



Buller District Council

# Annual Plan

2014 / 2015



**Buller** District  
top of the **West Coast** 

# Buller District ~ Our Vision Our Mission



## Our Vision, Our Future

Our Vision is for the Buller District to grow, and for the district to become a thriving community where families enjoy a great quality of life and the distinctive natural, cultural and historical environment are treasured.

## Mission Statement

To serve the residents of the Buller district, conscious of their needs, by providing facilities and services and creating an environment for progress and development while preserving the distinctive natural environment, as well as the cultural and historical environments.

## *Buller at a glance.....*

Rateable properties	7,509
Non-rateable properties	533
Gross capital valuations	\$2,942 million

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**Buller** District  
top of the *West Coast*



# Welcome to our 2014/2015 Annual Plan



## Introduction

This statement is required to be made by the Local Government Act 2002. It is to be read with the proposal for the Buller District Council's Annual Plan 2014/2015 which is set out in the following pages. The Annual Plan includes information for the 2014/2015 year in relation to each group of activities contained in the 2012-2022 Long Term Plan (LTP) and the reasons that any information in the Annual Plan departs from the 2012-2022 Long Term Plan.

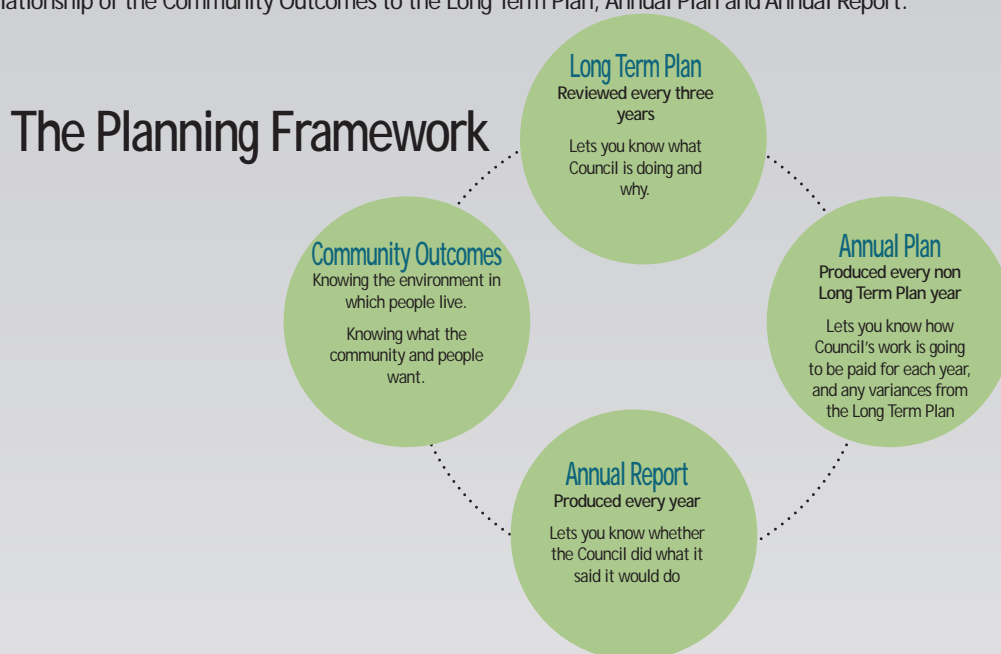
## Purpose & Link to Council's Long Term Plan

The 2014/2015 Annual Plan is the third year of the 2012-2022 Long Term Plan (LTP) which was adopted by the Council in June 2012. All Councils are required to produce a Long Term Plan every three years and Annual Plans in the intervening years.

The purpose of the Annual Plan as detailed in Section 95(5) of the Local Government Act is to:

- Outline the proposed annual budget and funding impact statement for the year
- Identify variations from the financial statements and funding impact statement included in the Long Term Plan

The diagram below indicates the relationship of the Community Outcomes to the Long Term Plan, Annual Plan and Annual Report:



This document highlights the activities Council is involved in, the major issues and projects and where there are some variations from our original estimates for 2014/2015. You will find details of what the Council is planning to spend in the year ahead and how it will be paid for. Specific projects and issues have been highlighted against each of the Council's activities, together with the performance targets that will enable you to monitor progress over time. Detailed financial statements are also provided.

If Council intends to change certain aspects of the Long Term Plan, then it is required to process an amendment to the Long Term Plan concurrently with the Annual Plan.

Other less significant changes are highlighted as variations to the Long Term Plan. These do not constitute amendments that require specific consultation, but are highlighted for further explanation.



# Mayor, Councillors & Senior Management



(back from left) Councillors Sheryl Rhind, Sharon Roche, Phil Rutherford, Dave Hawes, Greg Hart, Andrew Basher, Graham Howard and Robyn Nahr

(front from left) Steve Griffin (Manager Operations), Angela Oosthuizen (Manager Corporate Services), Councillor Graeme Neylon (Deputy Mayor), Garry Howard (Mayor), Paul Wylie (Chief Executive), Councillor Lynn Brooks, Craig Scanlon (Manager Regulatory and Community Services)

# Mayor

## Garry Howard

First Elected: 2013  
| [03] 788 9684 (office)  
| [03] 789 7055 (private)  
| [027] 4474 371 (mobile)  
howd@xtra.co.nz



# Westport Ward

## Andrew Basher

First Elected: 2013  
| [03] 789 7960 (private)  
| [03] 789 7299 (business)  
| [027] 759 9176 (mobile)  
abasher@slingshot.co.nz



## Greg Hart

First Elected: 2013  
| [021] 131 0238 (mobile)  
gmasterhart@gmail.com



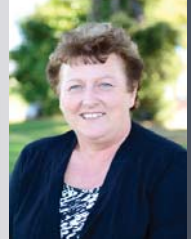
## Graham Howard

First Elected: 2010  
| [03] 789 8787 (private)  
| [027] 534 3129 (mobile)  
mhwestport@gmail.com



## Robyn Nahr

First Elected: 2013  
| [03] 789 8431 (private)  
| [03] 788 9090 (business)  
nahr@xtra.co.nz



# Inangahua Ward

## Dave Hawes

First Elected: 2007  
| [03] 732 8423 (private)  
jaws@kinect.co.nz



## Graeme Neylon

First Elected: 1992  
| [03] 732 8382 (private)  
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# Seddon Ward

## Lynn Brooks

First Elected: 2013  
| [03] 789 9820 (private)  
| [03] 789 7389 (business)  
connscreek@vodafone.co.nz



## Sheryl Rhind

First Elected: 2013  
| [03] 782 6764 (private)  
| [027] 671 1426 (mobile)  
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## Sharon Roche

First Elected: 2013  
| [03] 789 6423 (private)  
| [027] 659 9050 (mobile)  
sharon.roche@xtra.co.nz



## Phil Rutherford

First Elected: 2013  
| [03] 789 7087 (private)  
rutherford@xtra.co.nz



# Inangahua Community Board

## Chair

### Jenette Hawes

First Elected: 2004  
| [03] 732 8423 (home)  
jaws@kinect.co.nz

## Members

### Helen Bollinger

First Elected: 2008  
| [03] 732 8123 (home)  
helbol@kinect.co.nz

### Barrie Fowler

First Elected: 2008  
| [03] 732 8488 (home)  
bjf@xtra.co.nz

### Kim Bolton

First Elected: 2013  
| [03] 732 8587 (home)  
kimthecruiser@hotmail.com



# Mayor's Message

After careful consideration of submissions and the ongoing needs of the community, Council has reached a position on its Annual Plan for 2014/2015.



Garry Howard  
Mayor



## Punakaiki

The Council received submissions from residents representing the area between White Horse Hill and Punakaiki River seeking Council commitment to the development of facilities and recreation reserve amenities for this area of the district.

While the council has not set aside any specific funding in this year's Annual Plan; it has recognised that the issues raised by submitters do need to be addressed and has agreed to revive the Punakaiki Working Party with the appointment of three councillors and the mayor to join the community and Punakaiki Residents and Ratepayers representatives.

The aim of the working party will be to develop projects to the stage where they can be included in the Council Long Term Plan and will include scoping toilet facilities at Fox River and a combined reserve, community facility, two projects that have been mooted for a number of years now.

## Rating Review

A key focus for Council over the next two years is the **Rating Review Project**. This project is not about trying to collect more rates from ratepayers, instead the focus is on looking at how we divide the cost of council services amongst ratepayers and making sure rates are fair and equitable. The project will not be rushed and all ratepayers will be invited to participate in the process. Opportunities will be given for ratepayers to attend public forums, and updates on the project will be widely shared.

## Changes in Levels of Service

**Aside from the reduction in the Promotion and Tourism budget, all existing levels of service are maintained.** Council questioned its role in **Economic Development** and has made a significant cut to the budget and level of service in this area while we develop a strategy to move forward. Ultimately economic development for Council may be as simple as establishing business friendly policies and providing good community infrastructure. The approval of the interim solution is very much an interim position. This financial year will be a year of planning but no economic activity will be funded or resourced. A collaborative approach with other local Council's on the West Coast will be reviewed to see how best our Council can dovetail with the Regional Economic Development Strategy to facilitate local initiatives.

Council agreed to provide a further conditional grant of \$67,000 to the **Coaltown Trust**. This grant represents financial relief to the Trust but will be re-assessed quarterly by the Finance and Audit Committee.

## Financial Summary

For the second year in a row operating expenditure has been reduced. In 2012/2013 total operating costs were \$25.5 million. In the current 2013/2014 year total operating costs are expected to be \$24.6 million. In the new 2014/2015 year Council is expecting that costs can be held at \$23.5 million.

At the same time Council is planning to complete the next stage of its core infrastructure upgrade by spending \$9.1 million on its capital works programme that will include the final completion of the Westport Water upgrade. The full breakdown of capital expenditure is \$5.1 million on level of service improvements/upgrades and \$4 million on replacement of assets.

Council has decided to repay \$5.5 million in debt from maturing term deposits as rising mortgage interest rates make it sensible to retire debt. This provides cash savings that have a direct benefit to the general ratepayer.

However, despite this, net debt will be increased in the short term to \$15 million due to the acceleration of the Westport water upgrade, before reducing over time.

In normal circumstances the reduction in expenditure would have led to a reduction in rates but unfortunately this is offset by projected income reduction.

Council's overall income is \$25.1 million, mainly as a result of increased financial assistance to be spent on drinking water capital upgrades. Due to lower economic activity, Council's fees and charges income is projected to be \$0.9 million lower. This is a significant reduction but is offset by the lower expenditure detailed above. Given the limited sources of Council funding this undoubtedly places pressure on rates which are to increase by 3.98% with average annual rates rising from \$1,710 in 2013/2014 to \$1,778 in 2014/2015.

The 3.98% is made up of the catchup effect from the rates smoothing actions from the last financial year that have carried forward a 2.5% increase. The real increase budgeted for the 2014/2015 financial year has therefore been restricted to 1.4%.

**This very low increase will require careful management as we will be very susceptible to any unbudgeted events.**

It is important to acknowledge the work that management and staff have carried out to restrict the rate increase, as it is not an easy process.



# Chief Executive's Overview



Paul Wylie  
Chief Executive



The Annual Plan for the 2014/2015 financial year continues the strategy of recent years.

Council will spend \$9.1 million on capital works such as the new Westport water treatment plant, upgrading of some small urban water supplies, and roading improvements.

At the same time the full range of Council services will be maintained across the district. The total cost of operating those services is \$23.5 million. This figure is slightly down on last year as a result of the contracting out of recycling, and the councils own push to hold or reduce costs wherever possible.

Normally a reduction in operating cost would lead to a reduction in rates but unfortunately this is not possible because Council is faced with the unwelcome prospect of receiving less income from fees and charges. Rates are only one of the ways that the council gets the funds to provide services. Collectively the reductions in these other income sources more than offset the operational savings. The following table shows what has happened over the last two years and what we expect to happen this year.

Overall we will have to find an extra 3.98% in total rates this coming financial year. When we compare ourselves to other

Councils around New Zealand, this does not look too bad, especially when we take into account our large land mass and sparse population spread across numerous small settlements.

However we remain acutely aware that the average figure masks many variations that can impact severely and perhaps unfairly on some of those ratepayers. The current rates system is extraordinarily complex with no obvious logic. Decisions that were made decades ago still radically influence individual rates assessments in a way that may not be equitable to all in today's world.

The amount of rates being collected is not the problem. The problem lies in deciding who should pay what share. The Rates Review will address that issue, and we can expect some controversy. It could be that some rates will go up while others go down.

Achieving some sort of community consensus around what is equitable will be a challenging task, but one that cannot be deferred any longer.

We intend that the Rates Review will be a transparent and comprehensive process. That will take time but if it results in a principled and fair system, then it will be worth the effort.

## Statement of Performance

	2012/2013 Actual \$000	2013/2014 Annual Plan \$000	2014/2015 Annual Plan \$000
Rates Income	12,014	12,687	13,350
Subsidies	6,669	5,429	5,971
Fees & charges, penalties, water meter charges	5,116	4,889	3,982
Dividends & interest	2,150	1,693	1,435
Vested assets & revaluation of investment property	635	373	366
<b>Total Operating Revenue</b>	<b>\$26,584</b>	<b>\$25,071</b>	<b>\$25,104</b>
Employee benefit expenses	4,063	4,219	4,490
Depreciation & amortisation	5,198	5,852	5,655
Finance costs	1,322	1,561	1,337
Other expenses	13,957	11,961	11,645
Impairment of assets	968	696	-
Write-off of assets	-	350	351
<b>Total Operating Expenditure</b>	<b>\$25,508</b>	<b>\$24,639</b>	<b>\$23,478</b>
Operating Surplus / (Deficit)	1,076	432	** 1,627
Increase in Revaluation Reserve	8	14,300	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>\$1,084</b>	<b>\$14,372</b>	<b>\$1,627</b>

\*\* This is an accounting surplus and contains capital subsidies and non-cash income and expenses.

# Financial Performance



## Key Highlights of this Annual Plan

### Economic Context

Buller has a strong economy built on the extractive industries of gold and coal mining, dairying, farming, agriculture and tourism. Over the past two years, the local economy has seen a decline in mining and tourism activity. The economic climate remains tough with challenges being faced by Solid Energy and Bathurst. As a result economic and population growth have slowed down in the District.

With its reliance on export, mining, farming and tourism, Buller remains a community strongly affected by cyclical economic swings.

Council has requested Government to undertake an investigation for new industry for the West Coast. Such work is beyond the scope of Council and its ratepayers.

### Annual Plan Approach...addressing capital infrastructure deficits

The approach to this Annual Plan is to continue the work of the last three years; maintaining current service levels, achieving cost efficiencies where possible, focussing on finalising the Westport Water supply upgrade, and ensuring that the water supplies in the smaller communities are also addressed and finalised.

Council has reviewed its level of service provided in the area of Economic Development and District Promotion. This has resulted in a reduction in the services provided and a cut to the operating budget.

One of the key projects for the 2014/2015 is the Rating Review to ensure a fair and equitable distribution of the rates burden amongst all sectors of ratepayers.

## Key Highlights of this Annual Plan

Financial Performance	2012/2013	2013/2014	2013/2014	2014/2015	2014/2015
	Actual \$000	Long Term Plan \$000	Annual Plan \$000	Long Term Plan \$000	Annual Plan \$000
Operating Revenue	26,584	24,092	25,071	23,882	25,104
Operating Expenses	25,508	22,994	24,639	23,869	23,478
Operating Surplus/ Deficit	1,076	1,098	432	13	** 1,627
Revaluations	8	18,000	0	0	\$0
Total Comprehensive Income	\$1,084	\$19,098	\$432	\$13	\$1,627

\*\* This is an accounting surplus and contains capital subsidies and non-cash income and expenses.

### Operating Result

This year Council has not only had to contend with inflation increases but has to produce a balanced budget. In 2013/2014 the Council agreed to a smoothing adjustment of \$585,000 to keep rates affordable. Effectively this 2014/2015 Annual Plan has absorbed this smoothing adjustment. Despite inflationary increases in the local government sector, the overall cost of operating this council is predicted to drop to \$23.5 million from \$25.5 million. Council's expenditure is also operating below what was predicted by the Long Term Plan.

## Operating Revenue

Targeted rates and fees and charges are lower than the LTP by \$1.6 million. A lower distribution is forecasted from Buller Holdings and lower market interest rates on Council investments (\$300,000). This has been offset by increases in external subsidies and grants associated with drinking water upgrade projects (\$1.5 million) and emergency re-instatement for the Karamea Highway (\$1m). The general rate has increased by \$980,000 to the 2014/2015 Long Term Plan. Overall revenue is up by \$1.3 million to the LTP.

- Targeted rates have decreased by \$707,000 mostly due to changes in the approach to rating for waste management. A change in funding strategy has increased the contribution required from the general ratepayer by \$313,000. In addition there are predicted ratepayer savings in operational costs compared to the LTP due to using a contracted approach to waste management.
- Lower metered water income totalling \$80,000 compared to the LTP is predicted.
- Council has made a conscious decision to cut the level of service associated with District Promotion and Economic development budget. This has the effect of reducing the Promotion and Tourism targeted rate amounted by \$82,000, in comparison to the 2013/2014 Annual Plan.
- Fees and Charges have decreased by \$864,000 to the LTP due to lower economic activity in the district and changed assumptions compared to the LTP budgets.
- Building and planning income decreased by \$358,000 to the LTP due to the lower economic activity. Council has leased the Punakaiki camp to a private operator which means that income from the camp budgeted for in the LTP will not occur.
- The budget for compost sales was reduced to more accurately reflected the lower sales that have resulted (\$73,000).

