast are supported through an annual grant.

The District library has been at its present location in Sewell Street since July 2009. The additional space has allowed for an increased collection size, display areas, a meeting room, and a dedicated mezzanine floor for teenagers and comfortable seating areas.

The removal of the adult rental fiction charge means that all library books are now free to borrow.

The provision of service and resources to the rural communities continues to be an operational issue due to the geographic spread of the District. Council may need to review the present service with a view to making improvements.

Following a recommendation from the 2006 Independent Collection Assessment review an additional grant was approved in the 2011/2012 budget to upgrade the Non-Fiction collection.

## Key Issues affecting this activity

- Demographics including an aging population whose requirements need to be met
- There is increased demand to have access to technology including internet and the expectation that these services will continue to be free of charge
- An expectation for extended opening hours as well as better information and education services
- Wide geographic area to service in Westland District

## Asset Management

Library assets consist of library resources and library equipment.

Council provides an annual budget for new resources that is linked to inflation.

## Significant Negative Effects

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

## Where do we want to be?

The library wants to provide opportunities for the development of lifelong learning skills, and awareness of library resources, so the community can use the information resources available throughout the Library. The primary reason for the development of the Library website was to assist rural residents to connect with the District Library and allow for easier access to the library resources.

Council recognises the importance of investment in new technologies to assist the community with information retrieval. Staff training is required to keep up to date with the latest developments. The functionality of the library management software may need to be reviewed in the future and options for upgrade considered.

## How are we going to get there?

The Council needs to continue to invest in its library collection to meet the needs of the community. Additional staffing to promote the library website via workshops throughout the District could be considered.

The Council needs to investigate possible shared services with other West Coast / South Island libraries to enhance the library service for Westland residents.

## Key Capital Projects

Asset	\$	Timeframe	Funded by
Audio/Visual/Overdrive E Content	4,000	per annum inflated	100% Rates
Adult - Fiction	12,000	per annum inflated	100% Depreciation
Adult - Non Fiction	20,000	per annum inflated	100% Depreciation
Children/Young Adult Resources	10,000	per annum inflated	100% Depreciation
Large print	4,000	per annum inflated	100% Depreciation

## Service Levels and Performance Measures for the Library

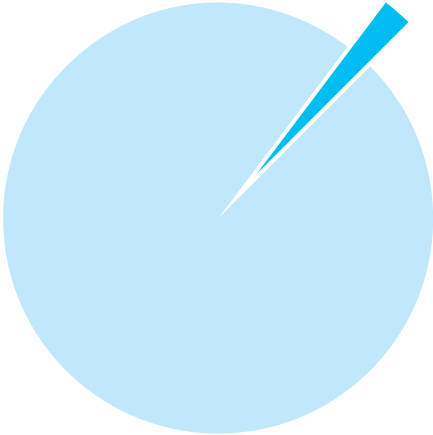
Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2012/13-2015/16	Target 2016/17-2021/22
Accessibility & Customer Focus	Opening hours are convenient for users of District Library services	% of customers satisfied with opening hours	Resident Satisfaction Survey and Internal Survey	New Measure	90%	90%
Accessibility & Customer Focus	Library services are utilised	Number of physical visits to Library	Recorded visitor numbers	87,873	90,000	95,000
Accessibility & Customer Focus	Library services are utilised	Increased use of Library facilities	Library memberships and issue numbers	3,528 members (3,367 09/10 year) 88,001 issues (86,739 09/10 year)	3600 Members 88,000 Issues	4000 Members 90,000 Issues
Quality & Customer Focus	The Library environment is comfortable and user friendly	% of customers satisfied with library environment	Resident Satisfaction Survey	90%	90%	90%
Quality & Responsiveness	A wide range of up to date material is available in a variety of formats and relevant to the community	% of customers satisfied with the selection of material available in print, E-format, audio/visual and IT services	Resident Satisfaction Survey	86%	90%	90%
Accessibility & Responsiveness	A wide range of up to date material is available in a variety of formats and relevant to the community	Increased awareness in the community of availability of material	Hits on website and downloads from E-Service 'Overdrive'	New Measure	Baseline to be established by the number of hits and downloads to E-Service	Baseline plus 5%
Quality & Customer Focus	The Library meets National Public Library Standards	The Library lending collection is up to date and relevant for the community	Library meets New Zealand Public Library Standard D 3.1 for issues per capita - the annual issues figure divided by the District population	10.4	10.4	11
Quality & Customer Focus	The Library meets National Public Library Standards	The Library lending collection is up to date and relevant for the community	Library meets New Zealand Public Library Standard D.3.1 for turnover of lending collections -the number of books and materials in the lending collection divided by the number of issues per year	3.16	4	4.5

<b>Core Value</b>	<b>Level of Service</b>	<b>Performance Measure</b>	<b>Information we will use to measure success</b>	<b>Current Performance 2010/11</b>	<b>Target 2012/13-2015/16</b>	<b>Target 2016/17-2021/22</b>
Quality	The Library meets National Public Library Standards	The Library lending collection is up to date and relevant for the community	Library meets New Zealand Public Library Standard D.1.3 for % of operating budget allocated for purchase of collection material	10%	20%	20%

# MUSEUM

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2% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\$264,000**

**\$217,000** from general rates

**\$0** from targeted rates

**\$47,000** from other income

## Vision

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

## What we do

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

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

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

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The predominant benefit from the Museum is to the District as a whole in ensuring that Westland's tales and treasures are preserved.	80 – 85% General Rates, uniform annual charge
Private	The user/visitor benefits from the services and experience they receive.	15 - 20% user fees such as service fees or donations

### Why we do it

- To share Westland's fantastic stories of human endeavour, to enhance community identity and to enrich visitor's experience and understanding of Westland
- To do this the Museum cares for and manages the community's stories, memories and treasures so that they can be shared both today and in the future and ensures that the community, visitors and researchers have access to material that helps them make sense of and promote Westland's unique heritage.

The achievement of service levels will contribute to achieving our vision:

- By providing quality information to school teachers and children.
- By providing information, photographs and maps that assist local businesses (especially tourism), heritage groups, film-makers and historians to promote Westland's stories and enhance their products.
- By providing a high quality facility which promotes Westland's heritage and contributes to the community's sense of identity

### Where are we now?

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

In December 2010 the i-Site moved out of the Carnegie Building and the Museum now manages its own reception area which has resulted in improved visitor numbers. For the year ending June 2012 visitor numbers will for the first time exceed the previous high of 14,105 achieved in 1994.

After a gap of eight years, a Director was appointed in September 2010 and plans for refreshing and improving the Museum's displays are underway.

Funding was obtained in late 2010 for a special exhibition about the history and culture of whitebaiting on the West Coast and this opened in September 2011. This proved to be an enormous success with record visitor numbers and the Museum hopes to capitalise on this to increase its visibility and attractiveness to residents and visitors.

In July 2010 the Hokitika Museum Collection was valued at \$1,688,830.00 and the collection continues to grow. Fluctuating temperature and relative humidity can cause long term damage to museum collections. The Collection Storage area at Hokitika Museum needs a climate control system to ensure that long term survival of the collection.

The Museum is seeking to overcome the problems associated with providing access to the collection to Westland's rural communities and to researchers by working towards making the collection catalogue available on-line. In addition we have developed an outreach programme although funding is required for this to be effective.

Museum collection management software was purchased in 2002 and all new donations are catalogued electronically. When time allows retrospective cataloguing is being undertaken. Out of an estimated 30,000

objects, 25,000 photos and an unknown (but large) number of maps and plans, 6000 items have been partially or fully catalogued. This work is essential for effective management of the collection but it is time consuming and requires additional staff capacity.

Hokitika Museum is increasingly being offered and is generating its own digital material and a digital policy is being developed to ensure that the Museum's procedures met 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.

## Key Issues affecting this activity

- Increased visitor expectations in terms of display quality and access to the collection via the internet
- Reluctance of some visitors to pay an entry fee to the Museum
- Lack of adequate storage facilities for collection items
- Inadequate staff capacity. The equivalent of 3.4 FTE staff run a operation open to the public seven days a week in addition to undertaking an enormous amount of behind the scenes work

## Asset Management

This is a new Council activity and there is no existing Asset Management Plan. Information gathering is underway and an Asset Management Plan will be completed by the 2013/14 Annual Plan.

## Significant Negative Effects

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

## Where do we want to be?

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.

Council wishes to ensure that the community and visitors have a place that can store the community's collective memory and share Westland's unique stories with visitors.

To help achieve this Hokitika Museum needs to ensure that it is recognised as a place to discover Westland's tales and treasures and contributes to the marketing of Westland, its heritage experiences and to the community's sense of identity.

## How are we going to get there?

The Council wants to invest in the storage and accessibility of its collection of heritage material for the use of the community in the present-day and the future.

It needs to provide good training to staff so they have the knowledge and expertise to care for the collection, improve access to it and to intelligently interpret the collection and associated stories so that the Museum's displays are enhanced.

The Council will continue to invest in the necessary technology and ensure that the Museum has adequate staff capacity to work on making the collection as widely accessible as possible.

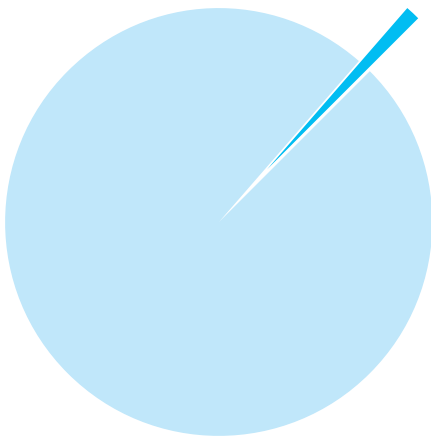
A strategic review of the Museum's operation will be undertaken so that the Council can plan and prioritise projects to meet the Council's vision of Westland as a world class tourist destination with the Museum playing its role in terms of innovation, service and involving stakeholders and the community. The strategic review will also address compliance issues for the Museum include the appropriate policies and procedures in regards to Health & Safety at the Museum (staff & visitors), Privacy Act, Public Record Act, Copyright Act and Arms Act.

## Service Levels and Performance Measures for the Museum

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2011/12	Target 2012/22
Customer focus & 100% New Zealand	Users of the Museum visitor service are satisfied with their experience	% of visitors satisfied with the museum displays and exhibitions	Resident Satisfaction Survey	80%	90%	90%
Accessibility & Customer Focus	The Museum environment is comfortable and user friendly	% satisfied with the museum environment, availability, opening hours and remote access	Resident Satisfaction Survey	New Measure	90%	90%
Accessibility, Quality & Customer Focus	The Museum provides a good quality experience	Maintain visitor numbers	Museum visitor records	New Measure	Establish baseline	Increase visitor numbers by 5% per annum
Accessibility, Quality & Customer Focus	The Museum reflects the history and character of the people of Westland	Maintain number of exhibitions and programmes per annum	Number of exhibitions or programmes that relate to Westland	New Measure	Establish baseline	Maintain number of exhibitions and programmes
Quality & Customer Focus & Responsiveness	Research and heritage advisory or related information services are easily accessible	Requests for service are responded to within 5 working days	Service Request system	New Measure	Establish baseline	100% responded to within 5 working days
Quality	Collection objects, archives and photographs are cared for to industry standard	Museum Collection is maintained and preserved	Number of objects damaged due to poor climate and pests	New Measure	0 objects damaged or destroyed by poor climate or pests	0 objects damaged or destroyed by poor climate or pests
Quality	Collection objects, archives and photographs are cared for to industry standard	Museum Collection is maintained and accessible	Number of objects catalogued per annum	New Measure	Establish baseline	Increase number of objects catalogued by 5% per annum
Accessibility, Quality & Customer Focus	The Museum knows who their visitors are and will develop to meet their needs	Analyse visitor profiles	Visitor survey	New Measure	Completed by June 2013	Completed by the end of June each year
Quality	The Museum will develop to reflect its stakeholders and the wider community	Strategic review within first year of plan	Plan tabled and recorded in Council minutes	New Measure	Completed by June 2013	Recommendations implemented 2013/2014 financial year

# SWIMMING POOLS

1% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\$229,000**

\$223,000 from general rates

\$6,000 from targeted rates

\$0 from other income

## Vision

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

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	Those living closest to the pools benefit more than those living away, hence there is a need to fund those in Hokitika and Ross distinctly from other services. Therefore the predominant benefit is to the users but there are indirect benefits in that the Hokitika pool in particular may attract visitors and events to the District.	100% General rates Hokitika Pool 75% Hokitika and surrounding areas 25% Wider District  Ross Pool 75% Ross 25% Wider District
Private	Westland District Property Limited will be managing this activity and will be collecting the fees and charges. Council will be paying an amount from rates to fund the pools.	0% Fees and charges

## Why we do it

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

## Where are we now?

Council operates the Centennial Swimming Pool in Hokitika and assists the Ross Community with the operation of the Ross Swimming Pool. In addition there are four other community pools located at Kumara, Harihari, Fox Glacier and Haast schools. Council provides occasional grants to assist with the operation of these pools.

## Key Issues affecting this activity

- Future maintenance costs due to the age of pools in the District
- Increased customer expectation of year round use and provision of more modern facilities
- Increasing lack of supervision by parents of children and the increasing requirements for enforcement of pool rules

## Asset Management

The assets are anticipated to meet council needs for the next 15 years provided routine regular maintenance is undertaken and key items of plant are replaced at the Hokitika pool and Ross pool as required.

## Significant Negative Effects

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

## Where do we want to be?

Council wants to maintain and operate swimming pools that are available to people of all ages, and abilities that are affordable and available when required. As the District has an ageing population the Council wants to provide recreational facilities that can assist those who are recovering from accidents or illness, and the disabled as well as the more able bodied members of the community. The pools need to be safe, well maintained and attractive to use and meet the requirements of the community for the future. Council needs to meet best practice standards required in the operation and management of the swimming pools.

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

## How are we going to get there?

Council will continue to meet best practice standards for pool operation and safety.

The Council is to develop an asset management plan which will schedule renewals expenditure requirements in a comprehensive manner for the pools which will improve the asset management system and records for this activity.

This plan provides for the status quo at Hokitika with help managing the facility by Westland District Property Limited (WDPL). Changes may occur in the next LTP after further evaluation of the existing asset and consideration of options for upgrading the facility or constructing a new facility at a different location. Evaluation of options will include energy costs and sustainability. This strategic asset may be transferred to WDPL after further consultation with the community.

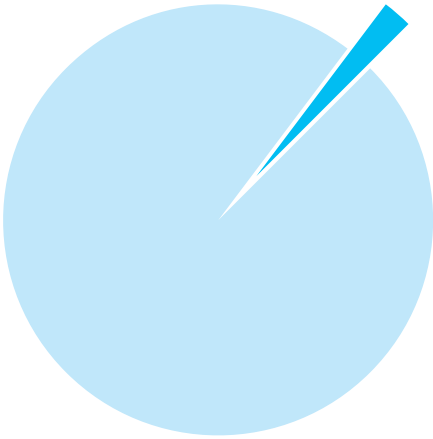
## Service Levels and Performance Measures for Swimming Pools

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2012/13-2015/16	Target 2016/22
Accessibility	Users have the maximum usage of the pool during each year	Minimum season October to April	Opening times	The pool was open from 9 August 2010 until 5th June 2011 which is 43 weeks in total compared to 41 weeks in 2009/10	43 weeks	43 weeks
Quality	The water is a comfortable temperature for swimming	Water temperature to be maintained at between 27.5 and 28.5 Celsius	Monthly Report	The temperature is between 27 C and 28.5C	28 C	28 C
Quality	Pool use is maximised by the community	Increase pool usage by 1% pa	Annual Report	16,695 paying visitors (14,118 2009-10). This shows an increase of 18.25%. The reason for this is the plateau effect of the Grey Aquatic centre, and the growing admission of adults, as children and pre-schoolers admission decreases. Hokitika pool is \$1.00 cheaper than Grey Aquatic centre	1% increase per annum	1% increase per annum
Customer Focus & Responsiveness	Learn to swim courses are available for the community to utilise	A minimum of 5 courses to be held each year in either learn to swim or exercise programme	Annual Report	Six blocks of learn to swim lessons and twice weekly aqua aerobics	6 courses	6 courses
Safety	Pool water is safe for swimming	Tests compliant with NZS5826:2000	Monthly report for Ross and Hokitika	99% compliant in Hokitika	100%	100%
Safety	The pool environment is safe	Lifeguard supervision provided in accordance with Swimming Pool Guidelines published by New Zealand Recreation Association	Pool Safe Accreditation	The Hokitika Pool was re-accredited in April 2011	Maintain accreditation	Maintain accreditation
Quality & Affordability & Customer focus	The future of the pool facility is planned for	Strategic review within first year of plan	Plan tabled and recorded in Council minutes	New Measure	Plan completed and tabled by June 2013	Implement plan 2013/2014



# I-SITE

2% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

## \$466,000

- \$133,000
from general rates
- \$0
from targeted rates
- \$372,000
from other income
- \$39,000
surplus to fund other activities

## Vision

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

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	Visitors to Westland are welcomed and business and experiences are recommended to visitors ensuring an economic benefit to the wider community.	35 - 40% General Rates
Private	Benefits are for the user of the service.	60 – 65% Fees and Charges

## Why we do it

Tourism makes a major contribution to the District's economic well-being. Visitor numbers have decreased steadily in recent years; which means there is considerable potential for further growth and much work to be done if we're to achieve our vision of becoming a world class tourism destination by 2030.

Tourism and the events that attract tourists, contribute to vibrant town centres, buoyant local economies and thriving small town communities.

Promoting tourism 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.

This activity contributes towards the following community outcomes: 'Westland will be a world class tourism destination, with diverse and changing attractions that fit and highlight Westland's best features and has events that reflect and celebrate our unique and increasingly rare sense of place'.

The Council works with a wide range of community groups and other agencies so it can achieve our community outcomes. By promoting partnerships and working alongside other local and regional organisations, central government, non-governmental organisations, Maori and the public sector, we are more likely to achieve lasting results in the community.

A prosperous economy is crucial to achieving our goals for Westland and much of Council's economic development work is carried out at arm's length, through organisations such as Westland Holdings, Tourism West Coast and district based business and promotions groups.

As part of the bigger tourism marketing picture and as an integral part of Westland's vision that of becoming a world class tourism destination by 2030, we do what we do because we recognise that tourism is important and that this district needs to leverage the tourist dollar if we're to deliver a strong 'sense of place'; if we're to become more prosperous, more entrepreneurial and more innovative as a place to live, work, play, invest and visit.

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.

In our i-SITE tourism is at the heart of everything we do because we're passionate about promoting our place "Westland – the last best place" and because we know that for every dollar Council invests; the i-SITE teams' efforts turn that dollar into over \$711 worth of value for the District.

## Where are we now?

If we recognise the importance of tourism to our local economy the community will understand the need to continue investing in our i-SITE if Westland is to achieve its vision of becoming a world class tourism destination by 2030.

## Key Issues affecting this activity

- Visitor numbers
- Global and domestic economic climate
- Support of the community
- Decrease of spend in District per visitor
- Technology that renders the use of an i-SITE obsolete for visitors planning and paying for activities

## Asset Management

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

## Significant Negative Effects

- Tourism may not expand
- Tourist attractions in Westland may be left off visitor itineraries if booked in other Districts

## Where do we want to be?

- To be an expert on all attractions, culture, heritage and experiences that Westland has to offer
- To be recognised as a leading i-SITE

## How are we going to get there?

To operate the i-SITE efficiently and innovatively and by always striving 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.

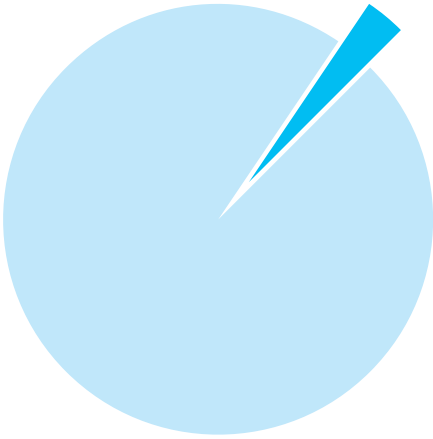
## Service Levels and Performance Measures for the i-Site

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2012/13-2015/16	Target 2016/22
Buildings Relationships	Increase number of activities and accommodation booked and purchased	Increase sales of Westland activities and accommodation by 3%	Recorded information from the IBIS booking and sales system used by i-SITE	New Measure	Establish baseline in 2011/2012 year	Increase by 3%
Customer focus & 100% New Zealand	Provide excellent customer service	Maintain customer satisfaction levels at 90%	Annual mystery shopper assessment	New Measure	90%	90%
Reliability	Provide business efficiency	Grow revenue by at least 3%	End of financial year information	New Measure	Establish baseline in 2011/2012 year	Increase by 3%
Customer focus & Accessibility	Increase visitor numbers to Westland	The number of enquiries handled by Hokitika i-SITE Visitor Centre maintained	Recorded information from i-SITE	Hokitika i-SITE responded to 52,693 enquiries	To respond to 53,470 enquiries	To respond to 56,140 enquiries



# EVENTS

3% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\$495,000**

\$0 from general rates

\$0 from targeted rates

\$597,000 from other income

\$103,000 surplus to fund other activities

## Vision

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

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	Visitors to Westland have a great time and recommend to their friends and family visiting Westland ensuring an economic benefit to the wider community.	0% Rates
Private	The primary benefactors are the users of the service.	100% User fees and charges

## Why we do it

Major events raise Westland's profile, attract valuable tourism dollars, benefit local businesses and bring people together. The Hokitika Wildfoods Festival is estimated to inject more than \$3 million of new spending into the local economy. This activity contributes towards the vision 'Westland will be a world class tourism destination with diverse and changing attractions that fit and highlight the best that Westland has to offer' and 'Westland will stage iconic events that reflect and celebrate our unique and increasingly rare sense of place'.

## Where are we now?

Hokitika Wildfoods Festival is still the premier event on the West Coast. The sustainability of the Festival is a long term issue.

## Key Issues affecting this activity

- Financial performance
- Increased competition in event landscape
- Lack of investment in future growth opportunities
- Continuation of on-going social licence to operate

## Asset Management

Assets involved in this activity are mainly IT equipment and furniture to facilitate the everyday operation of Events and are replaced according to Council policy.

## Significant Negative Effects

- Loss of publicity for Hokitika and Westland district if Wildfoods was discontinued
- Loss of economic benefits for Hokitika and Westland district if Wildfoods was discontinued
- Loss of tolerance within the local community to continue hosting large-scale events such as Wildfoods

## Where do we want to be?

We will work towards developing at least one new iconic event by the middle of 2013. Investing in and building the experience that is New Zealand's most unique and quintessentially kiwi event – the Hokitika Wildfoods Festival – will be a key focus in coming years as other events follow our success and compete for high-profile attractions.

## How are we going to get there?

- Building up the festival
- Being creative with marketing
- Involving the community

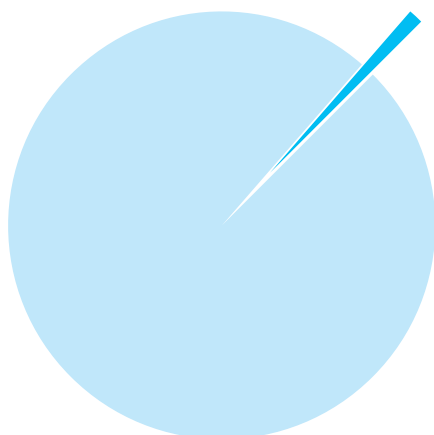
## Service Levels and Performance Measures for Events

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Customer focus & Building relationships	Increase visitor numbers to Westland	Grow the estimated economic impact to the District of major events	Berl impact report to be conducted on a two yearly basis	New Measure	Establish baseline in 2011/2012 year	Maintain economic impact
Accessibility, Customer focus & Building relationships	Increase visitor numbers to Westland	The number of events and the estimated attendance	Crowd estimation based on ticket sales and crowd visuals	New Measure	Establish baseline in 2011/2012 year	Increase attendance by 5%
Customer focus & Building relationships & 100% New Zealand	Provide excellent and well attended events	% of residents satisfied with events and festivals	Resident Satisfaction Survey	New Measure	90%	90%



# COMMUNITY HALLS AND BUILDINGS

1% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\$105,000**

\$67,000 from general rates

\$0 from targeted rates

\$12,000 from other income

\$26,000 unfunded depreciation

## Vision

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

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The main benefit is to the users of the facilities but there are indirect benefits to the local community in which the facility is situated as it may attract visitors and events to the area. Provides a space for the community to gather and use for their own purposes.	85 - 90% General rates
Private	Fees charged recognise the direct benefits gained by users.	10- 15% Fees and charges

## Why we do it

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

## Where are we now?

Community Halls are located in the following areas: Okuru, Haast, Bruce Bay, Waitaha, Ross, and Kokatahi. Community buildings in Hokitika include the RSA Memorial Hall, the Bandroom and the Customhouse. Community Halls in the rural areas are administered by community groups or representatives under delegated authority of Council.

Community buildings are generally not well utilised, some more than others but are considered important by their communities. Revenue gained is used to offset costs; however Council pays the majority of the operating costs.

A facilities review has been undertaken, which makes some recommendations on rationalising community buildings. This is still to be fully discussed by Council, with the communities affected. Council is concerned that there may be lost opportunities, if valuable land and buildings are not being well utilised. The Council and communities may not be getting the best return on their investment in the properties.

The Council currently supports the present level of activity and there is no provision in the current plans to dispose of any community buildings. However, until consultation with the community occurs, Councils' position is not to plan for their replacement.

## Key Issues affecting this activity

- Demographics including an aging population
- Large number of facilities for population
- Volunteers for managing community buildings may be more difficult to find in the future as the current pool is getting older
- The declining usage of the various properties may mean Council has to review the future use and this could result in a change to the current level of service
- Lack of community service
- The viability of running these halls in the future needs to be discussed with each community

## Asset Management

There are currently no plans for major refurbishments or capital works. Minimum maintenance is being undertaken on the buildings to maintain current levels of service. There are painting service contracts in place for some buildings and there is a need for comprehensive planning for all buildings.

Some buildings are deteriorating as minimum maintenance is being undertaken. 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 has now been completed on these buildings to determine the building components, condition, and the renewals required over the next 10 years to maintain serviceability.

## Significant Negative Effects

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

## Where do we want to be?

The desire of the local communities to continue to manage and utilise the facilities will continue and Council will continue to support the use of buildings to achieve social outcomes.

Council wants to have improved records of utilisation and local involvement in community buildings. A comprehensive renewals programme is required, appropriate to each building's intended future use.

Council needs to know the estimated cost of renewals, so that Council and the communities can make considered decisions about future use and sources of funding.

## How are we going to get there?

Council will continue to explore opportunities for reducing the number of community buildings by combining the use of buildings in the same area. There may be opportunities to share facilities with local schools.

Council will prepare asset management plans for community halls and buildings so that Council has an improved basis for decision making. Council will consider all available reports, and the communities' views, before making any strategic or policy decisions on community halls and buildings.

Council will review the usage and future costs and take account of the sustainability of providing this service in areas where the interested population is declining. There needs to be discussion on what the community desires are and what is affordable. It is Council policy not to fund or renew community halls. It is up to the community to fund and support their halls if they want them to survive in the future.

The Bruce Bay Hall Board has registered a proposal to extend the existing hall to accommodate a museum. The extension may be used for other functions to help support the community. The Board has indicated that it will be consulting with DOC and Te Runanga o Makaawhio, and working with the Council regarding land use and other consenting issues. At this stage the Board is not asking for specific financial support but for Council support and registration of the Project in this Plan. Community halls will not be considered for transfer to Westland District Property Company after initial consultation with the community.

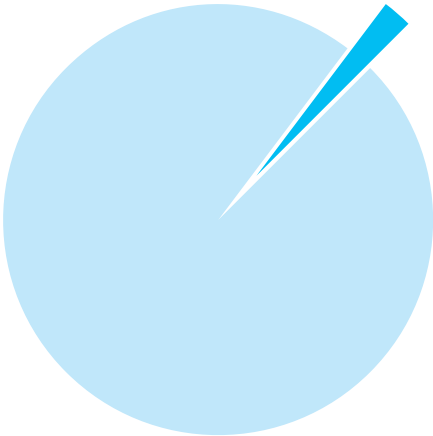
## Service Levels and Performance Measures for Community Halls and Buildings

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Quality	Buildings and halls provide a safe and useful resource for the local community	Buildings have current WOF where required	Warrant of Fitness issued	100%	100%	100%
Quality	Buildings and halls provide a safe and useful resource for the local community	% of residents satisfied with the standard of their hall or community building	Resident Satisfaction Survey	51%	80%	80%
Customer Focus & Responsiveness	Requests for service are dealt with promptly	Service requests are responded to within 3 working days	Service Request support system	There were 2 complaints received with both being responded to within 2 days	100% compliance	100% compliance



# PARKS AND RESERVES

2% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\$351,000**

\$317,000 from general rates

\$0 from targeted rates

\$7,000 from other income

\$27,000 unfunded depreciation

## Vision

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

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	Reserves are open and available to all residents and visitors and provide spaces for leisure and recreation	90 - 95% General rates
Private	Fees are charged to recognise the benefits the user receives	5 - 10% Fees

## Why we do it

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

## Where are we now

The Council currently administers 27 parks in Hokitika. These include children’s playgrounds, sports grounds, grassed and planted areas, and native bush. This activity also includes the maintenance of statues and monuments. The Hokitika and Environs Reserves Management Plan 2000, provides a strategic approach to the management of Hokitika reserves.

Cass Square is well utilised in summer for cricket and athletics and in winter for rugby and soccer and is the venue for the annual Wildfoods Festival.

## Key Issues affecting this activity

- Vandalism of statues is an on-going concern
- Accessibility of toilets to Cass Square playground
- Aging playground equipment in Cass Square and Lazar Park
- The lack of strategic planning for the rural reserves

## Asset Management

Land and buildings, park furniture, children’s playgrounds, recreational equipment, monuments and statues make up assets which form part of the activity.

Reserve/Park	Description
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	Soroptimists shelter Tambo “shipwreck”
Hokitika statues and monuments	Robbie Burns – Cass Square
	Pioneer Statue – Fitzherbert Street
	Cenotaph – Cass Square
	Summer Statue – Carnegie Building
	Richard John Seddon Statue – Sewell Street
Hokitika “Take a Seat” Art Seats	Town Clock – Weld Street
	Various locations around Hokitika
Kumara	Children’s playground
Whataroa	Children’s playground
Rimu Hill Lookout	Buildings and monument
Grassed areas and landscaping – All reserves	
Haast	Children’s Playground

## Significant Negative Effects

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

## Where do we want to be?

All reserves are covered in the Reserves Management Plan, not just Hokitika and its environs. The growth projections for Westland suggest a small increase in population and tourist numbers over the planning period. This forecast is unlikely to impact on required levels of service, demand and asset requirements for this activity.

## How are we going to get there?

Continue to improve the asset management system and records for this activity. Include a management plan for the recently vested Preston's Bush Reserve in Hokitika. Extend the Hokitika and Environs Reserves Management Plan to cover the entire District. Council is conducting further consultation with the community before considering transferring this strategic asset to Westland District Property Limited.

## Key Capital Projects

Asset	\$	Timeframe	Funding by
Hertiage Walkway Extension	5,775	2012/13 (Year 1)	100% Reserves
Cass Square - Replacement of top playing surface	46,924	2013/15 (Years 2 & 3)	100% Reserves
Cass Square - Repairs to Statues	10,444	2013/15 (Years 2 & 3)	100% Reserves
Prestons Bush - Track upgrade within reserve	5,298	2014/15 (Year 3)	100% Reserves
Cass Square - Upgrade of players stands	34,701	2017/18 (Year 6)	100% Reserves
Prestons Bush - Construction of Boundary fence	11,916	2018/19 (Year 7)	100% Reserves
Cass Square - Furniture replacement	98,121	2018/19 (Year 8)	100% Reserves

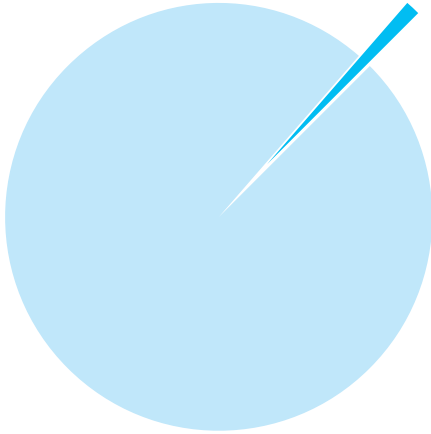
## Service Levels and Performance Measures

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Quality	Reserves are pleasant, enjoyable and safe places	% of residents satisfied with parks and reserves	Resident Satisfaction Survey	67%	80%	80%
Customer Focus & Responsiveness	Reserves are pleasant, enjoyable and safe places	Reported injuries	Number of reported injuries	No reported injuries	No reported injuries	No reported injuries
Health & Well-being & Customer Focus	Reserves are pleasant, enjoyable and safe places	Playground equipment and furniture meet Health and Safety standards	Playground warrant of fitness	New Measure	WOF issued	WOF issued
Reliability & Customer Focus	Requests for service are dealt with promptly	Service requests are responded to within 1 day	Service Request support system	10 complaints were received compared to none last year. all minor and dealt within 7 days except 1 concerning multiple staff members	No complaints received	No complaints received
Reliability & Safety	We want to keep the community safe so parks and reserves are maintained to a good standard and in an environmentally sensitive manner	All necessary consents for maintenance and capital projects are applied for, held and monitored accordingly.	Monthly management reports	New Measure	100% compliance	100% compliance

# CEMETERIES

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1% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\$105,000**

**\$68,000** from general rates

**\$0** from targeted rates

**\$37,000** from other income

**\$20,000** for projects

## Vision

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

## What we do

The Council manages cemeteries which:

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The predominant benefit is to those who will be buried (knowing that their wishes will be carried out), and their family and friends, as well as the benefit to the heritage and general atmosphere of the District as a whole, through the provision of peaceful, tranquil and well maintained facilities.	55 - 60% General rates
Private	Cost of interment to be met by users.	45 - 40% Fees and charges

### Why we do it

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

### Where are we now?

The Council operates public cemeteries in Kumara, Ross and Hokitika. Provision is made for the interment of ashes at the cemeteries.

Council is also responsible for closed cemeteries at Stafford, Okarito, (one on the sand spit north of the lagoon opening and one on the hill before entering the township), and the Arawhata Pioneer Cemetery, (south of Haast).

There are also public cemeteries at Harihari, Whataroa, and Okuru run by local trustees or volunteers.

In addition there are other cemeteries and urupa throughout the District which the Council has no involvement in.

### Key Issues affecting this activity

- Demographics including an aging 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

### Asset Management

There has been no formal planning for management of these assets. The buildings are currently maintained on an as is required basis, following annual inspections. There are limited assets at cemeteries other than Hokitika which has a building to house contractor's equipment. Other assets include roads, footpaths, car parks, concrete berms, and grass areas. All are in average condition.

There are no capacity issues at the open cemeteries in the foreseeable future. All cemeteries have capacity of at least 50 years, based on the current interment rate of 57 per annum. Council Community Services staff pre-sell plots and maintain the cemetery records for the Council cemeteries. Information Services staff assist with cemetery maps. 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.

### Significant Negative Effects

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

## Where do we want to be?

- To provide a reliable, high quality service that customers are satisfied with. Regular customer surveys are undertaken to measure satisfaction and determine where improvements may be required
- The provision of a reliable and accurate information service for those who are tracing their ancestors or carrying out other historical research
- To have asset management plans in place to maintain the cemetery assets in perpetuity
- To ensure that 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 needs to be monitored and recognised when planning for additional berms and ashes plots

## How are we going to get there?

Continue maintenance and development of current cemeteries, which have the capacity to service demand for the long term.

Provide for improved parking areas at the Ross and Hokitika cemeteries. Improved access and better car parking facilities at the Ross cemetery is needed as access is quite steep and can become corrugated in heavy rain.

## Key Capital Projects

Asset	\$	Timeframe	Funded by
Ross Cemetery - Expansion / Improvements	10,000	2012/13 (Years 1)	100% Rates
Hokitika Cemetery - Expansion / Improvements	10,000	2012/13 (Years 1)	100% Rates
Hokitika Cemetery - Expansion / Improvements	15,440	for years 2013/14 to 2017/18 inflated	100% Rates

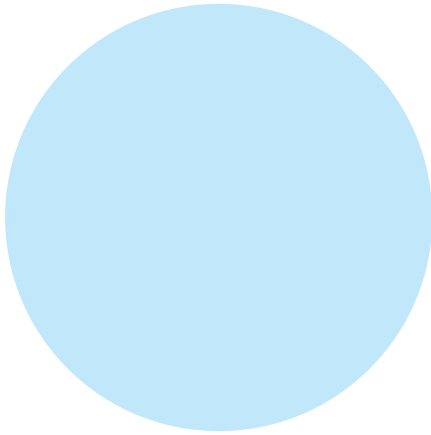
## Service Levels and Performance Measures for Cemeteries

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Safety	Cemeteries are accessible and safe for the community	% of customers feel safe in cemetery grounds.	Resident Satisfaction Survey	76%	80%	80%
Quality & Responsiveness	Requests for service are dealt with promptly	Service requests are responded to within 5 working days.	Monthly meeting and audit report from contractor	No complaints received	100% compliance	100% compliance
Quality & Customer Focus	The Cemetery grounds are clean and tidy	% of customers satisfaction with state of all cemetery grounds	Resident Satisfaction Survey	76%	90%	90%
Safety	Burials adhere to relevant legislation	Standards for burial are adherence to Cemeteries & Cremations Act 1964	Cemetery Records	100%	100%	100%
Customer Focus	Cemeteries are accessible and safe for the community	Opening hours are well advertised and adhered to	Cemetery Opening Hours	New Measure	No service requests received	No service requests received



# ELDERLY HOUSING

0% of total operating expenditure in the 2012/13 Budget



## 2012/13 Annual budget

\$0

\$0 from general rates

\$0 from targeted rates

\$0 from other income

\$0 for projects

## Vision

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

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	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 will be decreased.	100% Fees and Charges to tenants.
Private	Tenants provided with housing are the prime beneficiaries.	100% Fees and charges to tenants for operational costs. 100% from Depreciation Reserves or Loans for Capital Items.

## Why we do it

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

## Significant Negative Effects

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

## Key Issues affecting this activity

- Demographics including an aging population
- Council will investigate whether, in the future, a Council Controlled Trading Organisation (CCO) could own and run leased property including this elderly housing portfolio more efficiently. This proposal would be subject to further consultation at that time. The Council is unlikely to increase the number of elderly units in Hokitika but may need to introduce an eligibility criteria to ensure those in real need are allocated the available housing.
- Council will investigate the need for elderly housing in Kumara.

## Asset Management

The assets have been performing well and the buildings are regularly maintained to preserve and maintain forecast asset life. Improvements for energy efficiency and mobility impairment are made at the time a unit is vacated. Council staff manage the tenant allocation process and the units are maintained by the appropriate contractor depending on the item to be fixed. Council has basic asset management plans for each unit.

## Where are we now?

The Council currently administers 42 elderly housing units in Hokitika and 4 at Ross. There is a small waiting list and turnover is low. There are no eligibility criteria for the units as demand has not necessitated this although elderly with higher need are prioritised on a case by case basis. Historically occupancy rates have been high. Occupancy rates of 94% for the Hokitika units and 97% for the Ross units have been recorded. Rentals on housing for the elderly are charged at a level sufficient to ensure that the properties are fully self-funding and that sufficient reserve funds are set aside for on-going maintenance and improvements. Key Issues affecting this activity.

Address	Year built	Number of units	Additional Information
26 Gibson Street, Ross	2001	4	3 singles
			1 double
84 Sewell Street, Hokitika	1980	22	18 singles
			4 double
199 Revell Street, Hokitika	1971	4	4 single plus laundry block
205 Revell Street, Hokitika	1965	6	6 singles
97 Tancred Street, Hokitika	1973	10	10 singles
			46 units

## Where do we want to be?

All operational and capital costs are covered by the tenant and the rent increases are affordable. Council wants to have a well maintained housing portfolio for the District's elderly. Although the proportion of elderly is likely to increase over time Council believes there is sufficient housing stock for the elderly in Hokitika.

Council has a high proportion of elderly units to population compared with other Councils, and there is also another provider of elderly accommodation in the District. Council has no plans to build further units in Hokitika but believes that any future demand can be mitigated by the introduction of criteria for eligibility so that the units are allocated to those that need them.

There may be a demand for an elderly housing facility in Kumara. This need will be considered in the future.

## How are we going to get there?

Continue to facilitate the provision of tenant social support through other community agencies. Continue to improve the asset management system and records for this activity. Council is looking to improve the efficiency of managing its leased housing stock and this may be better managed by a Council Controlled Trading Organisation. The Council will consult further with the community regarding the transfer of this strategic asset to Westland District Property Limited.

## Service Levels and Performance Measures for Elderly Housing

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Safety	The units are safe to live in	Maintenance program is completed each year	Monitoring against Maintenance Programme	100% of people surveyed felt their unit was safe to live in	100%	100%
Quality & Responsiveness	The units are clean and comfortable	% of satisfaction of tenants with living conditions	Resident Satisfaction Survey	100% in Hokitika 100% Ross	95%	95%
Safety & Customer Focus	Tenants receive prompt responses to their requests for service	% of requests for maintenance or complaints actioned within 7 working days.	Service Request System	All complaints were actioned within the 7 day timeframe.	100%	100%

# GROUP FINANCIAL FORECAST

## LEISURE & CULTURAL ASSETS

Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	1,416	1,455	1,500	1,554	1,604	1,647	1,688	1,718	1,769	1,824	1,878
Targeted Rates	10	6	6	6	7	7	7	7	8	8	8
Vested Assets	-	-	-	-	-	-	-	-	-	-	-
Other Income	1,272	1,096	1,128	1,161	1,195	1,232	1,268	1,306	1,344	1,385	1,426
<b>Total Operating Revenue</b>	<b>2,697</b>	<b>2,557</b>	<b>2,635</b>	<b>2,722</b>	<b>2,806</b>	<b>2,886</b>	<b>2,963</b>	<b>3,031</b>	<b>3,121</b>	<b>3,216</b>	<b>3,312</b>
<b>Operating Expenses</b>											
Employee benefit expenses	(462)	(626)	(643)	(658)	(672)	(688)	(704)	(720)	(736)	(753)	(770)
Depreciation	(193)	(182)	(194)	(210)	(220)	(222)	(220)	(223)	(231)	(239)	(246)
Other Expenditure	(2,085)	(1,637)	(1,688)	(1,742)	(1,797)	(1,856)	(1,932)	(1,977)	(2,040)	(2,106)	(2,180)
Interest	-1	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenditure</b>	<b>(2,741)</b>	<b>(2,445)</b>	<b>(2,525)</b>	<b>(2,609)</b>	<b>(2,689)</b>	<b>(2,766)</b>	<b>(2,856)</b>	<b>(2,921)</b>	<b>(3,008)</b>	<b>(3,098)</b>	<b>(3,196)</b>
<b>Operating Surplus/(Deficit)</b>	<b>(44)</b>	<b>113</b>	<b>110</b>	<b>113</b>	<b>116</b>	<b>119</b>	<b>107</b>	<b>110</b>	<b>113</b>	<b>118</b>	<b>115</b>

# FUNDING IMPACT STATEMENT

## LEISURE & CULTURAL ASSETS

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	1,416	1,455	1,500	1,554	1,604	1,647	1,688	1,718	1,769	1,824	1,878
Targeted rates (other than a targeted rate for water supply)	10	6	6	6	7	7	7	7	8	8	8
Subsidies and grants for operating purposes	10	82	84	87	90	92	95	98	101	104	107
Fees, charges, and targeted rates for water supply	-	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,262	1,014	1,044	1,074	1,106	1,139	1,173	1,208	1,243	1,281	1,319
<b>Total operating funding [A]</b>	<b>2,697</b>	<b>2,557</b>	<b>2,635</b>	<b>2,722</b>	<b>2,806</b>	<b>2,886</b>	<b>2,963</b>	<b>3,031</b>	<b>3,121</b>	<b>3,216</b>	<b>3,312</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(2,253)	(2,263)	(2,331)	(2,399)	(2,469)	(2,544)	(2,636)	(2,697)	(2,776)	(2,859)	(2,950)
Finance costs	(1)	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	(148)	(191)	(197)	(203)	(209)	(215)	(222)	(229)	(235)	(242)	(250)
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(2,401)</b>	<b>(2,454)</b>	<b>(2,528)</b>	<b>(2,602)</b>	<b>(2,678)</b>	<b>(2,760)</b>	<b>(2,857)</b>	<b>(2,926)</b>	<b>(3,012)</b>	<b>(3,101)</b>	<b>(3,200)</b>
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>296</b>	<b>103</b>	<b>107</b>	<b>120</b>	<b>127</b>	<b>126</b>	<b>105</b>	<b>105</b>	<b>109</b>	<b>114</b>	<b>112</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
—to improve the level of service	(97)	(24)	(20)	(20)	(21)	(21)	(22)	(5)	(5)	(5)	(5)
—to replace existing assets	(32)	(52)	(78)	(81)	(50)	(52)	(88)	(67)	(155)	(58)	(60)
Increase (decrease) in reserves	(167)	(27)	(9)	(19)	(56)	(53)	5	(34)	50	(51)	(47)
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>(296)</b>	<b>(103)</b>	<b>(107)</b>	<b>(120)</b>	<b>(127)</b>	<b>(126)</b>	<b>(105)</b>	<b>(105)</b>	<b>(109)</b>	<b>(114)</b>	<b>(112)</b>
<b>Surplus (deficit) of capital funding [C+D]</b>	<b>(296)</b>	<b>(103)</b>	<b>(107)</b>	<b>(120)</b>	<b>(127)</b>	<b>(126)</b>	<b>(105)</b>	<b>(105)</b>	<b>(109)</b>	<b>(114)</b>	<b>(112)</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	(44)	113	110	113	116	119	107	110	113	118	115
Add depreciation	193	182	194	210	220	222	220	223	231	239	246
Less increase in reserves	(147)	191	197	203	209	215	222	229	235	242	250
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>296</b>	<b>103</b>	<b>107</b>	<b>120</b>	<b>127</b>	<b>126</b>	<b>105</b>	<b>105</b>	<b>109</b>	<b>114</b>	<b>112</b>



PROMOTING AND SUPPORTING THE  
COMMUNITY

# COMMUNITY SERVICES

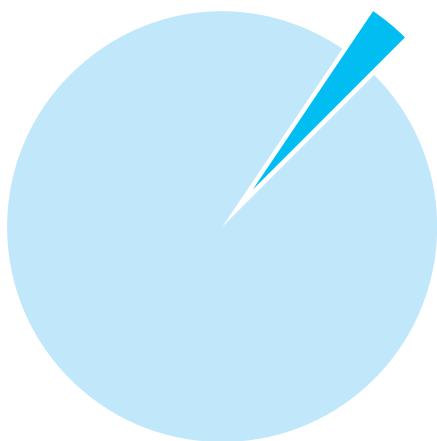
Community Development





# COMMUNITY DEVELOPMENT

3% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

\$463,000

\$195,000 from general rates

\$105,000 from targeted rates

\$42,000 from other income

## Vision

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The wider community of benefits from Westland District being seen as a desirable place to live, work and play.	100% General rates
Private	No fees are charged for this activity.	0% Fees and charges

## What we do

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

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

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

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

## Why we do it

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

## Where are we now?

The Council provides an amount for grants annually. These cover a range of activities and include:

- Community Halls
- Youth
- Displays
- Arts

Council has more applications than funds and endeavours to contribute to all applications that meet the criteria administered by Community Services.

Council also allocates the monies received from Sport New Zealand which is to aid with travel costs for the various sports clubs throughout the District. Applications are received by Community Services. Council also receives money from Creative New Zealand for art and cultural activities. Council does not have to advertise widely to attract applications 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 process.

The Safer Community Council (SCC) was established in April of 1997 when a partnership was formed between the Crime Prevention Unit and Westland District Council to address District crime issues and their prevention. Specific projects qualify for bulk funding from the Ministry of Social Development, Ministry of Justice and ACC and this has meant the projects selected to be undertaken are well thought through and focused on achieving results for the community. Currently there are some key projects being undertaken with a focus on youth as they have been identified as a concern for the community. Example of projects being undertaken are the Big Brothers, Big Sisters Youth Mentoring Program, The Turnaround (Restorative Justice) Program in Westland, the Community Patrol and the Graffiti Vandalism Project.

There are 40 volunteers involved in this activity

The group works closely with Corporate Services to engage in meaningful consultation with the community.

Council has specifically funded in the first year of the Long Term Plan \$2,500.00 for Life Education Trust, \$2,000.00 for Westland Brass Band Inc and \$25,000.00 for the Regent Theatre and \$86,000.00 for Tourism West Coast.

## Key Issues affecting this activity

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

## Asset Management

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

## Significant Negative Effects

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

## Where do we want to be?

We want to successfully address the issue of crime prevention by forming effective partnerships with central government and local organisations to assist in the identification of problem areas and contribute to the funds required to ensure their resolution.

Westland District Council also supports programmes that assist in realising the goals of the Mayor’s Taskforce for Jobs: That all young people under 25 years be in paid work, training, education, or in productive activities in our communities and that all people over 25 have the opportunity and be encouraged to be in paid work, training, education, or in productive activities in our communities.

We want to provide a trusted port of call for all sectors of the community to approach Council and we want to provide them with excellent service.

## How are we going to get there?

Continue to build capacity in the community to provide funding and work with the local communities. Specifically Council over the next few years will continue with the following programmes:

- Big Brothers, Big Sisters Youth Mentoring Programme
- Community Patrol
- Safer Community Council
- Safer Community Chit Scheme
- Accreditation as an International Safe Community

We will continue to ask the community what they think and want and report our findings to Council.

## Service Levels and Performance Measures

COMMUNITY DEVELOPMENT — SAFER COMMUNITY COUNCIL						
Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Health & Well-being & Building Relationships	Build capacity in the community to reduce reported crime	Maintain low level of family violence, vandalism, and burglary	Number of reported crimes in Family Violence, vandalism and burglary from NZ Police reports	Family violence notified cases 74 Burglary reported offences 44 (vandalism is a new measure)	Family Violence notified cases 70 Burglary reported offences 40 Vandalism 10	Family Violence notified cases 65 Burglary reported offences 35 Vandalism 8
Health & Well-being & Building Relationships	Build capacity in the community to reduce reported crime	At least three programmes are delivered throughout the year that meet the requirements of the funder	Number of programmes that meet the requirements of the funder	New Measure	3	3
Building Relationships	Create opportunities for the community through building relationships with outside groups and agencies	Meetings with the Police and other government agencies regarding prevention and programming	Number of meetings per annum	New Measure	15	20
Health & Well-being & Building Relationships	Protect the environment from littering	Monitor freedom campers	Number of infringements issued	New Measure	50	40

<b>COMMUNITY DEVELOPMENT — ASSISTANCE/FUNDING</b>						
<b>Core Value</b>	<b>Level of Service</b>	<b>Performance Measure</b>	<b>Information we will use to measure success</b>	<b>Current Performance 2010/2011</b>	<b>Target 2012/13-2015/16</b>	<b>Target 2016/17-2021/22</b>
Health & Well-being & Building Relationships	Funding is available for community projects	Advertising of grants occurs 4 times per year	newspaper ads advertising in Uniquely Westland	There were ads placed in the local newspaper and council's newsletter to ratepayers 4 times a year	4 times per year	4 times per year
Health & Well-being & Building Relationships	Funding is available for community projects	Number of groups/individual applying	Number of applications received	New Measure	10	15
Health & Well-being & Building Relationships	Funding is available for community projects	Funding is made available to all members/groups of the community	Number of applications approved	New Measure	10	15
Customer Focus	Build capacity in the community to create community projects	Referrals to external agencies	Number of referrals recorded	New Measure	Baseline to be established by the recording of referrals in this year	Referrals to increase by 5%
Customer Focus & Building Relationships	Consult the community on issues of importance	Number of consultations per year	Summary of consultation results over year tabled to Council	New Measure	4	6



# GROUP FINANCIAL FORECAST

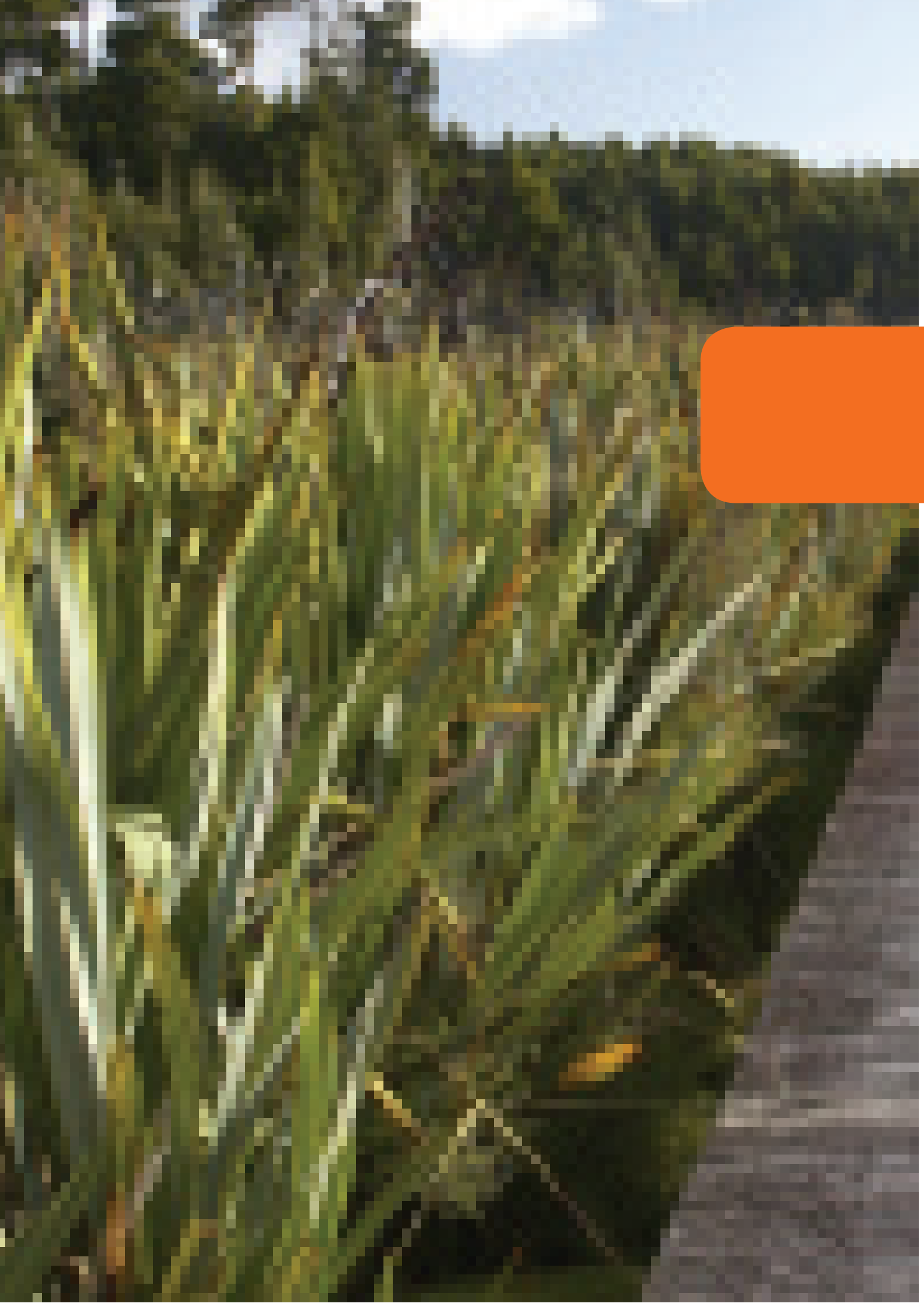
## COMMUNITY SERVICES

Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	334	195	201	207	213	219	226	233	240	247	254
Targeted Rates	104	105	108	111	114	117	121	125	128	132	136
Vested Assets	0	-	-	-	-	-	-	-	-	-	-
Other Income	37	42	43	44	45	47	48	49	51	52	54
<b>Total Operating Revenue</b>	<b>475</b>	<b>341</b>	<b>351</b>	<b>362</b>	<b>372</b>	<b>384</b>	<b>395</b>	<b>407</b>	<b>419</b>	<b>431</b>	<b>444</b>
<b>Operating Expenses</b>											
Employee benefit expenses	(183)	(102)	(104)	(107)	(109)	(112)	(114)	(117)	(120)	(122)	(125)
Depreciation	(2)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Other Expenditure	(290)	(361)	(372)	(382)	(394)	(406)	(417)	(430)	(443)	(456)	(470)
Interest	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenditure</b>	<b>(475)</b>	<b>(463)</b>	<b>(476)</b>	<b>(489)</b>	<b>(503)</b>	<b>(517)</b>	<b>(532)</b>	<b>(547)</b>	<b>(562)</b>	<b>(578)</b>	<b>(595)</b>
<b>Operating Surplus/(Deficit)</b>	<b>0</b>	<b>(121)</b>	<b>(125)</b>	<b>(128)</b>	<b>(131)</b>	<b>(134)</b>	<b>(137)</b>	<b>(140)</b>	<b>(144)</b>	<b>(147)</b>	<b>(151)</b>

# FUNDING IMPACT STATEMENT

## COMMUNITY SERVICES

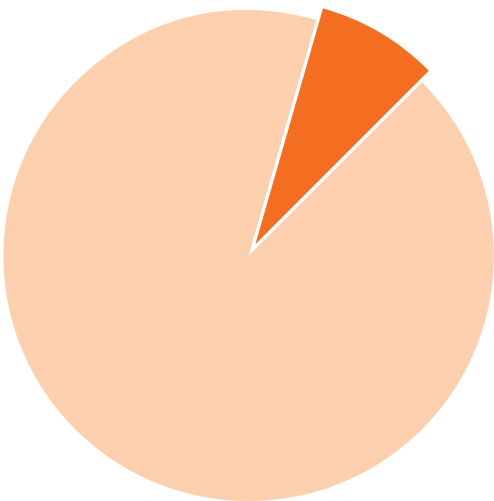
	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	334	195	201	207	213	219	226	233	240	247	254
Targeted rates (other than a targeted rate for water supply)	104	105	108	111	114	117	121	125	128	132	136
Subsidies and grants for operating purposes	38	16	16	17	17	18	19	19	20	20	21
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	(1)	26	26	27	28	29	29	30	31	32	33
<b>Total operating funding [A]</b>	<b>476</b>	<b>341</b>	<b>351</b>	<b>362</b>	<b>372</b>	<b>384</b>	<b>395</b>	<b>407</b>	<b>419</b>	<b>431</b>	<b>444</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(419)	(463)	(476)	(489)	(503)	(517)	(532)	(547)	(562)	(578)	(595)
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	(55)	(36)	(37)	(39)	(40)	(41)	(42)	(43)	(45)	(46)	(47)
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(474)</b>	<b>(499)</b>	<b>(513)</b>	<b>(528)</b>	<b>(543)</b>	<b>(558)</b>	<b>(574)</b>	<b>(590)</b>	<b>(607)</b>	<b>(624)</b>	<b>(642)</b>
<b>Surplus (deficit) of operating funding [A + B]</b>	<b>2</b>	<b>(158)</b>	<b>(162)</b>	<b>(166)</b>	<b>(170)</b>	<b>(175)</b>	<b>(179)</b>	<b>(184)</b>	<b>(188)</b>	<b>(193)</b>	<b>(198)</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
—to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
—to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(2)	158	162	166	170	175	179	184	188	193	198
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>(2)</b>	<b>158</b>	<b>162</b>	<b>166</b>	<b>170</b>	<b>175</b>	<b>179</b>	<b>184</b>	<b>188</b>	<b>193</b>	<b>198</b>
<b>Surplus (deficit) of capital funding [C + D]</b>	<b>(2)</b>	<b>158</b>	<b>162</b>	<b>166</b>	<b>170</b>	<b>175</b>	<b>179</b>	<b>184</b>	<b>188</b>	<b>193</b>	<b>198</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	0	(121)	(125)	(128)	(131)	(134)	(137)	(140)	(144)	(147)	(151)
Add depreciation	(2)	0	0	0	0	0	0	0	0	0	0
Less increase in reserves	(4)	36	37	39	40	41	42	43	45	46	47
<b>Surplus (deficit) of operating funding [A + B]</b>	<b>2</b>	<b>(158)</b>	<b>(162)</b>	<b>(166)</b>	<b>(170)</b>	<b>(175)</b>	<b>(179)</b>	<b>(184)</b>	<b>(188)</b>	<b>(193)</b>	<b>(198)</b>





# PLANNING FOR OUR COMMUNITY

9% of total operating expenditure  
in the 2012/13 Budget



## 2012/13 Annual budget

**\$1,359,000**

**\$606,000** from general rates

**\$8,000** from targetted rates

**\$779,000** from other income

**\$34,000** net of Emergency fund provision of \$51,000  
Less Unfunded Depreciation of \$16,000

# PLANNING AND REGULATORY SERVICES

Inspections and Compliance

Resource Management

Animal Control

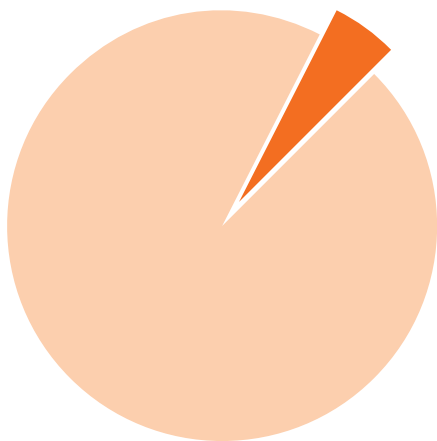
Emergency Management



# INSPECTIONS AND COMPLIANCE

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5% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

\$775,000

\$221,000 from general rates

\$0 from targeted rates

\$554,000 from other income

## Vision

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

## What we do

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

This activity comprises of:

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	There are benefits to the District as a whole in that the Inspectorate Services are available to cater for current and future development and in that residents are assured that the environment they work and live in is safe and monitored in accordance with regulations.	30 - 35% General Rates
Private	The main benefit is to the applicants and users of the services provided by the Inspectorate.	65 - 70% Fees and charges

### Why we do it

The Council has a statutory requirement to undertake these activities.

### Where are we now?

Council continues to be an Accredited and Registered Building Consent Authority. Accreditation is maintained by compliance with and continuous improvement to a Quality Manual.

The Building Act 2004 has had significant changes made to it in recent years and the Government has announced a raft of proposed reforms to the Act. The Council needs to be sufficiently resourced to ensure that its legislative obligations continue to be met.

Council has a statutory duty with regard to the surveillance of food premises and the Government has introduced the Food Safety Bill which will result in significant changes to the way in which Council is required to undertake food safety functions.

Council acts as a District Licensing Agency for the purposes of the Sale of Liquor Act 1989. The Government has signaled reforms to the liquor control legislation and future legislative impacts are not certain.

Compliance, inspection and enforcement is undertaken both internally and using contractors.

### Key Issues affecting this activity

- Changes to legislation
- The availability of specialist staff

### Asset Management

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

### Significant Negative Effects

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

### Where do we want to be?

- To be able to cope with the anticipated population growth in the Glacier region and continued land development throughout the District
- Council wants to continue to respond quickly and positively to a changing legislative environment and maintain improved processing times for the public
- To continue to employ staff with relevant knowledge and skills in implementing changes in legislation and improvement in processes

## How are we going to get there?

Council intends to maintain the status quo with regard to this activity. Accreditation as a Building Consent Authority results in continuous improvement for the process and increased reliability of compliance with requirements.

The changes to the food safety legislation do not have any implications for changes to levels of service however there will need to be a public education program so that food operators understand their responsibilities. The Westland District Licensing Agency has adopted a Sale of Liquor Strategy Statement (April 2000) which will require significant amendment in consultation with the community subsequent to changes to the liquor control legislation.

## Service Levels and Performance Measures for Inspections and Compliance

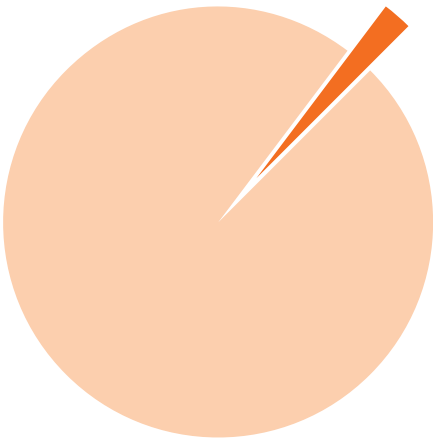
Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Responsiveness & Customer Focus	Process all applications lodged under section 44A of the Local Government Official Information and Meetings Act 1987 within the timeframes specified within the Act	% of Building Consents processed within 20 working days	Monthly Reports	Of the 301 building consent applications, 100% were determined within the statutory time frames (100% 2009-10).	100%	100%
Responsiveness & Customer Focus	Process all applications lodged under section 44A of the Local Government Official Information and Meetings Act 1987 within the timeframes specified within the Act	% of PIMs processed within 20 working days	Monthly Report	100% of PIM applications had been determined within the statutory time frames.	100%	100%
Quality	Users of the service receive appropriate advice regarding their enquiry	% of users of the service are satisfied with advice	Resident Satisfaction Survey	75%	100%	100%
Health & Well Being & Customer Focus	Encourage compliance by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.	All licensed premises are inspected and registered at least annually.	Monthly Reports	98%	100%	100%
Health & Well Being & Customer Focus	Encourage compliance by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.	Work with Police and Community Public Health to reduce the negative impacts of alcohol abuse through collaborative meetings.	Quarterly Report	New Measure	100%	100%



# RESOURCE MANAGEMENT

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2% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\$373,000**

**\$244,000** from general rates

**\$0** from targeted rates

**\$129,000** from other income

Includes

**\$75,000** for the District Plan Review

## Vision

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

## What we do

Day to day activities include:

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	Significant benefit from services is to the District as a whole through the promotion of the sustainable management of the natural and physical resources for the present and future generations. The main benefit from consents is to the individuals who require them but also to the District as a whole with the knowledge that the District they work, eat, drink and live in is safe and managed in accordance with the principles of sustainable management under the provisions of the Resource Management Act.	55 - 60% General rates
Private	Direct benefits to applicants	40 - 45% Fees and charges

### Why we do it

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

### Where are we now?

Council has an operative District Plan which was adopted in June 2002. Since that date Westland has had increasing growth and this has highlighted some aspects of the Plan that need to be altered to reflect this. Council is now starting to look at what areas of the District Plan may need to be addressed and plan for amended policy to be developed for discussion with the community. There have been six changes since the Plan became operative.

The complexity of resource consents has been increasing and processing times have been slowing down accordingly. Also preliminary discussions on any resource consent are now a significant part of the consent. This applies not only to the applicant but also to the general public who make enquiries as to their rights regarding a resource consent application.

Council staff undertakes some limited environmental monitoring.

### Key Issues affecting this activity

- Changes to RMA legislation
- Reverse sensitivity
- 10 year review of District Plan

### Asset Management

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

## Significant Negative Effects

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

## Where do we want to be?

Council wants to ensure that its District Plan, policies and by-laws are updated to ensure they are meeting the aspirations of the community. Specifically, the District Plan needs to balance the Council's goals to provide expanded development opportunities with the desire to manage environmental effects to reflect the '100% Pure NZ' brand.

The Council will Support neighbourhood/community plans to manage change in rural towns.

A number of National Environmental Standards and Policy Statements are being produced at central government level. Westland District Council will provide input into the submission process to ensure that these documents reflect and manage where reasonable the environmental concerns of Westland District ratepayers and residents.

Council intends to continue to have a high level of technical expertise and resource within Council available to residents. The District Plan is continually updated.

Monitoring of activities and consents within the District will respond to environmental issues.

## How are we going to get there?

In order to meet customer expectations regarding processing of consents and compliance monitoring Council may look to contract out some work to private practice so that it can meet or at least keep to current processing timeframes. The review of the District Plan has commenced with some preliminary work and will proceed with more certainty. Council will resource and provide input to Community planning. Council will continue to monitor and respond to District Plan issues as well as responding to private plan changes. Staff will start to look at possible amendments where issues have arisen.

Council's development contributions policy will be kept under review.

## Key Capital Projects

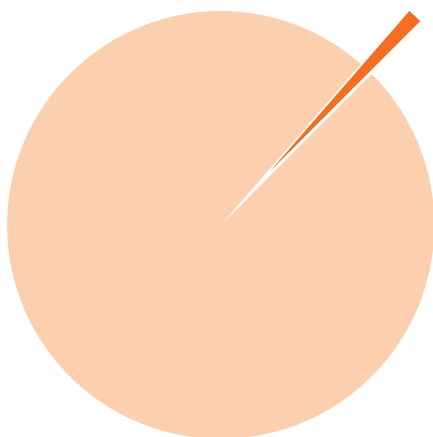
Project	\$	Timeframe
Review of District Plan	230,909	2012/15 (Years 1-3)
Other Renewals	5,284	per annum inflated

## Service Levels and Performance Measures for Resource Management

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Responsiveness	To ensure customers can get on with their project or business opportunities we process Resource Consents within statutory timeframes as specified in Resource Management Act.	% of Resource Consents processed within the timeframes of the Act	Monthly Report	For the reporting period 100% of non-notified Resource Consent applications without a hearing had been determined within the statutory timeframes. (100% 2009/10)	100%	100%
Responsiveness	Public complaints relating to environment are investigated and responded to in a timely manner	Council respond to within 10 days	Monthly Report	No relevant complaints were received during the reporting period.	100%	100%
Quality	Provide and maintain District Plan which is reflective of the community	Work plan is developed on changes required to the District Plan and these are effected	Work plan developed and updated annually	The Strategy Committee has been appraised of work being undertaken and has approved two Plan Changes to proceed to notification.	Reviewed annually	Reviewed annually
Responsiveness	Process all applications lodged under section 44A of the Local Government Official Information and Meetings Act 1987 within the timeframes specified within the Act	% of LIMs processed within 10 working days	Monthly Reports	For the reporting period 100% of LIMs had been issued within 10 working days (100% 2009/10)	100%	100%
Responsiveness	Process all applications lodged under section 44A of the Local Government Official Information and Meetings Act 1987 within the timeframes specified within the Act	% of fast-track LIMs processed within 3 working days	Monthly Reports	For the reporting Period 100% of fast-track LIMs were processed within 3 working days (100% 2009/10)	100%	100%

# ANIMAL CONTROL

1% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

\$92,000

\$5,000 from general rates

\$0 from targeted rates

\$87,000 from other income

## Vision

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

## What we do

Undertake dog and animal control functions

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The benefit to the District is that an accurate record is maintained of dogs in the District and that controls are in place when required.	0 – 5% General rates
Private	Dog owners, as well as the community at large, in terms of educational programmes and the ability to report dog issues and seek assistance.	95 – 100% Fees and charges

## Why we do it

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

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

- Increasing expectations of the public and more apprehension of dogs and less tolerance towards dogs.
- Smaller properties and confinement of dogs which may exacerbate dog behaviour problems and increase complaints.

## Where are we now?

Council has its own bylaws relating to dogs which require enforcement and there are public health and environmental benefits through the control of roaming dogs and other animals. Dangerous and menacing dogs are able to be identified to the benefit of public safety.

There are 1443 dogs in the Westland District. The number of dogs owned in the community has slightly altered over the past few years however public awareness has heightened about wandering dogs since media attention to this issue. This has meant that the number of complaints relating to wandering and barking dogs has increased over the last few years.

The dog register data is consistent with that required of the National Dog Database. Complaints about dogs and other animals are dealt with through the Council Service Request system. Some complaints go direct to the animal control officers.

The Council does not provide any education of the public regarding dogs apart from on the job mentoring.

Council undertook a comprehensive review of its Policy on Dogs in April 2010 and no changes in policy direction are proposed for the next three year period. An outcome from the last Policy review was the desire that the Council has a strategic alliance with the SPCA was considered to be important as "welfare" was seen as an important aspect of successful control. Subsequently, the SPCA was the successful tenderer for the dog control contract and, although contract delivery costs have not reduced it would appear from complaint numbers that there is a service improvement.

Council charges a higher fee in Hokitika and Kaniere. Primarily this is because a different level of service is provided and dogs in the urban areas create more nuisance than those in the rural areas. The geographic nature of the District also financially precludes the Council from being able to provide the same level of service across the whole District.

## Key Issues affecting this activity

- The availability of specialist contracting staff

## Asset Management

Although the Council owns a modest dog pound near the Hokitika airport it is not currently used as the Contractor (Hokitika Branch SPCA) uses its own facilities. There is no forecast renewals expenditure over the next 10 years.

Dog and animal control is provided by contractors and overall supervision is performed by Council staff.

## Significant Negative Effects

- No significant negative effects have been identified

## Where do we want to be?

The strategic alliance with, for example, with the SPCA continues to be regarded as important in the future so that the control of dogs will be attended to with a welfare approach. After the Long Term Plan consultation Council is reviewing the levels of service for Dog Control in Westland.

## How are we going to get there?

Council has a statutory duty to register dogs and to have a Policy on Dogs. The relationship with the SPCA is seen to be essential for the future.

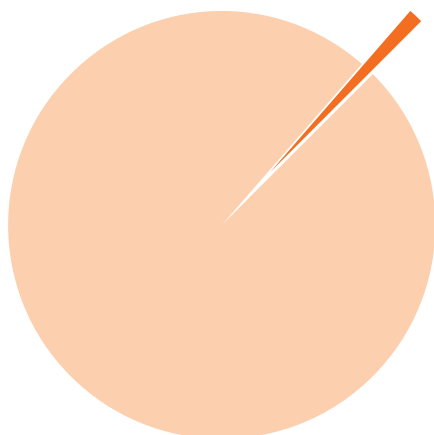
## Service Levels and Performance Measures for Animal Control

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Responsiveness & Customer Focus	Requests for service are dealt with promptly	All service requests are responded to within 1 working day	Customer complaint form	53 Complaints were received. 5 complaints were over one day.91%. The five complaints that were not dealt within 1 day were because the service request system was not updated within the timeframe.	100%	100%
Quality & Safety	The public are safe from dogs	That the public are satisfied with the service	Resident Satisfaction Survey	38%	95%	95%
Quality	The public are safe from dogs	Records will be kept relating to dog numbers, location, sex and breed and in conformity with the national dog database (NDDB).	NDDB	Records are updated to the NDDB every working day and any discrepancies are corrected the next working day.	100%	100%



# EMERGENCY MANAGEMENT

1% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

\$120,000

\$136,000 from general rates

\$8,000 from targeted rates

\$10,000 from other income

Includes

\$51,000 from general rates for the Emergency Contingency Fund Less Unfunded Depreciation of \$16,000

## Vision

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

## What we do

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

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

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

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	Emergency management allows the community to have confidence our and their response to an emergency. The better prepared we are for an emergency the better our recovery will be.	95 - 100% General Rates
Private	Property owners and business benefit from good emergency management as economic recovery will be faster if we are better prepared.	0 - 5% Grants and subsidies

### Why we do it

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

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

### Where are we now?

#### Civil Defence

The statutory function lies with the CDEM group which is responsible for the overall planning, and sets out the role of each Council. Each Council is represented along with representatives from the 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 Council headquarters building is set aside to provide an Emergency Operations Centre (including a communication room) in response to a civil defence emergency.

The 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. There are five sectors within Westland District Council staff and volunteers are involved in training and exercises. Standard Operating Procedures (SOP's) set out CDEM procedures relating to local areas, for example Franz Josef. Council has no public warning systems for events such as Tsunami, and has no plan to install these. This activity is essentially based on the following assumptions:

- There is a high probability that a damaging flood will occur somewhere in the District within the next 10 years
- There is a 70% probability that a major earthquake on the Alpine Fault will occur within the next 50 years with widespread damage expected
- There is a low probability of a Tsunami causing property damage somewhere along the coast line in the next ten years
- There is a high probability of a tornado coming ashore from the Tasman Sea in the next ten years. The extent of damage will entirely depend of the built environment in the path of the tornado
- The legislative environment will not change;
- The Council will continue to provide this service at the current standard and continue to employ suitably trained staff to perform the functions
- The predicted effects of global warming, sea level rise, higher intensity rainfall etc. will have a low impact on the District in the next ten years.

## Rural Fire

The activity is governed by the West Coast Rural Fire District and controlled and managed by the Zone Controllers. The members comprise of the Department of Conservation, Crown Forestry, and Buller, Grey and Westland District Councils. Members are responsible for Zones according to land ownership and work under an agreement to assist each other in the event of a major fire. The Principal Rural Fire Officer is provided by the NZ Fire Service in Greymouth. Rural Fire officers are based at each Council, DOC and at PF Olson, the Crown Forestry West Coast contractor.

There is a restricted fire season all year round and fire permits are issued by Council staff for the Council zone. Fire response is delivered by volunteers and employees of Council and its contractors.

## Key Issues affecting this activity

- How the District and other affected Districts will be able to cope, if the Alpine fault earthquake occurs.
- Shortage of trained staff
- 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
- Difficulty to get volunteers in tourist areas of Fox and Franz Josef Glaciers where population tends to be transient
- The level of fire risk in dry weather, due to high fuel content in dense undergrowth
- Kokatahi and Haast Volunteer Rural parties motivated equipped and trained for structural fire, not forest and rural fires.
- Difficulty in getting volunteers in some areas

## Asset Management

The assets included in this activity are considered critical. Key assets are the radio telephones set aside for civil defence. There are a high frequency radios and a satellite phone dedicated for emergency use. Vehicles, buildings, radio and telephone communications are all shared with other Council activities. Communications equipment is tested once a week to ensure that it will meet the performance required. 4 sets of Farmside Satellite phones and locations are integrated in HQ at Hokitika.

Fire depots and fire engines are owned by Council, and are located at Kokatahi, Haast and Hannah's Clearing. Fire trailers are located at Kaniere, Kokatahi and Haast. Pumps, hoses, fittings and personal protective equipment are held and maintained by the fire parties in accordance with National Rural Fire Authority (NRFA) requirements and standards and the Fire Plan. It is critical that equipment is kept up to date.

## Significant Negative Effects

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

## Where do we want to be?

We want to be able to respond and recover quickly from an emergency event.

We need to have developed a sound business plan with our Lifelines partners and maintain effective relationships with them so response is prompt and appropriate in an Emergency. Continue to establish partnerships and maintain good relationships with Lifeline partners and other authorities, and ensure integration of both Regional and District emergency plans. The Council has the confidence that because most people in the rural areas have been in the District a long time that they would work together to respond to an emergency.

Council needs to have a strong network of volunteers supported by the various District and community agencies to cope with response and recovery activities. Council may need to rely on other organisations in the District with large organised staff resources as it hasn't the capacity to be prepared for an extreme Alpine Fault earthquake. Most smaller townships now have initial response plans with all other townships outstanding to have plans in place within the next financial year.

Council wants to be able to fulfil its role in prevention and fighting fires with a keen force of well trained volunteers. Council believes that demand for fighting of forest and scrub fires will reduce as the public become more educated and aware of the risks. In addition there will be less scrub area as there is on-going conversion of marginal scrub and gorse covered areas to dairy pasture. There has been a slight increase in minor fires in recent years and less controlled burn-offs for land development.

Demand for attendance at motor vehicle accidents and structural fires may increase with increasing traffic and development of rural areas. The Council has signalled that it wants to see a review of how this activity is delivered and the cost of delivery during the next three years.

## How are we going to get there?

Council must promote and maintain a good working relationship with the CDEM group and Lifelines partners so they are well supported in an emergency. Council will continue with educating the public so that communities understand in the event of a major event they may have to cope themselves until roads are cleared and the Community can then take some responsibility for response to a major event until Council can get to those in need. Council needs to continue to develop standard operating procedures that underpin the Civil Defence Plan. The communities need to understand these and keep things such as local contacts up to date. Council will continue to work with community emergency organisations, such as Fire Service and St John, Red Cross and other groups to ensure that groups are aware of the issues that may face in an emergency, such as complete isolation by road for several days, if not weeks. Council will work with health authorities to increase readiness for a major emergency in the glacier towns and ensure evacuation plans are prepared for these areas.