General Rates are forecasted to increase by \$980,000 to the LTP due to:

- Slower economic activity that has resulted in a reduction in building and planning income totalling (\$399,000).
- A change in the way Council funds Solid Waste. Residual district-wide costs (landfill development, monitoring, waste minimisation and litter collection) are now fully funded by the General Rate (\$313,000).
- Assistance for a Rates Review and cyclical LTP audit costs associated with the next LTP (\$210,000).

Financial Assistance is estimated to be \$2.2 million higher than the LTP due to increased government subsidies. This can be expected when there are changes in the timing of capital and infrastructure projects.

- Subsidy totalling \$1.1 million associated with Westport water supply upgrade will be received in the 2014/2015 financial year as compared to the LTP budget of \$327,000. The LTP assumed a phased upgrade of the water supply over 10 years whereas the 2014/2015 Annual Plan is based on an accelerated upgrade over two years.
- Drinking water subsidies from the Ministry of Health associated with the proposed water supply upgrades for Waimangaroa, Ngakawau-Hector and Inangahua Junction (\$750,000).
- Additional subsidy from NZTA totalling \$1.0 million mainly associated with proposed emergency drainage and remedial structures on the Karamea Highway and increases in seal road resurfacing for special purpose roads.
- This was offset by a decrease of \$400,000 associated with the museum and i-site relocation. The LTP assumed external fundraising totalling \$400,000 would be achieved in the 2014/2015 Annual Plan. The project was fully funded in the 2013/2014 financial year.

## Operating Expenditure

Operating expenditure is \$0.5 million lower than the LTP:

- Employee benefits have increased compared to the LTP due to complement changes (\$274,000).
- Depreciation is \$502,000 lower than the LTP mainly due to the deferral of capital projects in prior years.

Other expenses have increased in comparison to the LTP by \$458,000 due to the following additional costs:

- Remediation costs associated with the Karamea Highway (\$1 million).
- Provision of additional grants (\$104,000).
- Assistance on the Rating Review (\$100,000).

These areas of additional expenditure were offset by reductions of expenditure in other areas:

- Savings in repairs and maintenance for Westport water (\$152,000).
- Reduction in the service level for Promotion and Tourism (\$82,000), in comparison to the 2013/2014 Annual Plan.
- Lower development activity in the District has curtailed expenditure in the building and planning areas (\$120,000).
- Savings associated with the contracted approach to Solid Waste.

## Capital Expenditure

Total Capital expenditure for this Annual Plan is \$9.1 million, with \$5.1 million representing level of service improvements and \$4.0 million to be spent on replacing existing assets. Capital expenditure is \$3.4 million higher than that predicted by LTP mainly due to the drinking water supply upgrades (\$2.7 million variance to LTP). The Streetscape Vision 2010 projects accounts for a further variance of \$225,000. Costs associated with preliminary earthquake assessments (\$410,000) represent increases to the LTP. In addition capital expenditure for the purchase of generators represent a further increase of \$129,000 in comparison to the LTP.

The capital spend focus area for this year is the Westport and other rural drinking water supply upgrades (\$4.2 million). Cost of upgrading the Westport supply for 2014/2015 is to be \$3.1 million with the rural schemes accounting for the remainder.

The accelerated upgrade of the Westport water supply upgrade was awarded to WestReef Services and Stage I is scheduled for completion in late 2014. Stage I will include finalisation of the water treatment plant. This will mean that the water will meet Drinking Water Standards (DWS), preventing any harm to consumers from Protozoa bugs. Stage II, which is the new trunk main and pressure reduction, is programmed to be completed in 2014/2015. Upgrading the trunk main is less risky approach given the history of maintenance and effect of any shutdowns on businesses and residents.

An application has been made to the Ministry of Health for the Waimangaroa water supply on the basis that a larger treatment plant is needed. A further application for funding for Inangahua Junction water supply upgrade has also been submitted. Ngakawau-Hector water supply has applied for time extension due to finalisation delays.

## Replacement of Assets

Most of the capital associated with replacement of assets is infrastructure related. Roading renewals account for \$2.1 million, Water \$0.5 million, Stormwater, Solid Waste and Waste Water a further \$0.6 million.

Indicative assessment costs associated with earthquake strengthening of Brougham House, Reefton Service Centre and the Reefton Community Centre total \$410,000.

## Statement of Position

Council remains firmly committed to the capital expenditure program signalled in the Long Term Plan with the most significant change being the accelerated programme to upgrade Westport's water supply and rural water supply upgrades.

The accelerated upgrade of Westport Water does impact debt in the short term with net debt increasing to \$15 million.

The capital spend has limited impact on net debt in the long term. The net debt (being gross external debt less liquid investments) starts at \$15 million and reduces to slightly lower than that predicted in the LTP.

Council's debt levels remain affordable and sustainable. Council continues to operate well within all of its Treasury Management ratios. Interest cover remains at 5.3% and the gross debt to income coverage is 111%.

Cashflow remains positive.

Ratepayers equity in their Council will increase slightly to \$326 million.

## Rate Increases

	2013/2014	2013/2014	2014/2015	2014/2015
	Long Term Plan	Annual Plan	Long Term Plan	Annual Plan
Total Rates	13,045,000	12,687,000	\$ 13,076,000	\$ 13,350,000
Rateable properties	7,392	7,415	7,470	7,509
Average Rates	\$1,765	\$1,710	\$1,740	\$1,778

### Note:

The Annual Average Rate is the sum of the general and targeted rates, divided by the number of ratepayers.

There will be properties that pay less and others that pay more, depending on the services they receive.

Rates examples by location and sector are included on [pages 13 to 14](#).

The financial strategy in the Long Term Plan set limits on:

- 1) Rate increases
- 2) Rates collected
- 3) Borrowings

Council has rate increases above those forecasted in the Long Term Plan. This is due to the various reasons outlined on [page 10](#) of this plan. Rates collected remain lower than the threshold set of 65%. We continue to operate within all debt management limits and ratios set within the Treasury Management Policy.



# Executive Summary



## Promotion and Tourism

Council consulted on the following 5 options:

<b>Option 1:</b>	Status quo budget inflation adjusted - a similar or slightly enlarged budget (inflation adjusted to something less than \$500,000 including industry contributions).
<b>Option 2:</b>	Status quo budget without any inflation adjustment - a budget in line with the present 2013/2014 year budget of \$468,000 (including industry contributions) but with a greater emphasis on economic development.
<b>Option 3:</b>	The "Interim Solution" - a reduced budget to fund grants, core suite of promotional material, and creation of a new event (effectively the "interim solution" option that Council has used to produce this Annual Plan).
<b>Option 4:</b>	Existing Grants plus an event - a reduced budget to fund only existing grants and an event.
<b>Option 5:</b>	Grants to Museums only - reduced budget that only funds grants to museums. (All tourism activity grants funding, including Tourism West Coast and visitor centres would cease).

In its deliberations Council approved the interim solution (option 3 above). The adopted strategy includes funding to continue with a number of district promotional activities and tourism grants.

They agreed activities will be contracted out and they include:

- Website maintenance:
- [www.buller.co.nz](http://www.buller.co.nz) - District-wide tourism website
  - [www.bdc.govt.nz](http://www.bdc.govt.nz) - Events section - District-wide events
  - [www.bdc.govt.nz](http://www.bdc.govt.nz) - Economic Development and Marketing

**Electronic:**

- Buller Guide to Living Well
- Travel Trade Manual

**Printed:**

- Buller Touring Guide
- Westport Street Map and Buller District Map

**Liaison:**

- Proposed multi-sport event liaison

### Council will continue with Tourism Grants:

Organisation:	\$
Inangahua Tourism & Promotion	15,000
Reefton Visitor Centre	20,500
Karamea Information Centre	19,417
Blacks Point Museum	10,000
Coaltown/Information Centre	111,616
Northern Buller Resource Centre	4,736
Karamea Historic Society	7,000
Tourism West Coast	86,000
New Coasters	5,000
New Multi Sports Event	10,000
<b>Total Tourism Grants</b>	<b>\$289,269</b>

The Interim Solution is regarded as a temporary position by Council as it works towards a Buller Economic plan that sits in with the Regional Economic Strategy as developed by the West Coast councils.

It does mean the staff position of Economic Development Officer is to be dis-established as of 1st July 2014 and will reduce the range of economic development activities to the tourism and promotional activities as listed above. The cancellation of various services reduced operating expenditure by \$82,000 in comparison to the 2013/2014 Annual Plan.

This year will be a planning year for the Economic Development Committee as it takes a collaborative approach with other local Councils and partnering with local bodies such as Development West Coast. Community participation and consultation will be required in developing a Buller Economic Plan.

## Coaltown Trust Grant

An additional \$67,000 conditional grant has been made to the Coaltown Trust to assist them in meeting their financial commitments. This is in addition to their base grant of \$111,616. This grant will be re-assessed on a quarterly basis by the Finance and Audit Committee.

## Public Toilets - Central Westport

In the 2013/2014 Annual Plan the previous Council had agreed to:

- remove the Exeloo in Victoria Square and relocate it to Tauranga Bay.
- remove the toilets from outside the NBS Theatre in Palmerston Street.

Removal of the toilets outside the NBS Theatre has proved contentious within the community and the new Council has reconsidered the matter.

In this Annual Plan the Council has decided to retain the toilets outside the NBS Theatre. The back entrance to these toilets will be blocked off and the only entry will be in front directly off Palmerston Street. It is anticipated that the blocking of the back entrance should reduce the extent of graffiti and vandalism. There will be a one-off capital cost of \$3,500.

The Council has reviewed that actual level of use of the public toilets at the wharf. Actual use is minimal and most port users have access to the nearby private toilets owned and maintained by Talleys. The Council therefore plans to remove the public toilets and to remediate the site. This will have an additional one-off maintenance cost of \$5,250.

Overall there is an ongoing reduction in service costs of \$33,000 for public toilets for the general ratepayer.

## Increase in Rentals for Housing for the Elderly

The 2012/2022 Long Term Plan (LTP) proposed that the costs associated with housing for the elderly would be 100% recoverable from rentals for pensioner flats. The LTP also specified that future rent rises for housing for the elderly would be automatically increased at the same percentage increase that National Superannuation beneficiaries receive in their pensions.

The reality was that rentals were able to cover most of the operating expenses with the exception of depreciation. Depreciation would normally provide funds for refurbishments. In the LTP Council indicated that refurbishments would be funded by subsidies from the Housing Innovation Fund rather than funded by the general ratepayer. It was assumed that such funding would be available in the future. That assumption no longer appears valid.

Much of the housing for the elderly was built some years ago at costs that were only a fraction of today's costs. As the Council has built new units these have come into being at much greater costs thereby driving up the average costs. At the same time modern expectations are higher than the past and all maintenance costs such as painting have escalated. These factors increase the operating expenditure that must be funded by rentals.

Council has re-confirmed the funding policy that operating costs associated with the provision of housing for the elderly must be self-funding over time. This means that rentals now have to increase to cover the increased operating costs. The level of increase needed is more than any expected percentage increase in pensions.

Council recognised that an immediate full catch up in required rent could be a harsh imposition. To mitigate the effects of a large rent increase Council agreed to quarantine the costs associated with housing for the elderly in a separate account, so that the increased costs can be smoothed and recovered over time.

Despite this smoothing adjustment, rentals for the elderly still increase at a rate which is higher than the expected percentage increase in Superannuation. Fortunately rental supplements are available from the Ministry of Social Development provided the tenant meets certain assets and income thresholds. Council cannot guarantee that every tenant will meet the criteria but expects that most will. If the tenant does qualify for these supplements, these will significantly lower the impact of the rental increases to the pensioner. It is also important to remember that Council Pensioner rentals still remain below the market value of rentals in the district.

Finally, Council has changed the depreciation funding policy for housing for the elderly to reduce this burden on tenants. From 2014/2015 the council will only seek to fund the historic cost principal repayments and minor capital rather than funding replacement values.

Council is actively prompting the use of accommodation supplements and will assist any tenant with the application forms.

Following is a summary of the increased pensioner rentals and rental supplements available (if the tenant qualifies):

## Rent Rates

Single:	
Current Rent	\$105 per week
% Increase	7.5%
New Single	\$113 per week
Less: accommodation supplement (if tenant qualifies)	\$16
Net Rent after accommodation supplement	\$97 per week

Couple:	
Current Rent	\$138 per week
% increase	7.5%
New Couple	\$148 per week
Less: accommodation supplement (if tenant qualifies)	\$7
Net Rent after accommodation supplement	\$141 per week

Unfortunately that is not the end of the problem. Even after these increases the new operating expenses still exceed the new revenue. To bring the account into balance over time there will need to be ongoing significant annual increases. Pension increases and Ministry of Social Development rental supplements will soften those increases to some extent.

In the face of this difficulty Council has reviewed the present programme to build additional housing for the elderly in Reefton and Westport. As indicated above the increased costs of new units is one of the factors driving rent increases. Council has also noted a reduced demand for its existing units.

Council is at present committed to the replacement of two units in Reefton in 2015/2016, and will revisit the overall situation pertaining to housing for the elderly when it addresses the next Long Term Plan for the period 2015-2025.

## Waste Management Targeted Rate -

### Zone 1,2 and 3

The contracted approach to Solid Waste was successfully implemented in February 2014. Solid waste including recycling is now managed in three separate zones.

Residents in Zone 1 have been provided with a recycling wheelie bin and crate for glass. Zone 1 Residents continue to purchase rubbish bags from existing outlets to dispose of their rubbish.

Ratepayers in Zone 1 now pay a target rate for the recycling component of the solid waste service. Where there is only one inhabited or used part to that property each ratepayer will pay a targeted rate of \$133 (exclusive of GST) for a recycling wheelie bin and a crate for glass recycling. For any property that is deemed to have multiple separately used or inhabited parts and where more than one wheelie bin and crate have been delivered, the ratepayer will be charged on a "per bin and crate available for use" basis. Each additional set will be liable for an additional targeted rate will of \$133 (exclusive of GST).

In Zones 2 and 3 recycling wheelie bins and glass crates are not provided. Instead, the waste management rate covers the cost of operating the landfill and a targeted rate will be charged to each separately rateable property for that service. The targeted rate per rateable property for Zone 2 (Karamea) will be \$93 (excluding GST), and for Zone 3 (Maruia) \$82 (excluding GST).

## Westport Water Upgrade Stage II

In the 2013/2014 Annual Plan Council approved an accelerated upgrade to the Westport Water Supply upgrade. The cost of the Partial Upgrade was \$9 million and this option delivers both safe drinking water and improves the reliability of the supply by upgrading the trunk main. Stage 1 which addresses the filtration and water treatment will be completed by September 2014. By late 2014 the drinking water will comply with the current NZ Drinking Water Standards. Stage II which upgrades the trunk main reticulation and reduces the water pressure is programmed to be completed in 2014/2015 at a cost of \$3.1 million.

## Rural Drinking Water Upgrades

A new application has been made to the Ministry of Health for the Waimangaroa water supply on the basis that a larger treatment plant is needed. An application has been made for funding for Inangahua Junction water supply. Construction of the water supply upgrade for Ngakawau/Hector will occur in 2014/2015.

Although these upgrades will result in the water supplies meeting the drinking water standards (as revised in 2008), the financing costs and the depreciation costs will result in the targeted rates increasing. With these smaller schemes, the main issue for the community to consider is whether the benefit of improved water quality is affordable. While the plan assumes that the upgrades will proceed, no final decision will be made without further consultation with the affected communities.

## Roading - Financial Assistance Rate & Financial Assistance Funding Review

Buller is a large district with numerous settlements and small towns along its coastline and in the hinterland. It is only able to function economically and socially because of a vital local roading network maintained by the Council. Just on 577 kms of Council roads link into the main State highways. Only half of those local roads are sealed with the other half unsealed. These local roads incorporate 153 bridges and large culverts.

Roading is one of the largest single financial commitment for rural councils, Central government assistance is available when the New Zealand Transport Agency pays a percentage of the total cost of approved projects. The Agency has reduced this financial assistance rate (known as the "FAR") to 58% of the total cost.

The New Zealand Transport Agency has started consultation on reviewing the financial assistance rates (FAR) that are paid to local authorities throughout the country. Any setting of a financial assistance rate that results in a lower rate than that currently received will have an impact on the amount of rates required to maintain the network to the same level of service. About 25% of the Councils operating costs are expended on roads and at present levels every 1% drop in subsidy will lead to a 0.5% increase in ratepayer contribution. Towards the end of 2014/2015, NZTA will decide on the specific methods of developing financial assistance rates and provide the likely funding FAR rates for the 2015-2025 Long Term Plan.

Council is awaiting further discussion with NZTA on Special Purpose Road Funding as this has a large impact on the Karamea Highway. Any reduction as proposed will be very detrimental.

## Increase in Environmental Health Inspection Fees

The 2013/2014 revenue and financing policy for Environmental Health inspection fees was 73% Fees and 27% General Rates.

Council has agreed to increase the health inspection fees by 5% per annum until the activity is fully funded from Fees and Charges.

## Vision 2010 Projects

This Annual Plan includes capital funding for the following projects:

- Construction of a Karamea multi-purpose facility (\$210,000).
- Funding the Westport "Streetscape" beautification project (\$225,000).

Council intends to evaluate the need for unspent Vision 2010 funding that has been carried forward for several years in the next LTP.

Project organisations with current funding provisions will be required to demonstrate that projects are under action for the provisional funding to remain.

## Strategic Review of Footpaths

Council has approved a strategic review of footpaths for the 2014/2015 Annual Plan. This review will determine which material represents the best value for money, and prioritise a maintenance schedule having considered the whole of life costs and footpath usage.