## Service Levels and Performance Measures for Emergency Management

CIVIL DEFENCE						
Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Health & Well Being & Customer Focus	An excellent response to all disasters or emergencies across the District	Number of exercises held per year	Monitoring of these measures will be achieved through the management reports at Council's monthly meetings. 2 exercises per annum	National exercise Tangaroa was undertaken on 20th October, based on tsunami from Chile. The Civil Defence Officer attended part of this exercise at WCRC offices. Civil Defence exercises are held jointly with CDEM group. Only 1 exercise was planned due to other events like CHCH earthquakes etc. Eight (8) staff assisted in Christchurch after the Canterbury Earthquake.	2	2
Customer Focus & Building Relationships	An excellent response to all disasters or emergencies across the District	Maintain community awareness	Management reports at council monthly meetings of school visits	All 13 schools were visited.	12	12
Customer Focus & Quality	An excellent response to all disasters or emergencies across the District	Standard Operating Procedures, (SOP's) documents are reviewed annually and signed off	Latest signed documents held on file	"Reviewed and signed off as of 9 May 2011"	100%	100%
Quality & Building Relationships	An excellent response to all disasters or emergencies across the District	Plans updated annually and on council website	Reports to Regional Civil Defence Emergency Management group	Plan is available on Council's website	Plan available on website at all times	Plan available on website at all times
Responsiveness	An excellent response to all disasters or emergencies across the District	% of residents that believe they are prepared for a civil defence emergency	Resident Satisfaction Survey	65%	70%	75%

<b>RURAL FIRE</b>						
<b>Core Value</b>	<b>Level of Service</b>	<b>Performance Measure</b>	<b>Information we will use to measure success</b>	<b>Current Performance 2010/2011</b>	<b>Target 2012/13-2015/16</b>	<b>Target 2016/17-2021/22</b>
Quality & Customer Focus	The public is aware of Fire Permits and understands how to maintain a controlled fire	Number of permitted fires that become out of control	West Coast Rural Fire Authority reports	New Measure	Baseline to be established in 2011/2012 year	5% reduction
Quality & Customer Focus	The public is aware of Fire Permits and understands how to maintain a controlled fire	Number of permits issued	Number per year	179 fire permits were issued in the reporting period (192 2009-10 year)	200	200
Reliability & Quality	Fires can be fought and extinguished efficiently and effectively	Equipment complies with NRFA audits	Compliance	100%	100%	100%
Reliability & Quality	Fires can be fought and extinguished efficiently and effectively	Number of training sessions is at least two per year	Number of training sessions recorded	The Principal Rural Fire Officer holds training records. A live fire training exercise organised by WCRFA was carried out in Reefton during February 2011. The exercise was attended by the Rural Fire Team from Westroads	2	2



# GROUP FINANCIAL FORECAST

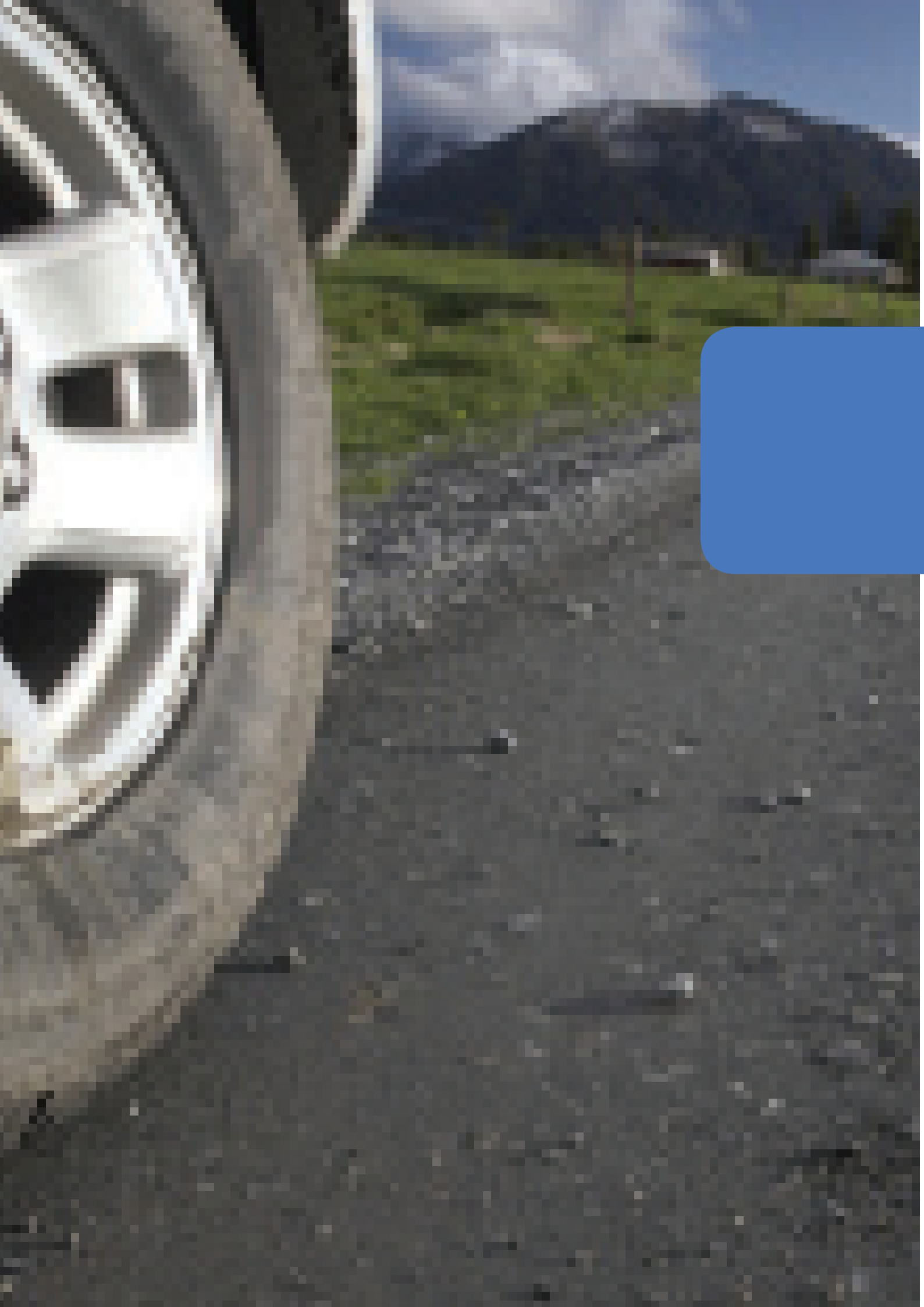
## PLANNING & REGULATORY SERVICES

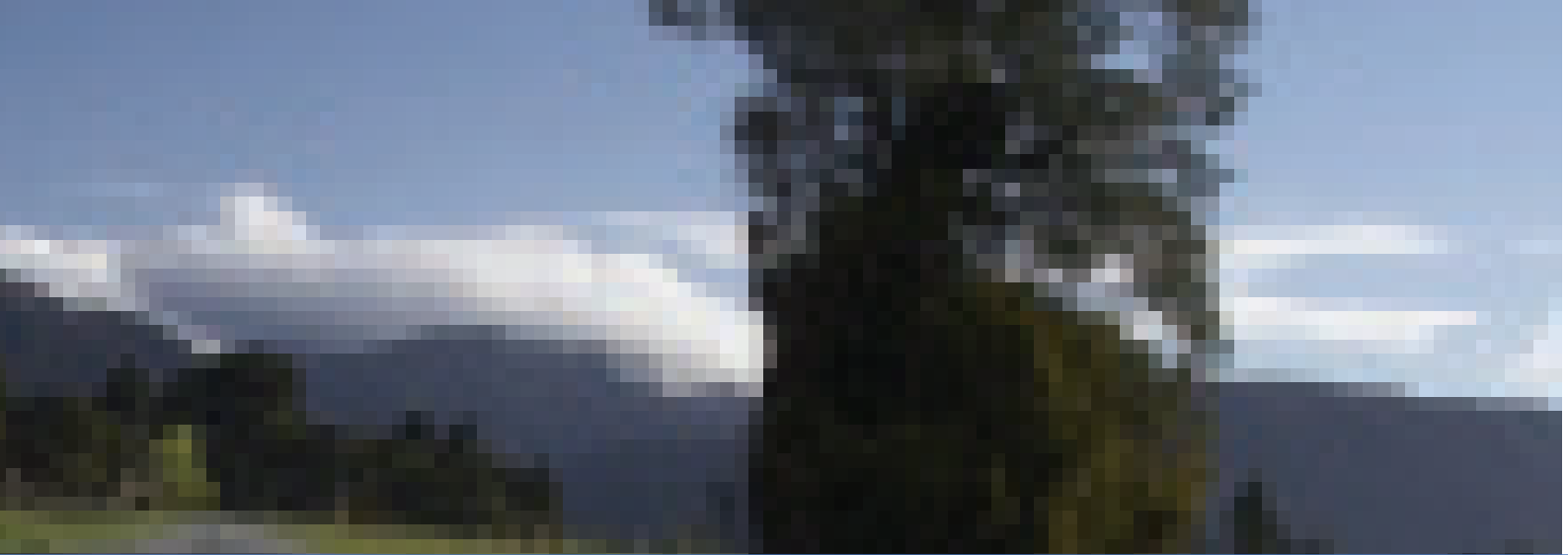
Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	708	606	649	615	579	596	614	632	651	670	690
Targeted Rates	8	8	8	9	9	9	9	10	10	10	10
Vested Assets	-	-	-	-	-	-	-	-	-	-	-
Other Income	768	779	802	826	850	876	901	928	956	984	1,014
<b>Total Operating Revenue</b>	<b>1,484</b>	<b>1,393</b>	<b>1,459</b>	<b>1,449</b>	<b>1,437</b>	<b>1,481</b>	<b>1,524</b>	<b>1,570</b>	<b>1,616</b>	<b>1,665</b>	<b>1,715</b>
<b>Operating Expenses</b>											
Employee benefit expenses	(485)	(572)	(588)	(601)	(615)	(629)	(644)	(658)	(673)	(689)	(704)
Depreciation	(23)	(43)	(45)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)
Other Expenditure	(903)	(743)	(791)	(761)	(729)	(751)	(773)	(796)	(820)	(844)	(870)
Interest	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenditure</b>	<b>(1,411)</b>	<b>(1,359)</b>	<b>(1,424)</b>	<b>(1,408)</b>	<b>(1,390)</b>	<b>(1,427)</b>	<b>(1,465)</b>	<b>(1,503)</b>	<b>(1,543)</b>	<b>(1,584)</b>	<b>(1,626)</b>
<b>Operating Surplus/(Deficit)</b>	<b>73</b>	<b>34</b>	<b>36</b>	<b>41</b>	<b>47</b>	<b>53</b>	<b>60</b>	<b>67</b>	<b>74</b>	<b>81</b>	<b>89</b>

# FUNDING IMPACT STATEMENT

## PLANNING & REGULATORY SERVICES

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	708	606	649	615	579	596	614	632	651	670	690
Targeted rates (other than a targeted rate for water supply)	8	8	8	9	9	9	9	10	10	10	10
Subsidies and grants for operating purposes	2	2	2	2	2	2	2	2	2	2	2
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	766	778	800	824	848	874	900	927	954	982	1,012
<b>Total operating funding [A]</b>	<b>1,484</b>	<b>1,393</b>	<b>1,459</b>	<b>1,449</b>	<b>1,437</b>	<b>1,481</b>	<b>1,524</b>	<b>1,570</b>	<b>1,616</b>	<b>1,665</b>	<b>1,715</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(862)	(1,316)	(1,379)	(1,362)	(1,344)	(1,380)	(1,417)	(1,455)	(1,493)	(1,533)	(1,574)
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	(526)	(365)	(376)	(388)	(399)	(411)	(424)	(436)	(449)	(463)	(477)
Other operating funding applications		0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(1,388)</b>	<b>(1,681)</b>	<b>(1,755)</b>	<b>(1,750)</b>	<b>(1,743)</b>	<b>(1,792)</b>	<b>(1,840)</b>	<b>(1,891)</b>	<b>(1,942)</b>	<b>(1,996)</b>	<b>(2,051)</b>
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>96</b>	<b>(288)</b>	<b>(296)</b>	<b>(301)</b>	<b>(306)</b>	<b>(311)</b>	<b>(316)</b>	<b>(321)</b>	<b>(326)</b>	<b>(331)</b>	<b>(336)</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
—to improve the level of service	(22)	0	0	0	0	0	0	0	0	0	0
—to replace existing assets	(5)	(80)	(108)	(59)	(6)	(6)	(6)	(6)	(6)	(7)	(7)
Increase (decrease) in reserves	(69)	369	404	360	311	317	322	327	333	338	343
Increase (decrease) of investments		0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>(96)</b>	<b>288</b>	<b>296</b>	<b>301</b>	<b>306</b>	<b>311</b>	<b>316</b>	<b>321</b>	<b>326</b>	<b>331</b>	<b>336</b>
<b>Surplus (deficit) of capital funding [C+D]</b>	<b>(96)</b>	<b>288</b>	<b>296</b>	<b>301</b>	<b>306</b>	<b>311</b>	<b>316</b>	<b>321</b>	<b>326</b>	<b>331</b>	<b>336</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	73	34	36	41	47	53	60	67	74	81	89
Add depreciation	23	43	45	45	46	47	48	49	50	51	52
Less increase in reserves	1	365	376	388	399	411	424	436	449	463	477
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>96</b>	<b>(288)</b>	<b>(296)</b>	<b>(301)</b>	<b>(306)</b>	<b>(311)</b>	<b>(316)</b>	<b>(321)</b>	<b>(326)</b>	<b>(331)</b>	<b>(336)</b>





# PROVIDING ESSENTIALS FOR THE COMMUNITY



**30%** of total operating expenditure  
in the 2012/13 Budget



## 2012/13 Annual budget

**\$4,844,000**

**\$1,006,000** from general rates

**\$0** from targeted rates

**\$2,838,000** from other income

**\$999,000** unfunded depreciation

PROVIDING ESSENTIALS FOR THE  
COMMUNITY

# TRANSPORTATION





# TRANSPORTATION

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## Vision

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

## What we do

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

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	100% benefit to road users with all people in the District using the 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 Land Transport Agency will be employed where possible. Councils funding of roading and transportation helps to make Westland a desirable place to live, work and play and a healthy safe place to live, as well as enhancing essential infrastructure.	30 – 35% General rates
Private	New Zealand Land Transport Agency	65 – 70% Grants and subsidies

## Why we do it

Council is defined as a road controlling authority under the LGA 2002 and must comply with key transport management legislation. Council has to the core function of providing a transport network that is accessible for all people within the District in conjunction with the other transportation agencies.

The Westland District roading network encompasses and requires:

- Ownership or agreed use of land under roads
- Road pavements and 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 safe and comfortable movement of vehicular and pedestrian traffic at night

## Where are we now?

Traffic volumes are deemed sustainable in Westland District, and pressure to expand the local roading infrastructure is relatively light.

An increase in rural housing development in certain areas of the District has resulted in a small increase in demand for sealed roads.

There are demands placed on the network from industry (especially the dairy industry), and from tourism, however the current network capacity is generally considered adequate to cater for projected demand from industry and tourism, with some exceptions being dealt with under capital works programme for seal extension.

The Land Transport Management Act 2003 requirement for a territorial authority to prepare and consult upon its Land Transport Programme has been rescinded by the Land Transport Management Act 2008. This legislation created Regional Transport Committees and charged them 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. Territorial Authorities' Long Term Plans (LTP's) still contain the detail of their full Land Transport Programmes. 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 Regional Council some years ago for reasons of efficiency (local services run locally)

Asset component	Total
<b>Roads</b>	
Urban sealed	66km
Rural sealed	313km
Unsealed (99.75% rural)	302km
Footpaths (32% rural townships)	64km
Shoulders (grass and metal)	1178km
Crossings	466 units
<b>Drainage facilities</b>	
Kerb and channel	70km
Surface water channels	1218km
Drains	49km
<b>Traffic facilities</b>	
Traffic signs	4781 units
Railings	7.5km
<b>Bridges</b>	
Bridges including foot bridges	269 units

## Key Issues affecting this activity

- 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

## Asset Management

The 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. A protocol for updating inventories has been adopted. This will improve significantly 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 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 (dTIMS), regular road inspections by Council professional services staff, consultants and contractor, 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 staff in Christchurch and Opus Consultants staff in Greymouth, (the consultants for the state highways). Council staff work closely with Department of Conservation staff on the maintenance of the glacier access roads.

The NZTA base rate subsidy for Westland District is 58% of the total cost on Local Roads and 100% on Special Purpose Roads. Public transport services are subsidised at 50%. The subsidy rate for new construction is 69%, but this generally subject to demonstrating a high benefit cost ratio. 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 \$509,000 (100% required funding) for the maintenance and renewal of the Haast Jackson Bay Special Purpose Road.

## Significant Negative Effects

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.

## Where do we want to be?

- Road infrastructure is planned to meet the needs of the growth of the District
- Road safety statistics are not high but a reduction is aimed for where the Council can influence the causal factors that related to road safety issues
- Footpaths and cycleways are linked, pleasant and safe to use
- Have a well maintained wharf that can be used for both commercial and recreational purposes
- Have nationally recognised cycleways which are safe and well used by both tourists and locals

## How are we going to get there?

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 and tankers using roads they have not used previously.

Council intends to develop a consultation programme to engage with the community about the levels of service for roading.

The Council will progressively move towards managing all of its transportation responsibilities in a more holistic, integrated and consider the life cycle of the asset.

Council wants to have further development of the 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.

Council wants a more integrated approach to road management in Westland. Within Westland District NZTA manages the 307km of state highways while Westland District Council is responsible for 705 km of local roads. There are likely real efficiencies to both authorities if one organisation is responsible for the management of all the roads in the area. Westland District Council is exploring an appropriate model that enables an integrated management of all the roads in the District with NZTA.

Council will work with Grey District to apply for funding to develop cycleways which will form part of a national cycleway. Council also supports the Regional Land Transport Committee in promoting walking and cycling opportunities on all state highway improvements.

## Key Capital Projects

Asset	\$	Timeframe	Funded by
West Coast Cycle Trail	\$5,074,000	2012/13 (Year 1)	100% Grants and subsidies
Walkway/Cycleway Project - Franz Josef	55,000	2012/13 (Year 1)	100% Reserves
District Renewals	2,052,050	per annum inflated	100% Depreciation

## Service Levels and Performance Measures for Transportation

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Responsiveness & Safety	The transportation network is constructed and maintained so that it is safe and good to use	Number of Police reported vehicle crashes per year on Council maintained roads involving injury where the contributing factor is "road factor".	NZTA Crash Analysis System	There was 1 fatal crash on Westland roads and 46 crashes during the year ended 31 December 2010. The NZTA Crash Analysis System provides this information per calendar year.	Less than 50	Less than 50
Responsiveness & Safety	The transportation network is constructed and maintained in a prompt manner	Contractors respond to and repair faults within timeframes that are specified within the maintenance contract.	Reporting from Contractors	New Measure	90% compliance rate	90% compliance rate
Quality & Customer Focus & Affordability	Transportation activities are managed at a standard that satisfies the community	% satisfied with Council's roading network	Resident Satisfaction Survey	77%	80%	90%

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Reliability	Transportation activities are managed at a standard that satisfies the community	The number of service requests received regarding roading and transportation assets	Service Request System	New Measure	Less than 12	4 requests for service
Sustainability	Transportation activities are managed at a standard that satisfies the community and legislation	Consents are applied for held and monitored	Compliance with West Coast Regional Council resource consent conditions	New Measure	100% compliance	100% compliance
Quality & Customer Focus	Roads are comfortable to drive on	Roads in Westland meet the national average according to the Smooth Travel Index Guide. This is the comparison of the condition of roads across New Zealand, measuring smoothness relative to traffic volume and whether the road is rural or urban.	Road Assessment and Maintenance Management system as a requirement by the New Zealand Transport Agency.	96% (National average 86.7%)	Better than the national average	Better than the national average
Quality & Customer Focus	The surface condition of roads in Westland is good quality	Road surfaces meet the national average according to the surface condition index. This represents surface condition of roads and demonstrates Council is maximising the life of road surfaces.	Road Assessment and Maintenance Management system as required by the New Zealand Transport Agency	98.5% (National average 97.7%)	Better than the national average	Better than the national average
Accessibility	The transportation network is constructed maintained so that it is safe and good to use	The road network is accessible subject to planned or emergency works closure	Service Request System	New Measure	0 requests for service	0 requests for service
Reliability	The transportation network is maintained so that failures are prevented as much as possible	A customer service system is managed for handling emergency calls after hours promptly and efficiently	Service Request System	New Measure	0 requests for service	0 requests for service
Quality	Footpaths are maintained and in good condition	Service requests regarding the state of footpaths	Service Request System	New Measure	12 requests for service	11 requests for service

# GROUP FINANCIAL FORECAST

## TRANSPORT

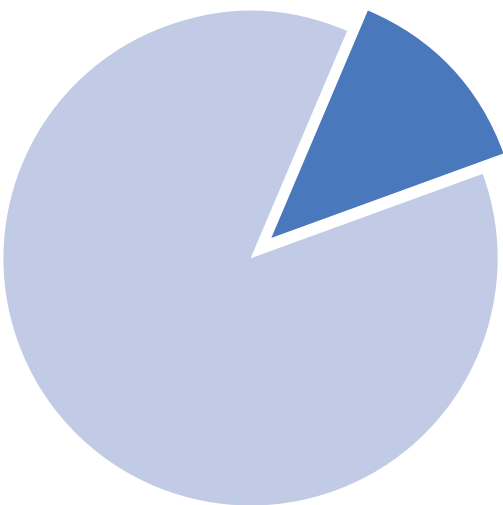
Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	1,399	1,006	1,036	1,066	1,097	1,131	1,164	1,199	1,234	1,271	1,309
Targeted Rates	0	-	-	-	-	-	-	-	-	-	-
Vested Assets	200	-	805	1,188	694	559	574	589	604	619	634
Other Income	6,813	8,263	3,276	3,359	3,451	3,541	3,627	3,719	3,815	3,913	4,018
<b>Total Operating Revenue</b>	<b>8,412</b>	<b>9,270</b>	<b>5,116</b>	<b>5,613</b>	<b>5,243</b>	<b>5,230</b>	<b>5,365</b>	<b>5,507</b>	<b>5,653</b>	<b>5,803</b>	<b>5,961</b>
<b>Operating Expenses</b>											
Employee benefit expenses	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(2,815)	(2,700)	(2,779)	(2,861)	(2,945)	(3,034)	(3,123)	(3,217)	(3,312)	(3,411)	(3,513)
Other Expenditure	(2,369)	(2,144)	(2,206)	(2,271)	(2,338)	(2,409)	(2,479)	(2,554)	(2,629)	(2,708)	(2,789)
Interest	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenditure</b>	<b>(5,185)</b>	<b>(4,844)</b>	<b>(4,986)</b>	<b>(5,132)</b>	<b>(5,283)</b>	<b>(5,443)</b>	<b>(5,602)</b>	<b>(5,772)</b>	<b>(5,941)</b>	<b>(6,119)</b>	<b>(6,302)</b>
<b>Operating Surplus/(Deficit)</b>	<b>3,228</b>	<b>4,426</b>	<b>131</b>	<b>481</b>	<b>(40)</b>	<b>(212)</b>	<b>(238)</b>	<b>(264)</b>	<b>(288)</b>	<b>(316)</b>	<b>(341)</b>

# FUNDING IMPACT STATEMENT

## TRANSPORT

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	1,399	1,006	1,036	1,066	1,097	1,131	1,164	1,199	1,234	1,271	1,309
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	855	1,385	1,427	1,470	1,514	1,559	1,606	1,654	1,704	1,755	1,808
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	115	5,544	475	474	480	480	474	472	470	469	470
<b>Total operating funding [A]</b>	<b>2,369</b>	<b>7,936</b>	<b>2,937</b>	<b>3,010</b>	<b>3,091</b>	<b>3,170</b>	<b>3,245</b>	<b>3,326</b>	<b>3,409</b>	<b>3,495</b>	<b>3,587</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(2,017)	(2,144)	(2,206)	(2,271)	(2,338)	(2,409)	(2,479)	(2,554)	(2,629)	(2,708)	(2,789)
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	(352)	(352)	(363)	(373)	(385)	(396)	(408)	(420)	(433)	(446)	(459)
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(2,369)</b>	<b>(2,496)</b>	<b>(2,569)</b>	<b>(2,645)</b>	<b>(2,722)</b>	<b>(2,805)</b>	<b>(2,887)</b>	<b>(2,975)</b>	<b>(3,062)</b>	<b>(3,154)</b>	<b>(3,248)</b>
<b>Surplus (deficit) of operating funding [A + B]</b>	<b>0</b>	<b>5,440</b>	<b>369</b>	<b>365</b>	<b>369</b>	<b>365</b>	<b>357</b>	<b>351</b>	<b>347</b>	<b>341</b>	<b>339</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	5,843	1,334	1,374	1,415	1,458	1,501	1,546	1,593	1,640	1,690	1,740
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>5,843</b>	<b>1,334</b>	<b>1,374</b>	<b>1,415</b>	<b>1,458</b>	<b>1,501</b>	<b>1,546</b>	<b>1,593</b>	<b>1,640</b>	<b>1,690</b>	<b>1,740</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	(4,000)	0	0	0	0	0	0	0	0	0	0
—to improve the level of service	0	(5,129)	0	0	0	0	0	0	0	0	0
—to replace existing assets	(1,843)	(2,052)	(2,112)	(2,174)	(2,238)	(2,306)	(2,374)	(2,445)	(2,517)	(2,592)	(2,670)
Increase (decrease) in reserves	0	407	370	394	412	439	470	501	530	561	590
Increase (decrease) of investments		0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>(5,843)</b>	<b>(6,774)</b>	<b>(1,742)</b>	<b>(1,780)</b>	<b>(1,826)</b>	<b>(1,867)</b>	<b>(1,903)</b>	<b>(1,944)</b>	<b>(1,987)</b>	<b>(2,031)</b>	<b>(2,079)</b>
<b>Surplus (deficit) of capital funding [C + D]</b>	<b>0</b>	<b>(5,440)</b>	<b>(369)</b>	<b>(365)</b>	<b>(369)</b>	<b>(365)</b>	<b>(357)</b>	<b>(351)</b>	<b>(347)</b>	<b>(341)</b>	<b>(339)</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	3,228	4,426	131	481	(40)	(212)	(238)	(264)	(288)	(316)	(341)
Add depreciation	2,815	2,700	2,779	2,861	2,945	3,034	3,123	3,217	3,312	3,411	3,513
Add vested assets	200	0	805	1,188	694	559	574	589	604	619	634
Less increase in reserves	6,242	1,686	3,346	4,164	3,231	3,016	3,102	3,191	3,281	3,373	3,467
<b>Surplus (deficit) of operating funding [A + B]</b>	<b>0</b>	<b>5,440</b>	<b>369</b>	<b>365</b>	<b>369</b>	<b>365</b>	<b>357</b>	<b>351</b>	<b>347</b>	<b>341</b>	<b>339</b>

13% of total operating expenditure in the 2012/13 Budget



## 2012/13 Annual budget

**\$2,022,000**

\$0 from general rates

\$2,222,000 from targeted rates

\$14,000 from other income

\$214,000 surplus to address previous years deficits in this activity

PROVIDING ESSENTIALS FOR THE  
COMMUNITY

# WATER SUPPLY





# WATER SUPPLY

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## Vision

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

## What we do

- Manage the supply of clean, safe drinking water

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The community as a whole benefit from this activity. Water supplies which are treated contribute to making Westland a safe, healthy, well-serviced place to live, work and play.	35 – 40% Targeted rates
Private	User fees from commercial water users and contributions from development within the District.	60 – 65% Fees and charges

## Why we do it

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

## Where are we now?

- There are 9 water supplies. The majority of the reticulation is gravity fed from elevated reservoirs. There are 11 pump stations throughout the District at various supplies that circulate water through the treatment plant and deliver it to the reservoirs
- Council operates 28 reservoirs at Kumara, Arahura and Haast having ground water sources while Hokitika is sourced from Lake Kaniere and the balance from local creeks
- The Ministry of Health carries our independent assessments of water supplies in the District. All schemes current ratings were tested and 50% have been found to be unsatisfactory. The Council has provided for improvements to all schemes to meet the new drinking water standards
- Council manages the demand for water by metering commercial users to ensure the larger users pay their share, and promoting conservation at times of peak demand.
- There are asset renewal programs in place to ensure the infrastructure continues to meet the existing levels of service

Location	Population served by water system	Age of water system	Water supply	Peak daily demand m <sup>3</sup>	Consented volumes Cubic metres per day
Kumara	318	35	No treatment	157	130
Arahura	85	8	No treatment	23	86
Hokitika (including Kaniere)	3997	41	Treated	6703	1210
Ross	380	62	Work in progress	179	734 (two takes)
Harihari	390	32	Treated	301	2160
Whataroa	405	7	Treated but not to DWNZ standard	225	1296
Franz Josef	300	41	Treated but not to DWNZ standard	634	200
Fox Glacier	235	39	Treated but not to DWNZ standard	416	150
Haast	80	28	No treatment	76	216

## Key Issues affecting this activity

- Ministry of Health requirements for water treatment including greater control and monitoring and the affordability of meeting these requirements
- Council's full resolution regarding the use of 1080:
  - That Council opposes the aerial sowing of 1080 in all identifiable water supply catchment areas.
  - That catchment areas are considered by Council to be ridgeline to ridgeline, unless the applicant has identified a catchment area acceptable to Council.

Note: Council noted that they do not oppose ground laying. Council 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.

- 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 and Fox Glacier where there will be both increasing and peak demand times
- Some non-Council water supplies unable to meet requirements and looking to Council for assistance
- Water pressure and flow is below standards at fire hydrants on parts of the network, and is marginal in Kaniere Township.

## Asset Management

Water Supply Assets	
Number of properties connected	2549
Length of reticulation	168,639m
Number of reservoirs	28
Number of treatment plants	6
Number of pumping stations	11
Number of fire hydrants	340

Continuing planned renewal of pipelines is expected to ensure the assets will last indefinitely. The renewals program is expected to be less than the depreciation provided for the asset over the period. The pipe replacement program is based on pipe type, condition and failure history. For example, pipelines with a condition rating of 4 will need to be replaced sooner and this has been provided for in the renewals programme which is funded by depreciation.

Council has instigated network analysis of the Hokitika water supply to determine causes of occasional low flow and pressure to determine solutions for this.

## Significant Negative Effects

- Lack of adequate water treatment may cause health problems in communities
- Any disruption in supply to Westland Milk Products could have a large economic impact
- Rates levied for water treatment upgrades may be too great for those on low incomes
- 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

## Where do we want to be?

- All water supplies to be 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 for our District supplies. 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
- Improve Business Continuation Plans and emergency management capabilities
- Minimise disruption to supply at all water treatment plants, and all pumped supplies

## How are we going to get there?

- Projects have been provided for increased capacity and water treatment to meet Ministry of Health requirements for safe drinking water. This means an increase in levels of service for all schemes.
- The Council will continue to make applications for water subsidies to the Ministry of Health to ensure the drinking water standards can be met. An estimate has been made of the possible subsidies to be received and included in this plan which if received reduces the capital cost to ratepayers.
- An asset renewal programme will continue to be implemented to protect existing infrastructure.
- Investigations will be carried out into boosting fire hydrant pressure in areas where pressure is low. The capital projects planned for the future will go ahead dependent on obtaining favourable government subsidies as mentioned and community consultation.

## Key Capital Projects

Asset	\$	Timeframe	Funded by
Kumara improvements - Intakes & Treatment	70,000	2012/13 (Year 1)	100% Depreciation
Franz Treatment plant upgrades	500,000	2012/13 (Year 1)	100% Depreciation
Franz - New reservoir 600 m3	200,000	2012/13 (Year 1) & 2016/17 (Year 5) \$200k inflated	100% Depreciation
Hokitika Renewals - Reticulation upgrades	120,000	2012/15 (Years 1- 3 ) & 2017/22 (Years 6-10)	100% Depreciation
Haast upgrade - Intakes & Treatment	669,500	2013/14 (Year 2)	100% Loan
Fox Treatment plant	360,500	2013/14 (Year 2)	100% Loan
Install Water Meters	50,000	2012/15 (Years 1 - 3) per annum inflated	100% Depreciation
Telemetry SCADA improvements	100,000	2012/13 (Years 1)	100% Depreciation
Telemetry SCADA improvements	104,443	2013/15 (Years 2 - 3) \$50k per annum inflated	100% Depreciation
Kumara - Intakes & Treatment	688,675	2014/15 (Year 3)	40% Subsidy 60% Loan
Arahura - Intakes & Treatment	370,825	2014/15 (Year 3)	40% Subsidy 60% Loan
Inclusion of Seismic Valves	185,416	2014/15 (Year 3)	100% Depreciation
Whataroa - Intakes & Treatment	87,200	2015/16 (Year 4)	100% Depreciation
Haast - New reservoir	190,865	2015/16 (Year 4)	100% Depreciation
Blue Spur Upgrade Treatment Plant	218,131	2015/16 (Year 4)	100% Depreciation
Airport Line Upgrade - Reticulation upgrades	130,879	2015/16 (Year 4)	100% Depreciation
Second Street - Kumara Reticulation upgrades	56,184	2016/17 (Year 5)	100% Depreciation
Harihari New Reservoir	196,648	2016/17 (Year 5)	100% Depreciation
Revell St mains upgrade - Reticulation upgrades	157,315	2016/17 (Year 5)	100% Depreciation
Fox - New Reservoir	289,175	2017/18 (Year 6)	100% Depreciation
Blue Spur Treatment plant improvement	417,063	2018/19 (Year 7)	100% Depreciation
Hoki River to Blue Spur - Reticulation upgrades	3,252,629	2021/22 (Year 10)	100% Loan
Blue Spur Treatment Plant	1,301,052	2021/22 (Year 10)	100% Loan

## Service Levels and Performance Measures for Water Supply

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Quality & Customer Focus	Requests for service are dealt with promptly	% of disruptions to water supply are responded to within 4 hours of reporting	Monthly reports from contractors	New Measure	90%	100%
Safety & Quality	Council supplied potable water is safe to drink	The number of illnesses confirmed to be attributed to consuming from Council treated water supplies	Information provided to Council from the Health Protection Officer, Community Public Health	New Measure	No illnesses	No illnesses
Customer Focus & Reliability	Council supplied potable water is safe to drink and tastes good	% satisfied with water supply and quality	Resident Satisfaction Survey	56%	90%	90%
Sustainability & Affordability	All Council water supply sources are managed in an environmentally sensitive manner	All necessary consents for maintenance and capital projects are applied for, held and monitored accordingly	Monthly reports	New Measure	100%	100%

# GROUP FINANCIAL FORECAST

## WATER SUPPLY

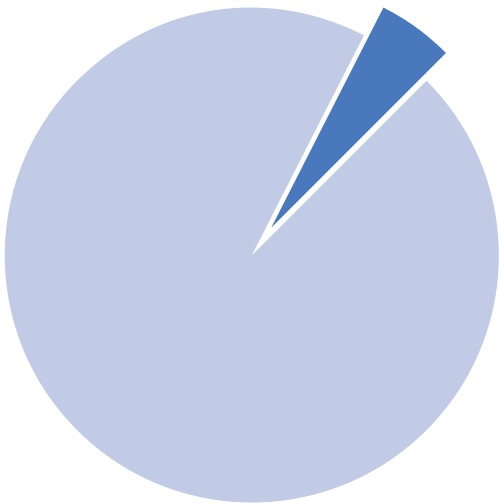
Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	-	-	-	-	-	-	-	-	-	-	-
Targeted Rates	1,826	2,222	2,439	2,782	2,926	3,049	3,137	3,215	3,290	3,375	3,754
Vested Assets	0	-	-	-	-	-	-	-	-	-	-
Other Income	14	14	14	493	15	16	16	16	17	17	18
<b>Total Operating Revenue</b>	<b>1,840</b>	<b>2,236</b>	<b>2,453</b>	<b>3,275</b>	<b>2,941</b>	<b>3,065</b>	<b>3,153</b>	<b>3,231</b>	<b>3,307</b>	<b>3,392</b>	<b>3,772</b>
<b>Operating Expenses</b>											
Employee benefit expenses	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(693)	(725)	(802)	(893)	(962)	(999)	(1,025)	(1,042)	(1,057)	(1,077)	(1,169)
Other Expenditure	(1,064)	(1,163)	(1,261)	(1,409)	(1,544)	(1,619)	(1,670)	(1,720)	(1,771)	(1,824)	(1,914)
Interest	(151)	(133)	(170)	(308)	(202)	(206)	(209)	(213)	(216)	(220)	(411)
<b>Total Operating Expenditure</b>	<b>(1,908)</b>	<b>(2,022)</b>	<b>(2,233)</b>	<b>(2,610)</b>	<b>(2,707)</b>	<b>(2,824)</b>	<b>(2,905)</b>	<b>(2,976)</b>	<b>(3,044)</b>	<b>(3,121)</b>	<b>(3,494)</b>
<b>Operating Surplus/(Deficit)</b>	<b>(68)</b>	<b>214</b>	<b>220</b>	<b>665</b>	<b>234</b>	<b>241</b>	<b>248</b>	<b>256</b>	<b>263</b>	<b>271</b>	<b>279</b>

# FUNDING IMPACT STATEMENT

## WATER SUPPLY

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	1,156	1,062	1,268	1,586	1,694	1,768	1,790	1,785	1,757	1,715	1,939
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges, and targeted rates for water supply	684	1,174	1,186	1,210	1,246	1,297	1,363	1,446	1,550	1,677	1,833
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
<b>Total operating funding [A]</b>	<b>1,840</b>	<b>2,236</b>	<b>2,453</b>	<b>2,796</b>	<b>2,941</b>	<b>3,065</b>	<b>3,153</b>	<b>3,231</b>	<b>3,307</b>	<b>3,392</b>	<b>3,772</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(618)	(1,163)	(1,261)	(1,409)	(1,544)	(1,619)	(1,670)	(1,720)	(1,771)	(1,824)	(1,914)
Finance costs	(151)	(133)	(170)	(308)	(202)	(206)	(209)	(213)	(216)	(220)	(411)
Internal charges and overheads applied	(445)	(393)	(404)	(417)	(429)	(442)	(455)	(469)	(483)	(497)	(512)
Other operating funding applications		0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(1,214)</b>	<b>(1,689)</b>	<b>(1,836)</b>	<b>(2,134)</b>	<b>(2,174)</b>	<b>(2,266)</b>	<b>(2,334)</b>	<b>(2,402)</b>	<b>(2,470)</b>	<b>(2,541)</b>	<b>(2,837)</b>
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>626</b>	<b>547</b>	<b>617</b>	<b>663</b>	<b>766</b>	<b>798</b>	<b>819</b>	<b>829</b>	<b>837</b>	<b>851</b>	<b>935</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	0	0	0	479	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(59)	300	522	482	0	0	0	0	0	0	3,806
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>(59)</b>	<b>300</b>	<b>522</b>	<b>961</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,806</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	(40)	(200)	0	0	(191)	(421)	(289)	0	0	0	(1,301)
—to improve the level of service	0	(720)	(1,133)	(1,354)	(436)	(213)	0	(417)	0	0	(3,253)
—to replace existing assets	(764)	(120)	(124)	(127)	0	0	(139)	(143)	(147)	(152)	(156)
Increase (decrease) in reserves	237	193	117	(142)	(139)	(164)	(391)	(269)	(689)	(699)	(31)
Increase (decrease) of investments		0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>(567)</b>	<b>(847)</b>	<b>(1,139)</b>	<b>(1,623)</b>	<b>(766)</b>	<b>(798)</b>	<b>(819)</b>	<b>(829)</b>	<b>(837)</b>	<b>(851)</b>	<b>(4,741)</b>
<b>Surplus (deficit) of capital funding [C + D]</b>	<b>(626)</b>	<b>(547)</b>	<b>(617)</b>	<b>(663)</b>	<b>(766)</b>	<b>(798)</b>	<b>(819)</b>	<b>(829)</b>	<b>(837)</b>	<b>(851)</b>	<b>(935)</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	(68)	214	220	665	234	241	248	256	263	271	279
Add depreciation	693	725	802	893	962	999	1,025	1,042	1,057	1,077	1,169
Less increase in reserves	(1)	393	404	895	429	442	455	469	483	497	512
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>626</b>	<b>547</b>	<b>617</b>	<b>663</b>	<b>766</b>	<b>798</b>	<b>819</b>	<b>829</b>	<b>837</b>	<b>851</b>	<b>935</b>

5% of total operating expenditure  
in the 2012/13 Budget



2012/13 Annual budget

**\$782,000**

**\$0** from  
general rates

**\$739,000** from  
targeted rates

**\$43,000** from  
other income

PROVIDING ESSENTIALS FOR THE  
COMMUNITY

# WASTEWATER





# WASTEWATER

## Vision

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

## What we do

Provide wastewater services to the townships of the District.

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The community as a whole benefit from this activity. The provision of reliable sewerage reticulation services contributes to making Westland a safe, healthy well serviced place to live, work and play	90 -95% Targeted rates
Private	User fees from commercial water users and contributions from development within the District.	5 – 10% Fees and charges

## Why we do it

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

### Where are we now?

- There are 4 wastewater systems owned by Council in the District
- There are asset renewal programmes in place to ensure the infrastructure continues to meet the existing levels of service
- There are 10 pump stations to assist with delivery to the wastewater treatment plants at Hokitika, Franz Josef and Haast

Location	Population served by system	Wastewater systems	Age of system
Hokitika (including Kaniere)	3997	Oxidation pond treatment	37
Franz Josef	300	Oxidation pond treatment and floating media treatment	39
Fox Glacier	235	Oxidation pond treatment	36
Haast	80	Oxidation pond treatment	29

## Key Issues affecting this activity

- The growth of tourism primarily in Franz Josef and Fox Glacier where there will be both increasing and peak demand times
- Threat of flood damage to Franz Josef treatment ponds and reticulation due to rising bed levels in the Waiho River

## Asset Management

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.

Wastewater Assets	
Number of properties connected	1965
Length of reticulation	72771m
Number of pump stations	10
Number of manholes	643

## Significant Negative Effects

- Discharge of treated wastewater to the environment
- Insufficient capacity during peak demand times
- Failure of components
- Natural disasters, such as flooding or earthquakes

## Where do we want to be?

- Wastewater treatment plants consistently meet their resource consents for discharge
- Provision of affordable wastewater schemes for those communities needing a community scheme
- Ensuring there is minimal infiltration of stormwater to the wastewater system

## How are we going to get there?

- An asset renewal programme will continue to be implemented to protect existing infrastructure.
- Continue to undertake the investigation, consultation, design and construction of various identified wastewater schemes and apply for subsidies where possible to make the schemes affordable

## Key Capital Projects

Asset	\$	Timeframe	Funded by
Franz Josef Compliance issues	20,000	per annum inflated	100% Rates
Franz Josef Compliance issues - Stage 2 Plant Improvement	175,000	2012/13 (Year 1)	100% Loan
Haast Treatment improvements	350,000	2012/13 (Year 1)	100% Loan
Franz, Fox and Haast - Outflow Meters	60,000	2012/13 (Year 1)	100% Depreciation
Fitzherbert St Pump Station - Mains Replacement	200,000	2012/13 (Year 1)	100% Depreciation
Fitzherbert Street Pumping Main	334,533	2013/14 (Year 2)	100% Depreciation
Hokitika outfall/Pond Treatment	2,726,642	2015/16 (Year 4)	100% Loan
Fox Glacier - Mains Replacement	436,263	2015/16 (Year 4)	100% Depreciation
Fox Glacier Treatment Improvements	561,839	2016/17 (Year 5)	100% Loan
Franz Josef - Mains Replacement	449,480	2016/17 (Year 5)	100% Depreciation
Hokitika - Z-line replacement	456,080	2016/18 (Years 5 - 6) \$200k per annum inflated	100% Depreciation
Hokitika Sewer Modelling - Demand Management	115,670	2017/18 (Year 6)	100% Depreciation

## Service Levels and Performance Measures for Wastewater

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Responsiveness & Quality & Reliability	Requests for service are dealt with promptly	% of disruptions to the wastewater system are responded to within 2 hours	Monthly reports from contractors	New Measure	90%	100%
Accessibility & Customer Focus	Properties that are within the wastewater reticulation system are able to connect to it	% of properties within urban areas where a reticulated wastewater system is provided by Council have the ability to connect to the system at their boundary	Number of properties with service laterals to boundary providing the building is no more than 60m away	New Measure	90%	90%
Quality & Customer Focus	Council wastewater systems are managed in an environmentally sensitive manner and are reliable	No service requests received with regard to odours from Councils wastewater reticulation	Service Request System	New Measure	No service requests	No service requests
Sustainability & Affordability	Council wastewater systems are managed affordably and appropriately	All necessary consents for maintenance and capital projects are applied for, held and monitored accordingly	Monthly reports	Not achieved. Investigations underway to determine optimum means of desludging/upgrading oxidation ponds.	100%	100%

# GROUP FINANCIAL FORECAST

## WASTEWATER

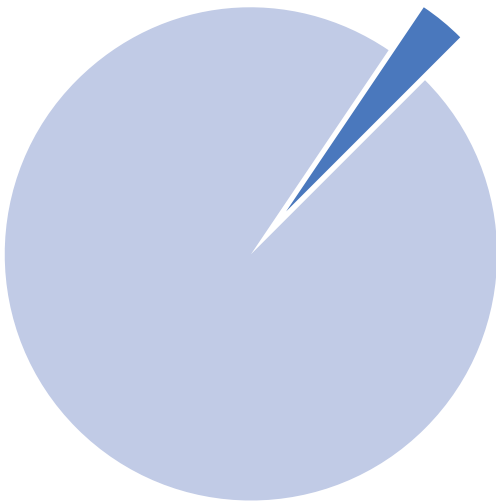
Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	607	739	794	820	996	1,083	1,121	1,148	1,172	1,196	1,195
Vested Assets	0	-	-	-	-	-	-	-	-	-	-
Other Income	66	43	44	46	47	48	50	51	53	54	56
<b>Total Operating Revenue</b>	<b>673</b>	<b>782</b>	<b>838</b>	<b>866</b>	<b>1,043</b>	<b>1,132</b>	<b>1,171</b>	<b>1,199</b>	<b>1,224</b>	<b>1,251</b>	<b>1,251</b>
<b>Operating Expenses</b>											
Employee benefit expenses	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(363)	(344)	(366)	(378)	(404)	(439)	(458)	(471)	(483)	(495)	(508)
Other Expenditure	(310)	(428)	(451)	(465)	(482)	(508)	(529)	(545)	(561)	(578)	(595)
Interest	0	(11)	(22)	(23)	(157)	(185)	(184)	(183)	(181)	(178)	(149)
<b>Total Operating Expenditure</b>	<b>(673)</b>	<b>(782)</b>	<b>(839)</b>	<b>(865)</b>	<b>(1,044)</b>	<b>(1,131)</b>	<b>(1,171)</b>	<b>(1,199)</b>	<b>(1,224)</b>	<b>(1,251)</b>	<b>(1,252)</b>
<b>Operating Surplus/(Deficit)</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>

# FUNDING IMPACT STATEMENT

## WASTEWATER

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	607	739	794	820	996	1,083	1,121	1,148	1,172	1,196	1,195
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	66	43	44	46	47	48	50	51	53	54	56
<b>Total operating funding [A]</b>	<b>673</b>	<b>782</b>	<b>838</b>	<b>866</b>	<b>1,043</b>	<b>1,132</b>	<b>1,171</b>	<b>1,199</b>	<b>1,224</b>	<b>1,251</b>	<b>1,251</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(283)	(428)	(451)	(465)	(482)	(508)	(529)	(545)	(561)	(578)	(595)
Finance costs	0	(11)	(22)	(23)	(157)	(185)	(184)	(183)	(181)	(178)	(149)
Internal charges and overheads applied	(27)	(191)	(197)	(203)	(209)	(215)	(222)	(229)	(235)	(242)	(250)
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(310)</b>	<b>(630)</b>	<b>(670)</b>	<b>(690)</b>	<b>(848)</b>	<b>(908)</b>	<b>(935)</b>	<b>(956)</b>	<b>(977)</b>	<b>(998)</b>	<b>(994)</b>
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>363</b>	<b>152</b>	<b>168</b>	<b>175</b>	<b>195</b>	<b>224</b>	<b>236</b>	<b>243</b>	<b>247</b>	<b>252</b>	<b>257</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	450	0	0	2,727	562	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>0</b>	<b>450</b>	<b>0</b>	<b>0</b>	<b>2,727</b>	<b>562</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	0	0	0	0	0	0	(116)	0	0	0	0
—to improve the level of service	(325)	(605)	(355)	(21)	(2,748)	(584)	(23)	(24)	(25)	(25)	(26)
—to replace existing assets	(50)	(200)	0	0	(436)	(674)	(231)	0	0	0	0
Increase (decrease) in reserves	12	203	187	(154)	263	473	134	(219)	(223)	(227)	(231)
Increase (decrease) of investments		0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>(363)</b>	<b>(602)</b>	<b>(168)</b>	<b>(175)</b>	<b>(2,922)</b>	<b>(786)</b>	<b>(236)</b>	<b>(243)</b>	<b>(247)</b>	<b>(252)</b>	<b>(257)</b>
<b>Surplus (deficit) of capital funding [C+D]</b>	<b>(363)</b>	<b>(152)</b>	<b>(168)</b>	<b>(175)</b>	<b>(195)</b>	<b>(224)</b>	<b>(236)</b>	<b>(243)</b>	<b>(247)</b>	<b>(252)</b>	<b>(257)</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	0	(0)	(0)	0	(0)	0	0	0	0	(0)	(0)
Add depreciation	363	344	366	378	404	439	458	471	483	495	508
Less increase in reserves	0	191	197	203	209	215	222	229	235	242	250
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>363</b>	<b>152</b>	<b>168</b>	<b>175</b>	<b>195</b>	<b>224</b>	<b>236</b>	<b>243</b>	<b>247</b>	<b>252</b>	<b>257</b>

3% of total operating expenditure  
in the 2012/13 Budget



2012/13 Annual budget

**\$487,000**

**\$467,000** from general rates

**\$0** from targeted rates

**\$20,000** from other income

PROVIDING ESSENTIALS FOR THE  
COMMUNITY

# STORM WATER



# STORM WATER

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## Vision

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

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The community as a whole benefit from this activity. Stormwater disposal systems contribute to making Westland a safe, healthy well services place to live, work and play	95 - 100% General rates
Private	User fees from commercial water users and contributions from development within the District.	0 - 5% Fees and charges

## Why we do it

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

## Where are we now?

- There are 14 basic stormwater systems that primarily drain water from the road. . Only Hokitika has reticulation for properties.
- The majority of the reticulation is gravity with a total of 6 pump stations at Hokitika. Stormwater is drained to the sea, waterways or land drainage
- Stormwater systems are generally meeting service requirements however there is flooding occurring as a result of heavy rains in parts of Hokitika

## Key Issues affecting this activity

- The growth of tourism primarily in Franz Josef and Fox Glacier
- Potential future erosion of Hokitika Foreshore
- Increased ratepayer expectations especially in the urban fringe areas

## Asset Management

In relation to stormwater the smaller schemes mainly comprise open channels as part of the street drainage system to collect property run off are maintained under the roading activity.

## Significant Negative Effects

- Without stormwater maintenance and renewals there could be flooding in vulnerable areas.
- Untreated water containing pollution can end up in water ways

## Where do we want to be?

- Ensure there is minimal adverse effects on the environment through the discharge of stormwater
- Identify flood prone land or land at risk from flooding so that strategies can be put in place to minimise any future impacts

## How are we going to get there?

- New capital works provided in the plan will be carried out in Hokitika to resolve some long standing surface flooding problems.
- Regular renewals replacement of reticulation is planned primarily in Hokitika, Franz Josef and Fox Glacier.
- Any increased rainfall will not affect this asset or planning over the next ten years

## Key Capital Projects

Asset	\$	Timeframe	Funded by
Gibson Quay / Sewell St Pumps - Mains Upgrade	225,000	2012/13 (Year 1)	100% Depreciation
Weld Street - New Mains	32,622	2012/13 (Year 1)	100% Depreciation
Dent Rd, Kaniere - Mains Upgrade (Renewal)	40,000	2012/13 (Year 1)	100% Depreciation
Franz Josef - Investigations	20,587	2013/14 (Year 2)	100% Depreciation
Fox Glacier - Investigations	20,587	2013/14 (Year 2)	100% Depreciation
Kumara - Investigation	26,488	2014/15 (Year 3)	100% Depreciation
Hokitika Infiltration Investigation	1,301,052	2021/22 (Year 10)	100% Depreciation

## Service Levels and Performance Measures for Stormwater

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Responsiveness & Safety & Quality	Storm water systems have the capacity to resist major storms and flooding events	No flooding of properties will occur in events with a return period of 1 in 20 years.	Service Request System	New Measure	Less than 5	Less than 5
Responsiveness & Safety	Requests for service are dealt with promptly	% of problems with the Council stormwater system investigated within 24 hours of reporting, prioritized and a remedial plan prepared within 48 hours	Service Request System	Achieved. 7 service requests were received and all were dealt with, within the necessary timeframe.	100%	100%
Sustainability & Affordability	Council stormwater systems are managed affordably and appropriately	All necessary consents for maintenance and capital projects are applied for, held and monitored accordingly	Monthly reports	New Measure	100%	100%

# GROUP FINANCIAL FORECAST

## STORM WATER

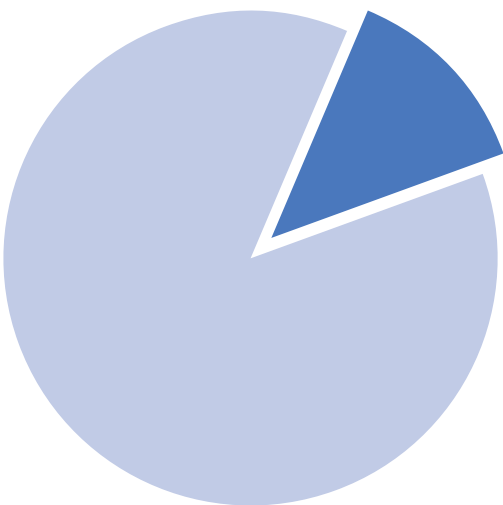
Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	435	467	513	528	544	560	576	593	610	628	654
Targeted Rates	0	-	-	-	-	-	-	-	-	-	-
Vested Assets	0	-	-	-	-	-	-	-	-	-	-
Other Income	0	20	21	21	22	22	23	24	25	25	26
<b>Total Operating Revenue</b>	<b>435</b>	<b>487</b>	<b>534</b>	<b>550</b>	<b>566</b>	<b>582</b>	<b>599</b>	<b>617</b>	<b>634</b>	<b>653</b>	<b>680</b>
<b>Operating Expenses</b>											
Employee benefit expenses	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(306)	(304)	(319)	(328)	(338)	(348)	(358)	(368)	(378)	(389)	(409)
Other Expenditure	(129)	(183)	(215)	(221)	(228)	(235)	(242)	(249)	(256)	(264)	(272)
Interest	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenditure</b>	<b>(435)</b>	<b>(487)</b>	<b>(534)</b>	<b>(550)</b>	<b>(566)</b>	<b>(582)</b>	<b>(599)</b>	<b>(617)</b>	<b>(635)</b>	<b>(653)</b>	<b>(680)</b>
<b>Operating Surplus/(Deficit)</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>

# FUNDING IMPACT STATEMENT

## STORM WATER

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	435	467	513	528	544	560	576	593	610	628	654
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	20	21	21	22	22	23	24	25	25	26
<b>Total operating funding [A]</b>	<b>435</b>	<b>487</b>	<b>534</b>	<b>550</b>	<b>566</b>	<b>582</b>	<b>599</b>	<b>617</b>	<b>634</b>	<b>653</b>	<b>680</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(62)	(183)	(215)	(221)	(228)	(235)	(242)	(249)	(256)	(264)	(272)
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	(67)	(82)	(84)	(87)	(89)	(92)	(95)	(98)	(101)	(104)	(107)
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(129)</b>	<b>(265)</b>	<b>(299)</b>	<b>(308)</b>	<b>(317)</b>	<b>(327)</b>	<b>(336)</b>	<b>(347)</b>	<b>(357)</b>	<b>(367)</b>	<b>(378)</b>
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>306</b>	<b>222</b>	<b>235</b>	<b>242</b>	<b>248</b>	<b>256</b>	<b>263</b>	<b>270</b>	<b>278</b>	<b>286</b>	<b>302</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
—to improve the level of service	(248)	(258)	(41)	(26)	0	0	0	0	0	0	(1,301)
—to replace existing assets	(165)	(40)	0	0	0	0	0	0	0	0	
Increase (decrease) in reserves	107	75	(193)	(215)	(248)	(256)	(263)	(270)	(278)	(286)	999
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>(306)</b>	<b>(222)</b>	<b>(235)</b>	<b>(242)</b>	<b>(248)</b>	<b>(256)</b>	<b>(263)</b>	<b>(270)</b>	<b>(278)</b>	<b>(286)</b>	<b>(302)</b>
<b>Surplus (deficit) of capital funding [C+D]</b>	<b>(306)</b>	<b>(222)</b>	<b>(235)</b>	<b>(242)</b>	<b>(248)</b>	<b>(256)</b>	<b>(263)</b>	<b>(270)</b>	<b>(278)</b>	<b>(286)</b>	<b>(302)</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Add depreciation	306	304	319	328	338	348	358	368	378	389	409
Less increase in reserves	0	82	84	87	89	92	95	98	101	104	107
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>306</b>	<b>222</b>	<b>235</b>	<b>242</b>	<b>248</b>	<b>256</b>	<b>263</b>	<b>270</b>	<b>278</b>	<b>286</b>	<b>302</b>

13% of total operating expenditure  
in the 2012/13 Budget



2012/13 Annual budget

\$2,130,000

\$0 from  
general rates

\$894,000 from  
targeted rates

\$1,236,000 from  
other income

PROVIDING ESSENTIALS FOR THE  
COMMUNITY

# SOLID WASTE MANAGEMENT





# SOLID WASTE MANAGEMENT

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## Vision

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

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	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.	40 – 50% Targeted rates including a uniform general charge
Private	Users benefit from the services they receive.	50 – 60% Fees and charges

## Why we do it

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

## Where are we now?

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. Glass is collected fortnightly in Hokitika only. Council issues 26 “official” refuse bags to each customer, with additional bags available at a cost.

The Council provides transfer stations, landfills or refuse/ recycling trailers for the communities in Westland to 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 tonne of material that goes to landfill. Part of this levy comes back to Council to assist with waste minimisation.

The Council is currently reviewing the Waste Minimisation Plan and will adopt changes in the 2012 / 2013 year.

## Key Issues affecting this activity

- The high and increasing costs of waste management in Westland District e.g. transporting costs of recycling materials versus reduced returns from recycling
- Recent changes in legislation- Waste Minimisation Act 2008
- 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
- Emissions Trading Scheme initiated by central government
- The high costs of transporting waste from the remote parts of the District to Butlers Landfill near Hokitika. There are concerns that the present direction for waste management may not be sustainable due to high costs
- Rubbish bags will cost \$5.00 per bag but residents can use any official Westland District Council rubbish bag until they are used up

## Asset Management

The assets have been performing well and are primarily in good condition. Operations staff carries out the waste minimisation activities, including education about and promotion of recycling, home composting and other waste minimisation methods.

Operations staff also supervises the waste and recycling services contractors.

Waste facilities	Location
Transfer Stations	Hokitika, Ross, Harihari, Whataroa, Fox Glacier
Landfills including recycling facilities	Kumara, Franz Josef, Butlers, Haast, Hokitika
Refuse/recycling trailers	Otira, Jacksons, Lake Kaniere, Bruce Bay, Neils Beach

## Solid Waste Plan Summary

This business activity operates under a comprehensive Solid Waste Management Plan, prepared in accordance with the LGA. This plan has an emphasis on sustainability through minimising waste.

Council has an integrated waste management strategy which is based on the following hierarchy and listed in order of priority:

- Reduce the amount of material that enters the waste stream
- Reuse as much material as possible
- Recycle as much material as possible
- Recover 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

Council is committed to the goal of waste reduction to landfill by reduction of waste, re-use, recycling and recovery of materials before they reach the residual waste stream.

The Solid Waste Management Plan details the methods used by the Council to meet the goal, and actions that will be undertaken to meet the targets set. This plan is being reviewed and the community is being consulted about waste management issues and what direction they want to go in the future. The changes will be adopted in the 2012 / 2013 year.

Over the past few years Council has been adhering to a plan to close existing dumps and some unlined landfills. Transfer stations have also been established on many of the existing landfill sites and will be needed for the foreseeable future. The new Landfill at Butlers is operational and accepting waste from transfer stations and kerbside collection around the District. The Waste Minimisation Act 2008 gives Councils the responsibility for

promoting the effective and efficient waste management and minimisation within their District. Council has a Solid Waste Management Plan, prepared in 2002, updated in 2009 and currently being reviewed.

Effective and efficient waste management and minimisation planning is underpinned by the Government's three core goals as stated in the NZ Waste Standards and which are reflected in the purpose of the Waste Minimisation Act:

- To lower waste's costs and risks to society
- To reduce environmental damage from generation and disposal of waste
- To increase economic benefit by using material resources more efficiently

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

## Significant Negative Effects

- The activity may create the following significant negative effect: Potential for landfills to release damaging leachate and gases into the environment
- Potential damage to the environment through littering and the illegal dumping of waste

## Where do we want to be?

To have a waste management system that minimises waste to landfill and is financially and environmentally sustainable.

The vision is to reduce waste to 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.

## How are we going to get there?

Maintain a collection service acceptable to the community that is competitively priced by contestable contract. Promote a program for the progressive reduction of waste.

Consult with the community to determine appropriate levels of service.

The 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
Butlers - Construction of Sheds and small office	30,000	2012/13 (Year 1)	100% Depreciation
Haast Landfill - Hazardous Waste Facility	5,000	2012/13 (Year 1)	100% Depreciation
Hokitika Continuation of Capping	100,000	2012/13 (Year 1)	100% Reserves
Hokitika - Leachate Management system	500,000	2012/13 (Year 1)	100% Reserves
Hazardous waste facility @ Franz Josef	5,000	2012/13 (Year 1)	100% Depreciation
Franz Josef - Establishment of Transfer Station	200,000	2012/13 (Year 1)	100% Loan
Capping of Franz Josef Landfill	308,799	2013/14 (Year 2)	100% Reserves
Butlers Extension/Additional Leachate treatment fields	51,467	2013/14 (Year 2)	100% Depreciation
Intermediate Capping	105,952	2014/15 (Year 3)	100% Reserves
Intermediate Capping	238,322	2018/19 (Year 7)	100% Reserves

## Service Levels and Performance Measures for Solid Waste Management

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Quality & Reliability & Customer Focus	A reliable refuse and recycling collection service is provided to customers	% of customers satisfied - Collection	Resident Satisfaction Survey	79%	100%	100%
Quality & Reliability & Customer Focus	A reliable refuse and recycling collection service is provided to customers	% of customers satisfied- Recycling	Resident Satisfaction Survey	73%	100%	100%
Quality & Reliability & Customer Focus	A reliable Transfer Station service is provided to customers	% of customers satisfied - Opening hours at sites	Resident Satisfaction Survey	New Measure	100%	100%
Sustainability & Affordability	Solid waste is managed affordably and appropriately	All necessary consents for solid waste activities and capital projects are applied for, held and monitored accordingly.	Monthly reports	New Measure	100%	100%
Reliability & Quality	Waste diversion increases	Waste diverted from landfill from recycling	Tonnes recycled	1,010 tonnes recycled (832 tonnes 09/10) or a 21% increase.	Increase 5% per year	Increase 5% per year
Reliability & Quality	Recycling and diversion of waste increases	Increased use of recycling and reuse services.	Calculate diversion rate for all waste through Hokitika Transfer Station based on tonnages reported.	New Measure	Establish baseline in 2011/2012 year	Increase diversion by 2% per year
Quality & Customer Focus & Building Relationships	Education about waste minimisation is provided to the community	Number of visits to schools and community groups	Monthly reports to council	Achieved. 6 School visits and 3 Community Group visits. An increase on 7 in total last year.	Visits to 6 Schools and 3 Community Groups each year	Visits to 6 Schools and 4 Community Groups each year
Quality & Customer Focus	Solid waste is managed affordably and appropriately	The Solid Waste Management Plan is available on website and for circulation to the public on request.	Plan available	New Measure	100%	100%



# GROUP FINANCIAL FORECAST

## SOLID WASTE MANAGEMENT

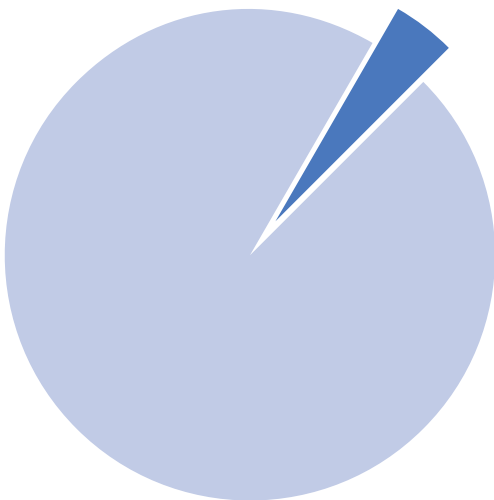
Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	1,162	894	976	1,029	1,083	1,139	1,197	1,256	1,316	1,379	1,444
Vested Assets	-	-	-	-	-	-	-	-	-	-	-
Other Income	372	1,236	1,293	1,356	1,420	1,487	1,554	1,626	1,698	1,773	1,849
<b>Total Operating Revenue</b>	<b>1,534</b>	<b>2,130</b>	<b>2,269</b>	<b>2,385</b>	<b>2,503</b>	<b>2,626</b>	<b>2,751</b>	<b>2,882</b>	<b>3,014</b>	<b>3,152</b>	<b>3,294</b>
<b>Operating Expenses</b>											
Employee benefit expenses	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(36)	(117)	(132)	(135)	(139)	(142)	(146)	(149)	(153)	(157)	(161)
Other Expenditure	(1,385)	(1,855)	(1,958)	(2,066)	(2,176)	(2,292)	(2,409)	(2,532)	(2,656)	(2,786)	(2,919)
Interest	(113)	(158)	(179)	(183)	(187)	(192)	(196)	(201)	(205)	(209)	(214)
<b>Total Operating Expenditure</b>	<b>(1,534)</b>	<b>(2,130)</b>	<b>(2,269)</b>	<b>(2,384)</b>	<b>(2,502)</b>	<b>(2,626)</b>	<b>(2,751)</b>	<b>(2,882)</b>	<b>(3,014)</b>	<b>(3,152)</b>	<b>(3,294)</b>
<b>Operating Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

# FUNDING IMPACT STATEMENT

## SOLID WASTE MANAGEMENT

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	1,162	894	976	1,029	1,083	1,139	1,197	1,256	1,316	1,379	1,444
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	372	1,236	1,293	1,356	1,420	1,487	1,554	1,626	1,698	1,773	1,849
<b>Total operating funding [A]</b>	<b>1,534</b>	<b>2,130</b>	<b>2,269</b>	<b>2,385</b>	<b>2,503</b>	<b>2,626</b>	<b>2,751</b>	<b>2,882</b>	<b>3,014</b>	<b>3,152</b>	<b>3,294</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(1,172)	(1,855)	(1,958)	(2,066)	(2,176)	(2,292)	(2,409)	(2,532)	(2,656)	(2,786)	(2,919)
Finance costs	(113)	(158)	(179)	(183)	(187)	(192)	(196)	(201)	(205)	(209)	(214)
Internal charges and overheads applied	(213)	(262)	(270)	(278)	(287)	(295)	(304)	(313)	(323)	(332)	(342)
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(1,498)</b>	<b>(2,275)</b>	<b>(2,408)</b>	<b>(2,527)</b>	<b>(2,651)</b>	<b>(2,779)</b>	<b>(2,910)</b>	<b>(3,046)</b>	<b>(3,184)</b>	<b>(3,328)</b>	<b>(3,475)</b>
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>36</b>	<b>(145)</b>	<b>(139)</b>	<b>(143)</b>	<b>(148)</b>	<b>(154)</b>	<b>(159)</b>	<b>(164)</b>	<b>(170)</b>	<b>(175)</b>	<b>(182)</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	347	700	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>347</b>	<b>700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	(100)	0	0	0	0	0	0	0	0	0	0
—to improve the level of service	(610)	(840)	(360)	(106)	0	0	0	(238)	0	0	0
—to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	327	285	499	249	148	154	159	402	170	175	182
Increase (decrease) of investments		0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>(383)</b>	<b>(555)</b>	<b>139</b>	<b>143</b>	<b>148</b>	<b>154</b>	<b>159</b>	<b>164</b>	<b>170</b>	<b>175</b>	<b>182</b>
<b>Surplus (deficit) of capital funding [C+D]</b>	<b>(36)</b>	<b>145</b>	<b>139</b>	<b>143</b>	<b>148</b>	<b>154</b>	<b>159</b>	<b>164</b>	<b>170</b>	<b>175</b>	<b>182</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	0	0	0	0	0	(0)	(0)	0	0	0	(0)
Add depreciation	36	117	132	135	139	142	146	149	153	157	161
Less increase in reserves	0	262	270	278	287	295	304	313	323	332	342
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>36</b>	<b>(145)</b>	<b>(139)</b>	<b>(143)</b>	<b>(148)</b>	<b>(154)</b>	<b>(159)</b>	<b>(164)</b>	<b>(170)</b>	<b>(175)</b>	<b>(182)</b>

4% of total operating expenditure in the 2012/13 Budget



## 2012/13 Annual budget

**\$800,000**

**\$573,000** from general rates

**\$0** from targeted rates

**\$227,000** from other income

Includes

**\$70,000** for projects

PROVIDING ESSENTIALS FOR THE  
COMMUNITY

# OTHER INFRASTRUCTURAL ASSETS AND SERVICES

Community Township Development

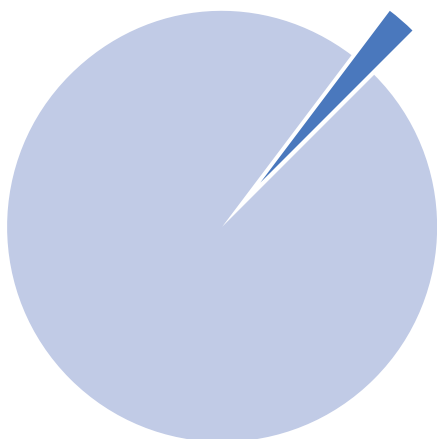
Land and Buildings

Public Toilets



# COMMUNITY TOWNSHIP DEVELOPMENT

2% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

\$399,000

\$399,000 from general rates

\$0 from targeted rates

\$0 from other income

\$70,000 Includes projects

## Vision

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

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	Enhancements will benefit the community by providing an environment that allows business, social and recreational activities to take place in a well serviced and appointed township	100% from General Rates from Hokitika and rural towns for operating costs. Capital projects will be funded by grants, or loans funded by the relevant community.
Private	Visitors will have advantage of a town that is well appointed and has facilities that make their visit pleasant and enjoyable	0% Fees and charges

## Why we do it

- To assist the future growth and development of Westland and provide communities a mechanism in order for them to guide improvements

## Where are we now?

This activity is in the early stages of development. Several strategic documents have been developed to aid the Council in the planning of its communities.

- The Glacier Country Strategy
- Hokitika Concept Plan
- MRI Destination Management Planning
- Facilities Review

There is a need for the Council to develop strategies for dealing with growth, development and the improvement of Westland communities as a whole.

Some communities have begun to have discussions with Council regarding how they see their community developing and what projects may be required in the future in their area. Key areas which Council has identified need a plan developed for the areas are Franz Josef, Fox Glacier, Harihari, Ross, and Kumara

## Key Issues affecting this activity

- Demographics including an aging population •
- Community expectations may be raised as to what will be done in •
- their areas

## Asset Management

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

## Significant Negative Effects

- There may be a conflict of direction for township development that will divide the community

## Where do we want to be?

New projects are essential for growth and to retain the identity of an area. Council will take a more strategic approach and identify the towns and the priority so communities are aware of what will happen in their district.

Council wants to have integrated planning documents rather than one off project requests for the various communities. Current and future projects will be planned through an integrated approach. The control and management of the activity will be community driven and there will be community participation in the design of their areas.

It is envisaged that the LTP consultation process may form a basis for signposting the community and township strategies for the future, with the flow on effect of improvement of the LTP and therefore developing the monitoring strategies for the future.

Franz Josef and Fox township are both advanced in their planning. Council supports them in developing their plans to completion.

## How are we going to get there?

Further discussion with each community will occur and planning documents will be developed that are easily understood and used as a basis for the on-going development of each community.

## Key Capital Projects

Asset	\$	Timeframe	Funded by
Kumara District Plan Change & Implementation	50,000	2012/13 (Year 1)	100% Reserves
Township Development - Rotated	70,000	per annum inflated	100% Rates
Franz Josef/ Fox Glacier Township Development	70,000	per annum inflated	100% Rates
Franz Josef Urban Revitalisation Plan	100,000	2012/13 (Year 1)	100% Reserves

## Service Levels and Performance Measures

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Building Relationships	The community contributes to decision making	Consultation occurs with each plan and projects completed to schedule	Management reports to council	Some consultation has taken place with the Franz and Fox communities. A draft plan for further development has been completed by the community.	Consultation occurs through a priority list signed off by Council	Consultation occurs through a priority list signed off by Council
Quality	Community township development is understood and the community contributes to the process	% satisfied with town planning services	Resident Satisfaction Survey	40%	70%	80%

## Rotation of Funding

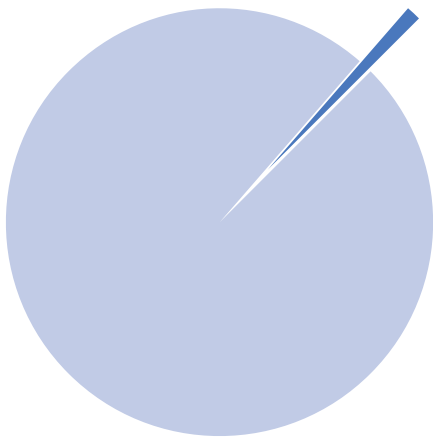
YEAR	TOWN	AMOUNT	TOWN	AMOUNT
Year 1 (2012/13)	Franz Josef	\$70,000	Kumara	\$70,000
Year 2 (2013/14)	Fox Glacier	\$70,000	Harihari	\$70,000
Year 3 (2014/15)	Franz Josef	\$70,000	Ross	\$70,000
Year 4 (2015/16)	Fox Glacier	\$70,000	Whataroa	\$70,000
Year 5 (2016/17)	Franz Josef	\$70,000	Haast	\$70,000
Year 6 (2017/18)	Fox Glacier	\$70,000	Kumara	\$70,000
Year 7 (2018/19)	Franz Josef	\$70,000	Harihari	\$70,000
Year 8 (2019/20)	Fox Glacier	\$70,000	Ross	\$70,000
Year 9 (2020/21)	Franz Josef	\$70,000	Whataroa	\$70,000
Year 10 (2021/22)	Fox Glacier	\$70,000	Haast	\$70,000



# LAND AND BUILDINGS

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1% of total operating expenditure  
in the 2012/13 Budget



2012/13 Annual budget

**\$227,000**

**\$0** from  
general rates

**\$0** from  
targeted rates

**\$227,000** from  
other income

## Vision

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

## What we do

These cover land and buildings managed commercially. Included are:

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	Meets the expectations of the community by providing spaces for the community to access and managing it in an affordable way.	0% from General Rates
Private	Providing good spaces for community and business needs.	100% Fees and charges

### Why we do it

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

### Where are we now?

Council has historically owned land and buildings to provide services that enable the community and economy to function effectively to support its inhabitants, community groups and visitors. Although the Council financially supports the maintenance and upkeep on many buildings and their associated land parcels there has been no clear strategy or policy to guide Council in their management.

The building assets have been managed on the basis of regular inspection to determine any outstanding maintenance issues. Comprehensive building inspections and preparation of a formal asset management plan are underway. This will assist Council in determining renewals needs into the future. Council has been progressively identifying land parcels that have no strategic value and selling these on the open market.

Council has been working with the Kumara Community Trust to ensure the proceeds from the Kumara Endowment land is used to build the facilities or infrastructure that is needed or wanted by the Kumara community.

### Key Issues affecting this activity

- Council needs to adopt a strategic approach to commercial property management, and decide whether particular properties have commercial/strategic value, or can be sold as surplus to requirements. Ratepayers gain from sales revenue gained and from future rates paid on the property

### Asset Management

A comprehensive asset management plan is required for land and buildings, to identify whole of life costs, and to ensure the assets are maintained and renewed in a sustainable manner. More emphasis is being placed on raising the current maintenance standard of Council buildings by implementing maintenance programming. There appears to be adequate capacity in all buildings used by Council.

### Significant Negative Effects

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

### Where do we want to be?

Council wants to reduce the impact of future service requirements by identifying current and back dated maintenance issues and putting these into maintenance and renewal plans. There needs to be a consistent level of service for the buildings being managed to meet commercial expectations. We will ensure the management of capital and maintenance of commercial property is undertaken by someone with expertise in this area. Council wants to be in a position to be strategic about the ownership and management of properties.

## How are we going to get there?

- Provide excellent spaces for our commercial customers
- Maintain our buildings to a high standard

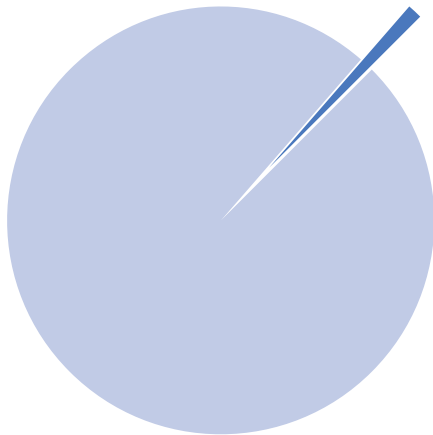
## Service Levels and Performance Measures

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Quality	Maintain buildings so they are safe for the people who work and visit them	Buildings get current Warrant Of Fitness where required	Warrant of Fitness issued	Achieved. 100% All buildings under management and ownership of the council have an up to date WOF.	100%	100%
Reliability/ Responsiveness	Requests for service are dealt with promptly	Service requests are responded to within 3 working days	Service request support system	100% compliance	100% compliance	100% compliance
Affordability & Sustainability	Leased buildings or spaces are managed commercially	Obtain market rental for offices leased.	Market review gained	Not achieved. There was no market review undertaken for the 2010-11 year as most commercial properties were sold or managed by the Property company.	100%	100%



# PUBLIC TOILETS

1% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

\$174,000

\$174,000 from general rates

\$0 from targeted rates

\$0 from other income

## Vision

The provision of clean, safe and convenient facilities contributes to our vision for Westland as a first class tourist destination and somewhere that has top infrastructure for our community. This activity contributes to our over arching vision relating to world class service, community and stakeholder involvement and top class infrastructure. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety.

## What we do

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

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	The provision of clean, safe and convenient facilities will improve the visitor experience of domestic and international tourists. The community will benefit by deriving economic benefits of increasing tourism as well as the protection of the environment from human waste contamination.	100% General Rates
Private	No user fees are charged in Westland District.	0% Fees and charges
	Benefits from new or replacement capital projects are received over the life of the asset	100% from depreciation, reserves or loans

## Why we do it

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

The Department of Conservation (DOC) owns and maintains numerous public facilities within public camping grounds and walking tracks that complement the Council provided facilities.

There are 5 public dump stations for campervan waste disposal and the use of these has increased with the increase in independent tourists. These are sited at Hokitika, Ross, Franz Josef, Haast and Pleasant Flat.

## Where are we now?

Council together with community groups 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. Council owns and operates toilets in Haast, Franz Josef/Waiiau, Fox Glacier and Hokitika. In addition there is a public toilet in the Jade Factory shop in Weld Street and the Council funds the provision of a toilet in the Greypower building. It also supports the providers of community toilets in Kumara, Ross, Whataroa, Okarito and Harihari by providing grants or materials for operating costs. All toilets are accessible 24 hours with the exception of those on the Hokitika Beach Front and Cass Square Pavilion which get locked at night.

## Key issues affecting this activity

- The number of visitors to the West Coast increases the demand for more public toilets
- 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
- There has been growth in privately owned and rented campervans which is increasing demand for public waste facilities
- Community volunteers may not always be available to manage some of the facilities
- Increasing cost of providing a good standard of facility
- Water quantities at Franz Josef are not sustainable and may impact on the facilities provided

## Asset Management

Council needs to improve its asset management of these facilities. The daily management of public toilets is controlled by contractors who maintain the asset. The Council gets regular exception reporting from its contractors to monitor issues.

## Significant Negative Effects

The activity may create the following significant negative effect; Possible increase in effluent and grey water that generally will require treatment.

## Where do we want to be?

Council wants public toilets available in the various tourist areas or larger residential centres. There are large tourist numbers throughout the region with increases in demand for facilities particularly between November and April and the toilet facilities provided need to cope with greater use.

All toilets need to be regularly cleaned and maintained. Council will work with other groups and agencies to create a national solution to roadside waste caused by freedom campers.

## How are we going to get there?

Council will continue to improve the asset management system and records for this activity. Council will monitor what is happening at a national level in discussions raised by the increase in campervans and implement solutions as issues arise. It is anticipated that the status quo with regard to public dump stations will be maintained.

Council needs to develop a toilet strategy for the future, where these should be located and whom Council can establish a partnership with to minimise costs. Council has included projects and questions about levels of service for consultation in the Long Term Plan.

## Service Levels and Performance Measures

Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Responsiveness & Customer Focus	Requests for service are dealt with promptly	Service requests are investigated and responded to within 1 day	Service Request System	Not Achieved. 6 complaints were received relating to the public toilets of which two took 4 days to rectify.	Under 5 complaints per year and responded to within 1 day.	Under 5 complaints per year and responded to within 1 day.
Quality & Customer Focus	Public toilets are clean and safe to use	% residents satisfied with toilet facilities	Resident Satisfaction Survey	63%	90%	95%

# GROUP FINANCIAL FORECAST

## OTHER INFRASTRUCTURAL ASSETS AND SERVICES

Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	512	574	598	616	625	635	654	674	693	714	735
Targeted Rates	0	-	-	-	-	-	-	-	-	-	-
Vested Assets	0	-	-	-	-	-	-	-	-	-	-
Other Income	249	227	234	240	247	255	262	270	278	287	295
<b>Total Operating Revenue</b>	<b>761</b>	<b>800</b>	<b>832</b>	<b>856</b>	<b>872</b>	<b>890</b>	<b>916</b>	<b>944</b>	<b>972</b>	<b>1,001</b>	<b>1,031</b>
<b>Operating Expenses</b>											
Employee benefit expenses	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(85)	(91)	(102)	(104)	(98)	(93)	(95)	(98)	(101)	(104)	(107)
Other Expenditure	(574)	(710)	(730)	(752)	(774)	(797)	(821)	(846)	(870)	(896)	(923)
Interest	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenditure</b>	<b>(659)</b>	<b>(800)</b>	<b>(832)</b>	<b>(856)</b>	<b>(872)</b>	<b>(890)</b>	<b>(916)</b>	<b>(944)</b>	<b>(972)</b>	<b>(1,001)</b>	<b>(1,031)</b>
<b>Operating Surplus/(Deficit)</b>	<b>102</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>

# FUNDING IMPACT STATEMENT

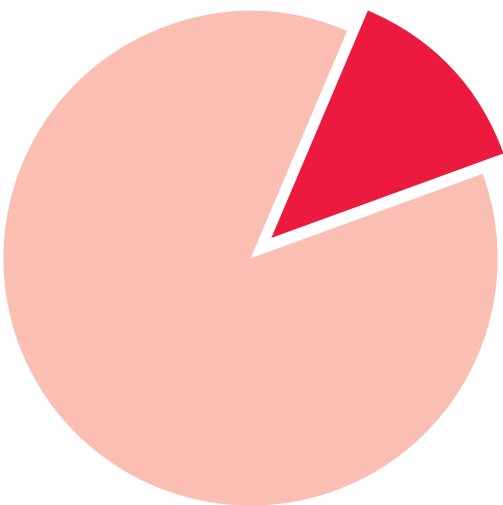
## OTHER INFRASTRUCTURAL ASSETS AND SERVICES

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	512	574	598	616	625	635	654	674	693	714	735
Targeted rates (other than a targeted rate for water supply)	0	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	0	-	-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	0	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	192	102	105	108	111	115	118	122	125	129	133
Local authorities fuel tax, fines, infringement fees, and other receipts	249	227	234	240	247	255	262	270	278	287	295
<b>Total operating funding [A]</b>	<b>953</b>	<b>902</b>	<b>937</b>	<b>964</b>	<b>983</b>	<b>1,005</b>	<b>1,034</b>	<b>1,066</b>	<b>1,096</b>	<b>1,130</b>	<b>1,163</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(702)	(710)	(730)	(752)	(774)	(797)	(821)	(846)	(870)	(896)	(923)
Finance costs	0	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	(92)	(100)	(104)	(107)	(110)	(113)	(116)	(120)	(124)	(128)	(131)
Other operating funding applications	0	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>(794)</b>	<b>(810)</b>	<b>(834)</b>	<b>(859)</b>	<b>(884)</b>	<b>(910)</b>	<b>(937)</b>	<b>(966)</b>	<b>(994)</b>	<b>(1,024)</b>	<b>(1,054)</b>
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>159</b>	<b>92</b>	<b>103</b>	<b>106</b>	<b>99</b>	<b>94</b>	<b>97</b>	<b>99</b>	<b>103</b>	<b>106</b>	<b>109</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	0	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	0	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	0	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	0	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	0	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
—to improve the level of service	(104)	(220)	(72)	(74)	(76)	(79)	(81)	(83)	(86)	(88)	(91)
—to replace existing assets	0	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	(55)	128	(31)	(31)	(23)	(15)	(16)	(16)	(17)	(17)	(18)
Increase (decrease) of investments	0	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>(159)</b>	<b>(92)</b>	<b>(103)</b>	<b>(105)</b>	<b>(99)</b>	<b>(94)</b>	<b>(97)</b>	<b>(99)</b>	<b>(103)</b>	<b>(105)</b>	<b>(109)</b>
<b>Surplus (deficit) of capital funding [C+D]</b>	<b>(159)</b>	<b>(92)</b>	<b>(103)</b>	<b>(105)</b>	<b>(100)</b>	<b>(94)</b>	<b>(97)</b>	<b>(100)</b>	<b>(103)</b>	<b>(106)</b>	<b>(109)</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	102	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Add depreciation	85	91	102	104	98	93	95	98	101	104	107
Less change in reserves	0	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)	(2)
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>159</b>	<b>92</b>	<b>103</b>	<b>105</b>	<b>99</b>	<b>94</b>	<b>97</b>	<b>100</b>	<b>103</b>	<b>106</b>	<b>109</b>



PROVIDING  
LEADERSHIP FOR  
THE COMMUNITY

**13%** of total operating expenditure  
in the 2012/13 Budget



2012/13 Annual budget

**\$2,124,000**

**\$695,000** from  
general rates

**\$1,427,000** internal charges and  
overheads recovered

**\$2,000** from  
other income

PROVIDING LEADERSHIP FOR THE  
COMMUNITY

# DEMOCRACY SERVICES

Corporate Services

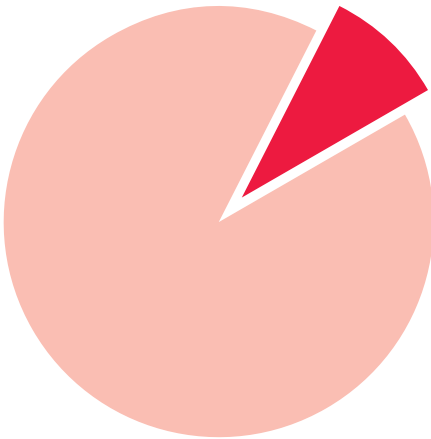
Governance



# CORPORATE SERVICES

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9% of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\*\$1,427,000**

\$0 from general rates

\$1,427,000 internal charges and overheads recovered

\$0 from other income

\* This cost is allocated in each activity

## Vision

Corporate Services provides support and expertise to Council and to staff who work for Westland District Council. We provide the foundation for our vision to be fulfilled through first class customer service, innovation and leadership. This activity contributes to our over arching vision relating to innovation, world class service and inspirational leadership. The core values that underlie these parts of our vision are affordability, customer focus, quality, reliability, responsiveness, and building relationships.

## What we do

Corporate Services provides professional services to other Council departments. This includes human resources, finance and information technology. Corporate Services work closely with Community Development in the creation of the Long Term Plan and Annual Plan by consulting the community about their wants and needs. Corporate Services also provides advice on Policy and Strategy. We manage administration and collection of rates and monies for the smooth operation of Westland District Council. In general, the cost of providing these services is charged to the activity receiving the benefit of that service. This means that when reviewing the Council activities and Services pages in this LTP the costs of each activity include the cost of support departments. However, there are some Council wide costs and income which cannot be considered to be part of any activity. These income and expenditure items are included in this Corporate Services section.

In previous LTCCPs Council has not presented a Corporate Services section. This made it difficult for readers of the LTP to link the financial information presented in Council activities and services pages to the financial statements. The inclusion of this Corporate Services section overcomes that problem.

## What revenue and costs are included in Corporate Activities?

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

- dividend income received from CCOs
- interest income from funds lent to CCOs
- interest costs relating to borrowing taken out to either:
  - on lend to CCOs, or
  - invest 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 Councils activities.

## Why we do it

We provide these services so Council can run smoothly and fulfil its statutory requirements. Our strategic support helps Councillors provide inspirational leadership and create a compelling vision for our community.

## Where are we now?

Corporates Services continues to review and improve efficiency and seek new ways to do our business better. The operating platform that our information databases sit within are DOS programmed based and the limitations of the system impact our day to day working activities causing loss of productivity and efficiency. There is an opportunity to share systems with neighbouring Districts. 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.

## Key Issues affecting this activity

- Managing information
- Maintaining/increasing the capability of staff
- Retention of staff
- Allocation of sufficient resources
- Integration of recommendations from Corporates Services over the whole organisation

## Asset Management

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

## Significant Negative Effects

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

## Where do we want to be?

Corporate Services wants to be an efficient, proactive and productive department supporting the Council to achieve its vision by 2030.

## How are we going to get there?

- Monitor, report, review performance and make changes where necessary
- Seek new ways of doing our business in order to be more productive and efficient
- Gather information and promote best practice in all areas

## Key Capital Projects

Asset	\$	Timeframe
Server	95,000	2012/13 (Year 1) & 2017/18 (Year 6) Inflated
Back-up solution	10,000	2012/13 (Year 1) & 2017/18 (Year 6) Inflated
Additional storage	10,000	2012/13 (Year 1)

## Service Levels and Performance Measures for Corporate Services

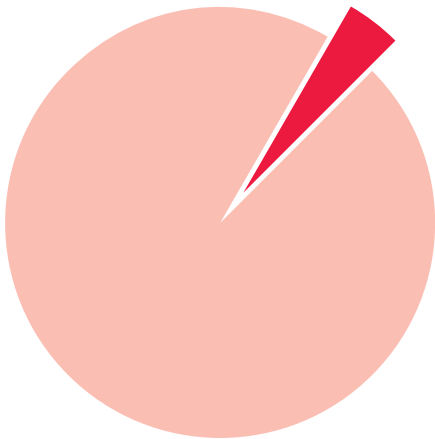
Core Value		Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Accessibility, Customer focus & Building Relationships	The community contributes to decision making	The annual Plan and LTP must be adopted using the special consultative process, within statutory requirements	Date of council meeting for adoption	2011/2012 Annual Plan was adopted on 23 June 2011 within the statutory deadline.	100%	100%
Accessibility, Customer focus & Building Relationships	Council decision making is open and transparent	The Annual report must be adopted within statutory requirements 31st October	Date of council meeting for adoption	2010 Annual Report was adopted 1 November (within the statutory deadline)	100%	100%
Accessibility, Customer focus & Building Relationships	Service and information is provided to the community	% satisfied with service at front-line of Council	Resident Satisfaction Survey	New Measure	90%	100%
Affordability	To provide value for money for residents and businesses who pay rates	% reduction in rates arrears per annum	Quarterly reports	New Measure	Establish baseline in 2011/2012 year	Reduce arrears by 5% per year
Sustainability	To provide value for money for residents and businesses who pay rates and to conduct business in an environmentally sensitive manner	The number of litres of fuel used per 100 kilometres travelled by all vehicles within the fleet per annum	Quarterly reports	New Measure	Establish baseline in 2011/2012 year	Reduce fuel by 2% per year
Sustainability	To provide value for money for residents and businesses who pay rates and to conduct business in an environmentally sensitive manner	The number of kilowatt hours of electricity used per full time equivalent (fte) per annum	Quarterly reports	New Measure	Establish baseline in 2011/2012 year	Reduce the number of kilowatt hours by 2% per year
Sustainability	To provide value for money for residents and businesses who pay rates and to conduct business in an environmentally sensitive manner	The kilograms of waste sent to landfill from the main Council office per full time equivalent (fte) in that office, per annum	Quarterly reports	New Measure	Establish baseline in 2011/2012 year	Reduce the number of kilograms of waste by 2% per year

Core Value		Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Sustainability	To provide value for money for residents and businesses who pay rates and to conduct business in an environmentally sensitive manner	The number of kilograms of paper used in the main Council office per full time equivalent (fte) in that office, per annum	Quarterly reports	New Measure	Establish baseline in 2011/2012 year	Reduce the amount of paper used by 2% per year

# GOVERNANCE

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**4%** of total operating expenditure in the 2012/13 Budget



2012/13 Annual budget

**\$697,000**

**\$695,000** from general rates

**\$0** from targeted rates

**\$2,000** from other income

## Vision

Governance is a key area for Council to deliver on its vision of inspirational leadership. Another key aspect is involving the community in decision making. This activity contributes to our over arching vision relating to innovation, community and stakeholder involvement and inspirational leadership. The core values that underlie these parts of our vision are affordability, customer focus, quality, accessibility and building relationships.