## Increases in Average Annual Rates (General and Targeted)

The annual average general rate predicted in the 2013/2014 Annual Plan was \$1,710 (excluding GST). This has now risen to \$1,778 (excluding GST). This is a 3.98% increase to the Annual Plan. This has been caused in the most part by the smoothing affect from the 2013/2014 year of 2.5%, and by a decline in income from building and planning, additional grants and costs associated with the Rating Review.

Targeted rates have increased mainly due to increased costs associated with capital projects.



# Rating Examples

WATER  
APPLIES

SECTOR	Res 101	Res 103	Res 103	Res 103	Res 104	Res 104
Location	Karamea	Little Wanganui	Mokihinui	Seddonville	Hector	Waimangaroa
<i>Land Value</i>	\$48,000	\$57,000	\$76,000	\$40,000	\$53,000	\$55,000
General Rates	122.36	186.45	248.60	130.84	149.37	155.00
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	-	160.00	225.22	-	280.00	310.43
Targeted Sewer Disposal Rate	-	580.00	-	-	-	-
Targeted Solid Waste Rate	93.04	93.04	133.04	133.04	133.04	133.04
<b>NET RATES</b>	<b>\$628.45</b>	<b>\$1,432.53</b>	<b>\$1,019.90</b>	<b>\$676.93</b>	<b>\$975.45</b>	<b>\$1,011.52</b>
GST	\$94.27	\$214.88	\$152.99	\$101.54	\$146.32	\$151.73
<b>TOTAL RATES</b>	<b>\$722.72</b>	<b>\$1,647.41</b>	<b>\$1,172.89</b>	<b>\$778.47</b>	<b>\$1,121.77</b>	<b>\$1,163.25</b>
<i>Comparison to Previous Year</i>	<i>\$703.86</i>	<i>\$1,636.06</i>	<i>\$1,155.55</i>	<i>\$794.42</i>	<i>\$1,121.45</i>	<i>\$1,139.26</i>
% Change	2.68%	0.69%	1.50%	(2.01%)	0.03%	2.11%

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

SECTOR	Res 106	Res 106	Res 108	Res 113	Res 114	Res 101
Location	Westport (Brougham)	Westport (Russell)	Carters Beach	Charleston	Punakaki	Ikamatua
<i>Land Value</i>	\$86,000	\$83,000	\$99,000	\$77,000	\$210,000	\$48,000
General Rates	577.45	557.31	494.04	240.95	809.36	122.36
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	610.43	610.43	610.43	-	590.43	-
Targeted Sewage Disposal Rate	790.43	790.43	790.43	-	-	-
Targeted Solid Waste Rate	133.04	133.04	133.04	133.04	133.04	133.04
<b>NET RATES</b>	<b>\$2,524.41</b>	<b>\$2,504.26</b>	<b>\$2,440.99</b>	<b>\$787.04</b>	<b>\$1,945.88</b>	<b>\$668.45</b>
GST	\$378.66	\$375.64	\$366.15	\$118.06	\$291.88	\$100.27
<b>TOTAL RATES</b>	<b>\$2,903.07</b>	<b>\$2,879.90</b>	<b>\$2,807.14</b>	<b>\$905.10</b>	<b>\$2,237.76</b>	<b>\$768.72</b>
<i>Comparison to Previous Year</i>	<i>\$2,718.95</i>	<i>\$2,776.56</i>	<i>\$2,705.15</i>	<i>\$894.87</i>	<i>\$2,242.79</i>	<i>\$786.08</i>
% Change	6.77%	3.72%	3.77%	1.14%	(0.22%)	(2.21%)

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

REFER TO PAGES 120-121 FOR SECTOR CODE DETAILS

SECTOR	Res 115	Res 101	Com 131	Com 134	Com 140	Rur 141
Location	Reefton	Springs Junction	Karamea	Westport	Reefton	Karamea
<i>Land Value</i>	\$48,000	\$38,000	\$100,000	\$235,000	\$90,000	\$810,000
General Rates	209.09	96.87	1,334.88	6,162.63	984.80	1,431.77
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Promotion and Tourism Targeted Rate	-	-	775.11	647.17	220.22	-
Targeted Water Rate	485.22	-	-	610.43	485.22	-
Targeted Sewage Disposal Rate	510.43	-	-	790.43	510.43	-
Targeted Solid Waste Rate	133.04	81.74	93.04	133.04	133.04	93.04
<b>NET RATES</b>	<b>\$1,750.83</b>	<b>\$591.65</b>	<b>\$2,616.08</b>	<b>\$8,756.76</b>	<b>\$2,726.76</b>	<b>\$1,937.85</b>
GST	\$262.62	\$88.75	\$392.41	\$1,313.51	\$409.01	\$290.68
<b>TOTAL RATES</b>	<b>\$2,013.45</b>	<b>\$680.40</b>	<b>\$3,008.49</b>	<b>\$10,070.27</b>	<b>\$3,135.77</b>	<b>\$2,228.53</b>
<i>Comparison to Previous Year</i>	<i>\$1,954.04</i>	<i>\$658.43</i>	<i>\$3,452.87</i>	<i>\$9,744.17</i>	<i>\$3,165.27</i>	<i>\$2,034.15</i>
% Change	3.04%	3.34%	(12.87%)	3.35%	(0.93%)	9.56%

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

SECTOR	Rur 143	Rur 141	RR 151	RR 152	RR 151	RR 152
Location	Cape Foulwind	Grey Valley	Karamea	Granity	Fairdown	Alma Road
<i>Land Value</i>	\$1,550,000	\$1,870,000	\$131,000	\$125,000	\$160,000	\$180,000
General Rates	2,122.54	3,305.44	386.64	348.63	472.24	502.03
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	-	-	-	-	-	-
Targeted Sewage Disposal Rate	-	-	-	-	-	-
Targeted Solid Waste Rate	133.04	133.04	93.04	133.04	133.04	133.04
<b>NET RATES</b>	<b>\$2,668.62</b>	<b>\$3,851.52</b>	<b>\$892.73</b>	<b>\$894.72</b>	<b>\$1,018.32</b>	<b>\$1,048.12</b>
GST	\$400.29	\$577.73	\$133.91	\$134.21	\$152.75	\$157.22
<b>TOTAL RATES</b>	<b>\$3,068.92</b>	<b>\$4,429.25</b>	<b>\$1,026.64</b>	<b>\$1,028.93</b>	<b>\$1,171.07</b>	<b>\$1,205.33</b>
<i>Comparison to Previous Year</i>	<i>\$2,851.93</i>	<i>\$3,976.97</i>	<i>\$999.05</i>	<i>\$1,043.57</i>	<i>\$1,138.87</i>	<i>\$1,168.24</i>
% Change	7.61%	11.37%	2.76%	(1.40%)	2.83%	3.18%

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

REFER TO PAGES 120-121 FOR SECTOR CODE DETAILS



# Activity Statements

## Council Activities

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# Regulatory Services



## Overview of Activity

### What we provide

These activities protect people and the environment by regulating and licensing aspects of commercial services and private behaviour where public well-being issues may arise, and in preparing for and responding to emergency situations in the District.

### Plans, Policies and Guidance Documents

The Council provides a range of tools to guide the public in complying with rules, regulations and best practices. These range from regulatory tools such as the District Plan and Bylaws through to guidance tools such as policies and procedures.

### Compliance Management

Compliance Management includes the investigation of:

- Noise control complaints;
- Non compliance with Council Bylaws; and
- Any other complaints, e.g. fly dumping, abandoned vehicles, freedom camping, untidy section.

Incidents/complaints are investigated and non-compliances could result in an infringement being issued.

### Provision of Consents

Council provides consents for activities to be carried out in accordance with regulatory requirements, such as building consents and land use and subdivision resource consents, and ensures that appropriate certification is achieved for buildings by way of Code Compliance Certificates, Certificates for Public Use and Warrants of Fitness under the Building Act and completion certificates pursuant to Sections 35 and 224 of the Resource Management Act for land use and subdivision resource consents respectively.

Council also issues land and project information memoranda (LIM's and PIM's).

### Alcohol Licensing

The Sale of Liquor Act 1989 has been replaced by Sale and Supply of Alcohol Act 2012, which came into force in full on 18 December 2013:

District Licensing Agencies have been replaced by District Licensing Committees (DLC's). Uncontested applications (other than temporary authorities) may be determined by the Chairperson. All other applications require a hearing with the quorum necessary being three members, one of whom must be the Chairperson.

Council has drafted a Draft Local Alcohol Policy (LAP) which is a set of decisions made by a Council in consultation with the community about the sale and supply of alcohol within the district. Council consulted on the Draft Alcohol Policy but at the close of submissions decided to halt the process awaiting the outcome of the contested LAP's going through the court process.

### Emergency Management

Consistent with the National Civil Defence Emergency Management Plan, Council protects the community from large scale disasters through a range of strategies based on the 'Four R's' of emergency management:

- Reduction
- Readiness
- Response
- Recovery

#### Civil Defence:

Council recruits and trains volunteers to ensure that in the event of a disaster a work force can be maintained to deliver services to residents in need. There are currently 160 volunteers on the Council's Civil Defence database. Eighteen staff have all been through the Co-ordinated Incident Management System trainings.

Ongoing civil defence exercises ensure the Buller District Civil Defence team is well placed to respond if such an event were to occur.

Council works with regional and Government representatives to develop plans and processes.

Council has approved a shared service approach to Civil Defence with the other two District and one Regional Councils on the West Coast for the 2014/2015 financial year.

Sound relationships are in place with the West Coast Regional Council and other community service providers including Police, Buller Electricity Ltd and health providers, and local Search and Rescue Organisations.

#### Rural Fire Control:

- Council participates in the West Coast Rural Fire Committee to manage the fire district. This involves issuing of fire permits, training and maintenance of volunteer fire forces and the maintenance of a comprehensive fire plan.
- Protection of people and the environment by regulating commercial services and private behaviour where public well-being is an issue.
- Prepare for and respond to rural fire emergencies.
- Maintenance and replacement programme of vehicles and equipment.
- Training.



## Environmental Health

Environmental Health provides an effective permitting and inspection regime of registered food premises to ensure public health is maintained, statutory nuisances are managed and Bylaws are enforced.

## Animal Control

Animal Control manages dogs and wandering livestock, including the control of animals on public land and public roads.

## Building

Building Services provide a compliance service to ensure the built environment throughout the District meets the minimum requirements of the Building Act 2004. Guidance is provided to customers as they navigate their way through the building consent process.

Assessment of building consent applications are required to meet the requirements of the Building Act 2004.

## Why we do it

### Animal & Stock Control

Protect the public from animals that are a nuisance or dangerous.

### Building

To control building work undertaken within the district to ensure it meets required standards and provides for community safety.

### Resource Management & Planning

Council undertakes its environmental management responsibilities to promote the sustainable management of the District's resources and manage the consequences of human activities on the environment.

Many of Council's documents are statutory documents required under the Resource Management Act 1991. Council's environmental monitoring and information work is undertaken to monitor progress on achieving environmental outcomes to help target planning controls, consent conditions and educational programmes to identify new issues and to provide information regarding land use.

Council processes resource consent applications and undertakes compliance activities to reduce the impact of human activity on the environment. Environment education and advocacy activities provide non-regulatory means of encouraging good environmental practices and outcomes.

### Environmental Health

This activity ensures that operators meet required public health standards.

### Alcohol Licensing

Activities are governed by legislative requirements under the Sale and Supply of Alcohol Act 2012.

## Changes in Fees and Charges

### Sale and Supply of Alcohol Fees

Licence fees are currently set by statute but the Sale and Supply of Alcohol Act 2012 will introduce a risk-based fee structure (effective as at 18 December 2013) industry operators will now be required to pay an application fee and annual compliance fee which is intended to provide an incentive to licensees/managers to improve their practices and also recover the true costs of alcohol licensing.

### Increase in Environmental Health Inspection Fees

The 2013/2014 revenue and financing policy for Environmental Health inspection fees was 73% Fees and Charges and 27% General Rates.

Council have agreed to increase the health inspection fees by 5% per annum until the activity is fully funded from Fees and Charges.

### Assumptions

The activities in the plan are based on current legislation. Council is aware of impending changes to legislation but until the impact of these changes are known Council is unable to determine the impact on Council's activities and costs.



# What does Council plan to do in the Future?

OBJECTIVE	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
<p>To maintain quality of life through ensuring</p> <ul style="list-style-type: none"> <li>the health and safety of licensed activities; and</li> <li>the effects of dogs and livestock are minimised</li> </ul>	Customer Services Principles	Providing customer service and advice on all aspects of Environmental Services	Continue to provide customer advice
	Earthquake Prone, Dangerous and Insanitary Buildings Policy	Council's Earthquake-Prone Dangerous and Insanitary Buildings Policy was reviewed and amended in 2009	Earthquake assessments will be requested when building consents for major work are issued
			This will be for commercial buildings, which are open to the public, and were originally constructed prior to 1976
			Comply with any legislative changes as a result of the Christchurch Royal Commission and Inquiry
	Sale and Supply of Alcohol Policy 2012 Local Alcohol Policy (if adopted)	Processing applications for new licences and managers certificates and renewal of licences and managers certificates  Continuous monitoring of licensed premises and carrying out enforcement action when required  District Licensing Committee (DLC) considers and determines applications for new licences, temporary authorities and managers certificates and renewals of licences and managers certificates and variations, suspensions or cancellations of licences (unless brought under Section 280)	Continue to process alcohol licence applications and monitor compliance in accordance with legislation and Local Alcohol Policy
			Continue to determine applications and within 3 months after the end of each financial year prepare and send to the licensing authority a report of the proceedings and operations of its licensing committee during the year  Such report to be available for inspection by the public free of charge and be available on an internet site for a period of not less than 5 years
	Buller District Council Building Quality Assurance Policy	Processing applications for PIM's, LIM's, building consents and Code Compliance Certificates  Ensuring regulations are met with building Warrants of Fitness  Carrying out inspections of buildings to ensure work is consistent with consent conditions	Continue to process consents for customers within statutory timeframes
			Continue with annual renewal processes
			Conduct building inspections in accordance with the Building Act requirements  Conducting inspections within 24 hours of request
	Buller District Plan Resource Management Act	Processing applications for resource consents  Monitoring resource consent conditions as required	Continue to process consents within statutory timeframes
Conduct monitoring as required			
Health Act	Carrying out environmental health inspections ensuring all food premises meet the standards set by the Food Hygiene Regulations 1974	Continue to inspect all food premises	
Dog Control Policy	Providing education to animal owners to prevent adverse effects	Continue property and school visits	

OBJECTIVE	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
To address non-compliance or nuisance activities in ways that uphold the community outcomes	Council Policies Council Bylaws	Investigate complaints and take appropriate action where non-compliance is found	Develop investigation and compliance management procedures Conduct investigations and achieve closure within acceptable timeframes
	Health Act	Environmental health licences	Conduct investigations and achieve closure within acceptable timeframes
	Dog Control Policy	All animal related complaints are investigated	Continue to investigate all animal related complaints
Maintain quality of life in Buller and ensure that future planning rules reflect community needs and legislative requirements	Buller District Plan Resource Management Act	Content review of District Plan completed and areas have been prioritised for updating and change Changes passed in 2010/2011 Changes to District Plan numbers 115-121 and numbers 122-132 have been completed	On-going review of District Plan and commence work with the District Plan Review Working Group
	<b>EMERGENCY MANAGEMENT:</b>		
	To establish an effective level of preparedness for Civil Defence disasters	National Civil Defence Emergency Management Plan	Participating in the Regional Co-ordinating Executive Group to develop regional preparedness in the event of a natural disaster
West Coast Civil Defence Emergency Management Group Plan		Recruiting and training volunteers for Buller	Continue with activities Memo of Understanding with Buller Electricity Ltd maintained Ensure Operation Centre available and ready for use Continual improvement in information systems
Buller Civil Defence Emergency Management Plan		Review Recovery Plan and ensure preparedness	Regular exercises undertaken
Buller Civil Defence standard operating procedures		Developing resources and networks to provide higher quality emergency management	Continue to work with Regional and West Coast District Councils on Civil Defence Emergency Management Group Plan as part of a shared services agreement
To respond to and control wildfires to protect property and conservation values	West Coast Rural Fire District Fire Plan	Attending meetings of West Coast Rural Fire Committee	Continue with these activities
		Maintaining the annual fire plan	
		Contributing to the employment of the Principal Rural Fire Officer for the West Coast	
		Providing funding and support to volunteer rural fire forces	
		Providing vehicles and equipment for the fighting of fires	
		Issuing fire permits	