## What we do

- The Council is an elected body of representatives who assist in the running of the District. Responsibilities of their role include:
  - Providing representation of residents views
  - Providing leadership in setting priorities and decision making
  - Development of policy
  - Employment of the CEO
  - Provide advocacy to central government for other services and make submissions to central government
  - Take an active role in Major Regional Initiative (MRI) and Major District Initiatives (MDI) in association with Development West Coast and advocacy for economic development
  - Partnering with other organisations to achieve roles

## Why we do it

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

## Where are we now?

Council's elected representatives currently consist of the Mayor, and 10 Councillors; from the wards of Northern (3), Hokitika (4) and Southern (3). All scheduled meetings are advertised in local newspapers.

Council ensures consultation occurs with those affected by key proposals and manages where required the formal submission process under the special consultative procedure.

Council staff provides management of the triennial election process and support to the new Council where required.

The Westland Council represents a small population (8,400 approximately) but gets good feedback as they are accessible to the ratepayers. There is some apathy to general consultation. The Mayor advertises and attends several venues throughout each year to discuss issues with residents and to encourage participation.

The planning process is valuable to Council and ratepayers however there is a constant increase of the compliance level required for the LTP which can strain the financial and staff resources.

## Key Issues affecting this activity

- Getting residents to participate in consultation processes
- A large geographic area which may be a barrier to standing as a representative as travel can be up to 3 ½ hours to a meeting
- Meeting government set standards without the funding
- Devolution of central government roles without funding
- Small Councils are being overwhelmed by the cost of compliance imposed by central government
- National policy statements are being announced and there appears to be no thought as to whether they apply to some Councils

## Asset Management

There are no assets involved in this activity apart from IT equipment and furniture provided to the Mayor's office and meeting room which are replaced in accordance with Council policy.

## Rationale for Financing this Activity

Benefits identified from activity	Description	Funding source and mechanism
Public	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.	100% General Rates for operational costs, levied as part of the Uniform Annual General Charge
Private	Specific requests by individuals or organisations are dealt with during the normal course of Councils business.	0% Fees and charges

## Significant Negative Effects

The activity may create the following significant negative effect:

- Additional costs of LGA 2002 impact on residents costs
- Some decisions made by Council may be contrary to that of individuals in the community.

## Where do we want to be?

- Council has good representation and participation by all sectors
- Council will continue to develop an active Youth Council
- The growth in the District is not anticipated to impact on this activity as far as operational expenses or assets. Growth will have no impact on representation although in time it may warrant extra representation in the Southern part of Westland
- Council has reliable planning and strategic documents to enable robust decision making
- The Council to have a fair and supported rating system

## How are we going to get there?

- Continue to make policies and identify strategies for Council to follow
- Perform Council Representation reviews as required
- Ensure media is provided with information on Council projects, initiatives and their success
- Continue to lobby and provide responses to Central Government plans that impact on local government
- Continue to survey customer satisfaction so we get an improved measure of how our residents feel about Councils performance
- Review rating policies in line with possible future legislative changes

## Service Levels and Performance Measures for Governance

Core Value		Performance Measure	Information we will use to measure success	Current Performance 2010/2011	Target 2012/13-2015/16	Target 2016/17-2021/22
Quality & Accessibility	The community contributes to decision making	Public notification of council meetings must be at least 10 working days before each meeting	Adverts placed in local newspapers	100%. All advertisements placed meet the required standard of within 10 working days before each meeting.	100%	100%
Identity & Accessibility	The community contributes to decision making	At least 80% of residents feel they have some influence on decision making	Resident Satisfaction Survey	74% of residents were very satisfied, quite satisfied or only just satisfied with the way they are consulted and the opportunity they have to participate in decision making.	80%	80%
Identity & Accessibility	Council decision making is open and transparent	At least 90% of items on the agenda are conducted in open meetings	Review agendas for council	92% of all agenda items were conducted in open meetings.	90%	90%
Accessibility & Quality	Council decision making is open and transparent	Local Government official information and Meetings Act 1987 (LGOIMA) requests are complied within the 20 working days	Review of requests and written replies	83%. 12 requests were received in the 2010/2011 year. 2 requests were not answered with 20 working days.	100%	100%
Customer Focus, Accessibility, & Building Relationships	Council decision making is open and transparent and promotes accountability	Elected representatives attend 90% of all meetings and workshops	Number of meetings attended	New Measure	100% compliance	100% compliance
Customer Focus, Accessibility, & Building Relationships	The community understands what Council does	% of residents who understand how Council makes decisions	Resident Satisfaction Survey	New Measure	50%	60%

# GROUP FINANCIAL FORECAST

## DEMOCRACY SERVICES

Cost of Services Statement	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>Operating Revenue</b>											
General Rates	690	695	737	737	758	803	804	829	877	878	905
Targeted Rates	0	-	-	-	-	-	-	-	-	-	-
Vested Assets	0	-	-	-	-	-	-	-	-	-	-
Other Income	17	2	44	2	2	48	2	2	52	2	2
<b>Total Operating Revenue</b>	<b>707</b>	<b>697</b>	<b>780</b>	<b>738</b>	<b>760</b>	<b>851</b>	<b>806</b>	<b>830</b>	<b>929</b>	<b>880</b>	<b>907</b>
<b>Operating Expenses</b>											
Employee benefit expenses	0	0	0	0	0	0	0	0	0	0	0
Depreciation	(4)	(4)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(6)	(6)
Other Expenditure	(693)	(693)	(776)	(734)	(756)	(847)	(801)	(826)	(925)	(875)	(901)
Interest	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenditure</b>	<b>(697)</b>	<b>(697)</b>	<b>(781)</b>	<b>(739)</b>	<b>(760)</b>	<b>(852)</b>	<b>(807)</b>	<b>(831)</b>	<b>(930)</b>	<b>(881)</b>	<b>(907)</b>
<b>Operating Surplus/(Deficit)</b>	<b>10</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>0</b>

# FUNDING IMPACT STATEMENT

## DEMOCRACY SERVICES

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	690	695	737	737	758	803	804	829	877	878	905
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	2	2	2	2	2	2	2	2	2	2	2
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	16	0	42	(0)	(0)	46	(0)	(0)	50	(0)	(0)
<b>Total operating funding [A]</b>	<b>707</b>	<b>697</b>	<b>780</b>	<b>738</b>	<b>760</b>	<b>851</b>	<b>806</b>	<b>830</b>	<b>929</b>	<b>880</b>	<b>907</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(401)	(413)	(487)	(437)	(449)	(532)	(477)	(491)	(580)	(520)	(536)
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	(292)	(280)	(289)	(297)	(306)	(315)	(325)	(334)	(344)	(355)	(365)
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(693)</b>	<b>(693)</b>	<b>(776)</b>	<b>(734)</b>	<b>(756)</b>	<b>(847)</b>	<b>(801)</b>	<b>(826)</b>	<b>(925)</b>	<b>(875)</b>	<b>(901)</b>
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>(1)</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>5</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure											
—to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
—to improve the level of service	(300)	0	0	0	0	0	0	0	0	0	0
—to replace existing assets	0	(115)	0	0	0	0	(122)	0	0	0	0
Increase (decrease) in reserves	301	111	(5)	(4)	(4)	(4)	117	(5)	(4)	(5)	(5)
Increase (decrease) of investments		0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>1</b>	<b>(4)</b>	<b>(5)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(5)</b>	<b>(5)</b>	<b>(4)</b>	<b>(5)</b>	<b>(5)</b>
<b>Surplus (deficit) of capital funding [C+D]</b>	<b>1</b>	<b>(4)</b>	<b>(5)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(5)</b>	<b>(5)</b>	<b>(4)</b>	<b>(5)</b>	<b>(5)</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	10	(0)	(0)	(0)	(0)	0	0	0	(0)	0	0
Add depreciation	4	4	5	5	5	5	5	5	5	6	6
Less increase in reserves	15	(0)	0	(0)	(0)	1	1	1	1	1	1
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>(1)</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>5</b>



PROVIDING LEADERSHIP FOR THE  
COMMUNITY

# COUNCIL CONTROLLED ORGANISATIONS





# COUNCIL CONTROLLED ORGANISATIONS

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

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

Council also controls Westland Wilderness Trust, formerly Westland Nature Trust, which was originally set up to help promote sustainable outdoor recreational opportunities for Westland. This Trust is currently not active.

## Westland Holdings Limited

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

The principal activity of the Holding Company is to operate in a governance and reporting role over the activities of the subsidiary companies Westroads Limited, Westland District Property Limited and Hokitika Airport Limited. The Company is governed by three directors appointed by Westland District Council. From time to time Westland Holdings Limited or its subsidiaries may set up shelf companies for specific commercial projects. In these instances WHL will seek the approval of Council to set up the shelf company, as required by its Statement of Intent.

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

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

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

## Key Objectives

### Westland Holdings Limited

To achieve the objectives of the shareholder, Westland District Council, both commercially and non-commercially as specified in the Statement of Intent in a manner that recognises sound business practice, good employer obligations and social and environmental responsibility.

### Westroads Limited

Operates a successful business by meeting market requirements in terms of quality, excellence in service and pricing on a commercially competitive basis and ensure a reasonable rate of return to the ratepayers of Westland in accordance with the Statement of Intent.

#### Hokitika Airport Limited

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

#### Westland District Property Limited

To manage the ownership and operation of the property portfolio in a commercial and strategic manner that will by year 2030 provide a return that contributes to the majority of the General Rate requirement of Council, and to become involved in strategic property development or investment, which will benefit the District and the Company, as opportunities arise.

## Key Performance Measures

#### Westland Holdings

- Return a dividend to Council in accordance with the Statement of Intent
- Prepare an Annual Report in accordance with the requirements of the LGA 2002.
- subsidiary Statement of Intents will be submitted to the Shareholder (Council) by 31 March and finalised by 30 June.

#### Westroads Limited

- Tax paid return on shareholder funds of 9%
- Net after tax profit is to be accordance with the Statement of Intent

#### Hokitika Airport Limited

- Revenue from commercial businesses is to remain at or above current levels
- Revenue from the rental of land and buildings is to remain at or above current levels.

#### Westland District Property Limited

- The ratio of net profit before taxation and revaluations (before extraordinary items) to average shareholder funds of 1% for 2012/2013.
- The ratio of net profit before taxation and revaluations to average total assets (including any revaluation) of 1% for 2012/2013.
- A return on property transferred for management purposes greater than that obtained by Council for the 2009/2010 year (\$65,000).
- Compliance with statutory and regulatory requirements enabling Westland District Property Limited , Westland Holdings Limited and Westland District Council to comply with the Local Government Act 2002.

#### Westland Wilderness Trust

The Trust has had no financial transactions from inception. There are no key performance measures at this time.

## Who Benefits and over what Period

### Westland Holdings Limited

The main benefit is to the District as a whole and the advantages gained by having the subsidiary company managed and governed in a professional and competent manner.

### Hokitika Airport Limited

The main benefit is to the users of the Airport but there are benefits to all residents and ratepayers for having the facility located in Westland. There is a significant benefit to tourists and visitors to the region and the businesses who service them.

### Westroads Limited

There is a benefit to the District as a whole as distributions paid to Westland Holdings Limited are utilised by Council to offset rate requirements as well as the benefit gained by having a significant employer in Westland.

### Westland District Property Limited

There is a benefit to the District as a whole as distributions paid to Westland Holdings Limited are utilised by Council to offset rate requirements as well as the benefit gained by the managing the property portfolio to its maximum benefit.

### Westland Wilderness Trust

The main benefit is to the District as a whole since the Trust is designed to help to promote sustainable outdoor recreational opportunities in Westland and this affects businesses, customers and residents.



# FINANCIAL FORECASTS



# FINANCIAL FORECASTS

Prospective statement of comprehensive income

Prospective statement of changes in equity

Prospective statement of financial position

Prospective statement of cash flows

Statement of special funds and reserves

Summary cost of services

Statement of accounting policies

Summary of assumptions

# PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s	2016/17 \$000s	2017/18 \$000s	2018/19 \$000s	2019/20 \$000s	2020/21 \$000s	2021/22 \$000s
<b>Operating Revenue</b>											
General Rates	4,643	4,999	5,235	5,323	5,420	5,592	5,725	5,877	6,075	6,232	6,426
Targeted Rates	3,717	3,974	4,331	4,277	5,134	5,405	5,592	5,760	5,924	6,100	6,549
Vested Assets	200	0	805	1,188	694	559	574	589	604	619	634
Other Income	10,458	11,721	6,898	8,026	7,295	7,570	7,751	7,993	8,288	8,493	8,758
<b>Total Operating Revenue</b>	<b>19,018</b>	<b>20,694</b>	<b>17,269</b>	<b>18,814</b>	<b>18,543</b>	<b>19,127</b>	<b>19,643</b>	<b>20,219</b>	<b>20,890</b>	<b>21,444</b>	<b>22,366</b>
<b>Operating Expenses</b>											
Employee benefit expenses	(1,246)	(1,300)	(1,336)	(1,366)	(1,396)	(1,429)	(1,462)	(1,495)	(1,529)	(1,564)	(1,600)
Depreciation	(4,531)	(4,510)	(4,742)	(4,959)	(5,157)	(5,329)	(5,479)	(5,624)	(5,770)	(5,929)	(6,170)
Other Expenditure	(9,675)	(9,916)	(10,448)	(10,803)	(11,216)	(11,720)	(12,074)	(12,475)	(12,971)	(13,337)	(13,832)
Interest	(265)	(302)	(372)	(514)	(546)	(582)	(589)	(596)	(602)	(608)	(774)
<b>Total Operating Expenditure</b>	<b>(15,717)</b>	<b>(16,029)</b>	<b>(16,898)</b>	<b>(17,642)</b>	<b>(18,316)</b>	<b>(19,060)</b>	<b>(19,604)</b>	<b>(20,191)</b>	<b>(20,872)</b>	<b>(21,438)</b>	<b>(22,376)</b>
<b>Operating Surplus/(Deficit)</b>	<b>3,301</b>	<b>4,665</b>	<b>371</b>	<b>1,172</b>	<b>226</b>	<b>67</b>	<b>39</b>	<b>28</b>	<b>18</b>	<b>6</b>	<b>(10)</b>
Income tax	0	0	0	0	0	0	0	0	0	0	0
<b>Net Surplus/(Deficit) after tax</b>	<b>3,301</b>	<b>4,665</b>	<b>371</b>	<b>1,172</b>	<b>226</b>	<b>67</b>	<b>39</b>	<b>28</b>	<b>18</b>	<b>6</b>	<b>(10)</b>
Gain/(losses on revaluation of assets)	8,731	0	10,728	10,345	11,495	11,112	10,728	11,495	11,878	12,261	13,027
<b>Total Comprehensive Income</b>	<b>12,032</b>	<b>4,665</b>	<b>11,099</b>	<b>11,517</b>	<b>11,721</b>	<b>11,178</b>	<b>10,767</b>	<b>11,522</b>	<b>11,896</b>	<b>12,267</b>	<b>13,018</b>

# PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s	2016/17 \$000s	2017/18 \$000s	2018/19 \$000s	2019/20 \$000s	2020/21 \$000s	2021/22 \$000s
Opening Equity	385,593	397,625	402,290	413,389	424,907	436,628	447,806	458,573	470,096	481,992	494,259
Add Total Comprehensive Income for the Year	12,032	4,665	11,099	11,517	11,721	11,178	10,767	11,522	11,896	12,267	13,018
<b>Equity at 30 June</b>	<b>397,625</b>	<b>402,290</b>	<b>413,389</b>	<b>424,907</b>	<b>436,628</b>	<b>447,806</b>	<b>458,573</b>	<b>470,096</b>	<b>481,992</b>	<b>494,259</b>	<b>507,276</b>

# PROSPECTIVE STATEMENT OF FINANCIAL POSITION

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>ASSETS</b>											
<b>CURRENT ASSETS</b>											
Cash at bank	724	622	1,391	2,451	3,105	3,504	4,419	5,376	6,927	8,605	8,250
Trade and other receivables	2,346	911	941	968	997	1,027	1,057	1,089	1,121	1,154	1,189
Inventories	0	0	0	0	0	0	0	0	0	0	0
Other Current assets	2,231	2,231	2,231	2,231	2,231	2,231	2,231	2,231	2,231	2,231	2,231
<b>Total Current Assets</b>	<b>5,301</b>	<b>3,764</b>	<b>4,563</b>	<b>5,650</b>	<b>6,332</b>	<b>6,762</b>	<b>7,707</b>	<b>8,696</b>	<b>10,279</b>	<b>11,990</b>	<b>11,670</b>
<b>NON-CURRENT ASSETS</b>											
Work in progress	1,546	1,546	1,546	1,546	1,546	1,546	1,546	1,546	1,546	1,546	1,546
Intangible assets and goodwill	0	0	0	0	0	0	0	0	0	0	0
Property, plant and equipment	412,459	421,981	437,716	453,135	471,422	487,343	501,904	517,302	532,607	548,294	570,700
Accumulated Depreciation - PPE	(15,211)	(19,721)	(24,464)	(29,423)	(34,580)	(39,909)	(45,388)	(51,012)	(56,782)	(62,711)	(68,881)
Equity investments	8,247	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929
<b>Total Non-current Assets</b>	<b>407,041</b>	<b>412,735</b>	<b>423,728</b>	<b>434,187</b>	<b>447,317</b>	<b>457,909</b>	<b>466,990</b>	<b>476,765</b>	<b>486,300</b>	<b>496,057</b>	<b>512,294</b>
<b>TOTAL ASSETS</b>	<b>412,342</b>	<b>416,499</b>	<b>428,290</b>	<b>439,837</b>	<b>453,649</b>	<b>464,670</b>	<b>474,697</b>	<b>485,461</b>	<b>496,579</b>	<b>508,047</b>	<b>523,963</b>
<b>LIABILITIES</b>											
<b>CURRENT LIABILITIES</b>											
Trade and other payables	2,292	942	984	1,021	1,058	1,096	1,133	1,169	1,206	1,246	1,289
Borrowings	505	480	455	429	404	379	354	328	303	278	253
Employee benefit liabilities	235	235	243	250	257	265	272	280	288	297	306
Provisions - current	156	156	161	165	170	175	180	186	191	197	203
Other current liabilities	134	134	134	134	134	134	134	134	134	134	134
<b>Total Current Liabilities</b>	<b>3,322</b>	<b>1,947</b>	<b>1,975</b>	<b>1,999</b>	<b>2,023</b>	<b>2,049</b>	<b>2,073</b>	<b>2,097</b>	<b>2,123</b>	<b>2,152</b>	<b>2,184</b>
<b>NON-CURRENT LIABILITIES</b>											
Borrowings	10,800	11,667	12,313	12,300	14,349	14,146	13,363	12,559	11,734	10,885	13,728
Provisions - non-current	359	359	370	380	392	403	415	428	440	454	467
Employee benefit liabilities	236	236	243	250	257	265	273	281	289	298	307
Deferred tax liability	0	0	0	0	0	0	0	0	0	0	0
<b>Total Non-current Liabilities</b>	<b>11,395</b>	<b>12,262</b>	<b>12,925</b>	<b>12,931</b>	<b>14,998</b>	<b>14,815</b>	<b>14,051</b>	<b>13,268</b>	<b>12,464</b>	<b>11,637</b>	<b>14,503</b>
<b>TOTAL LIABILITIES</b>	<b>14,717</b>	<b>14,209</b>	<b>14,901</b>	<b>14,930</b>	<b>17,021</b>	<b>16,864</b>	<b>16,124</b>	<b>15,365</b>	<b>14,587</b>	<b>13,788</b>	<b>16,687</b>
<b>NET ASSETS</b>	<b>397,625</b>	<b>402,290</b>	<b>413,389</b>	<b>424,907</b>	<b>436,628</b>	<b>447,806</b>	<b>458,573</b>	<b>470,096</b>	<b>481,992</b>	<b>494,259</b>	<b>507,276</b>
<b>EQUITY</b>											
Retained earnings	157,562	162,196	162,354	163,311	163,288	163,101	162,919	162,699	162,552	162,292	162,011
Special funds and reserves	3,057	3,089	3,302	3,517	3,767	4,020	4,241	4,489	4,654	4,921	5,191
Asset revaluation reserve	237,006	237,005	247,733	258,079	269,573	280,685	291,413	302,908	314,786	327,047	340,074
<b>TOTAL EQUITY</b>	<b>397,625</b>	<b>402,290</b>	<b>413,389</b>	<b>424,907</b>	<b>436,628</b>	<b>447,806</b>	<b>458,573</b>	<b>470,096</b>	<b>481,992</b>	<b>494,259</b>	<b>507,276</b>

# PROSPECTIVE STATEMENT OF CASH FLOWS

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Cash flows from operating activities</b>											
Receipts from general rates	4,643	5,005	5,217	5,305	5,401	5,573	5,706	5,856	6,054	6,210	6,403
Receipts from targeted rates	3,717	4,057	4,319	4,746	5,124	5,395	5,582	5,749	5,912	6,088	6,537
Receipts from activities and other income	7,638	7,993	6,898	7,069	7,295	7,570	7,751	7,993	8,288	8,493	8,758
Receipts from Crown contributions	4,000	0	0	479	0	0	0	0	0	0	0
Cash paid to Suppliers and employees	(11,161)	(12,566)	(11,712)	(12,102)	(12,545)	(13,078)	(13,467)	(13,900)	(14,428)	(14,826)	(15,351)
Interest (paid) / received	(593)	(302)	(372)	(514)	(546)	(582)	(589)	(596)	(602)	(608)	(774)
Net cash flows from operating activities	8,244	4,187	4,350	4,983	4,729	4,878	4,983	5,102	5,224	5,357	5,573
<b>Cash flows from investing activities</b>											
Purchase of property, plant and equipment	(8,740)	(5,130)	(4,202)	(3,885)	(6,099)	(4,250)	(3,258)	(3,315)	(2,823)	(2,807)	(8,746)
Net cash flows from investing activities	(8,740)	(5,130)	(4,202)	(3,885)	(6,099)	(4,250)	(3,258)	(3,315)	(2,823)	(2,807)	(8,746)
<b>Cash flows from financing activities</b>											
Proceeds from borrowings	708	1,450	1,261	694	2,781	562	0	0	0	0	3,806
Repayments of borrowings	(119)	(609)	(640)	(732)	(757)	(790)	(809)	(829)	(850)	(874)	(988)
Net cash flows from/(used in) financing activities	589	841	621	(38)	2,024	(228)	(809)	(829)	(850)	(874)	2,818
Net increase in cash at bank	93	(102)	769	1,060	654	399	915	957	1,551	1,678	(355)
Opening cash and cash equivalents	631	724	622	1,391	2,451	3,105	3,504	4,419	5,376	6,927	8,605
Closing cash and cash equivalents	724	622	1,391	2,451	3,105	3,504	4,419	5,376	6,927	8,605	8,250

# STATEMENT OF SPECIAL FUNDS AND RESERVES

	Opening Balance 2012/13	Income	Operating Expenditure	Capital & Transfers	Closing Balance 2021/22	Purpose of the fund
	\$000s	\$000s	\$000s	\$000s	\$000s	
<b>Special Funds</b>						
Emergency Contingency Fund	45	157	0	500	702	This fund was set up to support the recovery of basic infrastructure like water and sewerage in the event of a major natural disaster.
Westland County Fund	1,730	1,088	0	0	2,818	This fund was established in 1989 from payments from Central Government for ceasing the logging of indigenous trees. The annual proceeds are to be used for rural projects in the District.
Reserve Development	367	232	0	(368)	231	This fund was set up for the recreation contributions made when there are additional allotments are created. The funds can be used to upgrade or build recreational facilities.
<b>Total Special Funds</b>	<b>2,142</b>	<b>1,477</b>	<b>0</b>	<b>132</b>	<b>3,751</b>	
<b>Trusts and Bequests</b>						
Kumara Endowment Fund	298	187	0	(50)	435	This fund was set up for the proceeds from the sale of endowment land in Kumara.
Euphemia Brown Bequest	23	15	0	0	38	This account was created from interest received on funds set aside under the will of the Euphemia and William E Brown Estate and administered by the Public Trust Office. The will states that the funds are to be used to provide Christmas cheer or comfort for orphan children or poor aged and infirm persons residing in and around the Borough of Hokitika in such a manner as the Mayor deems fit.
Waiho River-Franz Josef	332	208	0	0	540	This fund was set up for the relocation costs from the flooding of the Waiho River.
Mayors Trust Funds	31	19	0	0	50	This fund consists of donations and can be used by the Mayor to assist with cases of hardship.
Three Mile Domain	225	142	0	0	367	The administration of the Three Mile Domain Board was handed to Council when the Westland District Council was constituted in 1989. Funds were transferred to Council in 1993 from rental and royalties. Funds are available for the Three Mile reserve.
The Preston Bush Trust	6	4	0	0	10	This fund was set up to fund the improvements in Preston's Bush.
<b>Total Trusts and Bequests</b>	<b>915</b>	<b>575</b>	<b>0</b>	<b>(50)</b>	<b>1,440</b>	
<b>Total Special Funds and Reserves</b>	<b>3,057</b>	<b>2,052</b>	<b>0</b>	<b>82</b>	<b>5,191</b>	

# SUMMARY COST OF SERVICES

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s	2016/17 \$000s	2017/18 \$000s	2018/19 \$000s	2019/20 \$000s	2020/21 \$000s	2021/22 \$000s
<b>Operating Revenue</b>											
Leisure & Cultural Assets	2,697	2,557	2,635	2,722	2,806	2,886	2,963	3,031	3,121	3,216	3,312
Community Services	475	341	351	362	372	384	395	407	419	431	444
Planning & Regulatory Services	1,484	1,393	1,459	1,449	1,437	1,481	1,524	1,570	1,616	1,665	1,715
Transportation	8,412	9,270	5,116	5,613	5,243	5,230	5,365	5,507	5,653	5,803	5,961
Water Supply	1,840	2,236	2,453	3,275	2,941	3,065	3,153	3,231	3,307	3,392	3,772
Wastewater	673	782	838	866	1,043	1,132	1,171	1,199	1,224	1,251	1,251
Stormwater	435	487	534	550	566	582	599	617	634	653	680
Solid Waste	1,534	2,130	2,269	2,385	2,503	2,626	2,751	2,882	3,014	3,152	3,294
Other Infrastructural Assets and Services	761	800	832	856	872	890	916	944	972	1,001	1,031
Democracy Services	707	697	780	738	760	851	806	830	929	880	907
<b>Total Operating Revenue</b>	<b>19,018</b>	<b>20,693</b>	<b>17,267</b>	<b>18,816</b>	<b>18,543</b>	<b>19,127</b>	<b>19,643</b>	<b>20,218</b>	<b>20,889</b>	<b>21,444</b>	<b>22,367</b>
<b>Operating Expenses</b>											
Leisure & Cultural Assets	(2,741)	(2,445)	(2,525)	(2,609)	(2,689)	(2,766)	(2,856)	(2,921)	(3,008)	(3,098)	(3,196)
Community Services	(475)	(463)	(476)	(489)	(503)	(517)	(532)	(547)	(562)	(578)	(595)
Planning & Regulatory Services	(1,411)	(1,359)	(1,424)	(1,408)	(1,390)	(1,427)	(1,465)	(1,503)	(1,543)	(1,584)	(1,626)
Transportation	(5,185)	(4,844)	(4,986)	(5,132)	(5,283)	(5,443)	(5,602)	(5,772)	(5,941)	(6,119)	(6,302)
Water Supply	(1,908)	(2,022)	(2,233)	(2,610)	(2,707)	(2,824)	(2,905)	(2,976)	(3,044)	(3,121)	(3,494)
Wastewater	(673)	(782)	(839)	(865)	(1,044)	(1,131)	(1,171)	(1,199)	(1,224)	(1,251)	(1,252)
Stormwater	(435)	(487)	(534)	(550)	(566)	(582)	(599)	(617)	(635)	(653)	(680)
Solid Waste	(1,534)	(2,130)	(2,269)	(2,384)	(2,502)	(2,626)	(2,751)	(2,882)	(3,014)	(3,152)	(3,294)
Other Infrastructural Assets and Services	(659)	(800)	(832)	(856)	(872)	(890)	(916)	(944)	(972)	(1,001)	(1,031)
Democracy Services	(697)	(697)	(781)	(739)	(760)	(852)	(807)	(831)	(930)	(881)	(907)
<b>Total Operating Expenditure</b>	<b>(15,718)</b>	<b>(16,029)</b>	<b>(16,899)</b>	<b>(17,642)</b>	<b>(18,316)</b>	<b>(19,058)</b>	<b>(19,604)</b>	<b>(20,192)</b>	<b>(20,873)</b>	<b>(21,438)</b>	<b>(22,377)</b>
<b>Operating Surplus/(Deficit)</b>	<b>3,301</b>	<b>4,665</b>	<b>371</b>	<b>1,172</b>	<b>226</b>	<b>67</b>	<b>39</b>	<b>28</b>	<b>17</b>	<b>6</b>	<b>(10)</b>

# STATEMENT OF ACCOUNTING POLICIES

## 1.1 Reporting entity

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

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

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

## 1.2 Basis of preparation

The prospective financial statements of Council have been prepared in accordance with the requirements of the LGA 2002: Part 6, Section 98 and Part 1 of Schedule 10, which include the requirement to comply with New Zealand generally, accepted accounting practice (NZ GAAP).

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

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

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

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

The functional currency of Council is New Zealand dollars.

## 1.3 Cost allocation policy

Direct costs are charged directly to significant activities.

Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

Direct costs are those costs directly attributable to a significant activity.

Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as staff numbers, items processed, and/or based on level of support provided to each activity.

## 1.4 Revenue

Revenue is measured at the fair value of consideration received.

### Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

### Other revenue

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

Council receives government grants from New Zealand Transport Agency, which subsidises part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. Council also from time to time receives grants from other parties that are recognised on the same basis.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. The stage of completion is assessed by reference to surveys of work performed.

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns or allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

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

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

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest income is recognised using the effective interest method.

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

## 1.5 Construction contracts

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

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

## 1.6 Borrowing costs

The Council has elected to defer the adoption of NZ IAS 23 Borrowing Costs (Revised 2007) in accordance with its transitional provisions that are applicable to public benefit entities.

Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

## 1.7 Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the prospective 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 charged or credited to the surplus or deficit, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the tax is dealt with in other comprehensive income or equity.

## 1.8 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 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.

## 1.9 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.

## 1.10 Trade and other receivables

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

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

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

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

## 1.11 Inventories

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

## 1.12 Financial assets

The Council classifies 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 uses 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.

#### Financial assets at fair value through surplus or deficit

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

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

Financial assets in this category include derivative financial instruments.

#### Loans and receivables

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

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

#### Held to maturity investments

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

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

The Council currently does not have any investments that have been classified as held to maturity investments.

#### Financial assets available for sale

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

This category encompasses:

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

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

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

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

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

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

### 1.13 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.

## 1.14 Accounting for derivative financial instruments and hedging activities

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

## 1.15 Property, plant and equipment

Property, plant and equipment consist of:

### Operational assets

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

### Restricted assets

Restricted assets are parks and reserves owned by Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions. These include land vested under the Reserves Act 1977 and endowments or other property held in trust for specific purposes.

### Infrastructure assets

Infrastructural assets are the fixed utility systems owned by Council.

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

## 1.16 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 the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

## 1.17 Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

## 1.18 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.

## 1.19 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:

<b>Operational</b>	<b>Depreciable life (years)</b>
Buildings	50
Furniture and fittings	10
Motor vehicles	5
Plant and Equipment (including computers)	3 - 10
Library collection	8
Jackson Bay Wharf	30
<b>Restricted</b>	
Buildings	50
<b>Infrastructural roads</b>	
Formation	N/A
Sub-base	N/A
Base course	20 - 75
Surfacing (sealed)	1 – 16
Surfacing (unsealed)	5
Bridges	60 – 150
Box culverts / channels	60 – 150
Footpaths	5 – 50
Streetlights	20 – 40
Signs	10
<b>Infrastructural</b>	<b>Depreciable Life (years)</b>
<b>Water</b>	
Pipeline	60 – 80
Connections	60
Reservoirs and tanks	20 – 50
Pump stations	15 – 20
Sewer pipeline	60 – 80
Manholes	50 – 60
Pump stations	15 – 20
Oxidation Ponds	60 - 100

Infrastructural	Depreciable Life (years)
<b>Stormwater</b>	
Pipe line	60 – 80
Bank protection	50 – 100
Manholes	50 – 60
Pump stations	15 – 20
Runway	0 – 67

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

## 1.20 Revaluation

All valuations are carried out on a five-yearly cycle by independent qualified valuers, unless there is a significant change in carrying value, in which case they will be revalued as required.

For the purposes of this LTP, the Council revalues its infrastructure, land and building assets so that carrying values are maintained at fair value. To achieve this, we have revalued on annual basis which differs from our accounting policy. Council has not revalued in the first year of the plan since it recognises that the economy is in recession and does not want to overstate its comprehensive income or asset values.

All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

### Land and buildings

Council's operational, restricted and infrastructural land has been valued at fair value by Quotable Value NZ as at 30 June 2011.

Council buildings, excluding pump stations, Treatment Plant buildings and other infrastructure assets, have been valued at net current value as at 30 June 2011 by Quotable NZ.

### Infrastructural asset classes

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

### Land under roads

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

### Accounting for revaluations

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

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

surplus or deficit up to the amount previously expensed, and then credited to other comprehensive income and the revaluation reserve for that class of asset.

## 1.21 Intangible assets

### Mining licences

Mining licences that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated remaining useful lives for the mining licences is 5 years.

## 1.22 Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against other comprehensive income and the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

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

## 1.23 Investment Property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

## 1.24 Employee benefits

### Short-term benefits

Employee benefits that the Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date and retiring and long service leave entitlements expected to be settled within 12 months.

The Council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

### Long-term benefits

#### Long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave; have been calculated on an actuarial basis. The calculations are based on:

Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and the present value of the estimated future cash flows. A discount rate of between 6.13 and 7.0%, and an inflation factor of 2.1 to 3.0% were used.

The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

## 1.25 Superannuation schemes

### Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the board of trustees of National Provident Fund. The scheme is a multi-employer defined benefit scheme. Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

## 1.26 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. The increase in the provision due to the passage of time is recognised as an interest expense.

## 1.27 Trade and Other Payables

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

## 1.28 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.

## 1.29 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 reserves.

The components of equity are:

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

## 1.30 Council created reserves

Council created reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

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

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

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

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

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

## 1.31 Goods and services tax (GST)

All items in the prospective financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

## 1.32 Critical accounting estimates and assumptions

In preparing these prospective financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

## 1.33 Landfill aftercare provision

Notes to the prospective financial statements disclose an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

### 1.34 Infrastructural assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets.

These include:

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be affected by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit
- To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and has been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.
- Experienced independent valuers perform Council's infrastructural asset revaluations.

### 1.35 Critical judgments in applying Council's accounting policies

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

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

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

Reference	Title	*Application Date	Footnote
NZ IFRS 9	Financial Instruments	1 January 2013	1

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

1. NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. It proposes changes the requirements for the classification and measurement of financial assets and financial liabilities to reduce the complexity in reporting financial instruments. The first stage of the new standard has been released but only discusses financial assets. When adopted, it will affect the categories under which financial assets are classified in the Annual Report, but will have no impact on the values currently reported.

It is also noted that in September 2011, the External Reporting Board issued a position paper and consultation papers proposing a new external reporting framework for public benefit entities (PBEs). The papers proposed that accounting standards for PBEs would be based on International Public Sector Accounting Standards, modified as necessary. The proposals in these papers do not provide certainty about any specific requirements of future accounting standards. Therefore, the accounting policies on which the forecast information for 2012-22 has been prepared are based on the current New Zealand equivalents to International Financial Reporting Standards.

### 1.37 Consolidation

The Council has not presented group prospective financial statements because it believes that the parent financial statements are more relevant to users. The main purpose of prospective financial statements in the LTP is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from, or further invests, in those subsidiaries. Such effects are included in the prospective financial statements.

### 1.38 Annual Plan Figures

The 2011/12 figures are those approved by the Council in its 2011/12 Annual Plan. They have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.



# SUMMARY OF ASSUMPTIONS

The financial information in this Long Term Plan (LTP) is a forecast of Council's future business activities and resulting financial impacts. In preparing each component of the plan, Council has made many assumptions and predictions about what might happen in the future. This section summarises the significant assumptions made in the preparation of the plan. In determining the 'significance' of a negative effect, Council takes into consideration the likely impacts and consequences for:

- The current and future social, economic, environmental, or cultural well-being of the district
- Anyone who is likely to be particularly affected or interested
- The capacity of Council to perform its role, or cost of it doing so

Actual results are likely to vary from the information disclosed.

Forecasting Assumption	Risk	Level of uncertainty	Reason and financial effect of uncertainty
<b>Population:</b>			
The population of the District will remain static or grow slightly during the period of the plan. The population statistics used have some from the NZ Census 2006 performed by Statistics New Zealand.	Population growth is significant in a localised area, putting pressure on infrastructure. Population significantly declines resulting in under-utilisation of infrastructure.	Low	Movements of + or – 5% (370 people) is unlikely to have a significant impact.
<b>Tourism:</b>			
Tourism growth continues to increase during the period of the plan.	That projected tourism rates are significantly higher or lower than expected.	High	Tourism is affected by fluctuations in the world economy. Tourism New Zealand projects an annual average growth rate of 3.4% to 2015. Recent local indications suggest that overall rates of tourism are declining. Tourism has a significant effect on the economy of Westland (BERL) and the pressure on infrastructure such as waste management and services.
<b>Growth:</b>			
Economic growth as measured by the GDP of the Westland district will increase slightly.	That growth is higher than expected.	Low	The Dairy Industry has experienced strong growth over the past ten years. Westland Milk Products (Hugh Little, 2009) project 6-7% average growth per annum in milk production and an associated increase in staff numbers of 8-10 employees. World commodity prices are reducing.

Forecasting Assumption	Risk	Level of uncertainty	Reason and financial effect of uncertainty
<b>Inflation:</b>			
Forecast financial statements are prepared based on on the average cost price index (2.97%) for the last five years (2007 to 2011) as published on the Reserve Bank website.	Price level changes are higher than expected.	Medium	If inflation were to be significantly higher than predicted Council would have to review the plan.
<b>Interest:</b>			
Council has calculated interest income based on our current portfolio, which is made up of fixed interest bonds, the average rate applied is 7%. As these investments mature, we have assumed an interest rate of 5%, this mainly affects from year 4 onwards.	Interest rates are significantly different than budgeted.	Medium	Interest rate movements are not expected to move significantly over the long term. Short term periods of high or low interest may occur. A (+/-)1% change would increase/decrease rates by approximately \$150,000.
Council has calculated interest expense based on our current average term loan rate of 5%. At the end of the term we have assumed a rate of 5%.			
Internal loans will be charged market rate at 1 July of the year that the loan is drawn down with a .25 margin added on.			
Capital reserves will be credited interest at 5.0%.			
<b>Returns on Investment:</b>			
Cash investments will return income based on the interest rate assumption.			
Distributions from Westland Holdings Limited have been conservatively budgeted for in the plan.	As per interest rate assumption. No distributions are received.	Medium	Conservative estimates and minimal annual allocation of dividend income to projects beyond 20010/11 will mean that any drop in income will not see a noticeable change in service level. Additional surplus received will be placed in reserve for Council consideration during the Annual Plan process. A (+/-)1% change would increase/decrease rates by approximately \$150,000.
<b>Capital Expenditure:</b>			
Capital expenditure estimated costs are based on Council's best estimates and known planned expenditure.	Capital expenditure varies from budget.	Medium	Capital expenditure expected to occur within the first three years of the LTP has undergone a higher degree of review than expenditure beyond that point. It is likely that the price level changes will differ from budget or that new technology or obsolescence will change the nature or cost of a project.
Water treatment projects planned for Arahura and Kumara will proceed based on the planned subsidies.	Planned subsidies of 60% from the Ministry of Health will not be received.	Medium	Subsidies received from the Ministry of Health less than 60% would result in the project not proceeding as Council considers it unaffordable for the community.

Forecasting Assumption	Risk	Level of uncertainty	Reason and financial effect of uncertainty
<b>Replacement of Assets:</b>			
Assets will be replaced at the end of their economic life. As part of condition assessments and revaluations, the economic lives of assets are re-assessed. 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.	Asset lives are shorter than expected, leading to inadequate replacement reserves, or asset lives are significantly longer than expected leading to overcharging of depreciation.	Low	Detailed asset management plans and data have been maintained and are regularly reviewed. Assumptions on asset lives are independently reviewed as part of the revaluation process.
<b>Revaluations:</b>			
The Council revalues its infrastructure, land and building assets so that carrying values are maintained at fair value. To achieve this, we have revalued on annual basis which differs from our accounting policy. Council has not revalued in the first year of the plan since it recognises that the economy is in recession and does not want to overstate its comprehensive income or asset values.	Values change significantly. Depreciation and hence replacement reserves differ from those projected.	Medium	Periods of high inflation, relating to a particular product or changes in technology may affect the value of an asset groups so as to require revaluations outside of the normal cycle. This may increase depreciation, and therefore rates, when depreciation is funded.
<b>Levels of Service:</b>			
Service levels remain unchanged except where stated as projects.	There are significant changes in customer expectations regarding levels of service.	Low	Service levels have been defined through significant consultation with the community over a number of years.
<b>New Zealand Transport Agency Funding:</b>			
NZTA financial assistance rate for the land transport programme will remain at 58% for the life of the plan.	NZTA financial assistance decreases.	Medium	The impact of a drop in subsidy will be an increase in the ratepayer contributions to maintain the same level of programme.
Council has signalled the development of the National Cycleway project in conjunction with the four West Coast councils in the last Long Term Council Community Plan. It has been assumed that the project will be designed to meet the relevant criteria to qualify for NZTA financial assistance. It has been assumed for the purposes of this Plan that an application for NZTA funding would be successful and that the local share will be met from a mix of infrastructure reserves and/or other central government subsidies. Cycleways will be on road reserves, DOC land, and private land (with easements). Depreciation will be provided for on our contribution, on the basis that we can expect the other parties to contribute at a similar percentage to renewing the asset.	NZTA financial assistance decreases.	Medium	The project will not go ahead.