# Measuring our Achievements

MEASURES & TARGETS	Last Reported Performance	2014/2015
Meet Earthquake-Prone, Dangerous and Insanitary Buildings Policy objectives	2012/2013: There have been no changes to this policy, however Council has been proactive by sending letters to building owners encouraging them to undertake earthquake assessments	There will be compliance with any legislative requirements from the Royal Commission of Inquiry for the Christchurch Earthquake  There will also be compliance with the existing policy which will be reviewed
Building consents and LIM's issued within statutory timeframes	2012/2013: 450 Building Consents issued 99.56% completed within the statutory 20 working day timeframe (2011/2012: 491 issued with 99%)	Target 100%
	2012/2013: 172 LIM's issued 100% completed within the statutory 10 working day timeframe, with an average of 3 days processing time (2011/2012: 312 issued with 100% completed within timeframe)	
Building inspections carried out within 24 hours for urban and 48 hours for rural areas	2012/2013: Achieved 100% (2011/2012: 100%)	Achievement of this level of services in the 90-100% range
	2012/2013: 1,383 inspections have been recorded (2011/2012: 1,473)	
	2012/2013: Building inspections are scheduled and carried out in accordance with bookings made	
Ensure quality assurance requirements for building consent authorities are met as required by Regulation 17 of Building Consent Authorities Regulation 2006.	2012/2013: IANZ Audit undertaken 3-5 December 2013  Accreditation maintained with no corrective actions identified	Continued compliance as required by Regulation 17  Next audit by IANZ due December 2015
Process non-notified resource consents within statutory timeframes	2012/2013: 100% achieved within statutory timeframes (2011/2012: 96.8%)	Target 100%
Inspect all food premises	2012/2013: 100%, 87 food premises inspected (2011/2012: 100%, 94 premises inspected)	Target 100%
	2012/2013: No significant findings	
	2012/2013: These premises met the standards set by the Food Hygiene Regulations 1974	
Carry out investigations into non-compliance and nuisance activities in acceptable timeframes	2012/2013: Achieved 112 simple investigations within 10 days 82% (2011/2012: 161 investigations with 100% within timeframe)	Simple investigations to be carried out within 10 working days
	2012/2013: 5 remain under investigation, awaiting court action (2011/2012: 5 - 3.65%)	More complex investigations to be undertaken within 40 working days
	2012/2013: 20 complex investigations undertaken within 20 days 14.6% (2011/2012: Nil)	
Investigate all animal related complaints	2012/2013: 100% 418 complaints investigated (2011/2012: 100%, 468 complaints investigated)	Target 100%
	This is measured by the use of the service request system and all complaints are loaded through this system	
	Continued education for animal owners occurs	
Respond to 90% of all noise complaints within 30 minutes	2012/2013: Achieved 93%, 215 complaints received with 210 being responded to within 30 minutes (2011/2012: 95%, 202 complaints received, 192 responded to within 30 minutes)	Target 90%
Conduct a rolling review of the District Plan to ensure it reflects the changing needs of our community	2012/2013: The plan changes intended to be carried out in the 2012 calendar year (relating to the National Policy Statement on Electricity Transmission) have been put on hold following consultation with Trustpower (2011/2012: plan changes 122-132)	Continue work on the priority issues identified during the content review of the District Plan.
	2012/2013: District Plan changes to be aligned with Vision 2050 and Westport Concept Plan	Continue to align the District Plan with Vision 2050 and the Westport Concept Plan.
District Licensing Committee activities	Not applicable	Ensure report is provided to ARLA prior to 30 September 2015
Carry out inspections of 100% of licenses premises	Not applicable	Target 100%

MEASURES & TARGETS	Last Reported Performance	2014/2015
<b>EMERGENCY MANAGEMENT:</b>		
Maintain three teams of trained volunteers	2012/2013: Achieved Karamea, Westport and Reefton teams in place 2012/2013: 160 volunteers and staff trained in various roles (2011/2012: 160 volunteers)	Maintain training for all three teams Database of volunteers is kept up to date for all areas (Westport, Reefton and Karamea) to ensure adequate number of trained volunteers
Run exercises to test effectiveness	2012/2013: Civil defence and council staff took part in Exercise Te Ripahapa for 12 hours. This extensive exercise, undertaken during May 2013, involved significant training on new systems introduced by the Ministry of Civil Defence. The exercise involved a large number of Council staff, emergency services staff, lifeline agencies and volunteers. Council received a positive report (2011/2012: Council participated in Operation Cruickshank)	On-going regional exercises scheduled and completed
Develop Civil Defence, ICT and Recovery Plans	2012/2013: Emergency power, additional phone lines and the internet have been installed	Continue to review and improve systems
	2012/2013: Emergency Operation Centre fully functional and used as part of Exercise Te Ripahapa (2011/2012: Emergency Operation Centre fully functional)	Ongoing review of the Emergency Operations Centre
	2012/2013: A Memorandum of Understanding (MOU) is in place with Buller Electricity Ltd to ensure access to their generator in the event of an emergency	
	2012/2013: We are continuing to work closely with both Westland and Grey districts to ensure that our plans are aligned, workable and feed up to the overall West Coast Group plan	
	2012/2013: The Community Response Plan has been updated and Buller Civil Defence plans have been reviewed and aligned with the group plan	Continually review the recovery plan and improve where necessary Regular exercises undertaken to ensure readiness
	2012/2013: This is still very much a work in progress (2011/2012: Council is looking at aligning our local arrangements with Westland and Grey District Councils and the Civil Defence Emergency Management Group Plan)	Review all plans against best practice Implementation of a shared services approach to civil defence
Annually review fire plan	2012/2013: Continual review of fire plan (2011/2012: no change)	Annual review
Maintain trained volunteers, fire engines and equipment	2012/2013: All rural fire stations conducted weekly training sessions (2011/2012: no change) Crews have also attended specialist training courses when required	Continue
Maintain restricted fire season and fire education	2012/2013: On-going training of all rural firefighters and ensuring equipment met compliance requirements (2011/2012: no change)	Continue
	2012/2013: Fire permits issued (2011/2012: no change)	



# Significant Projects

## Development of a Draft Local Alcohol Policy

Council has produced a Draft Local Alcohol Policy (LAP) under the Sale and Supply of Alcohol Act 2012 and has consulted on this policy. At the close of submissions Council decided to halt the process awaiting the outcome of contested LAP's currently going through court.

## District Plan Review

The District Plan Review is an ongoing project looking at the efficiency and effectiveness of the Buller District Plan (BDP).

It aims to ensure that the BDP remains relevant and meets the needs of our community in relation to the use of natural and physical resources, as well as meeting our responsibilities under the Resource Management Act 1991 (RMA). Under the RMA, Council must review every provision of the BDP at least once every 10 years and initiate "a plan change process" in relation to each, whether or not Council proposes to amend the provision. This process provides an opportunity for the community to have input into the BDP.

Council made its decision on the first set of BDP changes to come out of the review, Plan Changes to numbers 115-121, on 28 July 2011. Council's Hearings Committee made its decision on the second set of BDP changes to come out of the review, Plan Changes to numbers 122-132, on 28 July 2011.

Council is using the opportunity of the District Plan Review to update the BDP to take into account where the District is now and how the community would like to see it develop in the future.

It is important that the District Plan Review is closely aligned to the Buller Vision 2050 Strategic Plan to facilitate economic development and to the Westport Concept Plan.

## The Westport Concept Plan

Is an initiative that is designed to create a picture of what we want Westport to look like in the future. We would like to prevent ad-hoc development, and we believe that a cohesive plan will assist in the future development and growth of our community.

The Westport Concept Plan was discussed before Council in April, July and October 2012. A public meeting was held in Westport on 15 November 2012 to introduce the Westport Concept Plan to the community and to provide an opportunity for people to start contributing their thoughts for the future of Westport.

During the public meeting and the two week consultation period that followed, 563 submissions were received containing a total of 966 individual thoughts or ideas. These thoughts and ideas have been collated and organised into key themes and projects. Each of these will be worked through over the coming years as the Westport Concept Plan progresses. This will include many more opportunities for having a say on the future direction of Westport.

## How Do We Fund Regulatory Services?

ACTIVITY	Funding Mechanism		
	General Rate	Fees	Capital Spend
Resource Management Planning	93%	7%	Nil
Resource Consents	Nil	100%	Nil
Building Control	10%	90%	Nil
Animal Control - Dogs	15%	85%	Nil
Animal Control - Stock	60%	40%	Nil
Environmental Health - Food Premises	Nil	100%	Nil
Environmental Health - Liquor Licensing	10%	90%	Nil
Environmental Health - Noise	95%	5%	Nil
Emergency Management - Civil Defence	100%	Nil	Nil
Emergency Services - Rural Fire	100%	Fire attendance on cost recovery	Loans & Depreciation reserves

# Explanation of Variances between the Long Term Plan & the Annual Plan

## General

General rates have increased by \$342,000 compared to the LTP mainly due to the reduction in income from building consents. This is due to a lower level of activity than envisaged by the Long Term Plan.

## Fees & Charges

There is a reduction in income (\$429,000) compared to the Long Term Plan. This is mainly due to lower level of economic activity which has affected Building and Planning income.

## Development and Financial Contributions

It is anticipated that \$100,000 will be received in financial contributions from subdivisions.

## Payment to Suppliers and Staff

- Expenditure associated with the building activity has decreased by \$54,000 when compared to the Long Term Plan.
- Planning costs are down by \$66,000.
- The shared services approach to Civil Defence has led to savings totalling \$17,000.
- Vehicle operating costs have decreased in Animal Control by \$10,000.



# Funding Impact Statement

## - Regulatory Services

Annual Plan	Long Term Plan	Annual Plan
2013/2014	2014/2015	2014/2015
\$000	\$000	\$000

### Operating Funding

#### Sources of Operating Funding:

General rates, Uniform Annual General Charge, Rates penalties	724	650	992
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	15	16	0
Local authorities fuel tax, fines, infringements fees and other receipts	1,588	1,671	1,242
<b>Total Operating Funding</b>	<b>2,327</b>	<b>2,337</b>	<b>2,234</b>

#### Applications of Operating Funding

Payments to Suppliers and staff	1,692	1,692	1,570
Finance Costs	16	14	17
Internal charges and overheads applied	561	587	581
Other operating funding applications	12	13	13
<b>Total Applications of Operating Funding</b>	<b>2,281</b>	<b>2,306</b>	<b>2,181</b>

#### Surplus/ (deficit) of Operating Funding

\$46	\$31	\$53
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### Capital Funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	100
Increase/(Decrease) in Debt	110	(29)	(43)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>110</b>	<b>(29)</b>	<b>57</b>

#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	62	0	0
- to replace existing assets	81	0	0
Increase/ (decrease) in reserves	13	0	110
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>156</b>	<b>0</b>	<b>110</b>

#### Surplus/ (deficit) of Capital Funding

\$(46)	\$(29)	\$(53)
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#### Funding Balance REGULATORY SERVICES

\$0	\$0	\$0
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# Roading & Urban Development



## Overview of Activity

### What we provide

The roading and urban development activity provides for the planning, operations, maintenance, development and improvements to the transport network so that it is affordable, integrated, safe, responsive and sustainable.

Council provides, maintains and renews sealed and unsealed roads, bridges and culverts, footpaths, seats and shelters to enable people and businesses to move around for employment, recreation, shopping, social activities and business purposes. It also provides road signs, markings and street lighting to ensure that travel is safe and convenient. Council improves the road network to meet changing needs and develops plans to ensure the road network is able to cater for future growth. Council also provides support for the continued operation of the Westport Taxi service.

Urban Development is undertaken to provide a more pleasant environment for our communities by use of plantings, street treatment and decorative measures.

### Why do we do it?

The roading and urban development activity provides people with access to employment, services, education and recreation, as well as providing for the movement of goods to support the local economy. The road corridor also provides access for critical services such as electricity, telecommunications, water supply and waste disposal.





# What Does Council plan to do in the Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
Provide a safe road network	NZ Transport Strategy District Transport Strategy Safety Management System	Road safety audit undertaken in urban Reefton and Westport on a two-yearly cycle	Monitor and ensure road safety audits undertaken over approximately 10% of network
		Monitor and ensure road safety audits undertaken over approximately 10% of network	
		Work covered 93.15km which is 15.5% of the network (2011: 57.25km, 10%)	
		The audit recommended that a number of the signs required replacement to improve the reflectivity. The audit also highlighted some areas where trees or plantings were obstructing the clear visibility of signs - the replacement of these signs has been completed.	
Maintain roading infrastructure to required standard	Roading Asset Management Plans	Upgrade undertaken to optimum level as per Asset Management Plan	Upgrades undertaken as per Asset Management Plan
Provide a comfortable road network	Roading Asset Management Plans	Measuring roughness of sealed roads	Measure sealed road roughness
		Road roughness surveys were last undertaken in July 2013	
		The roughness of a good sealed road is 70 NASSRA	
Provide useable footpaths	Roading Asset Management Plans	Footpaths were rated according to condition on a scale of 1 to 5	Continue to rate the condition of footpaths and undertake remedial work as required  Prepare a strategy for the future renewal of footpaths in the district based on pedestrian numbers, material type and taking into account the lifecycle costs of the materials to be used
		From these ratings the forward programme of remedial work for footpaths is determined	
		The last rating was undertaken in July 2013	
		Maintenance programme for footpaths are based on rating - 1.7km of footpaths were refurbished by reseal or asphaltic concrete, this represents 2% of the footpath length	
75 metres of new footpath constructed in concrete - suitable for wheelchair and pram usage			
Minimise the effects of road works	Roading Asset Management Plans Maintenance Contract	Approving temporary traffic management plans for working on local roads in accordance with the Code of Practice for Temporary Traffic Management - local roads supplement	Continue to do the same
		The contractor responded to notification of all slips from call centre logs within the response times required	
		Compliance checks were undertaken randomly at construction sites to check compliance with the NZ Code of Practice for Temporary Traffic Management - Local Road Supplement	
Provide roads with the minimum environmental impact	Roading Asset Management Plans Maintenance Contract	No resource consents required for road maintenance or construction during the financial year	Compliance with Resource Consent conditions



# Measuring our Achievements

Measures and Targets	Last Reported Performance	2014/2015
<b>Public Safety</b>		
Annual Road Safety Audit	2012/2013: Road safety audit undertaken on Denniston Track, Karamea Highway, Arapito Road and some intersections in Westport (2011/2012: Road Infrastructure and Safety Assessment undertaken by NZTA over 36.4 km of rural roads and an audit of the Karamea Highway and Karamea local roads was undertaken by Council Staff and road maintenance contractor)	Audit undertaken on 10% of the network
	2012/2013: Work covered 46km, which is 8% of the network (2011/2012: An audit carried out by NZTA and Council staff covered 93.15km which is 15.5% of the network)	
	2012/2013: The audits recommended maintenance work and programmed capital expenditure (2011/2012: The audit recommended replacing worn and cleaning dirty signs, review consistency of some rural delineation, removal of vegetation where it is reducing the effectiveness of edge marker pegs)	
Reducing trend in the number of fatal and injury accidents and accident contributing behaviour as measured by statistics published by NZTA	2012/2013: Based on the crash analysis report produced by the New Zealand Transport Agency (NZTA) overall there were 93 accidents (2011/2012: 84)	Continue to reduce trend of fatal accidents and those causing injury
	2012/2013: 81 non-injury accidents occurred, trending higher than previous year (2011/2012: 58)	
	2012/2013: Fatal accidents have remained fairly static at 1 fatality (2011/2012: 1 fatality)	
	2012/2013: Accident reports provided to Council are analysed to determine if any road factors contributed to the accidents (2011/2012: no change)	
	2012/2013: If there are road conditions or geometry that could have contributed to the accident then these are investigated for remedial work (2011/2012: no change)	
Maintenance of roading in compliance with Asset Management Plan	2012/2013: Programme undertaken in compliance with Asset Management Plan	Compliance with Asset Management Plan
	Asset Management Plans to be updated during 2013/2014	Changes ratified through the Annual Plan process
<b>System Usability</b>		
Maintain current road roughness levels	2012/2013: Road roughness survey was undertaken in May 2013	Average sealed road NASSRA roughness less than 120
	2012/2013: Sealed road roughness 87.9 which meets the target of less than 120 (2011/2012: 89.8)	
	2012/2013: The roughness of a good sealed road is 70 NASSRA and for an unsealed road 170 NASSRA (2011/2012: no change)	
	2012/2013: Unsealed roughness not measured, as this measurement is considered by the industry not to be of value as the roughness of an unsealed road changes constantly (2011/2012: no change)	



Measures and Targets	Last Reported Performance	2014/2015
<b>Footpaths</b>		
Undertake condition rating of footpaths	2012/2013: Footpaths were rated according to condition on a scale of 1 to 5 by Consultants as part of RAMM rating (2011/2012: no change)	Remedial work programmed for all footpaths with a Level 4 and 5 rating
	2012/2013: overall rating for footpaths was 2.10 (2011/2012: average rating was 2.36)	This programme is assessed every two years by an independent consultant
	2012/2013: For these ratings the forward programme of remedial work for footpaths is determined - rating undertaken in April 2011	Prepare a strategy for the future renewal of footpaths in the district based on pedestrian numbers, material type and taking into account the lifecycle costs of the materials to be used
	The ratings are undertaken every two years as part of the RAMM inventory update for roads	
	2012/2013: Maintenance programmes for footpaths are based on rating - 1.35km of footpaths were refurbished by reseal or asphaltic concrete, this represents 1.61% of the footpath length (2011/2012: 2km, 2.3%, of footpaths were refurbished with the reduced length due to more expensive surfacing using asphaltic concrete)	Renew 0.3km of sealed footpath with chip seal Renew 0.67km with asphaltic concrete
2012/2013: 2km of footpaths were refurbished by reseal or asphalt concrete (2011/2012: 1.7 km; 2%) 114 metres of new concrete footpath were constructed	Additional 0.23km of concrete footpath	
Design all new footpaths for accessibility	2012/2013: 114 metres of new concrete footpath was constructed - suitable for wheelchair and pram usage (2011/2012: 75 metres of new footpath constructed in concrete)	Continue to design new footpaths for wheelchairs, mobility scooters and pram usage
<b>System Disruption</b>		
To attend to all slips and obstructions in a timely manner and undertake road works in accordance with code of practice for temporary traffic management	2012/2013: The contractor responded to notification of all slips from call centre logs within the response times required (2011/2012: no change)	80% compliance with the contracted response times
	2012/2013: Compliance checks were undertaken randomly at construction sites to check compliance with the NZ Code of Practice for Temporary Traffic Management - Local Road Supplement (2011/2012: no change)	Road works checked against national standards during site inspections
<b>Environmental Impact</b>		
To comply with resource consent conditions	2012/2013: 100% compliance (2011/2012: 100%)	100% compliance



## Assumptions

That the New Zealand Transport Agency has provided financial assistance for 2014/2015 at 58% for maintenance activities where costs have not been adjusted for inflation for three years. The rate has decreased to 58%. This is due to a change in funding from central Government.

Council assumes that fuel tax rates from New Zealand Transport Agency remain the same.

There is no subsidisation of footpath and Council does not have any cycling facilities.

Following a review of likely population and demographic changes throughout the district, it has been assumed no significant upgrades are required for the increased population. It is believed that there is adequate capacity in the current network for any future growth. It is expected that new roads will be built by developers during the subdivision process.

There are currently no resource consents required for stormwater discharges from roading and there is no specific treatment of the stormwater currently required. The low volumes of traffic on Council roads and the passage of road run off through grass berms or grass swales minimises any environmental impact.

## Major Projects

- Upgrades of Karamea Highway will include drainage facilities (\$50,000) and pavement rehabilitation of \$150,000. This latter project includes a carryover from 2013/2014 which was deferred because of emergency works.
- Reseals on the Karamea Highway will also include a carryover of reseals from 2013/2014 because of the uncertainty of the location of the project to install fibre optic cable.
- Emergency works to address drainage work and remedial structures along the Karamea Highway, estimated to cost \$1 million, will be undertaken.
- Footpaths progressively renewed/resurfaced to provide a safe environment (\$195,000).
- Staged upgrade of Derby Street (a major street in Westport) over 10 years, in conjunction with the replacement of services, from Salisbury Street to the railway line on Derby Street.
- Local road improvements (\$215,000).
- Local road renewals (\$1.334 million).
- *Other*: Special purpose road renewals, excluding Karamea Highway (\$541,000).

## Key Issues

### Roading - Financial Assistance Rate and Financial Assistance Funding Review

Buller is a large district with numerous settlements and small towns along its coastline and in the hinterland. It is only able to function economically and socially because of a vital local roading network maintained by Council. Just 577km of Council roads link into the main State Highways. Only half of those local roads are sealed, with the other half unsealed. These local roads incorporate 153 bridges and large culverts.

Roading is one of the largest single financial commitment for rural Council's. Central government assistance is available when the New Zealand Transport Agency pays a percentage of the total cost of approved projects. The Agency has reduced this financial assistance rate (known as the "FAR") to 58% of the total cost.

The New Zealand Transport Agency has started consultation on reviewing the financial assistance rates (FAR) that are paid to local authorities throughout the country. Any setting of a financial assistance rate that results in a lower rate than that currently received will have an impact on the amount of rates required to maintain the network to the same level of service. About 25% of Council's operating costs are expended on roads and at present levels every 1% drop in subsidy will lead to a 0.5% increase in ratepayer contribution. Towards the end of 2014/2015, NZTA will decide on the specific methods of developing financial assistance rates and provide the likely FAR rate for the 2015-2018 Long Term Plan. Council will need to review the impact of any reductions on the level of service provided.

# Funding Allocations

Activity	Funding Mechanism		
	General Rate	Financial Assistance	Capital Spend
Roading	42%	58%	Depreciation Loans Subsidy from NZTA
Urban Development	100%	Nil	Depreciation Loans Subsidy from NZTA

## Explanation of Variances between the Long Term Plan and the Annual Plan

### Subsidies for Operating Purposes

This plan assumes financial assistance totalling \$1.0 million is anticipated be received from the New Zealand Transport Agency for emergency works associated with the Karamea Highway.

### Payments to Staff and Suppliers

Emergency works estimated to cost \$1 million will be undertaken .

### Subsidies and Grants for Capital Expenditure

Subsidies from NZTA are higher due to increases in Special Purpose Roads sealed road resurfacing (\$128,000). This is due to carryover of deferred capital from 2012/2013.

### Capital Expenditure

#### - Improving the Level of Service

This is due to an increase of \$50,000 in minor safety for local roads compared to the Long Term Plan budget, due to carryover of deferred capital from 2012/2013.

#### - Replacing Existing Assets

This is due to an increase of \$128,000 in road resurfacing and \$45,000 for Special Roads when compared to the Long Term Plan budget. An additional amount of \$40,000 has been budgeted in this Annual Plan for the Tauranga Bay toilets.



# Funding Impact Statement

## - Roading & Urban Development

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>Operating Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	2,349	2,347	2,452
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies for operating purposes	2,170	1,673	2,710
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	175	190	175
<b>Total Operating Funding</b>	<b>4,694</b>	<b>4,210</b>	<b>5,337</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	3,235	2,743	3,702
Finance Costs	0	14	0
Internal charges and overheads applied	655	652	655
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>3,890</b>	<b>3,409</b>	<b>4,357</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$804</b>	<b>\$801</b>	<b>\$980</b>
<b>Capital Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	1,253	1,236	1,360
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	0	(6)	0
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>1,253</b>	<b>1,230</b>	<b>1,360</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	191	165	215
- to replace existing assets	1,866	1,866	2,125
Increase/ (decrease) in reserves	0	0	0
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>2,057</b>	<b>2,031</b>	<b>2,340</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$(804)</b>	<b>\$(801)</b>	<b>\$(980)</b>
<b>Funding Balance ROADING &amp; URBAN DEVELOPMENT</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



# Water Supplies



## Overview of Activity

### What we provide

Council provides the management of the water supply to support the health and wellbeing of the community.

Council is currently responsible for water supply services for a number of townships in the district including Little Wanganui, Ngakawau-Hector, Mokihinui, Waimangaroa, Inangahua Junction, Westport, Cape Foulwind, Reefton, South Granity and Punakaiki. The Punakaiki, Westport and Reefton supplies are the only supplies providing treated water. Water conservation programmes are used to ensure the long term availability and quality of the town water supply.

Council provides water supplies for various communities within the District. Each scheme provides varying level of service in terms of quality, capacity, reliability and affordability of the service. All schemes are managed through Asset Management Plans and are operated in accordance with resource consent conditions.

New Drinking Water Standards were published in 2008. Council has a programme to upgrade supplies over time, to meet these new standards

The table on [page 37](#) details the timelines to upgrade the various water supplies to comply with the Drinking Water Standards.

It should be noted that the capital costs associated with the upgrades to meet Drinking Water Standards will result in an increases in the targeted rates. With water schemes for the smaller rural communities one of the issues for the communities to consider would be the on-going affordability of these water schemes against the benefit derived from the improved quality of the upgraded water supply..

Communities have the option to remain with the existing scheme at the existing level of service they currently receive. This would mean that water supplies would remain untreated and targeted rates would be increased for water supply only.

### Why Do We Do It?

Water is an essential need for individuals and commercial operations. Council provides sufficient quantities of potable water for domestic and commercial needs, public amenities and to avoid the risk of public borne diseases affecting public health.

## What does Council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
Provide an adequate quality of water	Water Supply Asset Management Plans	Supplying treated water to Westport, Reefton and Punakaiki	Provide treated water up to New Zealand Drinking Water Standards for Waimangaroa, Inangahua and Ngakawau-Hector
	Public Health Risk Management Plans		Reefton and Punakaiki upgrades are complete, and drinking water complies with drinking water standards.
			Undertake upgrade of Westport Water Supply over the next year. Upgrade to be completed in 2014/2015
	Water Supply Asset Management Plans	Providing an adequate flow of water for domestic activities, such as taking a shower	It is anticipated that clean safe drinking water will be provided to residents upon completion of the upgrade
		Providing bulk water supplies to businesses	Continue to deliver current quantities of water
		Providing hydrants for fire fighting	
Provide a reliable supply of quality water	Water Supply Asset Management Plans	Supplying water to households and businesses with minimal disruptions to supply	Continue to do the same
Provide water with the minimum environmental impact	Resource Consents	Monitoring water supplies and meeting resource consent requirements	Continue to do the same

## How do we measure progress

Measures and Targets	Last Reported Performance	2014/2015
<b>Water Quality</b> No potential for illness due to unwholesome water	2012/2013: In total there were 323 individual samples taken from Westport, Carters Beach, Reefton and Punakaiki water supplies.	No confirmed E coli contamination
	Additional investigation sampling was undertaken in relation to the upgraded drinking water supplies	
	A total of 21 e-coli tests were recorded showing contamination - 17 from Punakaiki, 1 from Westport and 3 from Reefton (2011/2012: 2 tests showed contamination)	
	E-coli or faecal coliforms come from the gut of warm blooded animals (possums, deer, goats and birds) (2011/2012: 198 samples)	
	For the Reefton and Punakaiki water supplies transgressions, where a permanent 'boil water' notice is in place, this will remain in place until the water treatment plant telemetry is fully operational (2011/2012: For the transgression for the Westport supply and the transgression for the Punakaiki supply, all consecutive day tests were clear of contamination - the Punakaiki transgression also occurred when consumers were on a boil water notice to allow for a plant upgrade)	
	2012/2013: The Council programme in the Long Term Plan allows for all seven water supplies with the exception of Mokihinui to be upgraded to meet the Drinking Water Standards in accordance with the Health Act, this will, however, only be achievable if Council receives financial assistance	
As at balance date Reefton and Punakaiki were not fully compliant as upgrades had not been finally commissioned	Subsidies have been confirmed for Westport, Reefton and Punakaiki. A new application for a larger treatment plant has been made for Waimangaroa. Delays in finalisation have resulted in a request for a time extension for Ngakawau-Hector	
Upgrades have now been completed in 2013/2014		
Waimangaroa and Ngakawau/Hector compliance will be achieved in 2014/2015		
		Applications for funding are to be made for Little Wanganui, Inangahua Junction and South Granity
		The upgrades are dependant on the provision of financial assistance from the Ministry of Health
<b>Water Quantity - Westport and Reefton Supplies</b> To be able to fill a ten litre bucket three times within a minute All fire hydrants to be operational	2012/2013: Two requests for pressure tests (2011/2012: no requests for pressure tests)	No more than ten recorded failures per annum throughout the district
	One site had no issues and the other site resulted in a water main renewal in Peel Street between Bright and Gladstone Streets	
	2012/2013: All hydrants were operational (2011/2012: all operational)	100% compliance
	Waimangaroa and Granity Fire Brigades check Waimangaroa and Ngakawau/Hector supply	
<b>Water Reliability</b> To provide water into the system virtually all of the time	2012/2013: Water was supplied for 99.6% of the time - mains only (2011/2012: 99.86%)	Water supplied 99% of the time
	2012/2013: Measurement of the availability to individual laterals not currently measured (2011/2012: no change)	

Measures and Targets	Last Reported Performance	2014/2015
To minimise disruption caused by unplanned shutdowns	2012/2013: There were 2 occasions when water was provided on low pressure because of repairs being undertaken (2011/2012: 2 occasions)	No more than 3 shutdowns per kilometre  All unplanned shutdowns less than four hours
	0.73 leaks per km (2011/2012: 0.75 leaks per km)	
	As service requests are received, Council forward the request to the contractor with an inspection timeframe and an indicative repair time	
	The contractor prioritised the physical works and responded within the repair time 85.2% of the time (2011/2012: 90%)	
To permit gardens to be maintained in a healthy state all year	2012/2013: 11 days of restrictions for all supplies due to low rainfall in the early part of 2013 (February to March 2013) (2011/2012: no water restrictions for any of the supplies)	No more than 5 days of water restrictions per year
<b>Environmental Impact</b> To comply with resource consent conditions as assessed by Regional Council consents	2012/2013: 100% compliance (2011/2012: 100%)	100% compliance

## Assumptions

Following a review of population and demographic growth throughout the district, it has been assumed that there will be no significant change to current water demand from any of the Council water supplies.

Assistance will be available through the Ministry of Health to provide financial assistance to all Council water supplies where treatment upgrades have been provided for. However it should be noted that there can be no certainty regarding the receipt of the subsidy from the Drinking Water Assistance Programme (DWAP) and should the subsidy not materialise, there would need to be consultation with the community and the decision to upgrade or not would be based on affordability. There may also be timing changes in the receipt of the subsidy if delays occur in the completion of the capital upgrade programme.

Reefton and Punakaiki upgrades to the drinking water supplies have been completed.

Westport's water supply upgrade is in progress.

A new application has been made to the Ministry of Health for the Waimangaroa water supply on the basis that a larger treatment plant is needed. An application has been made for funding for the Inangahua Junction water supply.

An application has been made to carryover Ngakawau-Hector water supply upgrade to 2014/2015.

## Significant Projects & Issues

A lifecycle management approach is used to identify the issues/projects related to the different water supplies. The Asset Management Plan (AMP) provides details specific to each water supply, but the significant issues are summarised below:

**Asset Operation/Maintenance:** This is the ongoing work required to ensure an asset remains operative and able to reach its full design life. Formal contracts have been established for the operation of the Little Wanganui, Westport, Cape Foulwind, Reefton and Punakaiki supplies, while the day-to-day operation of the Mokihinui, Ngakawau-Hector, South Granity and Waimangaroa supplies is undertaken by local residents. Operational costs are expected to increase significantly following the proposed upgrade of the water treatment systems. These cost increases will arise from both the direct costs associated with the treatment plant operation and the indirect costs associated with loan financing and depreciation of the new assets.

**Asset Renewal:** This is the capital expenditure required to restore, rehabilitate or replace an asset once it has reached the end of its useful life. The most significant challenge associated with renewal management is the accurate prediction of when the assets will reach the end of their useful life. Risk Management principles are employed to determine how accurate the end of life predictions need to be, based on the consequences of unforeseen failure. Details are provided within the body of the Asset Management Plan on the actual renewal projects identified over the next ten years.

**Asset Upgrade:** This is the work that increases the capacity, performance, or the functionality of the water supply. This includes the creation/acquisition of additional assets or the improvement of an existing asset beyond its existing design capacity. There is no anticipated need for significant expansion of the water supplies, so the majority of the upgrades over the next ten years are associated with improvements to the water quality. Upgrades to the water treatment are required if Council is to achieve compliance with the New Zealand Drinking Water Standards for New Zealand 2005 (revised 2008). Estimated upgrade costs are outlined below and have been included in financial forecasts. If necessary the Asset Management Plan will be amended following these investigations.

Drinking water supplies administered by Council with the exception of the Mokihinui supply are planned to be upgraded to meet drinking water standards in line with amendments to the Health Act.

## The forecast targeted rates for the next year are:

Forecasted Targeted Rates	2014/2015
	GST exclusive \$
Westport	610.00
Reefton	485.00
Little Wanganui	160.00
Mokihinui	225.00
Ngakawau-Hector	280.00
Waimangaroa	310.00
Cape Foulwind **	0.55
Punakaiki	590.00
Inangahua Junction	230.00
South Granity	230.00

\*\* Footnote: This charge is per m<sup>3</sup> of water supplied

The main drivers of the increases in targeted rates are associated with the financing and increased depreciation charges associated with the drinking water upgrades. Operational costs such as electricity and chemicals have also increased.

The increase in the Westport water supply targeted rate is due to a reduction in the income from metered water. The increase in the Reefton targeted rate is associated with the purchase of a generator for operational and emergency situations.

## Funding Allocations

Activity	Funding Mechanism	
	Targeted Rate	Capital Spend
Water Supplies	100% Metered water for major users	Loans, Targeted Rates Subsidies from Depreciation Reserves Investments



# Summary of Planned Upgrades/Completions

Water Supply	Current Standard	Target Standard	Upgrade Required	Target Date	Estimated Cost (\$'000's)
Westport	Ungraded	Satisfactory, low level of risk for source, treatment and distribution (Bb)	Existing treatment with the addition of ultra violet disinfection	Stage I completed late 2014 Stage II completed June 2015	\$8.9 million (partial upgrade)
Punakaiki	Unsatisfactory, high level of risk at source, treatment and distribution (Ed)	Marginally satisfactory, moderate level of risk for source, treatment. Satisfactory, low level of risk for distribution (Cc)	New source, reticulation and treatment	New treatment plant constructed Completed	-
Reefton	Unsatisfactory level of risk for source and treatment. Unacceptable level of risk for distribution (Ee)	Marginally satisfactory, moderate level of risk for source, treatment and distribution (Cc)	Cover reservoir and disinfection	Completed	-
Waimangaroa	Ungraded	Marginally satisfactory, moderate level or risk for source, treatment and distribution (Cc)	Covered storage, filtration and disinfection	Deferred to 2014/2015	\$403
Ngakawau / Hector	Ungraded	Marginally satisfactory, moderate level of risk for source, treatment. Satisfactory, low level of risk for distribution (Cc)	Covered storage, filtration and disinfection	Scheduled for 2014/2015 subject to approval of time extension by Ministry of Health	\$400
Inangahua Junction	Ungraded	Marginally satisfactory, moderate level of risk for source, treatment and distribution (Cc)	Disinfection and filtration	Scheduled for 2014/2015 subject to approval of application by Ministry of Health	\$150
Little Wanganui	Ungraded	Marginally satisfactory, moderate level or risk for source, treatment and distribution (Cc)	Covered storage, filtration and disinfection	Scheduled for 2015/2016 subject to approval of application by Ministry of Health	\$291
South Gracity	Ungraded	Marginally satisfactory, moderate level or risk for source, treatment and distribution (Cc)	Covered storage, filtration and disinfection	Scheduled for 2015/2016 subject to approval of application by Ministry of Health	\$260

The upgrades are also dependent on funding being available from the Drinking Water Assistance Programme Subsidy.