Forecasting Assumption	Risk	Level of uncertainty	Reason and financial effect of uncertainty
<b>Legislation:</b>			
There will be no significant change in legislation.	New legislation introduces new activities to Council or significantly changes Council's involvement in the activity.	High	Former Hon Nick Smith Minister for Local Government has announced a wide sweeping review of local government to commence in 2012. This is likely to impact all councils. Parliament regularly introduces new legislation requiring local government compliance and/or monitoring. These potential changes in structure can have a significant effect on the allocation of resources for Council.
<b>Local Government Reorganisation:</b>			
There will be no change to District boundaries.	Amalgamation will be forced onto local councils.	Medium	At the time of the preparation of this plan, there is no current proposal and no significant ratepayer support in Westland.
<b>Solid Waste Assumptions:</b>			
Landfills will be capped as per resource consent process	That resource consents will be breached and abatement notices issued.	Low	Capping requirements are budgeted for.
Butler's Landfill is operating smoothly	Diversion of waste from the District will be required.	Low	The impact of diversion and markets crashing will result in increased costs.
The District will continue with its recycling program.	Markets for recycled materials will not recover in the short to medium term.	Medium	The impact of diversion and markets crashing will result in increased costs.
<b>Resource Consents:</b>			
Resource consents held for Council activities will be renewed and will require additional monitoring.	Conditions of consent are altered significantly having a negative impact on Council.	Medium	Compliance and monitoring requirements have increased with expectations of environmental outcomes and legislation changes. Use of external specialists to conduct monitoring will increase cost.
<b>Natural Disasters:</b>			
There will be no natural disasters causing significant damage to infrastructure.	Natural disasters causing significant damage cannot be funded from existing budgets or insurance.	High	There is a low history of significant events. Financial risks have been mitigated through external insurance.
The Crown has demonstrated a willingness to provide some aid in the event of a major disaster.	Government cannot afford to pay for damages related to a Natural Disaster Event.	Medium	The Christchurch earthquakes have demonstrated the Government's commitment to step in after a disaster. Timing of another event could stretch this resource.
<b>Climate Change:</b>			
The Council are of the opinion that there is not sufficient certainty surrounding the detail of the projections of climate change for them to be incorporated as specific financial forecasting assumptions in the LTP. It is assumed therefore that there will be no significant impact on the Council's activities within the period covered by the LTP.	There is a risk that climate change will happen more quickly than expected and require changes to the Council's activities.	Low	These factors may have a stronger impact than anticipated. The Council will monitor the situation and seek to adapt accordingly.

Forecasting Assumption	Risk	Level of uncertainty	Reason and financial effect of uncertainty
<b>Emissions Trading</b>			
The Emissions Trading Scheme is in place, however there is still limited detail on how its implementation will affect costs going forward. Council has accounted for the carbon tax on Butler's Landfill in this LTP, as per the information available.	That any carbon tax will materially impact on Council during the period covered by the LTP.	Low	Until there is more detail released as to what, if any, changes are to be made to the current legislation, the Council will not allow for any changes to the budgets used in the preparation of this plan.
<b>Renewability or otherwise of external funding</b>			
Council assumes renewal of current funding arrangements with its principal bankers, Westpac, both in regard to the quantum of the funding and the terms and conditions of the funding.	There is a risk in the current economic climate that funding accessibility and terms and conditions may be less favourable.	Low	These factors may have a stronger impact than anticipated. Interest rates may increase, or decrease greater than forecast.
<b>Sources of funds for future replacement of significant assets:</b>			
That adequate funding will be provided to replace assets as scheduled.	That a particular funding source will be unavailable.	Low	Should one source of funding be unavailable for asset replacement, a further option may not be available.
<b>Sales of Fixed Assets</b>			
The sales of assets in the plan will proceed according to terms of negotiations currently in progress	Asset sales do not proceed.	Low	Council has only included sales that it is confident will go ahead. In the instance where the proceeds of these sales go to the communities the effect of a sale not proceeding will mainly affect the timing of the Community of receiving the revenue. This timing issue would be the same if sale proceeds were being used to offset general rates.
<b>Assets Vested with Council</b>			
Granted resource consents with assets to be vested into Council will be completed within statutory time frame.	Land developer will not proceed and assets will not be vested with Council.	Low	If assets do not vest or the time frame is extended Council will not recognise the revenue or will not recognise it within the expected time frame.
<b>MDI Funding</b>			
Council assumes that it will receive the funding considering the projects have been approved by Council for inclusion in the LTP and are similar in nature to other projects approved by DWC throughout the District.	The projects are not approved by DWC.	Low	Projects will not proceed without the MDI funding.

## Forecasting Assumption for: Development West Coast Major District Initiative (MDI) Funding

### What is MDI funding for?

Development West Coast (DWC) established a MDI funding scheme in 2005 with \$400,000 per annum allocated to each West Coast Local Authority. Funds are available on application by council for projects within Westland which meet the criteria set down by Development West Coast to:

- Promote sustainable employment opportunities in the West Coast Region
- Generate sustainable economic benefits for the Region
- Support projects which are not the ordinary day-to-day running, maintenance and upgrade of infrastructure which is normally the responsibility of local or central government

The high level goals of the funding are to:

- Support sustainable economic growth
- Promote sustainable employment opportunities
- Ensure the West Coast becomes a learning centre
- Facilitate social and cultural support
- Build positive community attitudes
- Promote environmental sustainability
- Facilitate land and resource access and use
- Promote a positive attitude to development and success on the West Coast

DWC will fund up to 65% of the cost of any one project with the community share coming from fundraising, other grants or Council contributions. Total accumulated MDI funding available to Council from Development West Coast as at:

Date	Total accumulated MDI funding available to Council
30 June 2009	\$1,600,000
30 June 2010	\$2,000,000
30 June 2011	\$2,400,000
30 June 2012	\$2,800,000
30 June 2013	\$3,200,000
30 June 2014	\$3,600,000

Projects must be approved by Council and included in the LTP or Annual Plan. Formal applications to DWC are coordinated by Council and must be approved by the DWC Advisory Body and Trustees.

The community is urged to create and present projects to Council for approval.

## Summary of MDI Funding Committed by Council

	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013+	Total
<b>Approved</b>						
Regent Theatre Restoration	340,000	310,000	200,000	260,000	570,000	910,000
Library Relocation	489,373					489,373
Westland Business Unit		296,952				296,952
Donovan's Store Restoration		78,375				78,375
Harihari Community Centre				455,000		455,000
4th Westland Boys Brigade		166,640	80,709			247,349
Hokitika Gorge Development		82,014				82,014
Fox Glacier Community Centre					1,000,000	1,000,000
<b>Total Projects</b>	<b>\$829,373</b>	<b>\$933,981</b>	<b>\$80,709</b>	<b>\$715,000</b>	<b>\$1,000,000</b>	<b>\$3,523,063</b>

## Summary of Westland Projects Approved by Development West Coast and Council

	Approved	Total Project Cost	MDI Funding
Westland District Library Relocation	November 2008	752,912	489,373
Regent Theatre Restoration		1,400,000	
– Stage 1	November 2008		340,000
– Stage 2	November 2009		570,000
Donovan's Store Okarito Restoration	November 2008	323,375	78,375
Westland I-SITE Relocation	July 2009	456,850	296,952
Hokitika Gorge Development	September 2009	393,822	82,014
4th Westland Boys Brigade Extension	October 2009	576,852	247,349
Harihari Community Complex	June 2008	1,021,400	455,000
<b>Total MDI Projects Approved by DWC</b>		<b>\$4,925,211</b>	<b>\$2,559,063</b>
<b>Projects Approved by Council but not yet submitted to DWC</b>			
Fox Glacier Community Centre	June 2009	5,500,000	1,000,000
<b>Total MDI Projects</b>		<b>\$10,425,211</b>	<b>\$3,559,063</b>



FINANCIAL FORECAST

# PLANNED CAPITAL PROGRAMME



# PLANNED CAPITAL PROGRAMME

Activity	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>LIBRARY</b>										
E-content for overdrive	4,000	4,117	4,238	4,363	4,495	4,627	4,766	4,906	5,053	5,204
Adult - New/Replacement - Fiction	12,000	12,352	12,714	13,088	13,484	13,880	14,299	14,718	15,160	15,613
Non-fiction replenishment	20,000	20,587	21,190	21,813	22,474	23,134	23,832	24,530	25,266	26,021
Junior publications	10,000	10,293	10,595	10,907	11,237	11,567	11,916	12,265	12,633	13,011
Large print	4,000	4,117	4,238	4,363	4,495	4,627	4,766	4,906	5,053	5,204
	50,000	51,467	52,976	54,533	56,184	57,835	59,580	61,326	63,166	65,053
<b>CEMETERIES</b>										
Ross Cemetery - Expansion / Improvements	10,000									
Hokitika Cemetery - Expansion / Improvements	10,000	15,440	15,893	16,360	16,855	17,350				
	20,000	15,440	15,893	16,360	16,855	17,350	-	-	-	-
<b>PARKS AND RESERVES</b>										
Heritage Walkway Extension	5,775									
Prestons Bush - Track upgrade within reserve			5,298							
Cass Square - Replacement of top playing surface		25,733	21,190							
Cass Square - Repairs to Statues		5,147	5,298							
Cass Square - Upgrade of players stands						34,701				
Prestons Bush - Construction of Boundary fence							11,916			
Cass Square - Furniture replacement								98,121		
	5,775	30,880	31,786	-	-	34,701	11,916	98,121	-	-
<b>PLANNING &amp; REGULATORY</b>										
Cost of Reviewing District Plan	75,000	102,933	52,976							
Other Renewals	5,284	5,443	5,606	5,774	5,947	6,126	6,309	6,499	6,694	6,894
	80,284	108,376	58,582	5,774	5,947	6,126	6,309	6,499	6,694	6,894
<b>TRANSPORTATION</b>										
West Coast Cycle Trail	5,074,000									
Walkway/cycleway development - Franz Josef	55,000									
Renewals - District	2,052,050	2,112,187	2,174,139	2,238,028	2,305,788	2,373,548	2,445,181	2,516,813	2,592,317	2,669,758
	7,181,050	2,112,187	2,174,139	2,238,028	2,305,788	2,373,548	2,445,181	2,516,813	2,592,317	2,669,758

Activity	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>WATER SUPPLY</b>										
Kumara improvements - Intakes & Treatment	70,000		2,976							
Franz Treatment plant upgrades	500,000		0							
Install Water Meters	50,000	51,467	52,976							
Telemetry SCADA improvements	100,000	51,467	52,976							
Franz - New reservoir 600 m3	200,000				224,740					
Hokitika Renewals - Reticulation upgrades	120,000	123,520	127,143	-	-	138,804	142,993	147,182	151,598	156,126
Haast upgrade - Intakes & Treatment		669,500								
Fox Treatment plant		360,500								
Arahura - Intakes & Treatment			370,825							
Kumara - Intakes & Treatment			688,675							
Inclusion of Seismic Valves			185,416							
Haast - New reservoir				190,865						
Whataroa - Intakes & Treatment				87,200						
Blue Spur Upgrade Treatment Plant				218,131						
Airport Line Upgrade - Reticulation upgrades				130,879						
Second Street - Kumara Reticulation upgrades					56,184					
Harihari New Reservoir					196,648					
Revell St mains upgrade - Reticulation upgrades					157,315					
Fox - New Reservoir						289,175				
Blue Spur Treatment plant improvement							417,063			
Hokitika River to Blue Spur - Reticulation upgrades										3,252,629
Blue Spur Treatment Plant										1,301,052
	1,040,000	1,256,454	1,480,987	627,075	634,887	427,979	560,056	147,182	151,598	4,709,807
<b>WASTEWATER</b>										
Franz Josef Compliance issues	20,000	20,587	21,190	21,813	22,474	23,134	23,832	24,530	25,266	26,021
Franz Josef Compliance issues - Stage 2 Plant Improvement	175,000									
Haast Treatment improvements	350,000									
Franz, Fox and Haast - Outflow Meters	60,000									
Fitzherbert St Pump Station - Mains Replacement	200,000									
Fitzherbert Street Pumping Main		334,533								
Hokitika outfall/Pond Treatment				2,726,642						
Fox Glacier - Mains Replacement				436,263						
Fox Glacier Treatment Improvements					561,839					
Franz Josef - Mains Replacement					449,480					
Hokitika - Z-line replacement					224,740	231,340				
Hokitika Sewer Modelling - Demand Management						115,670				
	805,000	355,120	21,190	3,184,718	1,258,533	370,144	23,832	24,530	25,266	26,021

Activity	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>STORMWATER</b>										
Gibson Quay / Sewell St Pumps - Mains Upgrade	225,000									
Weld Street - New Mains	32,622									
Dent Rd, Kaniere - Mains Upgrade (Renewal)	40,000									
Franz Josef - Investigations		20,587								
Fox Glacier - Investigations		20,587								
Kumara - Investigation			26,488							
Hokitika Infiltration Investigation										1,301,052
	297,622	41,173	26,488	-	-	-	-	-	-	1,301,052
<b>SOLID WASTE</b>										
Butlers - Construction of Sheds and small office	30,000									
Haast Landfill - Hazardous Waste Facility	5,000									
Hokitika Continuation of Capping	100,000									
Hokitika - Leachate Management system	500,000									
Hazardous waste facility @ Franz Josef	5,000									
Franz Josef - Establishment of Transfer Station	200,000									
Capping of Franz Josef Landfill		308,799								
Butlers Extension/Additional Leachate treatment fields		51,467								
Intermediate Capping			105,952							
Intermediate Capping							238,322			
Earthworks for next cell	840,000	360,266	105,952	-	-	-	238,322	-	-	-
<b>COMMUNITY TOWNSHIP DEVELOPMENT</b>										
Township Development - Rotated	70,000	72,053	74,167	76,346	78,657	80,969	83,413	85,856	88,432	91,074
Kumara District Plan Change & Implementation	50,000									
Franz Josef Urban Revitalisation Plan	100,000									
	220,000	72,053	74,167	76,346	78,657	80,969	83,413	85,856	88,432	91,074
<b>CORPORATE SERVICES</b>										
Server	95,000					110,200				
Back-up solution	10,000					11,567				
Additional storage	10,000									
	115,000	-	-	-	-	121,767	-	-	-	-
<b>TOTAL PLANNED CAPITAL PROGRAMME</b>	<b>10,654,831</b>	<b>4,403,413</b>	<b>4,042,160</b>	<b>6,202,833</b>	<b>4,356,851</b>	<b>3,490,419</b>	<b>3,428,609</b>	<b>2,940,328</b>	<b>2,927,472</b>	<b>8,869,658</b>



## FINANCIAL FORECAST

# HOW WE RAISE RATES

Introduction

Sample Properties

Funding Impact Statement



# INTRODUCTION

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Pursuant of section 23 of the Local Government (Rating) Act 2002, Council adopt the rates for the financial year commencing on 1 July 2012 and ending on 30 June 2013 as follows:

## General Rate

A rate per dollar on the land value of each rateable property. This will be a differential rate dependant on the underlying zoning of each property as denoted in the District Plan or the location of the property.

1. Rural General – Properties 10 Hectares or larger zoned Rural.
2. Small Holdings – Properties less than 10 Hectares zoned Rural, except those in Hokitika Zone 1 or Glacier Towns Small Holdings.
3. Hokitika Zone 1 – Properties less than 10 hectares, within 5 kilometres of the boundary of Hokitika township, zoned Rural.
4. Hokitika Zone 2 – Properties in Kaniere which are within the Small Settlement zone
5. Rural Townships – Properties in Kumara, Arahura, Ross, Harihari, Whataroa, and Haast which are within a Tourist, Small Settlement or Coastal Settlement zone.
6. Small Settlements - Properties at Lake Kaniere, Kokatahi, Okarito, Okuru, Neils Beach, Hannah's Clearing and Jackson Bay which are within a Tourist, Small Settlement or Coastal Settlement zone.
7. Glacier Towns - Properties in Franz Josef/Waiau, Franz Alpine Resort and Fox Glacier which are within a Tourist or Residential zone.
8. Rural Commercial – Commercial Properties in a Rural zone except those in Glacier Towns Small Holdings Commercial.
9. Commercial in Rural Residential – Commercial Properties in a Tourist, Small settlement or Coastal Settlement zone except those in Glacier Towns Commercial.
10. Glacier Towns Commercial – Commercial Properties in Franz Josef/Waiau, Franz Alpine Resort and Fox Glacier which are within a Tourist or Residential zone.
11. Glacier Towns Small Holdings – Properties between the southern boundary of Lake Mapourika and the Fox River which are less than 10 hectares in size, except for those properties within the Glacier Towns.
12. Glacier Towns Small Holdings Commercial - Commercial properties between the southern boundary of Lake Mapourika and the Fox River, except for those properties within the Glacier Towns.
13. Hokitika 1-6 units – Residential properties in Hokitika except those in Hokitika Beachfront.
14. Hokitika Beachfront – Residential properties that bound the sea on Revell Street and Beach Street in Hokitika.
15. Hokitika Commercial – Commercial Properties in Hokitika.

The appropriate rate will be charged on the rateable land value as assessed by our valuation provider, Quotable Value, each year.

## Uniform Annual General Charge

A uniform annual general charge to be charged as a fixed amount on each separately occupied portion of a rateable property.

Where more than one property is owned by the same Ratepayer, the properties are contiguous, and are utilised as a single property, then only one UAGC in total will be assessed. Similarly, where an adjoining leased area is utilised as part of the parent property, then only one UAGC in total will be assessed. This reassessment is reliant on property owners satisfying Council that they meet the relevant criteria.

## Tourism Promotions

A general rate to fund Tourism Promotions made up of:

1. Four differential Commercial Uniform Charges based on the capital value of the property.
2. A Uniform General Charge for all other ratepayers.

The uniform charge will be charged on all commercial properties based on capital value. The fees are charged according to 4 tiers. All other ratepayers will be charged a uniform general charge.

## Waste Management

1. A Waste Management Uniform Charge on each property which has a Uniform Annual General Charge.
2. A differential rate per dollar on the capital value of each rateable property as follows:
  - (a) Waste Management (Commercial). Properties whose General Rate is either Commercial, Commercial in Rural Residential, Hokitika Commercial, Glacier Town Commercial, or Glacier town Small Holding commercial
  - (b) Waste Management (Rural). Properties whose General Rate is Rural General.
  - (c) Waste Management (Small Holdings). Properties whose General Rate is Small Holdings, Hokitika Zone (1), or Glacier Towns Small Holdings.
  - (d) Waste Management (Urban). Properties whose General Rate is Rural Towns, Small Settlements, Residential within the previous Hokitika Borough or Hokitika Zone (2).

The appropriate rate will be charged on the rateable capital value as assessed by our valuation provider each year. A waste management rate will not be charged on utilities where a differential general is not charged.

## Targeted Rates

### Refuse Collection

A targeted uniform charge to fund refuse collection.

1. Hokitika Refuse Collection - A uniform charge per property in Hokitika.
2. Rural Refuse Collection - A uniform charge per property.

The rate will be charged on each separately occupied portion of a property where rubbish collection is available, in Hokitika, and in the area from Kumara township in the north to Ross township in the south, including Kaniere township.

### Water Charges

Targeted uniform charges and commercial metered water to fund the cost of water supplies.

1. Treated Water in Rural Townships – Ross, Harihari, Whataroa, Franz Josef/Waiau & Fox Glacier. A uniform charge or metered charge per cubic metre.
2. Untreated Water in Rural Townships – Kumara, Arahura, Harihari untreated, Whataroa Rural, Haast. A uniform charge.

3. Treated Water in Hokitika and Kaniere. A uniform charge or metered charge per cubic metre. The uniform charge will be charged for each separately occupied portion of a property supplied with water, unless separately metered.

Commercial properties will be charged a differential rate if not separately metered. An unconnected rate of 50% of the connected charge will be charged on any property where a water supply is available but is not connected.

#### Kokatahi Community Rate

A targeted rate to fund projects in the Kokatahi community.

1. A Kokatahi Community Uniform Charge.
2. A Kokatahi Community Rate per dollar on the land value of each rateable property.

The uniform charge will be charged on each property in the Kokatahi/Kowhitirangi area which has a general rate uniform annual charge. 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.

#### Sewerage Charges

A targeted uniform charge to fund the costs of sewerage disposal in Hokitika, Kaniere, Franz Josef/Waiau, Fox Glacier and Haast.

1. A sewerage Charge per property for Residential Properties.
2. A sewerage Charge per pan or urinal for Commercial Properties.

The rate would be charged on each separately occupied portion of a property connected to the sewerage disposal system provided by Council. An unconnected rate of 50% of the connected charge will be charged on any property where Council sewerage disposal is available but is not connected.

#### Kaniere Sewerage Capital Contribution

A targeted rate to recover the capital cost of the Kaniere sewerage system. The rate has been assessed as a capital contribution of \$4,907 per property on a table mortgage basis over 25 years from 1 July 2000. The interest rate is re-assessed periodically and is currently 7%. The balance outstanding on a property may be paid in part or full at any time, and the repayment completion date re-calculated accordingly.

The rate will be charged on each property able to be connected to the Kaniere sewerage system which has not already completed payment of the capital contribution.

#### Glacier Country Promotions

Targeted rates to fund Glacier Country Promotions Officers made up of:

1. A Glacier Country Uniform Charge.
2. A Glacier Country Commercial Uniform Charge.
3. A Glacier Country Promotions Rate per dollar on the land value of commercial rated properties.

The uniform charge will be charged on each property in the Glacier region which has a general rate uniform annual charge, but has not been commercial rated. The commercial uniform charge will be charged on each commercial rated property in the Glacier region. The promotion rate will be charged on the rateable land value of each commercial rated property in the Glacier region.

These rates will be levied on all rateable properties in the area from Lake Mapourika in the north to the Ohinetamatea River in the south.

#### Hokitika Area Promotions

A targeted uniform charge to be levied on each Hokitika Commercial ratepayer. The purpose of this rate is to fund the annual payment toward costs associated with the Promotions Officer employed by Enterprise Hokitika.

### Ross Swimming Pool

A targeted rate to fund 75% of the cost of operating the Ross swimming pool. The rate will be charged per dollar on the land value of every rateable property in the town of Ross.

### Hannah's Clearing Water Supply Capital Repayment

A targeted uniform charge to recover the capital cost of providing individual water supply systems to Hannah's Clearing properties. The rate will be \$500 per annum and the amount to be recovered will be the actual cost per property plus 6% interest on a table mortgage basis. The interest rate will be re-assessed periodically.

The rate will be charged on each property provided with a water supply system which has not already completed payment of the capital cost.

### Rates Summary

The General and Targeted Rates to be collected by Council for the year and the revenue generated from each are as follows. These figures are GST inclusive. The rates are per dollar but are shown on the rates assessment as a rate per cent.

DESCRIPTION	LAND VALUE	2012/13	RATE STRUCK
Rural General	782,412,000	0.0011492	899,160
Small Holdings	141,552,100	0.0016699	236,374
Hokitika Zone 1	50,138,000	0.0016699	83,724
Hokitika Zone 2	23,119,400	0.0055865	129,156
Rural Townships	36,989,500	0.0046238	171,033
Small Settlements	52,228,000	0.0027961	146,037
Glacier Towns	32,993,500	0.0031422	103,672
Rural Commercial	6,794,000	0.0022519	15,299
Commercial in Rur Res	4,491,000	0.0055660	24,997
Glacier Towns Commercial	36,580,000	0.0040844	149,406
Glacier Towns Small Holdings	22,827,500	0.0022121	50,498
Glacier Towns Small Holdings Commercial	4,822,000	0.0031543	15,210
Hokitika Res 1	100,470,500	0.0092498	929,333
Hokitika Res 2	2,913,000	0.0146050	42,544
Hokitika Res 3	246,000	0.0175260	4,311
Hokitika Res 4	152,000	0.0214206	3,256
Hokitika Res 6	306,000	0.0214206	6,555
Hokitika Beachfront	13,142,000	0.0078415	103,053
Hokitika Commercial	39,393,000	0.0101277	398,960
	1,351,569,500		3,512,578
<b>Uniform Annual General Charge</b>			
	5,430	\$382.43	2,076,616
<b>Emergency Management Contingency Fund</b>	<b>CAPITAL VALUE</b>		
	2,254,393,000	0.0000260	58,650
<b>Tourism Promotions: All Commercial Properties with capital value:</b>			
Over \$10 million	3	\$2,000	\$6,000
\$3 - 10 million	10	\$1,000	\$10,000
\$1 - 3 million	72	\$400	\$28,800
\$0 - 1 million	197	\$200	\$39,400
All other ratepayers	5175	\$3	\$15,525
			\$99,725
<b>Total General Rate (incl GST)</b>			<b>\$5,747,570</b>
<b>Total General Rates (excl GST)</b>			<b>\$4,997,887</b>

<b>Targeted Rates</b>	<b>CAPITAL VALUE OR RATING UNITS</b>	<b>2012/13</b>	<b>RATE STRUCK</b>
Waste Management Uniform Charge	5,430	\$25.49	138,417
Waste Management (Commercial)	299,872,000	0.0004882	146,412
Waste Management (Rural)	927,908,000	0.0000192	17,814
Waste Management (Small Holdings)	404,400,900	0.0001457	58,906
Waste Management (Urban)	631,074,600	0.0001104	69,692
Hokitika Refuse Collection	1,561	\$225.10	351,388
Rural Refuse Collection	1,148	\$213.94	245,600
<b>Total Waste Management Rates</b>			<b>\$1,028,230</b>
<b>Rural Township Untreated Water</b>			
Domestic		\$345	
(unmetered) Commercial		\$575	
Unconnected		\$172.50	62,560
<b>Rural Township Treated Water</b>			
Domestic		\$460	
(unmetered) Commercial		\$792	
Unconnected		\$230	286,609
<b>Hokitika/Kaniere Water</b>			
Domestic		\$460	
(unmetered) Commercial		\$792	
Unconnected		\$230	865,813
<b>Hannah's Clearing</b>			
Hannah's Clearing Capital	13	\$500	6,500
<b>Total Water Rates</b>			<b>\$1,214,982</b>
Metered Water Charges			\$1,334,000
<b>Sewerage Rate</b>			
Connected		\$222	799,372
Unconnected		\$111	21,307
Kaniere Sewerage Capital		\$417	29,639
<b>Total Sewerage Rates</b>			<b>\$850,318</b>
<b>Kokatahi Rural Fire/Community</b>			
Levy	238,897,000	0.0000198	4,727
Uniform Charge	178	\$25.55	4,548
<b>Total Kokatahi Rural Fire</b>			<b>\$9,275</b>
<b>Glacier Country Promotions</b>			
Levy	42,297,000	0.0008529	36,076
Uniform Charge	408	\$51	20,851
Commercial Uniform Annual Charge	72	\$256	18,400
<b>Total Glacier Country Promotions</b>			<b>\$75,327</b>
<b>Hokitika Area Promotions</b>			
Uniform Charge	137	\$327	44,850
<b>Total Hokitika Promotions</b>			<b>\$44,850</b>
<b>Ross Swimming Pool</b>			
Levy	11470500	0.000613303	\$7,035
<b>Total Ross Swmming Pool Rates</b>			<b>\$7,035</b>
<b>Total Targeted Rates (incl GST)</b>			<b>\$4,564,017</b>
<b>Total Targeted Rates (excl GST)</b>			<b>3,968,711</b>
<b>General Rates (excl GST)</b>			<b>4,997,887</b>
<b>Total Rates (excl GST)</b>			<b>\$8,966,597</b>

## Rating by Instalments and Rates Penalties

The Council provides for 2012/2013 rates to be paid in four instalments with a 10% additional charge added to the current instalment rates remaining unpaid on the penalty dates.

	<b>Final date for payment</b>	<b>Penalty date</b>
Instalment 1	31 August 2012	1 September 2012
Instalment 2	30 November 2012	1 December 2012
Instalment 3	28 February 2013	1 March 2013
Instalment 4	31 May 2013	1 June 2013

A further 10% will be added to all rates and additional charges remaining unpaid on 1 July 2013 and a further 10% will be added to any rate to which the additional charges referred to above is added and remains unpaid at 1 January 2014.

Definition of a 'Separately Occupied' Portion of a Rateable Property'

A separately occupied portion of a rateable property is defined as:

Any part of a rating unit that can be separately let and /or permanently occupied: and used for separate purposes.

Early Payment of Rates

A Discount of 2.5%, calculated on the Total Annual Levy, will apply when all due rates are paid in full, together with any outstanding rates and penalties from prior years, by the due date for payment of the first instalment being 31 August 2012.

# SAMPLE PROPERTIES

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Listed overleaf are some sample properties of typical value across the District. We have provided the breakdown in the types of rates collected and the expected increase or decrease in this Plan.

	Farm Kokatahi	Farm Waitaha	Small Holding Awatuna	Small Holding Brickfield	Residential Kumara	Residential Hokitika	Residential Beachfront Hokitika	Residential Ross
With a Capital Value of:	4,150,000	1,750,000	485,000	475,000	195,000	270,000	390,000	200,000
With a Land Value of	3,500,000	1,450,000	149,000	132,000	49,000	75,000	242,000	50,000
<b>General Rates</b>								
General Rate	4,022	1,666	249	220	227	694	1,898	231
Uniform Annual General Charge	408	408	408	408	408	408	407	407
Tourism Promotions	3	3	3	3	3	3	3	3
Emergency Fund	108	46	13	12	5	7	10	5
<b>Targeted Rates</b>								
Waste Management	80	34	71	69	22	30	43	22
Enterprise Hokitika								
Ross Swimming Pool								31
<b>Targeted Services Rates</b>								
Water Supply				460	345	460	460	460
Refuse Collection			214	214	214	225	225	214
Sewerage Connection						222	222	
<b>Local Community Rate</b>								
Kokatahi Amenity Rate	95							
Kokatahi Amenity Rate (UAC)	26							
Glacier Country Promotions Rate								
<b>Total Rates</b>	<b>4,741</b>	<b>2,156</b>	<b>957</b>	<b>1,387</b>	<b>1,223</b>	<b>2,049</b>	<b>3,268</b>	<b>1,373</b>
<b>Current Rates</b>	<b>4,631</b>	<b>2,109</b>	<b>876</b>	<b>1,149</b>	<b>1,043</b>	<b>1,711</b>	<b>2,905</b>	<b>1,096</b>
<b>Percentage change</b>	<b>2%</b>	<b>2%</b>	<b>9%</b>	<b>20%</b>	<b>17%</b>	<b>19%</b>	<b>11%</b>	<b>25%</b>

## Notes

The larger increase in rates for Brickfield, Kumara, and Hokitika are due to the standardisation of water rates across the District. The increase for Ross is due to the recent water treatment upgrade and therefore a higher rate.

## How to view your proposed 2012/2013 rates

Go to Council's website at [www.westland.govt.nz](http://www.westland.govt.nz) to see how much your rates will be under the LTP.

Click on 'Rating Information Database' then enter either:

1. Your valuation number from your rates notice e.g. 2586000000 or
2. Street name house number e.g. Weld 36 or
3. Keyword e.g. DP 1234 or RES 1765

It is not possible to search your property by the owners name due to privacy issues. Your details for 2011/2012 will be shown under 'Rates for Current Year'.

Click on 'NEXT YEAR 2012/2013' to compare what your rates will be for that year.

Residential Harihari	Residential Whataroa	Residential Franz Josef	Residential Okarito	Residential Fox Glacier	Residential Okuru	Shop Hokitika	Motel Hokitika	Commercial Pukekura	Commercial Harihari	Hotel Franz Josef
150,000	235,000	385,000	335,000	325,000	240,000	290,000	1,325,000	300,000	920,000	12,000,000
40,000	54,000	150,000	170,000	124,000	94,000	215,000	395,000	85,000	210,000	3,500,000
185	250	471	475	390	263	2,177	4,000	191	1,169	14,295
407	407	407	407	407	407	407	407	407	407	407
3	3	3	3	3	3	200	400	200	200	2,000
4	6	10	9	8	6	8	34	8	24	312
17	26	43	37	36	27	142	647	146	449	5,859
						327	327			
460	460	460		460		460			792	
						225	225			
		222		222		444	3,329			30,851
		51		51						3,241
1,075	1,152	1,667	931	1,577	706	4,390	9,371	953	3,041	56,965
1,071	1,171	1,640	954	1,584	734	4,205	9,561	1,156	4,126	61,070
0%	-2%	2%	-3%	0%	-4%	3%	-3%	-18%	-26%	-7%



# FORECAST FUNDING INCOME STATEMENT

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	\$000	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
General rates required	4,643	4,999	5,235	5,323	5,420	5,592	5,725	5,877	6,075	6,232	6,426
Consisting of:											
General rates	2,915	2,767	2,936	2,956	2,982	3,081	3,139	3,212	3,330	3,406	3,514
U.A.G.C	1,728	2,231	2,298	2,367	2,438	2,511	2,587	2,664	2,744	2,827	2,911
<b>Total General Rates</b>	<b>4,643</b>	<b>4,999</b>	<b>5,235</b>	<b>5,323</b>	<b>5,420</b>	<b>5,592</b>	<b>5,725</b>	<b>5,877</b>	<b>6,075</b>	<b>6,232</b>	<b>6,426</b>
<b>Targeted Rates</b>											
Water Supply-Targeted	684	1,062	1,268	1,107	1,694	1,768	1,790	1,785	1,757	1,715	1,939
Water Supply-Metered	1,142	1,160	1,172	1,195	1,231	1,281	1,347	1,430	1,533	1,660	1,815
Sewerage	607	739	794	820	996	1,083	1,121	1,148	1,172	1,196	1,195
Refuse Collection	270	438	478	504	530	558	586	615	645	675	707
Waste Management	892	456	498	525	552	581	611	641	672	704	737
Community	122	119	122	126	129	133	137	141	146	150	154
<b>Total Targeted Rates</b>	<b>3,717</b>	<b>3,974</b>	<b>4,331</b>	<b>4,277</b>	<b>5,134</b>	<b>5,405</b>	<b>5,592</b>	<b>5,760</b>	<b>5,924</b>	<b>6,100</b>	<b>6,549</b>
<b>Operating</b>											
Vested Assets	200	0	805	1,188	694	559	574	589	604	619	634
Grants & subsidies	4,435	2,820	2,905	3,471	3,082	3,174	3,269	3,368	3,469	3,573	3,680
User Fees & charges	6,023	8,901	3,993	4,556	4,213	4,396	4,482	4,625	4,819	4,921	5,078
<b>Total Operating Income</b>	<b>10,658</b>	<b>11,721</b>	<b>7,703</b>	<b>9,214</b>	<b>7,989</b>	<b>8,129</b>	<b>8,325</b>	<b>8,582</b>	<b>8,892</b>	<b>9,112</b>	<b>9,392</b>
<b>Other Funding</b>											
Loans Raised	708	1,450	1,261	694	2,781	562	0	0	0	0	3,806
Disposal of Fixed Assets	0	0	0	0	0	0	0	0	0	0	0
<b>Total Other Funding</b>	<b>708</b>	<b>1,450</b>	<b>1,261</b>	<b>694</b>	<b>2,781</b>	<b>562</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,806</b>

# GROUP FINANCIAL FORECAST

## WHOLE OF COUNCIL

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s	2016/17 \$000s	2017/18 \$000s	2018/19 \$000s	2019/20 \$000s	2020/21 \$000s	2021/22 \$000s
<b>Operating Revenue</b>											
General Rates	4,643	4,999	5,235	5,323	5,420	5,592	5,725	5,877	6,074	6,232	6,426
Targeted Rates	3,717	3,974	4,331	4,277	5,134	5,405	5,592	5,760	5,924	6,100	6,549
Vested Assets	200	-	805	1,188	694	559	574	589	604	619	634
Other Income	10,458	11,721	6,898	7,547	7,295	7,570	7,751	7,993	8,288	8,493	8,758
<b>Total Operating Revenue</b>	<b>19,018</b>	<b>20,695</b>	<b>17,269</b>	<b>18,335</b>	<b>18,543</b>	<b>19,126</b>	<b>19,642</b>	<b>20,219</b>	<b>20,890</b>	<b>21,444</b>	<b>22,367</b>
<b>Operating Expenses</b>											
Employee benefit expenses	(1,246)	(1,300)	(1,336)	(1,366)	(1,396)	(1,429)	(1,462)	(1,495)	(1,529)	(1,564)	(1,600)
Depreciation	(4,531)	(4,510)	(4,742)	(4,959)	(5,157)	(5,329)	(5,479)	(5,624)	(5,770)	(5,929)	(6,170)
Other Expenditure	(9,675)	(9,916)	(10,448)	(10,803)	(11,216)	(11,720)	(12,074)	(12,475)	(12,971)	(13,337)	(13,832)
Interest	(265)	(302)	(372)	(514)	(546)	(582)	(589)	(596)	(602)	(608)	(774)
<b>Total Operating Expenditure</b>	<b>(15,717)</b>	<b>(16,028)</b>	<b>(16,898)</b>	<b>(17,642)</b>	<b>(18,315)</b>	<b>(19,060)</b>	<b>(19,604)</b>	<b>(20,190)</b>	<b>(20,872)</b>	<b>(21,438)</b>	<b>(22,376)</b>
<b>Operating Surplus/(Deficit)</b>	<b>3,301</b>	<b>4,665</b>	<b>371</b>	<b>693</b>	<b>227</b>	<b>67</b>	<b>39</b>	<b>28</b>	<b>17</b>	<b>6</b>	<b>(10)</b>

# FUNDING IMPACT STATEMENT

## WHOLE OF COUNCIL

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s	2016/17 \$000s	2017/18 \$000s	2018/19 \$000s	2019/20 \$000s	2020/21 \$000s	2021/22 \$000s
<b>SOURCES OF OPERATING FUNDING</b>											
General rates, uniform annual general charges, rates penalties	5,494	4,999	5,235	5,323	5,420	5,592	5,725	5,877	6,074	6,232	6,426
Targeted rates (other than a targeted rate for water supply)	3,047	2,814	3,160	3,561	3,903	4,124	4,246	4,331	4,391	4,440	4,733
Subsidies and grants for operating purposes	907	1,486	1,531	1,577	1,624	1,673	1,723	1,775	1,828	1,883	1,939
Fees, charges, and targeted rates for water supply	684	1,174	1,186	1,210	1,246	1,297	1,363	1,446	1,550	1,677	1,833
Local authorities fuel tax, fines, infringement fees, and other receipts	2,843	3,813	3,978	4,062	4,198	4,380	4,465	4,609	4,802	4,903	5,059
<b>Total operating funding [A]</b>	<b>12,975</b>	<b>14,286</b>	<b>15,090</b>	<b>15,733</b>	<b>16,391</b>	<b>17,066</b>	<b>17,522</b>	<b>18,037</b>	<b>18,645</b>	<b>19,136</b>	<b>19,992</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>											
Payments to staff and suppliers	(10,786)	(13,090)	(13,713)	(14,156)	(14,660)	(15,257)	(15,708)	(16,207)	(16,804)	(17,275)	(17,876)
Finance costs	(265)	(302)	(372)	(514)	(546)	(582)	(589)	(596)	(602)	(608)	(774)
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding [B]</b>	<b>(11,050)</b>	<b>(13,392)</b>	<b>(14,085)</b>	<b>(14,670)</b>	<b>(15,206)</b>	<b>(15,839)</b>	<b>(16,297)</b>	<b>(16,804)</b>	<b>(17,406)</b>	<b>(17,882)</b>	<b>(18,650)</b>
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>1,925</b>	<b>894</b>	<b>1,005</b>	<b>1,063</b>	<b>1,185</b>	<b>1,227</b>	<b>1,226</b>	<b>1,233</b>	<b>1,239</b>	<b>1,253</b>	<b>1,342</b>
<b>SOURCES OF CAPITAL FUNDING</b>											
Subsidies and grants for capital expenditure	5,843	6,408	1,374	1,894	1,458	1,501	1,546	1,593	1,641	1,690	1,741
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	288	1,450	522	482	2,727	562	0	0	0	0	3,806
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding [C]</b>	<b>6,131</b>	<b>7,858</b>	<b>1,896</b>	<b>2,376</b>	<b>4,184</b>	<b>2,063</b>	<b>1,546</b>	<b>1,593</b>	<b>1,641</b>	<b>1,690</b>	<b>5,547</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>											
Capital expenditure	0	0	0	0	0	0	0	0	0	0	0
—to meet additional demand	(4,140)	(200)	0	0	(191)	(421)	(405)	0	0	0	(1,301)
—to improve the level of service	(1,706)	(7,796)	(1,981)	(1,602)	(3,282)	(898)	(126)	(767)	(115)	(119)	(4,676)
—to replace existing assets	(2,859)	(2,659)	(2,422)	(2,440)	(2,731)	(3,038)	(2,959)	(2,661)	(2,825)	(2,809)	(2,893)
Increase (decrease) in reserves	649	1,903	1,503	604	834	1,067	718	603	61	(16)	1,982
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding [D]</b>	<b>(8,056)</b>	<b>(8,752)</b>	<b>(2,901)</b>	<b>(3,438)</b>	<b>(5,369)</b>	<b>(3,290)</b>	<b>(2,772)</b>	<b>(2,826)</b>	<b>(2,879)</b>	<b>(2,943)</b>	<b>(6,888)</b>
<b>Surplus (deficit) of capital funding [C+D]</b>	<b>(1,925)</b>	<b>(894)</b>	<b>(1,005)</b>	<b>(1,063)</b>	<b>(1,185)</b>	<b>(1,227)</b>	<b>(1,226)</b>	<b>(1,233)</b>	<b>(1,239)</b>	<b>(1,253)</b>	<b>(1,342)</b>
<b>Funding balance: [A + B] + [C + D]</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reconciliation between Financial Summary and Funding Impact Statement</b>											
Operating Surplus/(Deficit) as per Financial Summary	3,301	4,665	371	1,172	226	67	40	28	17	6	(8)
Add depreciation	4,516	4,510	4,742	4,959	5,157	5,329	5,479	5,624	5,770	5,929	6,170
Add vested assets	200	0	805	1,188	694	559	574	589	604	619	634
Less increase in reserves	6,120	8,281	4,914	6,257	4,893	4,729	4,867	5,009	5,153	5,301	5,453
<b>Surplus (deficit) of operating funding [A+B]</b>	<b>1,925</b>	<b>894</b>	<b>1,004</b>	<b>1,062</b>	<b>1,184</b>	<b>1,227</b>	<b>1,226</b>	<b>1,233</b>	<b>1,239</b>	<b>1,254</b>	<b>1,342</b>



# POLICIES



# POLICIES

Policy on significance

Statement concerning balancing the budget

Revenue and financing policy

Funding of depreciation

Liability management policy

Investment policy

Policy on partnerships with the private sector

Rates remission policy

Policy on remission and postponement of rates on Maori freehold land

Policy on development and financial contributions

Maori contribution to decision making



# POLICY ON SIGNIFICANCE

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## Introduction

This policy on significance outlines the council's general approach to determining the significance of proposals and decisions, and includes procedures, criteria and some thresholds the Council will use in assessing which issues, proposals, decisions and other matters are significant. It also lists assets the Council considers to be strategic assets.