## The Public Health Grading (2003 specification)

The Ministry of Health grading provides an assessment of its confidence in the public health safety of each drinking-water supply serving a community of over 500 people. The grading has two letters. The first letter (in upper case) represents the source and treatment grading, while the second letter (in lower case) grades the water in the distribution zone itself. Gradings containing **C** or **c** indicate marginal quality, while lower gradings show that quality or risk management is unsatisfactory. An ungraded supply is indicated by **u** in the Register.

### Source and Treatment Grading:

	Assessment based on source and treatment factors:
<b>A1</b>	Completely satisfactory - negligible level of risk, demonstrably high quality
<b>A</b>	Completely satisfactory - extremely low level of risk
<b>B</b>	Satisfactory - very low level of risk when the water leaves the treatment plant
<b>C</b>	Marginally satisfactory, low level of microbiological risk when the water leaves the treatment plant, but may not be satisfactory chemically
<b>D</b>	Unsatisfactory level of risk
<b>E</b>	Unacceptable level of risk

### Distribution Zone Grading:

	Assessment based on reticulation condition, management and actual water quality:
<b>a1</b>	Completely satisfactory - negligible level of risk, demonstrably high quality; meets Aesthetic Guidelines and has ISO 9001:2000 accreditation
<b>a</b>	Completely satisfactory - extremely low level of risk
<b>b</b>	Satisfactory - very low level of risk
<b>c</b>	Marginally satisfactory, moderate level of risk
<b>d</b>	Unsatisfactory level of risk
<b>e</b>	Unacceptable level of risk

## Long Term Solution for Westport Water

### Westport Water Upgrade - Stage II

In the 2013/2014 Annual Plan Council approved an accelerated upgrade to the Westport Water Supply upgrade. The cost of the Partial Upgrade was \$9 million as this option delivers both safe drinking water and improves the reliability of the supply by upgrading the trunk main. Stage I which addresses the filtration and water treatment will be completed by late 2014. By September 2014 the drinking water will comply with the current NZ Drinking Water Standards. Stage II, which upgrades the trunk main reticulation and reduces the water pressure, is programmed to be completed in 2014/2015 at a cost of \$3.1 million.

### Rural Drinking Water Upgrades

A new application has been made to the Ministry of Health for the Waimanagroa water supply on the basis that a larger treatment plan is needed. Also an application has been made for funding for Inangahua Junction water supply. Construction of the water supply upgrade for Ngakawau/Hector is scheduled to occur in 2014/2015.

The Drinking Water upgrades for Little Wanganui, and South Granity have been deferred to 2015/2016.

No upgrade is planned for the Mokihinui Water Supply Scheme.

### Assumption:

Timing of all upgrades are subject to approval of application by Ministry of Health and receipt of subsidy may differ from predictions made in this plan if there are delays in the construction programme.

## Karamea Water Supply

In the previous Annual Plan for 2013/2014 Council undertook an investigation to determine if a reticulated and treated water supply for Karamea including Market Cross could be found.

Stage 1 encompassed identifying a suitable water source. It entailed drilling a test borehole, designing a water treatment system, reservoir and pipework. It cost \$150,000. The subsidy application was successful. A good quality water has been found in quantities that are sufficient for a reticulated supply for Karamea. A further application has been made to the Ministry of Health for DWAP funding for this project.

If this further application is successful then there will be further consultation with the Karamea residents in the area to be reticulated. The construction of the supply will be determined following the consultation.

## Explanation of Variances between the Long Term Plan and the Annual Plan

### Fees and Charges Metered Water

The variation to the Long Term Plan of \$80,000 is mainly due to the reduction of Westport metered water income.

### Payments to Suppliers and Staff

The expenditure is predicted to be lower mainly due to savings in repairs and maintenance associated with the Westport water (\$152,000) Minor savings across various water supplies accounted for the remainder.

### Finance Costs

Finance costs are estimated to be \$109,000 higher than the Long Term Plan budget, due to increased debt associated with the accelerated upgrade of the Westport Water supply. The LTP budgeted for a phased upgrade of the water supply over 10 years.

### Subsidies and Grants for Capital Expenditure

Financial assistance is \$1.5 million greater than the Long Term Plan budget due to the following:

- The Long Term Plan budgeted for a Drinking Water subsidy of \$302,000 for the Westport water supply as the LTP was based on a phased upgrade over 10 years. However, due to timing of the project milestones, an amount of \$1.1 million will be received in the 2014/2015 financial year.
- Drinking Water Subsidies for upgrades to Ngakawau-Hector (\$219,000), Inangahua Junction (\$127,500) and Waimangaroa (\$403,000) have been budgeted for in the 2014/2015 Plan. Timing of these upgrades have differences to the Long Term Plan.

### Increase in Debt

Borrowings are \$920,000 greater than predicted in the Long Term Plan due to higher loans associated with the Westport Water supply (\$860,000) and Waimangaroa upgrades (\$60,000). This is due to the accelerated upgrade of the Westport water supply.

# Funding Impact Statement

## - Water Supplies

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>Operating Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	0	0	0
Targeted rates (other than a targeted rate for water supply)	2,021	2,194	2,152
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	281	307	227
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0
<b>Total Operating Funding</b>	<b>2,302</b>	<b>2,501</b>	<b>2,379</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	994	1,146	911
Finance Costs	207	232	341
Internal charges and overheads applied	227	255	356
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>1,428</b>	<b>1,633</b>	<b>1,608</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$874</b>	<b>\$868</b>	<b>\$771</b>
<b>Capital Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	1,594	327	1,851
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	4,177	1,016	1,936
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>5,771</b>	<b>1,343</b>	<b>3,787</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	5,919	1,502	4,169
- to replace existing assets	523	469	548
Increase/ (decrease) in reserves	203	240	(159)
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>6,645</b>	<b>2,211</b>	<b>4,558</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$(874)</b>	<b>\$(868)</b>	<b>\$(771)</b>
<b>Funding Balance WATER SUPPLIES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# Wastewater / Sewerage



## Overview of Activity

### What we provide

Council provides these activities to support the health and wellbeing of the community and the environment.

Currently Council provides for the collection and transportation of the wastewater from residential and commercial properties of the townships of Westport, Little Wanganui and Reefton through underground piping infrastructure and treatment facilities. The rest of the district is serviced by on-site disposal systems that property owners maintain.

### Why do we do it?

Council intends to retain ownership of the sewer systems for the following reasons:

- The provision of wastewater services is considered to be a core function.
- The ability to exclude or disconnect properties from the sewer reticulation had economic and public health implications. Public ownership can prevent the sewer system from being controlled in an exclusive manner.
- The majority of properties have limited disposal options.

For these reasons the objective of retaining ownership of the wastewater system is to use that control wisely and in the best interests of the affected communities.

### How do we measure progress

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
Provide safe facilities for both the community and the operators	Wastewater Asset Management Plans Protection of public health	Supplying reticulated sewer systems that support public health and operator safety	Continue to do the same
Provide adequate capacity	Wastewater Asset Management Plans Support growth within the communities	Supplying reticulated sewer systems to Little Wanganui, Westport, Carters Beach and Reefton	Operate current systems without any increase in the number of overflows
Provide a reliable sewer system	Wastewater Asset Management Plans Support growth within the communities	Supplying wastewater collection from households and businesses with minimal disruptions	Continue to do the same
Provide sewer collection and disposal with the minimum environmental impact	Resource Consents	Monitoring sewer systems and meeting resource consent requirements	Continue to do the same

# What does Council plan to do in the Future?

Measures and Targets	Last Reported Performance	2014/2015
<b>Public Safety</b>		
No accidents, injuries or public contact with sewerage	2012/2013: No reported injury or illness attributed to the sewer systems (2011/2012: no accidents reported)	Continue to do the same
Number of public health issues attributed to the wastewater system	2012/2013: No issues reported by the Ministry of Health (2011/2012: no reports)	Maintain zero reports
No intrusions or injuries	2012/2013: No intrusions and no injuries arising from intrusions (2011/2012: nil)	
<b>System Capacity</b>		
Maintain capacity of existing combined systems	2012/2013: 13 overflows during the last twelve months (2011/2012: 16 sewerage overflows)  The number of overflows are related to the severe weather events experienced in the Buller District in 2013	No more than ten overflows throughout the district
Design all new systems to New Zealand Standard: 4404:2010	2012/2013: No new sewer systems constructed (2011/2012: no new systems constructed)	All new sewers designed to cope with a one in ten year event
<b>System Reliability</b>		
To accept sewage from properties virtually all of the time	2012/2013: 0.32 blockages per kilometre of pipeline (2011/2012: 0.39 blockages per kilometre of pipeline)	No more than one blockage per kilometre of pipeline
	Only two blockages took over four hours to clear (2011/2012: one blockage took six hours to clear due to a manual excavation in a confined area)	All blockages cleared within four hours
	Within the Westport/Carters Beach, Reefton and Little Wanganui Subdivision sewerage schemes there are over 3,000 property connections (laterals)	No more than forty blockages in laterals
	64 lateral blockages in the last 12 months (2011/2012: 52 lateral blockages in the 12 month period)	
	This is 24 more than the targeted level (2011/2012: 12)	
<b>Environmental Impact</b>		
To comply with resource consent conditions	2012/2013: 100% compliance with resource consent conditions. In practical terms these are technical breaches beyond Council's control, e.g. heavy rain. These are reported weekly to the West Coast Regional Council (2011/2012: 100% compliance)	100% compliance
	<b>Reefton Waste Water Treatment Plant (WWTP):</b>	
	Reefton WWTP consent requires scheduled monitoring 9 times per annum for a variety of analytes at various locations	100% compliance with the report requirements of the Resource Consent
	The Ponds are monitored for Dissolved Oxygen levels, odours, and a variety of potential visual anomalies	
	The effluent in the ponds discharge channel is monitored for various analytes including Biological Oxygen demand, Faecal Coliforms, E-coli, and Total Suspended Solids	
	Receiving water quality is also undertaken downstream at the confluence of Cemetery Creek and the Inangahua River. Analytes include Visual clarity of the water, Biological Oxygen demand, Suspended Solids, Unionised Ammonia, Dissolved Oxygen, pH, Water Temperature, Faecal Coliforms, and E-coli	
	2 breaches: Ecoli(2), faecal Coliforms, temperature	
Additionally annual monitoring of the sediments in the discharge channel is required on an annual basis. Analytes for this include Arsenic, Cadmium, Chromium, Copper, Mercury, Nickel, Lead, Zinc, and Poly Aromatic Hydrocarbons		
5 breaches: arsenic(2), lead, and mercury(2) and zinc. Testing of the effluent leaving the ponds showed low or no metals concentrations, which supports the theory that the contaminants are entering Cemetery Creek upstream of the plant		



Measures and Targets	Last Reported Performance	2014/2015
To comply with resource consent conditions	<p><b>Conveyance Pump Stations:</b></p> <p>Large parts of Westport's sewer network also double as its stormwater network. This leads to large quantities of rainwater entering the sewer system. Prior to the 2006 upgrade of Westport's sewerage system this was not an issue. However the sewerage treatment upgrade required the construction of sewerage pumping stations at the sewer / stormwater outfalls, in order to transport the sewerage to the Alma road treatment plant. It was deemed to be uneconomic and impractical to size the pump stations and the treatment plant to treat this huge volume of additional stormwater. This was recognised in the Westport Waste Water Treatment Plant consent which allows for storm water induced overflows to occur at the 3 outfall sewer pump stations located at Pakington, Rintoul and Roebuck St outfalls</p> <p>Stormwater induced overflows are monitored by testing the receiving water quality downstream of the pump station concerned, and recording the dates times and durations of these events. As well as monitoring water quality at two recreational (Marr's and Shingle) beach locations downstream</p> <p>There were 12 breaches for overflow monitoring, E-coli(5), Enterrococci (2) Faecal Coliforms (5)</p> <p>It is noted that as the pump stations are located prior to the treatment plant, that council can only monitor the upstream and downstream contaminant levels, and cannot alter the concentration or dilution or duration of the sewerage overflows to the river during these rain overflow events</p>	100% compliance with the report requirements of the Resource Consent
To comply with resource consent conditions	<p><b>Westport Waste Water Treatment Plant (WWTP):</b></p> <p>The Westport Waste Water Treatment Plant consent requires monitoring of receiving waters in the Buller river 9 times per annum. Analytes include Visual clarity of the water, Biological Oxygen demand, Suspended Solids, Unionised Ammonia, Dissolved Oxygen, pH, Water Temperature, Faecal Coliforms, and E-coli. As well as observing whether any scums, discoloration or odours are present</p> <p>The consent also requires monitoring of the effluent quality at the point where it leaves the treatment plant, 9 times per annum. Analytes for this include Biological oxygen demand, Faecal coliforms, E.coli, Suspended solids, conductivity, effluent volume</p> <p>Once per year the sediments in the Buller river are tested for levels of various contaminants, These analytes include Aluminium, Arsenic, Cadmium, Chromium, Copper, Mercury, Nickel, Lead, Zinc, Cyanide Phenol, and Total Hydrocarbons</p> <p>Leaving the treatment plant there were 3 breaches. Ecoli(1), Faecal coliforms(1), TSS(1), BOD(1)</p>	100% compliance with the report requirements of the Resource Consent
No complaints regarding objectionable odour from the treatment plants	2011/2012: Nil unsubstantiated smell complaints received (2010/2011: one unsubstantiated complaint was received)	No complaints received

## Assumptions

Following a review of likely population and demographic growth throughout the district, it has been assumed that there will be no significant capacity change required for infrastructure to meet to demands.

Resource consent to discharge primary treated and untreated sewage effluent to Buller River during storm overflow events was for 20 years from date of issue July 2003.

## Significant Projects/Issues

### Westport Sewerage

- Continue with plan to upgrade sewerage systems in Derby Street (\$175,000)
- Pump replacements and telemetry in Carters Beach (\$68,000)
- Minor capital (\$39,000)
- Finalise the sewer modelling and separation project (\$54,000)
- Overhaul of the centrifuge at the Westport Treatment Plan (\$35,000)

### Reefton Sewerage

- Reticulation renewals (\$101,000)
- Minor capital (\$10,000)

### Little Wanganui

- Asset renewals (\$12,000)

## Funding Allocations

Activity	Funding Mechanism	
	Operating	Capital
District Sewerage Schemes	Targeted rate	Depreciation Reserves Loans Investments Targeted Rates

Sewerage Disposal is funded from Targeted Rates and Trade Waste Charges on a user pays basis by those receiving the service. This is also augmented by external borrowing for significant capital projects. Each individual sewer system is managed as a separate account, so the activities can be tracked for each system.

The Forecast Targeted Rates for the next year are:

Forecast Targeted Rates	2014/2015
	GST Exclusive
Westport Sewerage	790.00
Reefton Sewerage	510.00
Little Wanganui Sewerage	580.00

## Explanation of Variances between the Long Term Plan & the Annual Plan

### Other fees and receipts

The 2013/2014 budget for compost sales has been reviewed and the 2014/2015 budget has been reduced by \$73,000 to more accurately reflect the income received.

### Payments to Suppliers and Staff

Re-allocation of overheads has resulted in the payments to suppliers for the Long Term Plan being overstated and internal charges and overheads supplied being understated by \$87,000.

### Capital Expenditure

- To improve the level of service  
An additional amount of \$57,000 compared to the Long Term Plan has been budgeted for the Westport Derby Street Upgrade as an increased length of reticulation is planned to be upgraded.
- To replace existing assets  
An amount of \$68,000, which is budgeted to upgrade pumps and telemetry in Carters Beach, was not budgeted for in the Long Term Plan. In addition, an amount of \$53,000 is budgeted to upgrade mains renewals and additional manholes in Reefton.

# Funding Impact Statement

## - Wastewater / Sewerage

Annual Plan	Long Term Plan	Annual Plan
2013/2014	2014/2015	2014/2015
\$000	\$000	\$000

### Operating Funding

#### Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	0	0	0
Targeted rates (other than a targeted rate for water supply)	2,191	2,305	2,318
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	85	88	15
<b>Total Operating Funding</b>	<b>2,276</b>	<b>2,393</b>	<b>2,333</b>

#### Applications of Operating Funding

Payments to Suppliers and staff	1,040	1,054	930
Finance Costs	305	292	292
Internal charges and overheads applied	238	238	347
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>1,583</b>	<b>1,584</b>	<b>1,569</b>

<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$693</b>	<b>\$809</b>	<b>\$764</b>
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### Capital Funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(229)	(242)	(242)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>(229)</b>	<b>(242)</b>	<b>(242)</b>

#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	114	118	175
- to replace existing assets	337	193	322
Increase/ (decrease) in reserves	13	256	25
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>464</b>	<b>567</b>	<b>522</b>

<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$(693)</b>	<b>\$(809)</b>	<b>\$(764)</b>
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<b>Funding Balance WASTEWATER / SEWERAGE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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## Overview of Activity

### What we provide

Stormwater management systems are an integrated set of procedures and physical assets designed to manage the surface runoff from urbanised catchments.

Council manages stormwater systems in Hector/Ngakawau, Seddonville, Granity, Waimangaroa, Carters Beach, Reefton and Westport. The majority of the stormwater system in Westport is piped.

Sections of the Westport piped sewer system and all of the Reefton piped sewer system also convey stormwater.

In Punakaiki, the only public stormwater drain is maintained by Transit as part of their roading network. In other townships, such as Mokihinui or Little Wanganui, there are no formal stormwater systems. Stormwater is lead by sumps to natural water courses or the discharge relies on soakage.

### Why do we do it?

Council provides stormwater systems to manage surface water runoff from urbanised catchments in a way that achieves a balance between the level of protection and the cost to the community. Council intends to retain ownership of the stormwater systems. This continued ownership is justified on the following grounds:

### What does Council plan to do in the Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
Provide adequate stormwater capacity	Stormwater Asset Management Plan	Managing reticulated stormwater systems and/or open drainage system throughout the district	Continue to do the same
	Protection of Public Health		
Provide a reliable stormwater system	Stormwater Asset Management Plan	Provide stormwater collection from properties with minimal disruptions	Continue to do the same
	Protection of Public Health		
Provide a stormwater system with minimal environmental impact	Resource Management Act	Meet resource consent requirements	Continue to do the same

## How do we measure Progress?

Measures and Targets	Last Reported Performance	2014/2015
Provide adequate stormwater capacity Compliance with design standards No houses inundated with stormwater (2010: Nil)	2012/2013: 1 new main constructed designed for a 1 in 10 year event (2011/2012: 1 new main)  2012/2013: No houses inundated with stormwater (2011/2012: Nil)	All designs conform with New Zealand Standard 4404:2010  No more than five hours inundated by stormwater flooding per annum, by a 1 in 50 year event
Provide a reliable stormwater system	2012/2013: 17 service requests of which 11 were completed on time which was due to the severity of the fault being assessed as less serious by the contractor (2011/2012: 14 service requests of which 13 were completed on time)  2012/2013: 65% of service requests completed within response times (2011/2012: 93%)  Regular inspections of stormwater system were undertaken  These will pick up loose or stuck manhole lids, buildup of silt and if floodgates are blocked by silt or debris repairs are undertaken to remediate	Continue to do the same
	2012/2013: There were 7 blockages to the stormwater system that resulted in main clearance (2011/2012: 4 blockages)  These blockages did not result in any significant flooding	
	Provide a stormwater system with minimal environmental impact	2012/2013: Currently no resource consents for stormwater due to existing use  Stormwater system was in place prior to the Resource Management Act

## Significant issues/projects

- Lifetime management approach is used to identify the issues/projects relating to stormwater.
- Ongoing renewals in Derby and Brougham Streets, Westport (\$119,000).
- Increasing the number of manholes to aid maintenance (\$22,000).

## Funding allocations

### Stormwater Services Funding

Stormwater is funded from General Rates as this activity is not seen as benefiting a particular individual or group of individuals but the community as a whole. The valuation is summarised in the following table.

Activity	Funding Mechanism				
	Operating		Capital		
Stormwater	General rates	Depreciation	Loans	General Rates	Investments

## Assumptions

Following a review of likely population and demographic changes throughout the district, it has been assumed that there will be no significant growth in urbanised area requiring stormwater reticulation. The only area identified for stormwater reticulation is the North Beach area of Westport.

## Explanation of Variances between the Long Term Plan & the Annual Plan

- No significant variances noted.



# Funding Impact Statement

## - Stormwater

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>Operating Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	449	397	405
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	8	8	8
<b>Total Operating Funding</b>	<b>457</b>	<b>405</b>	<b>413</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	142	144	125
Finance Costs	30	39	29
Internal charges and overheads applied	56	56	98
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>228</b>	<b>239</b>	<b>252</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$229</b>	<b>\$166</b>	<b>\$161</b>
<b>Capital Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(19)	(25)	(20)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>(19)</b>	<b>(25)</b>	<b>(20)</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	210	141	141
Increase/ (decrease) in reserves	0	0	0
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>210</b>	<b>141</b>	<b>141</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$(229)</b>	<b>\$(166)</b>	<b>\$(161)</b>
<b>Funding Balance STORMWATER</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# Solid Waste



## Overview of Activity

### What we currently provide

The Solid Waste Activity provides for the collection, transfer and final disposal of waste materials generated by households and businesses within the District.

Council provides domestic refuse (rubbish) and recycling collections to houses in Westport and Reefton and most rural areas. However some areas have no collection service. An estimated 3,020 tonnes of refuse is currently transported out of the District to landfills in Nelson, as this is the most cost effective option.

Council contracted out the operation of the transfer stations and recovery parks in Westport and Reefton to Smart Environmental Ltd (SEL). These sites are used by all District residents and businesses for the disposal of separated recyclable materials, household waste and garden waste.

Council also operates two active landfills at Karamea and Mauria.

Council provides the aftercare of the Council's closed landfill sites at Birchfield, Westport, Charleston, Inangahua, Reefton, Springs Junction and Ikamatua, and monitors groundwater quality at these sites as required under resource consent conditions.

Council also has a role in facilitating waste minimisation behaviours within communities. This is put into effect by providing resources for education programmes into schools about sustainability and waste minimisation. Support is also provided to businesses to develop more sustainable practices.

### Why do we do it?

Facilitating the provision of a kerbside collection for household refuse and recycling, plus waste disposal and materials diversion services and facilities helps maintain the quality of life in the District, protects the environment and facilitates waste minimisation through re-use, recycling and recovery. Provision of the service also minimises illegal dumping of refuse.

Council adopted the Solid Waste Management and Minimisation Plan (WMP) in July 2012. This plan proposed that there would be a number of investigations. The outcomes of these could result in changes to the levels of service provided by Council's kerbside collection services, resource recovery park and transfer stations and other waste management services.

The cost of disposing of solid waste in all its forms has risen dramatically over recent years. Modern landfills are highly regulated, expensive to build and operate and continue to cost money after they have been closed. Government's response to Climate Change concerns and a general move to "polluter pays" measures mean the arrival of new taxes and levies and even more cost increases into the future. This escalation will happen no matter who provides this service. Recycling is the best way to mitigate cost increases.

The bag and wheelie bin and crate system will be a more environmentally sustainable waste system for Zone 1 residents.

The Contract with Smart Environmental Ltd (SEL) means that glass and cardboard is now collected as part of a kerbside collection.

This system in Zone 1 will actively encourage recycling and is in line with our Waste Minimisation Plan.

### Issues

The outsourced contracted approach to Solid Waste was successfully implemented in February 2014. Solid Waste, including recycling, is now managed in three separate zones.

Residents in **Zone 1** have been provided with a recycling wheelie bin and crate for glass. **Zone 1** residents continue to purchase rubbish bags from existing outlets to dispose of their rubbish.

Ratepayers in **Zone 1** now pay a targeted rate for the recycling component of the Solid Waste service. Where there is only one inhabited or used part to that property each ratepayer will pay a targeted rate of \$133 (exclusive of GST) for a recycling wheelie bin and a crate for glass recycling, the ratepayer will be charged on a 'per bin and crate available for use' basis.

In **Zones 2 and 3** recycling wheelie bins and glass crates are not provided. Instead, the waste management rate covers the cost of operating the landfill and a targeted rate will be charged to each separate rateable property for that service. The targeted rate per rateable property for **Zone 2** (Karamea) will be \$93 (excluding GST), and \$82 (excluding GST) for **Zone 3** (Mauria).

### On-going Council Functions

Council is involved in the following Solid Waste functions:

- Asset Management planning for all Solid Waste facilities
- Landfill monitoring in accordance with resource consents
- Ongoing education to reduce residual waste
- Emission Trading Scheme and waste levy scheme
- Contractor Management (via a subsidy)

Council agreed to fund these on-going district-wide services from general rates.

# Level of Service at Transfer Stations and Landfills

## Transfer Stations

Reefton is open for four half days (no changes) and Westport transfer station is to be open for five days (with the transfer stations not being closed for more than two days at a time).

## Landfill

Council has assumed no further development of the Westport Landfill will be undertaken.

Council's landfills at Karamea and Maruia are not used for the disposal of the District's residual refuse but can be used by ratepayers for refuse generated within the catchment area for each landfill. The contract for the maintenance and operation of these two small landfills is managed by Council outside the Waste Services Contract awarded to Smart Environmental Ltd.

## Funding of Solid Waste

Targeted Rates (exclusive of GST):	
Zone 1	\$133
Zone 2 (Karamea)	\$93
Zone 3 (Maruia)	\$82

## What does Council plan to do in the Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
To provide a safe and environmentally sound solid waste collection, treatment and disposal service	Drivers - population demographics	Transfer station at Westport operates 5 days per week	Continue to do the same
	Number of properties	Reefton transfer station operates 4 x half days per week	Continue to do the same
	Economic activity	Maruia landfill open two days a week	Landfill closed for contractor usage but open for usage within catchment area
		Karamea landfill open three days a week	Landfill closed for contractor usage but open for usage within catchment area
		Providing a weekly kerbside refuse collection to all properties rated for kerbside refuse and recycling collection	Council will provide a weekly bag and a fortnightly recycling service using wheelie bins and crates
	Monitor of Council waste facilities	Continue to do the same	
	Minimising the risks of waste being inappropriately or dangerously disposed of by participating in a regional landfill facility	Transporting residual waste to the regional landfill in Nelson, with no significant incidences of non-compliant materials in the waste sent	Smart Environmental disposes of residual rubbish and recycling
Managing adverse environmental effects on land and water through best practice management at the regional landfill and District disposal sites	Managing closed landfill sites at Birchfield, Westport, Charleston, Inangahua, Reefton and Springs Junction in accordance with the consent conditions, with 100% compliance with consent conditions for the closed landfills	100% compliance with Resource Consent conditions	
	Operating transfer stations in accordance with consent conditions, with 100% compliance over conditions		

## How do we measure progress?

Measures and Targets	Last Reported Performance	2014/2015
Monitoring of Council's solid waste facilities	2012/2013: Regular monitoring and reporting to West Coast Regional Council in accordance with resource consents	Continue to monitor and provide reports to West Coast Regional Council
	Results to date do not require any remedial work	
	Annual Landfill Report filed to the West Coast Regional Council	
Total amount of waste (tonnes) sent to landfill per year	2012/2013: Reduction over last 12 months is 1% (2011/2012: 1%)	Reduce by 5% per annum
Publication of information and articles for community members	2012/2013: 2 articles published per annum (2011/2012: 4 articles)	4 articles
Provide programmes to schools on waste care, re-use and recycling	2012/2013: No contribution to Enviroschools (2011/2012: Council contributed to Enviroschools Programme, Council took 1 school group through the transfer station and recycling facility)	Council contributes to Enviroschools Programme which delivers presentations to every school in the district

## Assumptions

- Council has secured a site for the development of a landfill near Westport and designations will be obtained for the site as part of the District Plan Review.
- Resource consents and construction of the landfill would only proceed if that is the best economic and environmental solution to dispose of residual refuse for the district, however no development for the Westport Landfill has been allowed for in the current plan and it is assumed that refuse will continue to be accepted at Nelson.
- Nelson City Council will continue to accept refuse from the Buller District in 2014/2015 - thereafter the contractor will be responsible for the disposal of rubbish and recycling.

## Funding allocations

Funding allocations are as per the Revenue and Financing Policy

Activity	Funding Mechanism	
	Operating	Capital
Provision of waste management and waste minimisation in Zone 1,2 and 3	100% Targeted Rates	
Residual costs associated with landfill monitoring	100% General Rates	Depreciation Reserves Loans Investments

# Explanation of Variances between the Long Term Plan & the Annual Plan

## General Rates

The Long Term Plan assumed that virtually all the Solid Waste activities would be funded from a targeted rate. Council agreed in the 2013/2014 Annual Plan to fund the residual costs associated with landfill monitoring and development, waste minimisation and asset management from general rates. These are district-wide costs and should be rated like all other generic costs on land value within the general rate. This change in fund strategy has meant that at an overall level, general rates for Solid Waste have increased by \$313,000 compared to the Long Term Plan.

## Targeted Rates

Targeted rates have reduced by \$605,000 compared to the Long Term Plan due to:

- District-wide costs, as explained above, are being funded from the general rate (\$313,000).
- Savings in operational costs as a result of the contracted approach.

## Fees & Other Receipts

Rental from Smart Environmental Ltd totalling \$50,000 was not budgeted for in the Long Term Plan.

## Payments to Suppliers and Staff

Savings associated with the contracted approach have led to lower expenditure.

## Finance Costs

Repayment of debt has led to lower finance costs than budgeted for in the Long Term Plan.

## Capital Expenditure

- Complete sealing and power to Westport and Reefton Transfer Stations. Provision of glass bunkers for recycling (\$110,000).
- Provision of litter bins (\$10,000).



# Funding Impact Statement

## - Solid Waste

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>Operating Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	111	112	313
Targeted rates (other than a targeted rate for water supply)	1,298	1,307	702
Subsidies for operating purposes	34	35	29
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	8	8	65
<b>Total Operating Funding</b>	<b>1,451</b>	<b>1,462</b>	<b>1,109</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	805	830	757
Finance Costs	129	126	68
Internal charges and overheads applied	172	178	149
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>1,106</b>	<b>1,134</b>	<b>974</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$345</b>	<b>\$328</b>	<b>\$135</b>
<b>Capital Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(74)	(79)	(54)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>(74)</b>	<b>(79)</b>	<b>(54)</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	31	6	120
Increase/ (decrease) in reserves	240	243	(41)
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>271</b>	<b>249</b>	<b>81</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$(345)</b>	<b>\$(328)</b>	<b>\$(135)</b>
<b>Funding Balance SOLID WASTE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# In-house Professional Services



## Overview of Activity

### What we provide

The Professional Services unit provides engineering services to support the maintenance and development of Council infrastructure.

This includes the preparation of contracts for roading, water, wastewater, solid waste and property, amenities and reserves. They monitor the performance of contractors and issue instructions for work found necessary as a result of requests for service and comments from ratepayers.

### Why do we do it?

The maintenance of an in-house professional services unit allows Council to access engineering services on a cost effective basis. In-house expertise assists the efficient management of Council roading and other infrastructure assets.

### What does Council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
To provide engineering advice to Council and administer contracts	Asset Management Plans	Prepare annual work programmes for the Manager Operations on Work Programme progress	Continue to do the same

### How do we measure progress?

Measures and Targets	Last Reported Performance	2014/2015
Provide monthly reports on annual work programmes, monitor contract works and prepare monthly contract progress reports	2012/2013: Monthly reports to the Manager Operations on Work Programme progress	Prepare annual work programmes and monthly progress reports

### Assumptions

That Council's professional services team will remain fully staffed during the period and that any vacancies can be filled in a timely manner.

# Funding allocations

Funding allocations are as per the Revenue and Finance Policy

Activity	Funding Mechanism		
	Operating	Fees	Capital Spend
Professional Services	Internal charges reallocated to other departments	Nil	Loans Depreciation Reserves Investments

## Significant projects/issues

Maintenance and updating of databases held for the continued management of the assets.

## Explanation of Variances between the Long Term Plan & Annual Plan

- No significant variances noted.



# Funding Impact Statement

## - In-house Professional Services

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>Operating Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	0	0	0
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	743	751	785
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0
<b>Total Operating Funding</b>	<b>743</b>	<b>751</b>	<b>785</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	537	540	586
Finance Costs	5	1	2
Internal charges and overheads applied	121	140	126
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>663</b>	<b>681</b>	<b>714</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$80</b>	<b>\$70</b>	<b>\$71</b>
<b>Capital Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	42	(6)	(9)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>42</b>	<b>(6)</b>	<b>(9)</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	57	0	0
Increase/ (decrease) in reserves	65	64	62
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>122</b>	<b>64</b>	<b>62</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>(80)</b>	<b>(70)</b>	<b>(71)</b>
<b>Funding Balance IN-HOUSE PROFESSIONAL SERVICES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# Community Services



## Overview of Activity

### Why is the Council involved in community services?

A community is enhanced through the provision of services that deliver to the cultural and recreational needs of residents.

These services are vital to the quality of life of residents and provide the infrastructure that enables the building of social, cultural and sporting associations within the community. The community also has a vital role to play in contributing to the district's success by being informed about and involved in decisions and projects.

### What activities are included in community services?

#### Community grants & funding

The Council provides funding directly to community organisations, as well as managing the distribution of various government funding for the arts, sporting and youth initiatives.

Organisations are provided with KPI's and quarterly performance reports are submitted to Council.

Grants allocated include:

- Communities Grants
- Base Grants
- Tourism Grants (see list on [page 57](#))
- Sport & Recreation Grants
- Representation Grants
- Councillor Minor Grants

#### Libraries

Libraries provide access to life-long learning and recreational reading as well as space for the community to meet and interact. Our libraries cater for all age groups - from early childhood to senior citizens. Access to information is in a variety of formats including books, media and electronic databases. Buller District libraries promote life-long learning and support literacy.

Information services are available during all opening hours with qualified staff to help users to find the information they seek. Westport library operates a 6 days a week, and Reefton 5 days a week.

Access to library holdings, borrower accounts and electronic information is available online via the council libraries web pages. The physical collection consists of currently 32,000 items. The District Library in Westport provides inter-loan services for books not held in own collection.

Free internet access is provided through Aotearoa People's Network while downloadable audio books and eBooks are available via a library consortium.

#### Sport, recreation & cultural facilities & services

Council currently provides and manages facilities for sporting and recreational users. These include swimming pools, indoor and outdoor sports surfaces, fitness and events spaces. Council transferred ownership of the Solid Energy Centre to Buller Recreation Ltd on 01 July 2009 for improved commercial focus, Council continues to contribute towards the provision of recreation and aquatic facilities for Buller.

#### Community engagement

Council provides community newsletters, media releases, specialist working groups and consultation programmes to inform and involve residents in Council activities and decisions.

#### Vision 2010 projects

This Annual Plan includes capital funding for the following projects:

- Construction of a Karamea multi-purpose facility (\$210,000)
- Funding the Westport 'Streetscape' beautification project (\$225,000)

Council intends to evaluate the need for unspent Vision 2010 funding that has been carried forward for several years in the next Long Term Plan.