## Statutory Requirements

Council is required to have a Policy on Significance under section 90 of the LGA 2002 (the Act).

The first Policy on Significance was adopted as part of the 2003/2004 Annual Plan process in accordance with section 278. The policy, and any amendment to it, must be adopted by special consultative procedure. A summary of the policy must be included in the Long Term Plan (LTP).

Section 5 of the Act defines "significant" and "significance" as follows: significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for, the current and future social, economic, environmental, or cultural well-being of 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 significant, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

## Reasons for the Policy

### Degree of compliance

The significance of a decision will help determine the appropriate nature, extent and degree of compliance required with the decision-making process set out in Part 6 of the Act. Section 79 of the Act provides that it is the responsibility of the Council to make judgments about how to achieve compliance with sections 77 and 78 that are largely in proportion to the significance of the matters affected by the decision. In making such judgments the Council must have regard to the significance of all relevant matters, and the principles relating to local authorities, the Council's resources and the extent to which the nature of the decision and the circumstances allow consideration of a range of options or the views of other people. In essence, the more significant the issue the higher the standard of compliance required. Council decision-making processes must promote compliance with the requirements of sections 77, 78, 80, 81 and 82. For significant decisions, the Council must ensure appropriate compliance.

### Consultation

The significance of a matter will also guide the local authority's decisions concerning the extent and nature of the consultation to be undertaken with the persons likely to be affected or interested in the decision or matter. Council must comply with the principles of consultation set out in section 82 in such a manner that Council considers, at its discretion, to be appropriate. In determining what is appropriate Council must have regard to various matters including the nature and significance of the decision or matter (including its likely impact from the perspective of the persons who will or may be affected by the decision). The more significant a matter from the perspective of the persons who may be affected by the decision, the more likely Council will need to consult with them on their views.

### Public information

The significance of a decision will assist in determining the extent and detail of information to be provided by the local authority when consulting with or reporting to the community. The principles of consultation (section 82) include the principle that persons interested in decisions should be provided with reasonable access to relevant information, and should be given clear information concerning the purpose of the consultation. In addition, persons who present views to the Council should be provided information concerning both the relevant decisions and the reasons for those decisions.

In determining how to comply with these, and the other principles of consultation, Council will take into account the nature and significance of the decision. If a decision is significantly inconsistent with, or will have consequences significantly inconsistent with a plan or policy of Council, then Council must, when making the decision, identify the inconsistency, give reasons for it and any intention of Council to amend the policy or plan to accommodate the inconsistency (section 80). In reporting to the community in its Annual Report, Council must give reasons for any significant variance between actual service provision and expected service provision. It must also describe any significant acquisitions or replacement of assets, giving reasons for them. It must explain any significant variation between the projected acquisitions and replacements in the LTP and those actually made. The report must also, in relation to each council-controlled organisation, report on the extent to which the council's significant policies and objectives in regard to ownership and control of the organisation have been implemented or attained during the year. Inclusion in LTP and use of Statement of Proposal Significance may also determine whether a decision on a matter must be explicitly included in the LTP, and in a Statement of Proposal which has been considered under a special consultative procedure, before the decision can be made (section 97).

A Council must provide for a decision in its LTP or Statement of Proposal if the decision would: significantly alter the intended level of service provision for any significant activity (including a decision to commence or cease such activity) significantly affect the capacity of Council, or the cost to Council, in relation to any activity in the LTP. Council must use the special consultative procedure in relation to any proposal for an alteration in the mode in which a significant activity is undertaken. (Section 90(4))

In addition, the Policy on Significance identifies the assets the Council considers to be strategic assets. Any decision to transfer ownership or control of a strategic asset, or a decision to construct, replace or abandon a strategic asset cannot be made unless it has first been included in the LTP, and in a statement of proposal relating to the LTP.

## General Approach

Council will consider each proposal or decision on a case by case basis to determine whether the decision is significant. In determining this issue, Council will apply the criteria and procedures and consider the thresholds set out in this policy and will also consider each of the following:

- the likely impact/consequences of the decision or proposal on the current and future social, economic, environmental, and cultural well-being of the community
- the parties who are likely to be particularly affected by or interested in the decision or proposal
- the likely impact or consequences of the decision or proposal from the perspective of those parties
- the financial and non-financial costs and implications of the decision or proposal having regard to Council's capacity to perform its role.

The more significant or material the impact or consequences of the decision or proposal, the higher the standard of compliance required with Part 6 of the Act, and the more likely the matter will be 'significant'.

It is helpful to bear in mind that the references to 'significance' in the Act are intended to ensure that appropriate attention and consideration is given to matters based on their relative importance to the District or Region. Council will not make a decision or proceed with a proposal which it considers to be significant, unless it is first satisfied that sections 77, 78, 80, 81 and 82 of the Act have been appropriately observed. The procedures below are designed to ensure observance of this policy. Prior to delegating a decision on any specific matter to officers or committees, Council as a whole will consider the significance of the matter being delegated.

## Thresholds, Criteria And Procedures Thresholds:

Application of the thresholds is not necessarily conclusive. A matter which does not meet any particular financial threshold may still be significant if the criteria below suggest that it is. Proposals or decisions which are likely to have financial implications in excess of the following thresholds will be treated as significant:

- Decision or Proposal Threshold
- Any: 5 per cent of total rates revenue.

## Criteria

If a decision or proposal satisfies one or more of the following criteria, the matter is likely to have a high degree of significance:

- the decision or proposal affects all or a large portion of the community in a way that is not inconsequential;
- the impact or consequences of the decision or proposal on the affected persons (being a number of persons) will be substantial;
- the financial implications of the decision on Council's overall resources are substantial.

Matters which do not satisfy these criteria may have a high degree of significance where it is known that the decision will nevertheless generate a high degree of controversy.

## Procedures

Every report to Council must include a statement indicating that the issue of significance has been considered, with a recommendation to Council assessing the significance of the proposal or decision. If the proposal or decision is considered to be significant, the report will also include a statement addressing the appropriate observance of such of sections 77, 78, 80, 81 and 82 as are applicable.

## Strategic Assets

Section 5 of the Act defines strategic asset as follows:

Strategic asset, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes – a. any asset or group of assets listed in accordance with section 90(2) by the local authority; and b. any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and c. any equity securities held by the local authority in –i. a port company within the meaning of the Port Companies Act 1988: ii. an airport company within the meaning of the Airport Authorities Act 1966.

For the purposes of section 90(2) of the Act, the Council considers the following assets to be strategic assets:

Activity / Group of Activities	Asset
Investment	100% Ownership of Westland Holdings Limited
Roading	All roads, bridges and footpaths
Water Supplies	All water supplies and reticulation
Wastewater systems	All wastewater schemes and reticulation
Storm water reticulation	All stormwater systems and reticulation
Community housing	All elderly housing units
Parks, reserves, halls and domains	Cass Square, Community reserves, halls and domains
Cemeteries	All Cemeteries
Community facilities	Hokitika Museum/Carnegie building, Public toilets, Jackson Bay Wharf, Hokitika Public Library, Council Headquarters, All swimming pools

## ‘Significant’ And ‘Significance’ In Other Contexts

The LGA 2002 uses the term significant and significance in a number of contexts. Unless it is inappropriate in the context, the criteria set out in this policy and in the statutory definitions will apply.

# STATEMENT CONCERNING BALANCING THE BUDGET

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## Balancing the Budget

Council will not produce a balanced budget in each of the ten years of the LTP. Having considered the overall impact of Council's financial management policies and decisions Council believes it remains financially prudent. In setting the budget Council has had regard for the following matters:

- Maintaining levels of service
- Maintaining service capacity and integrity of assets
- Intergenerational equity
- Compliance with the Council revenue and financing policies

The main reasons for the surplus are:

- Income from vested assets
- Grants and subsidies for the construction of community assets

Surpluses are reduced by:

- The policy not to fully fund depreciation on all of its assets as per the Depreciation Policy
- Reserves which may be used to fund one off expenditure •

Council has set the expenditure and revenue at levels it considers appropriate to meet the funding needs of the district over the next 10 years and to meet the social, cultural, environmental and economic wellbeing of the community.



# REVENUE AND FINANCING POLICY

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## Background

Section 102(4) (a) of the LGA 2002 states that a local authority must adopt a revenue and financing policy. The revenue and financing policy must state:

- a. The local authority's policies in respect of funding operating expenses from the sources listed below.
- b. The local authority's policies in respect of funding capital expenditure from the sources listed below.

Alternative funding sources (S103 (2)):

- General Rates
- Targeted Rates
- Fees and Charges
- Interest and Distributions from Investments
- Borrowings
- Proceeds from Asset Sales
- Development Contributions
- Financial Contributions under the Resource Management Act
- Grants and Subsidies
- Any other source

The above funding policies and Council considerations for each activity have been included within the summary for each activity provided in this LTP. The following matters were considered for each activity when deciding how to fund the Councils operational expenditure as detailed under 101(3):

1. The contribution toward community outcomes.
2. User/beneficiary pays the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
3. Intergenerational Equity the period in or over which those benefits are expected to occur.
4. Exacerbator Pays the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.
5. The costs and benefits of funding an activity in a different manner to the way other activities are funded, including consequences for transparency and accountability.
6. The overall impact on the current and future social, economic, environmental, and cultural wellbeing of the community.

Library	General rates	90 - 95%
	Fees and charges	5 - 10%
Museum	General rates	80-85%
	Fees and charges	15 - 25%

Swimming Pools	General rates	100%
	Fees and charges	0%
i-Site	General rates	35 - 40%
	Fees and charges	60 - 65%
Events	General rates	0%
	Fees and charges	100%
Community Halls and Buildings	General rates	85 - 90%
	Fees and charges	10 - 15%
Parks and Reserves	General rates	90 - 95%
	Fees and charges	5 - 10%
Cemeteries	General rates	55 - 60%
	Fees and charges	40 - 45%
Community Development	General rates	100%
	Fees and charges	0%
Safer Community Council	General rates	60 - 65%
	Grants and subsidies	35 - 40%
Inspectorate & Regulatory	General rates	30 - 35%
	Fees and charges	65 - 70%
Resource Management * The policy excludes the 3-yearly review of District Plan which is funded from general rates	General rates	55 - 60%
	Fees and charges	40 - 45%
Animal Control	General rates	0 - 5%
	Fees and charges	95 - 100%
Civil Defence	General rates	95 - 100%
	Grants and subsidies	0 - 5%
Rural Fire	General rates	80 - 85%
	Grants and subsidies	15 - 20%
Transportation * Policy excludes the provision for road reserves sales in 2012/2013	General rates	30 - 35%
	Grants and subsidies	65 - 70%
Water Supplies	Targeted rates	35 - 40%
	Fees and charges	60 - 65%
Wastewater	Targeted rates	90 - 95%
	Fees and charges	5-10%
Stormwater	General rates	100%
	Fees and charges	0%
Waste Management	Targeted rates	40 - 50%
	Fees and charges	50 - 60%

Community Township Development	General rates	100%
	Grants and subsidies	0%
Land and Buildings	General rates	0%
	Fees and charges	100%
Public Toilets	General rates	100%
	Fees and charges	0%
Governance	General rates	100%
	Fees and charges	0%

## Capital Expenditure

Funded by the following in order of availability: Financial Assistance or Funding Contributions Council Reserves (including funded depreciation) Internal Loans serviced by general rates, targeted rates and/or fees and charges. External Loans serviced by general rates, targeted rates and/or fees and charges. General Rates includes the Uniform Annual General Charge and are levied on land value. Differential General Rates are applied as detailed in Councils Rating Policies.

## Rationale for Funding Sources

Where activities may be said to contribute to the public good by advancing the achievement of community outcomes or the overall wellbeing of the community, this portion of activities has been funded from General Rates. Fees and Charges and Targeted Rates have been applied where a particular individual or identifiable group of the community can be identified as benefiting from the activity (e.g. building control and refuse collection) or requiring the activity to be undertaken (e.g. regulatory enforcement activities). The funding sources applied are discussed in more detail in the particular activity statements. With respect to capital expenditure, where financial assistance or reserves (including funded depreciation) are not available, projects are funded by way of loan to spread the cost more effectively over the life of the asset and provide better intergenerational equity.

Activity	Our Vision	Who Benefits?	Period of Benefit	Actions or Inactions that Create Need	Funding Source	Funding Source Proportion
Library	World Class Service, Community & Stakeholder Involvement & Innovation	Borrowers and visitors who browse, read and research.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates	90 - 95%
					Fees and charges	5 - 10%
Museum	World Class Service, Community & Stakeholder Involvement & 100% Pure New Zealand	Fosters a strong district identity and promotes it both nationally and internationally through visitor attraction. Contributes revenue to the economy by the promotion of visitor attractions and activities.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates	80-85%
					Fees and charges	15-20%
Swimming Pools	Top Class Infrastructure, Innovation & World Class Service	Users benefit from personal fitness and competition but there is also a community benefit in providing another option for exercise.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates	100%
					Fees and charges	0%

i-Site	World Class Service, Community & Stakeholder Involvement & 100% Pure New Zealand	The users of the service are the primary beneficiaries. It also fosters a strong district identity and promotes it both nationally and internationally through visitor attraction. Contributes revenue to the economy by the promotion of visitor attractions and activities. Could also attract people to work and live in the District.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates Fees and charges	35 - 40% 60 - 65%
Events	World Class Service, Community & Stakeholder Involvement & 100% Pure New Zealand	Fosters a strong district identity and promotes it both nationally and internationally through visitor attraction. Contributes revenue to the economy by the promotion of visitor attractions and activities. Could also attract people to work and live in the District.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates Fees and charges	0% 100%
Community Halls and Buildings	World Class Service, Community & Stakeholder Involvement & 100% Pure New Zealand	The main benefit is to the users of the facilities but there are indirect benefits to the local community in which the facility is situated as it may attract visitors and events to the area.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates Fees and charges	85 - 90% 10 - 15%
Parks and Reserves	World Class Service, Community & Stakeholder Involvement & Top Class Infrastructure	The whole community benefits from the provision of recreation reserves and walkways. There are also identifiable users e.g. sports clubs for charging purposes.	The Council has made a commitment to undertake this activity for the long term. See above in relation to Reserves under the Reserves Act.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates Fees and charges	90 - 95% 5 - 10%
Cemeteries	Top Class Infrastructure, Innovation & World Class Service	Provision of well maintained cemeteries is important to the community as a whole. Families using burial services are identifiable for charging purposes.	The Council has statutory and public health responsibilities to provide the service on an on-going basis. The Council also maintains closed cemeteries.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates Fees and charges	55 - 60% 40 - 45%
Community Development	Inspirational Leadership, World Class Service & Community & Stakeholder Involvement	The community benefits through the provision of information, advice and assistance on matters relating to the community for the Council. Community Groups that receive advice and assistance are identifiable.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates Fees and charges	100% 0%
Safer Community Council	Inspirational Leadership, World Class Service & Community & Stakeholder Involvement	The community benefits through the provision of information, advice and assistance on matters relating to the community for the Council. Community Groups that receive advice and assistance are identifiable.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates Grants and subsidies	60 - 65% 35 - 40%

Inspections and Compliance	World Class Service, Community & Stakeholder Involvement & Expanded Development Opportunities	Applicants for building consents.	The Council has made a commitment to undertake this activity for the long term.	People who carry out unregulated building activity generate the need for the Council to prevent and reduce the negative effects of this activity.	General rates	30 - 35%
					Fees and charges	65 - 70%
Resource Management	World Class Service, Community & Stakeholder Involvement & Expanded Development Opportunities	Applicants for resource consents benefit. The whole community also benefits from ensuring that development occurs with minimal adverse environmental effect and maintains environmental, and amenities standards.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions that require this service to be provided. Noting however that costs for private plan changes are recovered.	General rates	55 - 60%
					Fees and charges	40 - 45%
Animal Control	World Class Service, Community & Stakeholder Involvement & Inspirational Leadership	Dog owners, as well as the community at large, in terms of educational programmes and the ability to report dog issues and seek assistance.	The Council has made a commitment to undertake this activity for the long term.	The registration fees charged to owners of dogs are in effect a charge on a group of people whose actions require this service to be undertaken.	General rates	0 - 5%
					Fees and charges	95 - 100%
Civil Defence	World Class Service, Community & Stakeholder Involvement & Inspirational Leadership	The whole community benefits from having appropriate planning and resources in place.	The Council has made a commitment to undertake this activity for the long term.	Natural hazards exist despite individuals or groups.	General rates	95 - 100%
					Grants and subsidies	0 - 5%
Rural Fire	World Class Service, Community & Stakeholder Involvement & Inspirational Leadership	The whole community benefits from having appropriate planning and resources in place.	The Council has made a commitment to undertake this activity for the long term.	Natural hazards exist despite individuals or groups. However rural fire fighting costs are recovered from the person(s) responsible.	General rates	80 - 85%
					Grants and subsidies	15 - 20%
Transportation	Top Class Infrastructure, Innovation, World Class Service & Community & Stakeholder Involvement	The whole community benefits. All people use some form of transport.	The roading network will be maintained indefinitely.	In general there are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates	30 - 35%
					Grants and subsidies	65 - 70%
Water Supply	Top Class Infrastructure, Innovation, World Class Service & Community & Stakeholder Involvement	Users connected to the system benefit. There are also public health benefits related to effective water supply services.	Indefinitely.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity. Noting however that water supply requirements are directly attributable to usage levels by individuals.	Targeted rates	35 - 40%
					Fees and charges	60 - 65%
Wastewater	Top Class Infrastructure, Innovation, World Class Service & Community & Stakeholder Involvement	Users of waste water services. There are also public health benefits related to effective wastewater services.	Indefinitely.	High usage customers place higher than average demands on system capacity. Industries providing high volumes of wastewater are charged.	Targeted rates	90 - 95%
					Fees and charges	5-10%
Stormwater	Top Class Infrastructure, Innovation, World Class Service & Community & Stakeholder Involvement	Users connected to the system benefit.	Indefinitely.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates	100%
					Fees and charges	0%

Waste Management	Top Class Infrastructure, Innovation, World Class Service & Community & Stakeholder Involvement	Domestic and commercial users of collections services. There is also a public health benefit to the community related to ensuring that streets are kept clean. Users of landfills benefit from this service. There is also a public health benefit through the safe and appropriate disposal of rubbish. The community benefits from the Council's commitment to waste minimisation and provides education to the public.	Indefinitely.	The collections are required as individuals and businesses create waste. While Council is required to provide a landfill, it also promotes recycling and diversion from landfill. The high cost of disposing waste may result in illegal dumping, however, through the bylaws the Council is able to impose fines for littering and illegal dumping of refuse.	Targeted rates	40 - 50%
					Fees and charges	50 - 60%
Community Township Planning	Top Class Infrastructure, Innovation, & Community & Stakeholder Involvement	The service benefits the general public through the ability to enjoy an aesthetically pleasing environment.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates	100%
					Grants and subsidies	0%
Land and Buildings	Top Class Infrastructure, Innovation, Expanded Development Opportunities & Community & Stakeholder Involvement	Revenue generation from sources other than rates benefits ratepayers and the community as a whole.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates	0%
					Fees and charges	100%
Public Toilets	Top Class Infrastructure, Innovation, World Class Service & Community & Stakeholder Involvement	Users benefit. There is also a wider public health benefit to the community from ensuring adequate provision of public toilets.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates	100%
					Fees and charges	0%
Governance	Innovation, Community & Stakeholder Involvement & Inspirational Leadership	The activity supports the decision-making function of the Council and therefore benefits the community as a whole.	Indefinitely. The Council's decision-making function is provided for by the Local Government Act.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	General rates	100%
					Fees and charges	0%

# FUNDING OF DEPRECIATION POLICY

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Council is required under Sec 100 of the LGA 2002 to generate sufficient revenue to cover operational costs including depreciation.

Depreciation is the measure of the consumption of the economic benefits embodied in an asset whether arising from its use, the passing of time or obsolescence. Council tend to use the depreciation reserve to fund:

- Renewals - works to upgrade, refurbish, or replace existing facilities with facilities of equivalent capacity or performance capability
- Repayment of current borrowings •
- Retirement of term debt
- Capital expenditure - expenditure used to create new assets or to increase the capacity of existing assets beyond their original design capacity or service potential

Council has reviewed the current depreciation policy and expenditure on an activity by activity basis and has determined in some cases that the depreciation is not reflective of the consumption of the economic benefits of the assets. It has also considered the issue of intergenerational equity when funding depreciation and areas where it may not be fair to impose a cost for depreciation to this generation.

Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. The activities that require a change in the depreciation policy are:

- Community Halls
- Parks and Reserves assets
- Transportation assets
- Three Waters assets

## Community Halls

The Council has elected not to replace these assets at the end of their useful life. Council currently maintains the community halls but there is no intention to improve or replace these in the future. The costs of general maintenance are funded by Council out of general revenue and it is envisaged that this will ensure the level of service that has been provided will be sustained for the remaining time the halls are in use. As a result depreciation hasn't been funded. Should there be an upgrade or new facility provided in the future then Council believes this would be funded by grants and /or new borrowings where required and any proposal would then be the subject of consultation with the public. Therefore Council believes any further depreciation charge does not reflect the economic benefit of the assets and that it would not be equitable for this generation to fund depreciation on the existing halls as the reserve created will not be used to replace the asset.

## Transportation -Roads and Bridges

Council receives funding for renewals and replacement for the Districts roading and bridges from a contribution by New Zealand Transport Agency (NZTA). Council is only required to fund the renewals component of its share which is 35% of the cost of the replacement or new asset. Therefore the depreciation should be calculated on the value that Council is required to fund. It would be inequitable to place the funding burden on ratepayers when NZTA is already contributing to the overall cost of replacement. If the rate of contribution by NZTA changes in the future, the depreciation policy will be reviewed.

## Parks and Reserves

Council receives funding from grants and from development contributions subdivisions on properties, and this funding source has been used in the past to finance or contribute to the cost of development of parks and reserve open spaces. This is anticipated to continue. The costs of general maintenance will be funded by Council and it is envisaged that this will ensure the level of service of park and reserve facilities such as playground equipment provides will be sustained. Therefore Council believes any further depreciation charge does not reflect the economic benefit of the asset and that it would not be equitable for this generation to fund depreciation on the parks and reserves as the financial reserve created will not be used to replace the asset.

## Three Waters

Council has a number of water and wastewater schemes that were constructed around the turn of the century and nearly all these schemes have been upgraded. Renewals are planned for and depreciation is funded to ensure the integrity and service potential of these assets continues to be maintained. Most recently at Hokitika in 2008, a new water treatment plant was constructed in partnership with Westland Milk Products who are the main commercial customer for water in Hokitika. Westland Milk Products paid for 50% of the capital costs (\$1,750,000) up front to support the Council in prioritising this upgrade. Westland Milk Products has funded its share of the upgrade up front rather than pay for the upgrade on a partial year by year basis either by way of loan or depreciation. Therefore Council proposes only to fund the depreciation on its half of the cost of the treatment plant as any future renewal of this plant will also require a future capital contribution from this commercial customer.

## Rural Fire

The Council has elected not to replace these assets at the end of their useful life. Council currently maintains several fire stations and equipment in various parts of Westland including, Hannahs Clearing, Haast and Kokatahi Valley but there is no intention to improve or replace these in the future. The costs of general maintenance are funded by Council out of general revenue and it is envisaged that this will ensure the level of service that has been provided will be sustained for the remaining time the fire stations and equipment are in use. As a result depreciation hasn't been funded. Should there be an upgrade or new facility provided in the future then Council believes this would be funded by grants, subsidies and /or new borrowings where required and any proposal would then be the subject of consultation with the public. Therefore Council believes any further depreciation charge does not reflect the economic benefit of the assets and that it would not be equitable for this generation to fund depreciation on the existing fire stations and equipment as the reserve created will not be used to replace the asset.

# LIABILITY MANAGEMENT POLICY

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## 1. General Policy

Council exercises its borrowing powers within the LGA 2002, S113 122. The borrowing programme is approved by Council when it approves the Annual Plan each year. Resolutions of Council are not required in the case of hire purchase, credit or deferred purchase of goods and services where:

- 1.1 There is a period of less than 3 months indebtedness.
- 1.2 The goods and services are obtained in the ordinary course of operations, on normal terms, for amounts not exceeding in aggregate an amount determined by resolution at Council i.e. approved financial delegations as documented in Councils Delegation Manual.

When borrowing is required it is generally used for the following main purposes:

- 1.3 General debt to fund Council's balance sheet and from time to time liquidity requirements.
- 1.4 To fund operational or infrastructural asset purchases that will benefit the Council and ratepayers over a long period of time.

Council may borrow through a variety of mechanisms comprising of the issue of stock, through accessing the capital markets or by direct bank borrowing. When evaluating any new borrowing the Manager Finance or Accountant take into account the following in relation to source, term size, and pricing;

- 1.5 The size and economic life of the project.
- 1.6 The impact any new debt will have on the borrowing limits.
- 1.7 Council's overall debt maturity profile
- 1.8 Interest rates prevailing relative to term for both stock issuance and bank borrowing.
- 1.9 Management's view, after consultation with qualified advisors, of future interest rate movements.
- 1.10 Term available from bank and stock issuance.
- 1.11 Legal documentation and financial covenants required.

From time to time the Council may wish to replace external borrowing with internal funding or to use internal funds for new projects. Council would require a return on its internal funding because it would have lost the opportunity to invest externally in the market place. Internally funded projects will be charged interest annually. The interest rate on internal borrowing will be the interest offered on 1st July for a 12 month investment plus a credit margin of 0.25 which Council would normally pay for a facility.

## 2. Objectives of this Policy

- 2.1 Ensure that Westland District Council (WDC) has an on-going ability to meet its debts in an orderly manner as when they fall due in both the short and long term, through appropriate liquidity and funding risk management
- 2.2 Arrange appropriate funding facilities for WDC ensuring they are at market related margins utilising bank debt facilities and/or capital markets as appropriate
- 2.3 Maintain lender relationships and WDCs general borrowing profile in the local debt and, if applicable, capital markets, so that WDC is able to fund itself appropriately at all times

- 2.4 Control WDC's cost of borrowing through the effective management of its interest rate risk, within the interest rate risk management limits established by the liability management policy
- 2.5 Ensure compliance with any financing/borrowing covenants and ratios
- 2.6 Maintain adequate internal controls to mitigate operational risks
- 2.7 Produce adequate and timely information that can be relied on by senior management and Council for control and exposure monitoring purposes in relation to the debt raising activities of WDC

### 3. Borrowing Limits

Council in managing borrowing adheres to the following limits:

- 3.1 Gross interest expense on all borrowing will not exceed 15% of total annual rates income, being total general rates, penalties and targeted rates levied.
- 3.2 Net cash inflows from operating activities exceed gross annual interest expense by two times.
- 3.3 Liquidity ratio of 1:1 which measures the ability of Council to quickly generate cash from current assets in order to meet its current obligations.
- 3.4 Average debt per rateable property not to exceed \$3,000

### 4. Liquidity and Credit Risk Management

To avoid a concentration of debt maturity dates Council will, where practicable, aim to have no more than 50% of debt subject to refinancing in any 12 month period. Council will only enter incidental arrangements with creditworthy counterparts. Credit worthy counterparties are selected on the basis of their current Standard & Poor's rating which must be A or better. Westland District Council shall aim to maintain committed funding lines of not less than 110% of projected core debt. Core debt is defined as debt as explained in the accounting policies.

### 5. Interest Rate Risk Management

Any borrowing done by Council gives rise to exposure to interest rate movements. Council's preference, to avoid adverse impact on interest rates, is to have a preference for a high percentage of long term fixed rates. The Manager Finance will manage the interest rate risk by ensuring a mix of fixed and variable rates are present in its debt portfolio.

The following interest rate risk management instruments may be used to manage the core debt of WDC:

- 5.1 Interest rate swaps
- 5.2 Swaptions (options on swaps)
- 5.3 Interest rate options, including collar type structures but only in a ratio 1:1
- 5.4 Forward rate agreements

	Minimum fixed rate amount	Maximum fixed rate amount
0 – 2 years	50%	100%
2 – 5 years	30%	80%
5 – 10 years	0%	50%

The Manager Finance has the authority to manage the interest rate risks of WDC. Council may retain the services of an independent external consultant to assist in managing the interest rate risks of WDC

## 6. Security

Council will normally secure its borrowings against its rates revenue. Security may also be offered, with Council's approval, over specific Council assets. Council can also offer security on infrastructure assets where special rating provisions apply.

## 7. Repayment

Repayments of Council borrowing are made from asset sale proceeds, sinking funds, renewal loans or from general funds. Term of loan not to exceed the life of the asset to a maximum term of 20 years. Debt will be repaid as it falls due. Rates are collected quarterly for loan funding from these sectors for which the loans were raised and are credited quarterly to the bank loans outstanding.

## 8. Financial Guarantees

Financial guarantees can be made from time to time, by Council, to organisations, groups or bodies for recreational and community purposes. Before guarantees are approved, the latest financial reports and cash flow projections are reviewed by management. Appropriate conditions and controls will be established and documented, by Council, before the approval and provision of any financial guarantees.



# INVESTMENT POLICY

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## 1. Purpose

Section 102(4) (c) of The LGA 2002 requires Council to adopt an investment policy which in terms of Section 105 must state Council's policies in respect of its investments, including:

- 1.1 The objectives in terms of which financial and equity investments are to be managed.
- 1.2 The mix of investments.
- 1.3 The acquisition of new investments.
- 1.4 An outline of the procedures by which investments are managed and reported on to Council.
- 1.5 An outline on how risks associated with investments are assessed and managed.

This investment policy has been developed as a guide to control all investments. Investments will be in investment grade fixed interest securities and call accounts within defined criteria designed to limit risk while providing an acceptable return to Council.

## 2. Objectives

The objective of an investment policy is to ensure the portfolio is managed, in a prudent and competent manner, in terms of the governing legislation. Council's philosophy is to optimise investment value and returns in the long term while balancing risk and return considerations. As a responsible public authority any investments Council does hold should be low risk with preference being given to conservative investments particularly in the case of short term investments.

- 2.1 Safeguard WDC's financial market investments by establishing and regularly reviewing investing parameters and ensuring that all investment activities are carried out within these parameters
- 2.2 Ensure the integrity WDC's financial market investments by only investing in appropriately rated organisations and in appropriate financial market instruments as detailed in this policy
- 2.3 Produce accurate and timely information that can be relied on by senior management and Council for control and exposure monitoring purposes in relation to the investment activities of WDC

It also recognises that lower risk generally means lower returns. To achieve this aim Council primary strategy is as follows:

- 2.4 Optimise the investment value and return.

## 3. Investment Mix

Council may maintain investments in the following financial assets:

- 3.1 Equity investments (covered in Section 3.1)
- 3.2 Property investments including land holdings (covered in Section 3.2)
- 3.3 Forestry investments (covered in Section 3.3)
- 3.4 Infrastructural Asset Investments (covered in Section 3.4)
- 3.5 Financial investments (covered in Section 3.5)
- 3.6 Loan advances (covered in Section 3.6)

Any new investments will be assessed in terms of the strategic objectives of Council and this Policy.

#### 4. Equity Investments

Council has equity investments in New Zealand Local Government Insurance Corporation Limited, T/A Civic Assurance, and Westland Holdings Limited.

#### 5. Civic Assurance

The shares in Civic Assurance were acquired by virtue of Council being a local authority. The purpose of the company, in which most local authorities are shareholders, is to ensure that adequate insurance arrangements are available to local authorities at the lowest possible cost. The shares are not readily transferable. Annual reports are received and reviewed by management. Election of Directors takes place at the AGM held at the Local Government of New Zealand annual conference. Council normally votes by proxy.

Revenue in the form of interest is earned from the shares and included in general revenue. Council's policy is to review the performance of and commitment to the scheme on an annual basis.

#### 6. Westland Holdings Limited

Westland Holdings Limited is a wholly owned Council Controlled Organisation (CCO) of Westland District Council formed on 24 July 2002. It holds 100% of the shares and assets of Hokitika Airport Limited, Westland District Property Limited and Westroads Limited. The statement of intent of WHL will be submitted to Council by 30 June each year for adoption ensuring that the financial targets and strategic direction of WHL are in line with Council aims and requirements. Council's policy is to support the directors of Westland Holdings Limited in the management of itself, Westroads Limited, Westland District Property Limited and Hokitika Airport Limited is to maximise the benefits to Council and the ratepayers of Westland.

#### 7. Property Investments

Council is the holder of a significant portfolio of property, which is divided into the following categories:

##### 7.1 Essential / Restricted Land and Buildings

Land and Buildings that are to be retained by Council to meet operational or strategic needs. The bulk of these holdings represent infrastructural assets on reserve land or land administered by Council under statutory restrictions. These properties are not covered under this Investment Policy.

##### 7.2 Leased Land and Buildings

Council holds land holdings intended for resale, which include surplus land and leased land and buildings.

Property rentals are generally charged at commercial levels. Rentals on housing for the elderly are charged at a level sufficient to ensure that the properties are fully self-funding and that sufficient reserve funds are set aside for on-going maintenance and improvements.

Any disposal of property will be in such a manner, which maximises the value of the property. Surplus property shall be disposed of in accordance with any statutory requirements placed on Local Authorities. Capital realised from the disposal of property shall be either reinvested in accordance with Council's Investment Policy or used for capital projects identified in the annual plan.

When considering new property investment Council must assess the benefits of ownership in comparison to other arrangements which could deliver the same results and assess what is the most financially viable method of achieving the delivery of Council services. Council's policy is to dispose of any excess land and buildings not considered essential to the provision of Council services or amenities to ratepayers.

Any investment in property will be evaluated by Council's Management Team and approved by Council. This requires specific authorisation.

### 7.3 Forestry

Council has several small forestry plantations. The holdings are valued at cost in the Council's asset register and are managed in association with P F Olsen. Council may extend these holdings where considered appropriate. Council's policy is to harvest the plantations on maturity and replant.

## 8. Infrastructural Asset Investment (Internal Loans)

Council may provide advances from existing funds for the building and development of infrastructural assets in the District as an alternative to raising an external loan for the project.

Council's policy is to facilitate the establishment of infrastructural assets to improve services to the community. Council may therefore provide advances from existing funds, where available, for the building and development of infrastructural assets. The repayment of these advances will be made over time from rates or lump sum contributions.

## 9. Financial Investments

Council maintains financial investments for the primary reasons:

- 9.1 Invest proceeds from the sale of assets
- 9.2 Invest amounts allocated to general and separate funds
- 9.3 Invests funds set aside for approved future expenditure
- 9.4 Invest surplus cash holdings
- 9.5 Emergency requirements of \$1 million

The minimum cash and bond investment fund to be held at any time should equal the sum of Emergency Funds of \$1m

### 9.5.1 All Trusts and Bequest Balances

### 9.5.2 All Special Funds

Each quarter Council will report on the level of financial investments and whether they cover these areas

### 9.6 Financial Investment Objective

Council's primary objective is the protection of its investment. Accordingly only credit worthy counterparties is acceptable.

- Credit risk is minimised by limiting investments to local authorities, registered banks, strongly rated SOEs and corporates within prescribed issuer and portfolio limits. (see Appendix 1)
- Liquidity risk is minimised by ensuring that all investments must be capable of being liquidated in a readily available secondary market. Individual parcels on long-term investments are not to exceed \$1 million in any one entity

## 10. Delegation to Approve Transactions

The Manager Finance and Accountant with the approval of the Chief Executive Officer, has the power to approve individual transactions provided they are within the scope of the recommended and approved general investment strategy as documented in this policy. These transactions are to be reported to Council's Audit and Finance Committee at the next meeting after the date of the transaction.

## 11. Interest Rate Risk Management

Council's investments give rise to direct exposure to changes in interest rates, which can impact on the return and capital value of its investments. The General Manager approves interest rate risk management strategy, as recommended by the Manager Finance and Accountant, who seek appropriate advice, including monitoring the interest rates available on a regular basis, evaluating the interest rate outlook and determine the interest rate profile to adopt for investments. The Manager Finance and Accountant implement the interest rate risk management strategy by adjusting the average maturity of its investments in line with the interest rate risk management strategy.

## 12. Loan Advances

Loan advances include:

Loans to recreational and community organisations which further Council's community objectives and are approved by Council.

## 13. Loan Advances Criteria

- 13.1 Project meets Council approval
- 13.2 Security available
- 13.3 In all circumstances the advance will be formally documented and executed, setting out the nature and terms of the advance, securities, interest rate, repayment of principal and term of the advance.
- 13.4 Maximum of 15 years to repay
- 13.5 Entity can show its affordable and cash flow/ability to repay loan is assessed by Manager Finance
- 13.6 Annual balance sheet provided to Manager Finance
- 13.7 Market interest will be charged

The Manager Finance or Accountant will report to the quarterly Council meeting on the balance outstanding on each loan and all variations to the loan agreement to be approved by Council.

## 14. New Investment

Any acquisition of new investments must be made in accordance within the criteria and objectives contained in this policy.

## 15. Foreign Exchange Policy

Council has foreign exchange exposure through the occasional purchase of foreign exchange dominated plant, equipment and services and where it holds investments through managed funds in companies based overseas. The library also purchases some items from overseas mainly from Australia. Generally, any significant commitments for foreign exchange are hedged using foreign exchange contracts, once expenditure is approved. Routine small payments are converted at the spot exchange rate on the date of payment. Council does not borrow or enter into incidental arrangements within or outside New Zealand in currency other than NZ dollars.

## 16. Management of Investments

A quarterly report will be prepared for Council showing the type, dollar value and percentages of money invested in and within the various sectors.

Where possible performance benchmark figures will be used as a comparison.

Surplus monies not immediately required are placed on call or term investments. Clear separation of operational, separate and trust funds is reflected in the general ledger accounts with interest earned pro-rated allocated across these accounts on an annual basis. The operating account, i.e. District Fund Account, is reconciled on a daily basis.

## 17. Specific Policies

- 17.1 Council does not have a committed bank overdraft facility but arranges overdraft limits as required
- 17.2 Council's cash flow requirements will be managed by the Manager Finance

## 18. Application of Income

- 18.1 Council will consider on an annual basis the application of income. Income can be allocated to Special Funds and Reserves
- 18.2 Westland County Fund
- 18.3 Medical Health Fund
- 18.4 Off-street Parking
- 18.5 Reserve Development
- 18.6 Foreshore Protection
- 18.7 Emergency Health
- 18.9 Museum assistance
- 18.10 Euphemia Brown
- 18.11 Mayors Trust
- 18.12 Three Mile Domain
- 18.13 Hokitika Community Pool Trust
- 18.14 Preston Bush Trust
- 18.15 Specific projects
- 18.16 General revenues of the district

## Westland District Council Prudential Limits and Guidelines

Approved Financial Instruments	Guideline maximum with any one entity
Investment cash portfolio	A minimum credit rating of A
• Government stock	\$ 1 million
• Government securities	\$ 1 million
• Local Authority stock	\$ 1 million
• Bank deposits	\$ 1 million
• Managed funds	\$ 1 million

Bonds	A minimum credit rating of A
NZ Government	\$ 1 million
State Owned Enterprises	\$ 1 million
Registered banks	\$ 1 million
NZ Corporate	A minimum rating of A+ \$ 1 million
Equity	Any equity investment requires Council approval. This covers Civic Assurance and Westland Holdings only
Property	Any property investment requires Council approval
Forestry	Any forestry investment requires Council approval

# POLICY ON PARTNERSHIPS WITH THE PRIVATE SECTOR

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## Objective

This policy sets out the Westland District Council's approach to Partnerships with the Private Sector. Section 107 of the LGA 2002 determines that Council must adopt under section 102, policies in respect of the commitment of local authority resources to partnerships between the local authority and the private sector. Partnerships with the private sector is defined as any arrangement or agreement that is entered in between one or more local authorities and one or more persons engaged in business, but does not include arrangements or agreements in which the only other party is a local authority or other Council organisation.

## Background

The LGA 2002 requires the Westland District Council to adopt a policy setting out:

- The circumstances (if any) in which the Council will provide funding or other resources in a partnership arrangement with the private sector whether by way of: grant, loan, investment or guarantee
- What consultation Council will undertake in respect of any proposal to provide funding or resources
- The conditions (if any) that Council would impose before providing funding or resources.
- An outline of how risks associated with the provision of any funds or resources would be assessed and managed
- An outline of the procedures by which any funding or resources provided would be monitored and reported on to Council
- An outline of how Council would assess, monitor and report on the extent that Council's community outcomes are furthered by any partnership with the Private Sector

## Circumstances

The Westland District Council (Council) may consider entering into a partnership with a private sector partner where Council is satisfied that:

1. The proposed partnership:
  - a. Will contribute to achieving the vision for Westland as identified in the LTP
  - b. Will promote the social, economic, cultural or environmental well-being of the district, in the present and for the future.
  - c. Will be a prudent, efficient and effective use of the Council's resources in the interests of the district.
2. Where Council may be unwilling or unable to bear all of the risk (usually, though not always defined in terms of financial risks) of a particular project itself.
3. Where neither Council nor a private provider would otherwise provide the services or activity without the partnership.
4. Where there are identifiable advantages in the project or activity being undertaken as a public private sector partnership rather than by either of the parties separately.

5. The objective of the partnership is desirable in the interests of the community, but the private sector is unwilling or reluctant to provide sufficient resources for the achievement of the objective of the partnership with Council support.
6. The benefits of the proposed partnership (in terms of achievement of community outcomes and promotion of the four aspects of wellbeing now and in the future) will exceed the costs.

## Types of Involvement

Council may consider the following methods of involvement:

- Grants, where there is a justified benefit to the community, it is a Council priority, and funds are available for the activity
- Loans, where the benefit to the community is significant, but it is assessed that income or other funding can in time be accessed
- Investments, where there are deemed to be significant public benefits, and the community has been consulted, either during an LTP or Annual Plan consultation or separately using the special consultative procedure
- Acting as a guarantor for assets being constructed on Council owned land
- Acting as a guarantor in extraordinary circumstances to be considered by Council following community consultation, and where there are appropriate safeguards in place to ensure budgets are not exceeded and where limitations are specified as to the total amount Council is guarantor for. Nothing in this policy commits Council to entering into such a partnership even if it will help achieve community outcomes or objectives.

## Conditions to be Imposed

The Council will require, as condition of providing funding or other resources to any form of partnership with the private sector, that the private sector partners enter into a written agreement recording the terms of the arrangement or agreement, stating clearly:

1. The objectives of the partnership
2. The parties' respective roles, responsibilities and obligations under the agreement, including responsibility for obtaining any necessary consent, licences or other approvals, or to undertake any matter or do anything
3. Details of the Council's agreement to provide funding or other resources to the partnership.
4. The Council's expectations in relation to the private sector partner's contribution to the achievement of the community outcomes and strategic objectives or promotion of the aspects of community well-being, current and future including, where possible, target performance measures
5. The Council's requirements in relation to monitoring and reporting of performance
6. Consequences of non-performance by the private sector party.

The Council may impose any other conditions it considers appropriate in the circumstances. Council will not enter into a Public Private Partnership where:

- The activity is primarily speculative in nature
- Insurance cover cannot be obtained that is considered adequate to meet foreseeable risks
- The cost or risk of the partnership is judged to be greater to the community than the benefits that would accrue from the partnership.

Where appropriate, Council reserves the right to apply competitive tendering processes, in accordance with Council policy. Other conditions may be imposed as considered appropriate by Council.

# RATES REMISSION POLICY

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This policy is prepared pursuant to Sections 109 and 110 of the LGA 2002.

## Remissions for Community, Sporting and other Organisations

### Objective

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

- Assist the continued existence of non-profit organisations
- Make membership of the organisation more accessible to the general public, particularly disadvantaged groups including children, youth, young families, and the elderly and economically disadvantaged people

### Conditions and Criteria

1. The policy will apply to land owned by Council and/or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation, or community purposes
2. The policy does not apply to any body (including a society, associated organisation, whether incorporated or not) that is carried on for the purpose of profit or gain.
3. The policy does not apply to groups or organisations who engage in recreational, sporting or community services as a secondary purpose only
4. No remission will be granted on targeted rates for water supply or sewage disposal
5. Organisations making applications should include the following documents in support of their application:
  - Statement of Objectives ·
  - Full financial Statements ·
  - Information on planned activities and programmes ·
  - Details of membership ·
6. Decisions on remission of penalties will be delegated to officers as set out in the Council's Delegations Manual
7. All remissions made under this policy will be confirmed by the Audit and Finance Committee in open meeting
8. Annual remissions of 50% will be applied to those societies and associations who qualify for the 50% non-rateable category under Schedule 1, Part 2 of the Local Government (Rating) Act 2002
9. All other community and sporting organisations fitting the criteria stated in this policy will receive due consideration for the remission of all or part of their rates

## Remission of Penalties

### Objective

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

#### Conditions and Criteria

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

## Remission of Wastewater Charges to Schools

### Objective

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

1. The policy will apply to educational establishments as defined in Schedule 1 Part 1 clause 6 (a-b) of the Local Government (Rating) Act 2002
2. The policy does not apply to school houses or any part of a school used for residential purposes
3. Wastewater charges for schools will be calculated as follows:  $\text{Staff plus pupil numbers} \div 20 = \text{number of pans}$ . 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
6. Decisions on remission of penalties will be delegated to officers as set out in the Council's Delegations Manual
7. In the event of any doubt or dispute arising, the application is to be referred to the Audit and Finance Committee for a decision

## Remission on New Subdivisions

### Background

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

### Objectives of the Policy

- To provide rates relief to new subdivisions to limit the rates impact of multiple UAGC's and service charges in the first year
- To provide a rates policy that is consistent with accommodating growth expectations for Westland 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 Uniform Annual General Charge and unconnected service charges will be actioned quarterly for each unsold lot except one.
3. Remission will apply for a period of 2 years. Council may consider an extension beyond this upon written application from the developer.

## Remission for Residential Land in Commercial or Industrial Areas

### Objective

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

### Conditions and Criteria

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

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

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

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

## Delegations

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

## Policy on Uneconomic Balances

### Objective of the Policy

To avoid collecting rates which are not economical to collect.

#### Conditions and Criteria

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

## Policy on Remission of Excess Metered Water Rates

### Objective of the Policy

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

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

### Objective of the Policy

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

### Conditions and Criteria

1. Rating units that meet the criteria under this policy may qualify for a remission of uniform annual general charges 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. Applications will not be backdated
3. Rates types affected by this policy are:
  - Uniform Annual General Charges
  - Kokatahi Rural Fire Rates
  - Waste Management Rate
  - Glacier Country Promotions Rate
4. Rating Units that receive a remission must be held in identical ownership with each other and operated as a single farming or horticultural unit
5. Applications for remissions must be in writing
6. The authority to consider and approve remissions will be delegated to The Manager: Finance and Policy
7. In the event of any doubt or dispute arising, the application is to be referred to the Audit and Finance Committee for a decision

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

### Objective of the Policy

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

### Conditions and Criteria

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

## Delegations

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

## Funding

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

## Rates Postponement

### 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 for non-business purposes

### Natural Calamities

Where an individual property has been unduly affected by a natural calamity which affects the rateable value of that property or limits its ability to utilise the services normally provided by Council, then upon application by the ratepayer, Council may, where it considers it to be fair and reasonable to do so, remit wholly, or in part, any rate or uniform annual charge relating to that property. The General Manager shall have authority to remit rates under this section.

# Policy on remission and postponement of rates on Maori freehold land

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

## Background

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

- 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:

- 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
  - i. The preservation of the natural character of the coastal environment:
  - ii. the preservation of outstanding natural features:
  - iii. 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.

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

## Policy

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

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



# POLICY ON DEVELOPMENT AND FINANCIAL CONTRIBUTIONS

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## General

Section 102(4) of the LGA 2002 requires, among other things, that a local authority must adopt a policy on development contributions or financial contributions. Details relating to the specific matters that must be covered in any policy on development contributions or financial contributions are specified in Section 106 and these matters are explained below.

Council considers at this stage that it will rely solely on the financial contributions specified in the Westland District Plan which has been prepared and made operative pursuant to the provisions of the Resource Management Act 1991. The District Plan has been subject to community consultation and is well accepted by the community and developers alike.

Currently, the financial contributions imposed on land subdividers and developers relate only to the actual costs incurred as a result of the land development or subdivision. The provisions within the District Plan for financial contributions provide for capital contributions to be paid on the grant of certain subdivision and land use consents.

## Financial Contributions in the District Plan: Summary

Part 7 of the District Plan specifies the rules relating to financial contributions. The provisions of the District Plan on financial contributions relate to the subdivision or development of land. The relevant part of the District Plan specifies the circumstances and purposes under which financial contributions are required and the maximum amount is also specified. Financial contributions under the District Plan broadly fit into three categories:

- Services
- Amenity
- Reserves

## Financial Contributions: Services

The District Plan requires the subdivider or land developer to be responsible for funding of work within the boundary of the subdivision or development that relates to the provision of services directly required by the subdivision or development. This has been the practice for many years and has its history at a time before the constitution of the Westland District. The two main methods for imposing financial contributions adopted in the District Plan relate to the recoupment of actual costs associated with the construction and installation of new services and the payment of financial contributions towards capital improvements. For example, in the case of sewerage, the maximum amount payable where a sewerage system is available (and has adequate capacity for meeting the proposed sewerage) the full actual cost of connecting the allotments or buildings to that sewerage system is payable. Where the design capacity of the system is likely to need to be upgraded as a result of the subdivision a contribution of up to 50% of the cost for the upgrading of the system would be required. However, until such time as formulae for capital contribution assessment have been developed, capital contributions will not be required.

## Financial Contributions: Amenity

Land subdividers and developers can be required to undertake earthworks, landscaping, planting, fencing or screening as part of a subdivision or land development. In some areas, particularly the Glacier region and Hokitika, off-street car parking is required to be provided. Where such car parking cannot readily be provided, a 'cash in lieu' contribution is provided for within the District Plan.

## Financial Contributions: Reserves

The District Plan provides for contribution towards recreation facilities and also reflects the thrust of the Resource Management Act 1991 in terms of esplanade reserves. Council recognises that Westland is fortunate to have an abundance of open spaces which are able to be used for recreational purposes and Council considers that there is a limited need for recreational land. Council's policy direction in this regard is to upgrade existing recreational facilities and a stated objective is to provide as many indoor facilities as possible with a focus on roofing areas for recreation. Council prefers the upgrading of existing recreational facilities. Contributions toward recreation facilities are detailed in the schedule of fees and charges.

## Future Changes

Should circumstances change and there becomes an identified need to make changes to the financial contribution provisions of the District Plan then this policy will be amended through the special consultative procedures and concomitantly with the District Plan. Likewise, any change to Council's current position of not imposing development contributions will see a change to this policy through the special consultative procedures as a precursor to a development contribution regime. Notwithstanding the above, this policy will be reviewed three yearly as part of the review of the LTP when the appropriateness of the policy will be assessed and changes recommended to Council where considered necessary

# MAORI CONTRIBUTION TO DECISION MAKING

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## Maori Consultation Policy

### Introduction

Section 81 of the LGA 2002 sets out the obligations for Council to both consult with Maori and encourage Maori involvement in the Council's decision making processes.

### Consultation

Council currently has an on-going commitment to Maori 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 with Maori are appropriate to the needs of Maori in the district.

### Resource Management Act 1991

The consultation carried out under the Resource Management Act recognises the interests within the Westland District area of the following tribe and Runanga: Ngai Tahu; Te Runanga o Makaawhio; Te Runanga o Ngati Waewae In respect of the Resource Management Act, Council also gives regard to the Statutory Acknowledgements in accordance with the Ngai Tahu Claims Settlement Act 1988.

### Further Planning Consultation

Council recognises the role and importance of Makaawhio's Marae at Bruce Bay, and Ngati Waewae's Marae at Arahura. It welcomes and encourages Maori involvement in its consultation processes. Council will seek to honour any processes or agreements developed with Maori as they relate to consultation as a part of its decision-making processes.

### Development of Maori Capacity to Contribute To Decision-Making

Council is committed to maintaining communication and its good working relationship with Te Runanga o Makaawhio and Te Runanga o Ngati Waewae, so as to encourage and facilitate the involvement of local Maori in Council's decision-making processes. Council is also mindful that there may be additional processes which are also appropriate. It will therefore continue to consult with Maori in the district on its decision making, taking into account the nature and significance of the decision to Maori. It will also seek opportunities to expand the current processes to accommodate any additional consultation mechanisms preferred by Maori.



# APPENDICES



# APPENDICES

**Appendix 1 – Audit Report**

**Appendix 2 – Summary Water & Sanitary Assessment**

**Appendix 3 – Improvements to Asset Management Planning**

**Appendix 4 – Fees and Charges**

## **Matters Relating to the Electronic Presentation of the Report to readers of the Long-Term Plan**

This audit report relates to the Long-Term Plan of Westland District Council for the ten years commencing 1 July 2012 included on the Council's website. Westland District Council is responsible for the maintenance and integrity of its website. We have not been engaged to report on the integrity of Westland District Council's website. We accept no responsibility for any changes that may have occurred to the Long-Term Plan since they were initially presented on the website.

The audit report refers only to the Long-Term Plan named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the Long-Term Plan. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited Long-Term Plan as well as the related audit report dated 28 June 2012 **Error! Bookmark not defined.**to confirm the information included in the audited Long-Term Plan presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

**Independent Auditor's Report**  
**To the readers of**  
**Westland District Council's**  
**Long-Term Plan**  
**for the ten years commencing 1 July 2012**

The Auditor-General is the auditor of Westland District Council (the District Council). The Auditor-General has appointed me, John Mackey, using the staff and resources of Audit New Zealand, to report on the Long Term Plan (LTP), on her behalf. We have audited the District Council's LTP dated 28 June 2012 for the ten years commencing 1 July 2012.

The Auditor-General is required by section 94(1) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the LTP complies with the requirements of the Act; and
- the quality of information and assumptions underlying the forecast information provided in the LTP.

## **Opinion**

### **Overall Opinion**

**In our opinion the District Council's LTP dated 28 June 2012 provides a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.**

In forming our overall opinion, we considered the specific matters outlined in section 94(1) of the Act which we report on as follows.

### **Opinion on Specific Matters Required by the Act**

**In our view:**

- **the District Council has complied with the requirements of the Act in all material respects demonstrating good practice for a council of its size and scale within the context of its environment; and**
- **the underlying information and assumptions used to prepare the LTP provide a reasonable and supportable basis for the preparation of the forecast information.**

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 28 June 2012. This is the date at which our opinion is expressed.

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

## **Basis of Opinion**

We carried out the audit in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 : Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTP does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves performing procedures to obtain audit evidence about the forecast information and disclosures in the LTP. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the information in the LTP. In making those risk assessments we consider internal control relevant to the preparation of the District Council's LTP. We consider internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

Our audit procedures also include assessing whether:

- the LTP provides the community with sufficient and balanced information about the strategic and other key issues, and implications it faces and provides for participation by the public in decision making processes;
- the District Council's financial strategy, supported by financial policies is financially prudent, and has been clearly communicated to the community in the LTP;
- the presentation of the LTP complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the LTP are compliant with the decision-making and consultation requirements of the Act;
- the information in the LTP is based on materially complete and reliable asset or activity information;
- the agreed levels of service are fairly reflected throughout the LTP;
- the District Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the LTP are based on best information currently available to the District Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;

- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the District Council's service delivery and performance; and
- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the LTP.

We do not guarantee complete accuracy of the information in the LTP. Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTP and determining compliance with the requirements of the Act. We evaluated the overall adequacy of the presentation of information. We obtained all the information and explanations we required to support our opinion above.

### **Responsibilities of the District Council**

The District Council is responsible for preparing a LTP under the Act, by applying the District Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The Council is also responsible for such internal control as it determines is necessary to enable the preparation of a LTP that is free from material misstatement

The District Council's responsibilities arise from Section 93 of the Act.

### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the LTP and reporting that opinion to you based on our audit. This responsibility arises from section 15 of the Public Audit Act 2001 and section 94(1) of the Act.

It is not our responsibility to express an opinion on the merits of any policy content within the LTP.

### **Independence**

When reporting on the LTP we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than this report and in conducting the audit of the LTP Statement of Proposal and the annual audit, we have no relationship with or interests in the District Council or any of its subsidiaries.



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



# APPENDIX 2 – SUMMARY WATER & SANITARY ASSESSMENT

## Background

The Local Government Act, Part 7, Sections 123 to 136 requires the Council to undertake an assessment of Water and Sanitary Services. Water includes drinking water, wastewater, storm water, and sanitary services including cemeteries, crematoria, solid waste and public toilets. These services are considered vital to the public health and environment. Council is required to assess its role in providing these services and assess the adequacy for current and future demand. The overall aim is to ensure that public health is protected and the Council has to examine any risks to the supply and associated community. The Council, in adopting the assessments, has to consider any comments by the Medical Officer of Health.

The activity management plans for each activity contain information about the assets underlying the activity and the financial information relating to the projects that Council will undertake for the next ten years, some of which Council will undertake to remedy public health issues as detailed in this assessment.

## Water Supply, Wastewater and Storm Water

Much of the urban areas are serviced by well-maintained treatment and reticulation systems, details of which are recorded in the Council's asset management systems. The outlying rural areas are more difficult to assess as many systems are privately owned and maintained. Future demand will not exceed Council's existing water sources however in Hokitika, because of the high demand from Westland Milk, the Council will work with its commercial customer to ensure future demand can be met.

Detailed public health management plans have been submitted for all council schemes and application made for subsidy from the Ministry of Health as all schemes, apart from Hokitika and Harihari, do not meet drinking water standards. In upgrading the treatment plants Council will be reducing the risks in supply over time. A more detailed description and assessment of the risk to supplies is included in the public health management plans for each scheme.

Water Supplies	Ownership	Population Supplied	Demand cm/day	Future demand cm/day	Meets DWSNZ	Priority areas for Council
Kumara	Council	328	300	366	No	Water upgrade scheduled in LTP
Arahura	Council	125	85	104	No	Water upgrade scheduled in LTP
Hokitika	Council	3500	4800	7104	Yes	Reservoirs scheduled for upgrade in LTP to cope with growth
Harihari	Council	350	390	476	Yes	Water treatment upgrade being implemented
Whataroa	Council	175	230	281	No	
Whataroa Rural	Council	83	25	31	No	
Franz Josef	Council	2300	300	366	No	Water upgrade scheduled in LTP

Water Supplies	Ownership	Population Supplied	Demand cm/day	Future demand cm/day	Meets DWSNZ	Priority areas for Council
Fox Glacier	Council	1735	235	287	No	Water upgrade scheduled in LTP
Haast	Council	160	80	98	No	Water upgrade scheduled in LTP

There are options available to meet estimated future demand for quantity, quality and reliability. Quantity is addressed by ensuring resource consents; treatment plant capacity, pumps and reticulation are adequate to meet demand. In case of extreme demand or low flow at water intakes, non-asset options may be applied such as restricting water use. Reliability of supply under increasing demand is addressed by increasing reservoir capacity and ensuring contracts include rapid response to any water disruptions. The LTP includes a programme of water treatment to improve water quality. There are many treatment options, which will be considered in community consultation and application for Ministry of Health subsidy for each proposal. The Council proposals to meet estimated future demand contribute to public health by ensuring reliable supply of water that complies with the NZ Drinking Water Standard.

## Wastewater

Council Wastewater Scheme	Oldest known installation date	Age of Scheme (yrs.)	Population served (resident)	Peak Population served (bed nights)	Treatment
Hokitika	1974	37	3997	5000	Oxidation Pond
Franz Josef	1972	39	300	1750	Oxidation Pond + FMT
Fox Glacier	1975	36	235	1070	Oxidation Pond
Haast	1982	29	80	200	Oxidation Pond

The options available for people in communities not serviced by reticulated sewerages schemes are to continue with their own private arrangements in accordance with normal consenting processes or apply to Council for consideration of a sewerage scheme, for which Ministry of Health subsidy may be available. There are many sewerage treatment options available, which will be considered in community consultation and application for Ministry of Health subsidy for each proposal.

The proposed sewerage scheme for Ross and the scheme to be investigated for Arahura will have public health benefits by eliminating the risk of release of pathogens to the environment due to inadequate or failing septic tank systems.

## Stormwaters

Stormwater Scheme	Resident Population served	Length of Reticulation	No. of pumping stations	No. of manholes	Receiving water/ discharge point
Kumara	318	1621	0	15	Local unnamed waterways
Hokitika	3637	40195	4	213	Hokitika River and Tasman Sea
Kaniere	360	1656	0	15	Hokitika River
Ross	409	2664	0	8	Donnelly Creek
Harihari	200	1671	0	6	Soaked into local farmland
Whataroa	145	265	0	4	Local unnamed waterways

Stormwater Scheme	Resident Population served	Length of Reticulation	No. of pumping stations	No. of manholes	Receiving water/ discharge point
Franz Josef	300	1959	0	29	Waiho River
Fox Glacier	235	1036	0	5	Fox River
Haast	80	1413	0	2	Local unnamed waterways

There are no reported public health concerns arising from the storm water collection and disposal systems, or from the lack of such services. Hokitika is the only community with a comprehensive storm water collection and disposal system. Other communities rely mainly on roadside systems and local waterways.

There is storm water reticulation and/or drains at the following locations: Otira, Kumara, Arahura, Hokitika, Ruatapu, Ross, Hari Hari, Whataroa, Okarito, Franz Josef, Fox Glacier, Haast, Hannahs Clearing and Jackson Bay. At Hokitika the quality of the water discharged may be an issue in the future. Council is continuing its programme of renewals of the reticulation system and pumps. Council will need to review the need for a storm water system at Okarito within the next 10 years and will also need to increase capacity of the current systems at Ross, Franz Josef and Fox Glacier.

## Other Sanitary Services - Cemeteries and Urupa

Location	Name By	Capacity	Health Issues
Kumara	Council	Adequate capacity for the future	None
Hokitika	Council	Upgrade scheduled in LTP	None
Stafford	Community	Adequate capacity for the future	None
Ross	Council	Upgrade scheduled in LTP	None
Harihari	Community	Adequate capacity for the future	None
Okuru	Community	Adequate capacity for the future	None
Arawhata	Council/DOC	Adequate capacity for the future	None

## Public Toilets

There is an issue with demand for services at Harihari and the Council has applied for funds as part of the Major Regional Initiative grant for construction of a community centre including public toilets. This project has been approved.

Location	Responsibility	Capacity	Recommendations
Kumara	Council	Adequate capacity for the future	
Hokitika – Tancred Street	Council	Adequate capacity for the future	
Hokitika – Pensioners Room	Council	Adequate capacity for the future	
Hokitika Cass Square	Council	Adequate capacity for the future	Cosmetic upgrade required in existing, new toilet required near playground
Hokitika – Beachfront	Council	Inadequate capacity for the future	Expansion of capacity required
Ross Rest Rooms	Council	Adequate capacity for the future	Facility surplus to requirements – recommend removing in future

Location	Responsibility	Capacity	Recommendations
Harihari	Council	Adequate capacity for the future	
Whataroa	Council	Adequate capacity for the future	
Okarito	Council	Adequate capacity for the future	
Franz Josef	Council	Adequate capacity for the future	
Fox Glacier	Council	Adequate capacity for the future	Expansion required if significant increase in population or commercial activity
Haast	Council	Adequate capacity for the future	Requires cosmetic upgrade

## Public Dump Stations for Campervan Waste Disposal and Stock Effluent site

Dump stations are at Hokitika, Ross, Franz Josef, Haast and Pleasant Flat. There is a stock effluent site at Hokitika. There will be adequate capacity for the next 10 years at all sites with the exception of Ross and Pleasant Flat where the capacity hasn't yet been evaluated. There are no public health issues with the exception of Ross where there is a concern at the effect of treatment chemicals on the septic tank. The community has identified that there needs to be a dump site between Franz and Haast as unofficial dumping has occurred in the past. Council has not provided for any future dump stations at this stage.

## Public Swimming Pools

There are community pools at Hokitika and Ross, and school pools at Kumara, Harihari, Fox Glacier and Haast. Hygienic pool toilets, showers and changing rooms contribute to the public health. The Council pools are monitored on a daily basis and will continue to meet best practice standards for pool operation and safety. The Ministry of Education is responsible for the monitoring of school pools. All pools have adequate capacity for the future with the exception of Hokitika pool which is used by residents in the general area as well as by tourists. A major upgrade of facilities is required to ensure public expectations are met for adequate water and air temperature, improved changing facilities and improved accessibility to the toilets, as well as year round use.

## Solid Waste

Solid waste disposal facilities are located throughout the district, ranging from refuse/recycling trailers through to transfer stations and refuse disposal sites. No significant public health concerns have been identified relating to this activity. Instances of illegal dumping are responded to by Council and offenders fined where they can be found.

The asset improvement plans in specific will be housed in Section 9 of each Asset Management Plan. Group Manager – Assets and Operations will have overall responsibility for developing these. However the table above provides a brief summary of work identified to improve asset management planning and development of AMP's.

# APPENDIX 3 – IMPROVEMENTS TO ASSET MANAGEMENT PLANNING

Sr. No	Attribute	Improvements	Dependencies	Responsibility	By when	Notes
1	Description of Assets	Review the Asset inventories		Planning Engineer	Nov-12	The asset register needs to be updated to include all assets
		Condition assessments strategies and policies			Nov-13	Condition assessments need to be complete
2	Financial Forecasts	Lifecycle costings for assets	Inter-department		Dec-13	
		Revenue forecasts and data capture	Inter-department		Dec-13	
3	Risk Management	Develop advanced risk profiles and risk registers		Planning Engineer, Engineer	Dec-12	Corporate Risk Management Handbook and procedure needs to be implemented across the board
		Integration of risk profiles into CAPEX or OPEX programs			Dec-13	Clear linkage to be established with any CAPEX work identified
4	Levels of Service Review	Annual review of level of service statement based on customer requests and other customer satisfaction data		Departmental Managers	ongoing	This is an annual review process. Ongoing
5	Maintenance Mgt	Complete the scoping for maintenance management and schedules		Activity Supervisors	Feb-14	Maintenance schedules to be justified and strategically developed in line with asset replacement plans
6	Asset Mgt Info Systems	Implementation of Asset Management and Data management tools		Group Manager - Assets and Operations	Oct-12	Tools should be available to capture data, like reporting tools in addition to NCS and consent management tools like CS-Vue



# APPENDIX 4 – FEES AND CHARGES

Corporate Services		Library	
<b>Black &amp; White Photocopying:</b>		Overdue charges - per day (Adults)	\$0.20
Single Sided - A4	\$0.30	Overdue charges - per day (Children)	\$0.10
Single Sided - A3	\$0.50	After 4 weeks (Adults)	\$6.00
Double Sided - A4	\$0.40	After 4 weeks - (Children)	\$3.00
Double Sided - A3	\$0.60	DVD's	\$3.00
Single Sided - A2	\$2.60	Adult music CD's and audio books	\$2.00
Single Sided - A1	\$3.60	Book reserve fee	\$1.00
Single Sided - A0	\$5.10	Replacement cards	\$5.00
Overheads - A4	\$0.50	No charge for those holding a library card from Buller or Grey Districts	
<b>Colour Photocopying</b>		No charge is made for exchange students staying with families in the District for six months or more.	
Single Sided - A4	\$2.60	Visitors from other NZ Districts - Subscription charges	
Single Sided - A3	\$4.10	- \$20.00 per Card per Month, \$25.00 for Three Months, \$50.00 for Six Months	
Double Sided - A4	\$3.60	Interloan Items (per item)	\$6.10 - \$21.00
Double Sided - A3	\$5.10	Corporate Interlibrary Loans (per Item)	\$41.00
<b>Laminating</b>		Book Covering	\$2.60 - \$5.10
A4 - Per Page	\$3.10	Computer print outs – single sided A4	\$0.30
A3 - Per Page	\$4.10	Computer print outs – double sided A4	\$0.40
<b>Binding</b>		<b>Hokitika Museum</b>	
Small - less than 100 pages	\$4.10	<b>Admission</b>	
Large - more than 100 pages	\$6.10	Adults	\$5.00
<b>Scanning and scanning to email</b>		School age children (under 5 years old free)	\$2.50
Large scale format scanning	\$3.00 per scan	Westland Residents	Free
Document scanning via photocopy machine	\$1.00 per scan	<b>Research</b>	
<b>Faxes</b>		In person enquiry	first half hour \$5.00, thereafter \$10.00 per half hour
Domestic	\$3.00	Written research service	\$50.00 per hour (minimum charge \$25.00)
International	\$5.00	Special project research by negotiation	
Received	\$1.00	<b>Copies and Reproduction Fees</b>	
<b>Council Chambers</b>		Photographs	Between \$18.00 - \$40.00 depending on size plus postage and packaging
Full day - maximum charge	\$307.00	Photocopying	Black and white A4 and A3 - Please refer to charges as set out in Corporate Services Section.
Half day - maximum charge	\$102.00	Books - reproduction fee	\$20.00 per item
<b>Equipment Hire</b>			
Data Projector- per day	\$51.00		
Overhead Projector - per day	\$21.00		

<b>Hokitika Museum</b>	
Greeting cards- reproduction fee	\$100.00 per item
Advertising, display or publicity	\$125.00 per item
Reproduction of books, manuscripts, fine art or other material in collection	5% of the recommended retail price of entire print run
Filming of items in collection	\$22.50 per item
Filming (excluding advertising) under supervision	\$75.00 per hour or part thereof
Newspaper articles, news broadcasts	No fee
Family History publications	Negotiable
Commercial display	\$225.00

<b>Venue Hire</b>	
Carnegie Gallery Hire	\$60.00 per week plus 20% commission on sales
Museum Hire for events	Museum hire for events available by negotiation
Meeting room hire	\$25.00 per meeting

### **Sports field charges**

<b>Cass Square (season hire)</b>	
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

<b>Cass Square (casual use)</b>	
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)	\$1,620.00
Ashes Plot Purchase and Interment (includes plot in Ashes Garden area and opening of plot)	\$454.00
Pre-purchase new Plot	\$1,236.00
Dig Grave site to extra depth	\$118.00
Interment on Saturday, Sunday or Public Holiday	\$256.00
Additional Cost to excavate grave on Saturday, Sunday or Public Holiday	\$332.00
Reopen a grave site	\$650.00
Intern Ashes in an existing grave	\$132.00
New grave in RSA Area	\$613.00
Reopen a grave in the RSA Area	\$613.00
Intern a child under 12 in Lawn Area	\$1,620.00
Intern a child under 12 in children's section	\$368.00
Intern a child under 18 months in the children's section	\$172.00
Research of cemetery records for family trees etc.	\$35.00/hour Minimum Charge \$37.00

<b>Cemetery Charges – Ross and Kumara</b>	
New Grave (includes plot, interment and maintenance in perpetuity)	\$854.00
Inter a child under 18 months in a new grave	\$429.00
Pre-purchase new plot	\$245.00
Bury Ashes (including registration)	\$368.00
Reopen a grave site	\$419.00
Research of cemetery records for family trees etc.	\$35.00/hour
Minimum Charge	\$35.00

### **Marriage services**

Marriage Licence - Registry Office	\$174.00
Marriage Celebrant	\$123.00
Note: Application forms for Marriage Licences are available from Council Offices.	
All other enquiries regarding Births, Deaths, or Marriages please free phone 0800 225 252	

### **Land information services**

Landonline Search—CT or Plan Instrument	\$10.00
<b>Land Information</b>	
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)	\$51.00

### **Planning & Regulatory**

<b>Dog control</b>	
Registration Fee - Hokitika & Kaniere Townships	\$74.00
Registration Fee – dangerous or menacing dogs	\$300.00
Other Areas	\$58.50
Registration Penalty - 31 July	50% of registration fee.

### **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 Impoundings will apply if occurring within 12 of the first impounding date.	
Call-out for Dog Reclaiming	\$78.00
Impounding Act Stock impounding fees: Actual costs with a minimum charge of \$	51.00
Sustenance Fees	\$23.00/head/day

### **Health Act**

Category I Food Premises Registration Minimal Food Handling/ Preparation	\$380.00
Category II Food Premises Registration	\$480.00
Category III Food Premises Registration	\$580.00
Food Premises Re-Inspection	\$380.00
Food Safety Programme Auditor Fees	\$200.00 plus \$200.00 per hour

<b>Planning &amp; Regulatory</b>	
Hairdressers Registration	\$388.00
Offensive Trade Registration	\$388.00
Mortuary Registration	\$388.00
Camping Ground Registration	\$388.00
Camping Ground - less than 10 sites	\$286.00
Transfer of Registration	50% of registration fee
<b>LGA</b>	
Hawkers and Pedlars	\$153.00
Mobile Shops	\$429.00
<b>Resource Consent Fees:</b>	
NOTE: Where a charge is, in any particular case, inadequate to enable the recovery of actual and reasonable costs in respect of the matter concerned, the Council may require the person who is liable to pay the charge, to also pay any additional charge (Refer to Section 36, Resource Management Act 1991)	
Preparation and change of a plan	(Deposit and Minimum Fee) \$2,044.00 plus Actual Costs (Rate \$200.00/hour)
Notified Resource Consents and Designations including changes and variations.	(Deposit and Minimum Fee) \$1,022.00 (Deposit) plus Actual Costs (Rate \$200.00/Hour)
Land use activities (not including Subdivisions) including changes and variations (Deposit and Minimum Fee)	\$510.00
Land use: setback reductions including changes and variations (Deposit and Minimum Fee)	\$410.00
Subdivisions including changes and variations (Deposit and Minimum Fee)	\$614.00
Subdivision Consents - including land use (Deposit and Minimum Fee)	\$818.00
Certificates of Compliance (Deposit and Minimum Fee)	\$510.00
Extension of time (S 125) (Deposit and Minimum Fee)	\$307.00
Survey Plan Approval Fee (S 223) (Deposit and Minimum Fee)	\$102.00
S 224 approval fee (Deposit and Minimum Fee)	\$204.00
Certification Fee (Deposit and Minimum Fee)	\$204.00
Existing Use Certificate (Deposit and Minimum Fee)	\$204.00
Requirements & Heritage Orders (Deposit and Minimum Fee)	\$1,022.00
plus Actual Costs	(Rate \$200.00/Hour Monitoring charges (where monitoring is a condition of a Resource Consent) (Deposit and Minimum Fee) Rate \$200.00/hour
Approval of Outline Plan (Deposit and Minimum Fee)	\$358.00
Consideration of Waiving of Outline Plan (Deposit and Minimum Fee)	\$204.00
Issue of abatement notice	\$307.00
Return of items seized pursuant to Section 328 of the Resource Management Act 1991	\$154.00

<b>Planning &amp; Regulatory</b>	
Where any fee above is inadequate to enable the recovery of the actual & reasonable costs, a further cost will be payable	\$200.00/hour
Councillor Hearing Commissioner (Chair)	\$87.00/hr
Councillor Hearing Commissioner (Committee)	\$70.00
Independent commissioner at cost	\$200.00/hour
In-house Engineering Services	
Engineering Plan Checking and Approval	
Inspection of approved works	
Additional meetings as required	
<b>Recreation contribution</b>	
5% of the value of all additional allotments created on all commercial, industrial and residential subdivisions occur; the rate is 5% on a nominal 4000 m2 building site. This amount (5%) will be calculated plus GST. Recreation contributions are subject to a maximum amount of \$3,000.00 per additional allotment created. The maximum will be GST inclusive.	
Performance bonds may be put in place from time to time with the amount to be established on a case by case basis..	
<b>Land information memoranda</b>	
Land Information Memoranda	\$210.00
Urgent - within 48 hours	\$330.00
<b>Building consent fees:</b>	
Total fees may vary according to the extent of processing required to approve an application for the grant of a building consent and the number of inspections that may need to be undertaken.	
The following scales of charges are indicative only and will vary depending on individual processing and inspection requirements.	
<b>Free-standing Fire Places</b>	
Project Information Memorandum At cost	(\$200/hour)
Consent	\$31.00 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (1 Inspection)	\$205.00
Code Compliance Certificate	\$31 Flat Fee and \$200.00 per hour
<b>Accessory Buildings</b>	
Project Information Memorandum At cost	(\$200.00/hour)
Compliance Check	\$61.00
Consent	\$184.00 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (2 Inspections)	\$410.00
Code Compliance Certificate	\$31 Flat Fee and \$200.00 per hour
<b>Alterations/Renovations (Minor)</b>	
Project Information Memorandum at cost	(\$200.00/hour)
Compliance Check	\$61.00
Consent	\$184.00 flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (3 Inspections)	\$615.00
Code Compliance Certificate	\$61.00 Flat Fee and \$200.00 per hour

<b>Planning &amp; Regulatory</b>	
<b>Alterations/Renovations (Major)</b>	
Project Information Memorandum at cost	(\$200.00/hour)
Compliance Check	\$61.00
Consent	\$409.00 flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (5 Inspections)	\$1,025.00
Code Compliance Certificate	\$511.00 Flat Fee and \$200.00 per hour
<b>Temporary Buildings</b>	
Project Information Memorandum at cost	(\$200.00/hour)
Compliance Check	\$61.00
Consent	\$102.00 Flat fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (2 Inspections)	\$410.00
Code Compliance Certificate	\$61.00 Flat Fee and \$200.00 per Hour
Marquees only	\$61.00 Flat Fee and \$200.00 per Hour
<b>Reports</b>	
Monthly building consent reports	\$49.10
Printed copy of the District Plan	\$154.00
<b>Signs</b>	
Project Information Memorandum	At cost (\$200.00/hour)
Compliance Check	\$61.00
Consent	\$123.00 Flat Fee and \$200.00 per Hour
BCA Accreditation Levy	\$56.00
Inspection Fee (1 Inspection)	\$205.00
Code Compliance Certificate	\$31 Flat Fee and \$200.00 per hour
<b>Election Signs</b>	
Up to 3 signs	\$307.00
Up to 6 signs	\$613.00
for each additional sign in excess of 6.	\$20.00
<b>Housing - Average (&lt;120m<sup>2</sup>)</b>	
Project Information Memorandum	At cost \$200.00 per hour
Compliance Check	\$61.00
Consent	\$409 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fees (8 Inspections)	\$1,640.00
Code Compliance Certificate	\$511.00 Flat Fee and \$200.00 per hour
<b>Housing Executive &gt;120m<sup>2</sup></b>	
Project Information Memorandum	at Cost \$200.00 per hour
Compliance Check	\$61.00
Consent	\$613.00 Flat Fee and \$200.00 per hour

<b>Planning &amp; Regulatory</b>	
BCA Accreditation Levy	\$56.00
Inspection Fees (10 Inspections)	\$2,050.00
Code Compliance Certificate	\$613.00 Flat Fee and \$200.00 per hour
<b>Drainage &amp; Plumbing - Public System</b>	
Project Information Memoranda	At Cost \$200.00 per hour
Consent- Public Sewerage System	\$123.00 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (2 Inspections)	\$410.00
Code Compliance Certificate	\$51.00 Flat Fee and \$200.00 per hour
<b>Drainage &amp; Plumbing - Stand Alone System</b>	
Project Information Memoranda Consent	At cost \$200.00 per hour
Stand Alone System	\$184.00 Flat Fee and \$200.00 per Hour
BCA Accreditation Levy	\$56.00
Inspection Fee (2 Inspections)	\$410.00
Code Compliance Certificate	\$51.00 Flat Fee and \$200.00 per hour
<b>Commercial/Industrial/Multi Unit Development</b>	
Project Information Memorandum	At cost \$200.00 per hour
Compliance Check	\$61.00
Consent	\$664.00 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee	\$1,640.00
Code Compliance Certificate	\$664.00 Flat Fee and \$200.00 per hour
<b>Building Consent Amendment</b>	
	\$123.00 Flat fee and \$200.00 per hour
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 of	\$716.00
<b>Building Research Levy</b>	
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	
<b>Building – Department of Building and Housing Levy</b>	
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.	

<b>Planning &amp; Regulatory</b>	
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. 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.	
<b>Demolition</b>	
Consent	\$123.00 Flat Fee and \$200.00 per Hour
Inspection Fee	(where necessary) \$225.00 Flat fee and \$200.00 per Hour
<b>Other Building Charges</b>	
Soakage Tests	\$204.00
Receiving and Checking Building Warrant of Fitness	
On or before due date	\$90.00 plus \$40.00 for 3 systems of less and \$15.00 for each additional system in excess of 3
After due date	\$180.00 plus \$40.00 for 3 systems of less and \$15.00 for each additional system in excess of 3
Certificate of Public Use	\$256.00 Flat fee and \$200.00 per hour
Certificate of Acceptance	\$511.00 Flat Fee and \$200.00 per Hour
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 Flat fee and \$200.00 per hour
Additional Inspections	\$205.00
<b>Application for PIM only</b>	
Residential	\$75.00 flat fee and 200.00/hour
Commercial/Industrial	\$125.00 and 200.00/hour
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.	
<b>Amusement Devices</b>	
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,	\$1.12 for each further period of seven days or part thereof.
<b>Class 4 Gaming</b>	
Class 4 Gambling Venue	\$287.50

<b>Planning &amp; Regulatory</b>	
<b>Liquor Licensing Fees</b>	
Application for On Licence	\$793.30
Variation of On Licence	\$793.30
Renewal of On Licence	\$793.30
BYO (Sec 28) Licenses Endorsed, Applications, Variations, Renewals	\$135.00
Temporary Authority, On and Off Licences	\$135.00
Application for Off Licences	\$793.30
Variation of Off Licences	\$793.30
Renewal of Off Licences (except certain caterers and auctioneers)	\$793.30
Caterers and Auctioneers	\$135.00
Application for Club Licence	\$793.30
Variation of Club Licence	\$793.30
Renewal of Club licence	\$793.30
Special Licences	\$64.40
Application for Managers Certificate	\$135.00
Renewal of Managers Certificate	\$135.00
Application for extract from records or register	\$23.60
Authority to sell from other than licensed premises (fire, tempest etc.) - Special Licences only	\$135.00
<b>Operations</b>	
<b>Water Supply Connections</b>	
Actual and reasonable cost recovery relating to the installation of water supply connections.	
<b>Sewerage &amp; Stormwater Connections</b>	
Actual and reasonable cost recovery relating to the installation of sewerage and stormwater connections.	
<b>Vehicle Crossings</b>	
Actual and reasonable cost recovery relating to the installation of vehicle crossing.	
<b>Sewerage Supply</b>	
Trade Wastes - charges are levied separately according to waste volume and utilisation of sewerage system.	Minimum fee of \$500 per annum
<b>Water supply annual charges</b>	
Hokitika/Kaniere Water Supply	Commercial metered supply per cubic metre \$1.15
Council reserves the right to negotiate metered charges with significant users.	
Treated Supplies—Rural Towns Fox Glacier/Franz Josef/Whataroa	Commercial metered supply per cubic metre \$1.07
<b>Property Rentals</b>	
Council property rentals are regularly reviewed to ensure they are set at fair market value.	
<b>Temporary Road Closures</b>	
Non refundable application fee	\$100.00
Additional Information request (from applicant)	\$100 per hour

Operations	
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.

### Refuse Site Gate Fees

#### A. Non weighbridge sites

##### General Waste

Westland District Council rubbish bag, 15 kg maximum weight, per bag, (pre purchased at \$5.00 from Council Office or retail outlets)	No charge
Non Council rubbish bag, (similar size to Council bag and including Butler's Levy), 15 kg maximum weight, per bag	\$5.00
Additional fee if bag weighs over 15 kg, per bag	\$2.10
Car Boot (including Butler's levy)	\$42.00
Trailer/Utility Vehicle/ Station wagon/Van (including Butler's levy)	\$84.00
Caged or Tandem Trailer (including Butler's levy)	\$168.00
Truck under 5m <sup>3</sup> , uncompacted general waste (including Butler's levy)	\$327.00
Truck under 5m <sup>3</sup> , compacted general waste or dense material such as building waste.	\$225.00
Large truck, uncompacted general waste, per measured cubic metre	\$30.70
Large truck, compacted general waste or dense material such as building waste, per measured cubic metre	\$46.00

##### Pure Green Waste

Westland District Council rubbish bag, 15 kg maximum weight, per bag, (pre purchased at \$5.00 from Council Office or retail outlets)	No charge
Non Council rubbish bag, (similar size to Council bag), 15 kg maximum weight	\$3.00
Additional fee if bag weight over 15 kg; per bag	\$3.00
Car boot	\$5.00
Trailer/Utility Vehicle/Station wagon/Van	\$10.00
Caged or Tandem Trailer	\$20.00
Truck under 5m <sup>3</sup>	\$30.00
Large Truck, per measured cubic metre	\$6.10
Other Charges	
Whiteware (fridges must be degassed)	\$10.20
Tyres	\$2.10
Cars prepared, (special conditions apply)	\$46.00
Cars (needing preparation)	Not accepted

##### Recyclables

Glass, plastic bottles, paper, cardboard, aluminium cans, tin cans, scrap metal	No charge
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#### B. Weighbridge sites

##### General waste

Westland District Council rubbish bag, 15 kg maximum weight, per bag, (pre purchased at \$5.00 from Council Office or retail outlets)	No charge
Non Council rubbish bags, (similar size to Council bag),	15 kg maximum \$3.00

### Refuse Site Gate Fees

Additional fee if bag weight over 15 kg; per bag

##### Pure Green Waste

Westland District Council rubbish bag, 15 kg maximum weight, per bag, (pre purchased at \$5.00 from Council Office or retail outlets)	No charge
Non Council rubbish bag, (similar size to Council bag), 15 kg maximum weight	\$3.00
Additional fee if bag weight over 15 kg; per bag	\$3.00

##### Recyclables

Glass, plastic bottles, paper, cardboard, aluminium cans, tin cans, scrap metal	No charge
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##### Other Charges

Whiteware (fridges must be degassed)	\$10.00
Tyres	\$2.00
Cars prepared, (special conditions apply)	\$46.00
Cars (needing preparation)	Not accepted

##### Weighbridge fees

General waste per tonne	\$475.00
Pure greenwaste per tonne	\$46.00
Minimum weighbridge charge for pure green waste	\$6.00

Any legislative charges under the Waste Management Act will be imposed as a levy if required.

Note: From 1 July 2009, 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.