#### Coaltown Trust

An additional \$67,000 conditional grant has been made to the Coaltown Trust to assist them in meeting their financial commitments. This is in addition to their base grant of \$111,616. This grant will be re-assessed on a quarterly basis by the Finance and Audit Committee.



## District promotion & tourism, event, tourism & business support

Council consulted on the following 5 options:

Option 1:	Status quo budget inflation adjusted - a similar or slightly enlarged budget (inflation adjusted to something less than \$500,000 including industry contributions).
Option 2:	Status quo budget without any inflation adjustment - a budget in line with the present 2013/2014 year budget of \$468,000 (including industry contributions) but with a greater emphasis on economic development.
Option 3:	The "Interim Solution" - a reduced budget to fund grants, core suite of promotional material, and creation of a new event (effectively the "interim solution" option that Council has used to produce this Annual Plan).
Option 4:	Existing Grants plus an event - a reduced budget to fund only existing grants and an event.
Option 5:	Grants to Museums only - reduced budget that only funds grants to museums. (All tourism activity grants funding, including Tourism West Coast and visitor centres would cease).

In its deliberations Council approved the interim solution (option 3 above). The adopted strategy includes funding to continue with a number of district promotional activities and tourism grants.

They agreed activities will be contracted out and they include:

Website maintenance:	<a href="http://www.buller.co.nz">www.buller.co.nz</a>	- District-wide tourism website
	<a href="http://www.bdc.govt.nz">www.bdc.govt.nz</a>	- Events section - District-wide events
	<a href="http://www.bdc.govt.nz">www.bdc.govt.nz</a>	- Economic Development and Marketing

### Electronic:

- Buller Guide to Living Well
- Travel Trade Manual

### Printed:

- Buller Touring Guide
- Westport Street Map and Buller District Map

### Liaison:

- Proposed multi-sport event liaison

Council will continue with Tourism Grants:

Organisation:	\$
Inangahua Tourism & Promotion	15,000
Reefton Visitor Centre	20,500
Karamea Information Centre	19,417
Blacks Point Museum	10,000
Coaltown/Information Centre	111,616
Northern Buller Resource Centre	4,736
Karamea Historic Society	7,000
Tourism West Coast	86,000
New Coasters	5,000
New Multi Sports Event	10,000
<b>Total Tourism Grants</b>	<b>\$289,269</b>

The Interim Solution is regarded as a temporary position by Council as it works towards a Buller Economic plan that sits in with the Regional Economic Strategy as developed by the West Coast councils.

It does mean the staff position of Economic Development Officer is to be dis-established as of 1 July 2014 and will reduce the range of economic development activities to the tourism and promotional activities as listed above. The cancellation of various services reduces operating expenditure by \$82,000 in comparison to the 2013/2014 Annual Plan.

This year will be a planning year for the Economic Development Committee as it takes a collaborative approach with other local Councils and partnering with local bodies such as Development West Coast. Community participation and consultation will be required in developing a Buller Economic Plan.

# Measuring our achievements

OBJECTIVE	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
To contribute to community development through liaison, funding and support to vital community organisations	Grants Policy	Implementing Council's own Grants Policy and community funding programme	Grants distributed twice per annum
	Regional Activity Strategy	Facilitating Creative New Zealand funding distribution	Distribution of grants from Creative NZ Funding twice per annum
		Facilitating Sport New Zealand funding distribution	Distribution of grants once per annum
		Facilitating Ministry of Youth Development funding support Youth Services in coordination with Buller REAP	
Supporting Buller REAP in the provision of youth transition services for the Buller	Capital funding for Inangahua, Seddon and Streetscape projects		
To provide services and facilities that meet information, learning, recreational and cultural needs	Library Policies	Providing a District Library in Westport and Branch Library in Reefton and supporting five Community Libraries throughout the district	Provide library services as detailed
	Library Collection Plan	Providing a wide range of free information services and opportunities through the Libraries	
		Providing reference and archive services	
To support the development and sustainability for district tourism	Successfully implementing Tourism Promotional and Development Plan 2012-2015	Engage in joint district promotional activities in conjunction with tourism operators and key stakeholders	Continued engagement with industry operators and Governance group regarding the Collective Tourism Project and Buller Marketing Plan
	Creating a core set of promotional material including websites, Buller Touring Guide, branding and photographic library	Development of Website	Develop <a href="http://www.buller.co.nz">www.buller.co.nz</a> to deliver on cross-selling Buller Visitor Experiences and original fine mesh design concepts
		Providing financial and other support for events	On-going involvement with event organisers to capitalise on income potential for Buller
	Key Performance indicators agreed with all grant recipients and monitored	Providing tourism grants and monitoring of agreed KPI's	Development of events website to be a reliable source for all Buller events
To keep the community informed		Providing tourism grants and monitoring of agreed KPI's	Continue to review, agree upon and monitor KPI's
		Distribution of newsletters and community information emails, provision of media releases also required	Distribution of newsletter, emails and media releases

# How we measure progress

MEASURES & TARGETS	Last Reported Performance	2014/2015
<b>COMMUNITY GRANTS &amp; FUNDING:</b>		
Distribution of national funding in accordance with policies	2012/2013: 96% Achieved (2011/2012: 92%) The decision to distribute less is a Grants Committee decision	100%
	2012/2013: Over \$30,000 distributed in contestable funding from Creative New Zealand, Sport New Zealand and Ministry of Youth Development (2011/2012: \$23,500)	
Council Grants distributed and monitored in accordance with our policies	2012/2013: 94% distributed (2011/2012: 100%) This was lower than the previous year due to less funding being allocated by the Grants Committee	100%
<b>DISTRICT PROMOTION, TOURISM SUPPORT &amp; EVENTS:</b>		
Key Performance Indicators (KPI's) agreed with all identified grant recipients and monitored	2012/2013: KPI's have been set per organisation by Council and agreed by the relative parties (2011/2012: no change)	90 - 100% range of targets set for organisations
	2012/2013: Quarterly reports are provided to the Community Services Officer (2011/2012: quarterly, no change)	KPI's monitored and achieved in quarterly report to Council
Monitor achievement of strategic promotional objectives	2012/2013: Bed nights have increased using the Commercial Accommodation Monitor (CAM).	Monitor increase / decrease in guest nights for Buller
	This is not a valid KPI measurement as there are several other contributing factors that affect visitor bed numbers.	Ongoing input and development of tourism website
	Examples of other contributing factors are Tourism West Coast and Tourism NZ promotions, local natural disasters and changes in the world economy.	
	2012/2013: Ongoing search engine optimisation and google ad campaigns initiated for buller.co.nz website	
	2012/2013: Consistent reporting in place for all key stakeholders	All work associated with Economic Development will cease
	Quarterly reports were given for the first four quarters. There were monthly meetings with the EDM Working Group.	
	Note: Additional KPI's were added and existing ones updated in February 2013 as part of the Annual Plan process, to be more measurable due to a change of focus from prominently marketing to Economic Development and Marketing	
<b>LIBRARY:</b>		
Satisfaction with Library services	2012/2013: 96.6% according to a customer satisfaction survey for the overall quality of the library service (2011/2012: 90%) While library patrons expressed a high overall satisfaction with library services and value having access to libraries, the number of physical visits to Buller libraries dropped last year by 8.2%	80 - 95% range
Number of active members	2012/2013: 3,143 active members - a decline of 3.2% (2011/2012: 3,247 - 3.2% increase)	Maintain or increase (0-4%)
Number of items borrowed	2012/2013: 70,686 items borrowed a decline of 3.6% (Target 72,000) (2011/2012: 77,248) The number of physical items borrowed is 8.4% lower than the previous year. It reflects a nationwide trend where visitor counts and issues in libraries fell over 20% in 2012. Another factor contributing to lower usage is the higher fees and charges.	Issues maintained or increased

MEASURES & TARGETS	Last Reported Performance	2014/2015
Number of physical items added to the Library collection per year	2012/2013: 2,562 items added (2011/2012: 2,663)	Not less than 2,000 new items per year
Number of visitors to the library	2012/2013: 78,267 visitors to the library (2011/2012: 85,250)	64,000 per annum
<b>SOLID ENERGY CENTRE:</b>		
Quality of sport and recreation service provision via the Solid Energy Centre	Statements of Intent are submitted and approved by Council	Monitoring of performance against budgets, Statement of Intent and KPI's
	Quarterly reports are submitted to Council	
	2012/2013: Monitoring of KPI's done in the half yearly reports submitted by Buller Holdings to Council	
	2012/2013: Performance to the targets in the Statement of Intent reports as reflected under Council Controlled Organisations (2011/2012: no change)	
<b>COMMUNICATIONS:</b>		
Community engagement - provision of information to community	2012/2013: Fortnightly distribution of electronic newsletter to subscribed users, printed newsletter distributed to every household in Buller every two months and media releases as required	Distribution of communications as required
<b>NBS THEATRE:</b>		
Number of cinema screenings per week	2012/2013: 26 on average per week (2011/2012: 35 per week) The decrease in screenings has been due to the fact that the Fred Gregory Screen Room projector was non-operational for three months, as well as the type of product (film) that was available during the year	Number of cinema screenings per week - 26 (dependent on film titles and time of the year)
	2012/2013: 17.04% occupancy per month (2011/2012: 23.6% occupancy - reason for decrease explained above)	Occupancy of cinema - 25% per month
Number of shows/perfor- mances	2012/2013: 46 days per year (2011/2012: 42 days per year) This increase, can, in part, be due to the fact that during the year the NBS Theatre was part of the Top of the South Consortium and the venue was more widely marketed with professional advice from Creative New Zealand	Number of shows/performances - 30 days per year
	2012/2013: Overall occupancy 74.79% (2011/2012: 63.6% overall occupancy)	Occupancy per show - 40%
	New strategies to market theatre shows has led to a marked increase in occupancy	
	2012/2013: Occupancy is dependent on the type of shows that tour New Zealand and whether they are well known. After surveying a number of 'Theatres' in Nelson, Ashburton and Greymouth it is now understood that it is unreasonable to expect to fill the theatre for every show. There is also an element of community good in bringing education and different entertainment genres to Westport	Analysis has been undertaken on the occupancy of screenings. The findings showed us that the facility is very hard to predict when occupancy is at its highest. Weather and the shift patterns of works in the area make it hard to predict.
Room hire	2012/2013: The average room hire for three rooms is approximately 67 hours per week (2011/2012: 31 hours)	4.0 hours per week
	This large increase is due to the fact that there are two rooms that are hired on a weekly and fortnightly basis, as well as the birthday party option in the Fred Gregory screen room which has seen an increase in the last 12 months	
	Positive growth due to regular hiring out of two rooms by health professionals	

## Assumptions

- No changes to funding from central Government and national organisations

## Significant Capital Projects/Issues

### Libraries:

- Acquisition of books for Westport and Reefton libraries (\$73,000)

### Vision 2010 Projects:

- Westport Streetscape Project (2014/2015: \$225,000)
- Karamea multi-purpose facility (\$210,000)

### NBS Theatre:

- Minor capital (\$20,000)

### Recreation Facilities

- Earthquake strengthening of the Reefton Community Centre (\$200,000)

## How do we fund Community Services?

ACTIVITY	Funding Mechanism			
	General Rate	Targeted Rate	Fees	Capital Spend
Economic Development and District Promotion	30%	66%	4%	Nil
		Targeted District Promotion & Marketing rate based on capital value		
Libraries	90%	Nil	10%	Loans, Depreciation Reserves, Grants, Investments
Recreation Facilities	100%	Nil	Nil	Loans, Depreciation Reserves, Grants, Reserves, Investments
Theatre	50%	Nil	50%	Loans, Depreciation Reserves, Grants, Investments
Community Development & Support	100%	Nil	Nil	Nil



# Explanation of Variances between the Long Term Plan & the Annual Plan

## General Rates

- A reduction in the level of service associated with District Promotion and Economic Development has resulted in significant savings for the general ratepayer (\$77,000).
- The repayment of debt associated with the Cultural Hub and reduced depreciation costs have reduced the contribution from the general ratepayer by \$164,000 compared to the Long Term Plan. Minor savings across a variety of activities accounted for the remainder.

## Targeted Rates

- A reduction in the level of services associated with District Promotion and Economic Development has resulted in significant savings in the budget. This has resulted in a lower level of targeted rates predicted to be collected (\$61,000).

## Fees & Other Receipts

- Lower income has been budgeted for the theatre as compared to the Long Term Plan due to a change in the method of collection and prior budgets being reviewed (\$56,000).

## Payments to Staff & Suppliers

- A decision to change the level of services associated with District Promotion and Economic Development has resulted in a change to staffing and operating expenditure (\$84,000).

## Capital Expenditure

### Improve the level of services:

- This is due to the \$225,000 budgeted for the Westport Streetscape Project.

### Replace existing assets:

- Preliminary indicative earthquake assessments (\$210,000) were not budgeted for in the LTP.

## Increase in Debt

- Debt is predicted to increase compared to the Long Term Plan due to debt associated with the earthquake strengthening of the Reefton Community Centre and the Westport Streetscape project. The Long Term Plan assumed that \$400,000 external fundraising would be achieved and debt would be repaid. In the 2014/2015 Annual Plan there is no requirement to fundraise for \$400,000 as the project was fully funded.

## Finance Costs

- Finance costs are lower by \$252,000 compared to the Long Term Plan. This is largely due to the repayment of loans (NBS Theatre, Cultural Hub).

## Other Operating Funding Applications

- Grants to community-based organisations and base grants have increased by \$116,000.
- Refer to [page 57](#) for a full list of grants that are facilitated by Council.

# Funding Impact Statement

## - Community Services

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>Operating Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	3,728	3,884	3,592
Targeted rates (other than a targeted rate for water supply)	296	308	236
Subsidies for operating purposes	25	25	21
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	0	0	1
Local authorities fuel tax, fines, infringements fees and other receipts	817	836	785
<b>Total Operating Funding</b>	<b>4,866</b>	<b>5,053</b>	<b>4,635</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	2,268	2,360	2,176
Finance Costs	1,254	1,296	1,044
Internal charges and overheads applied	519	623	613
Other operating funding applications	434	389	504
<b>Total Applications of Operating Funding</b>	<b>4,475</b>	<b>4,668</b>	<b>4,337</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$391</b>	<b>\$385</b>	<b>\$298</b>
<b>Capital Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	99	(324)	599
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	350	400	0
<b>Total Sources of Capital Funding</b>	<b>449</b>	<b>76</b>	<b>599</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	222	240	465
- to replace existing assets	528	73	293
Increase/ (decrease) in reserves	90	148	139
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>840</b>	<b>461</b>	<b>897</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$(391)</b>	<b>\$(385)</b>	<b>\$(298)</b>
<b>Funding Balance COMMUNITY SERVICES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



## Overview of Activity

### What we provide

“Council is an elected body that provides a governance structure for effective leadership, advocacy and accountable stewardship of the Council’s assets and resources. The Council is made up of ten elected Councillors, Mayor and the Inangahua Community Board. They are supported by a Chief Executive and staff.”

Under the Local Government Act 2002, our statutory roles are:

- To enable democratic local decision making and action by and on behalf of the people of the Buller district
- To promote the social, economic, environmental and cultural wellbeing of the Buller district, in the present and in the future

### Why we do it

These activities involve running the electoral process to provide the District with a democratically elected Mayor, Councillors and Community Board members, and the governance of the District by its elected representatives. Councillors provide leadership, advocacy and accountable stewardship of the Council’s assets and resources through transparent, democratic decision making.

Functions include:

- Running elections and democratic process, including community consultation
- Democratic decision making
- Organising and preparation for Council, Inangahua Community Board and Committee meetings
- All public meetings are run in accordance with statutory requirements (LGOIMA)
- Adoption of all statutory documents as required by the Local Government Act
- Consultation carried out in compliance with legislation
- Triennial elections
- Strategic planning

## What does Council plan to do in the Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
To provide a governance structure and to develop strategic direction for the future of the Buller District	Local Electoral Act 2001 Local Government Act 2002 Code of Conduct Standing Orders Form appropriate Committees and Working Groups encouraging community involvement	By providing support for meetings (eg agendas and minutes)	All public meetings notified on time
		Ad-hoc meeting with Ngati Waewae	At least two formal meetings were held with Ngati Waewae per annum and minuted
To engage and educate members of the community in matters of importance in our district	Consultation Policy Public Forum Guidelines Local Government Act 2002 Local Government Official Information and Meetings Act 1987 Standing Orders Code of Conduct	Arranging and providing support for meetings	Agenda's and minutes meet statutory timeframes and are easily accessible
		Providing public forum opportunities	
		Preparing consultation documents, collecting and collating submissions	
		Providing hearing opportunities	
		Providing policy assistance and advice around petitions, hearings etc	
Co-ordination of annual budgeting and financial planning processes and preparation of Long Term Council Community Plan and Annual Plan	Statutory compliance	Compliance with Local Government Act 2002	All consultations are held in full compliance with legislation
Provide timely and accurate financial information to Management and Council to enable effective monitoring and reporting of financial performance	To provide clear and well researched advice to Council to facilitate good decisions	Provide required information on time to Council	Decisions supported with information
		Provide information to the Finance and Audit Committee	

## How we measure progress

Measures and Targets	Last Reported Performance	2014/2015
<p>All meetings notified as per legislative requirements (Local Government Official Information Meetings Act "LGOIMA" and Standing Orders</p> <ul style="list-style-type: none"> <li>■ Minimum notification period of five days but this notification period must not exceed 14 days</li> <li>■ If meeting after the 21st day of the month, minimum notification is five days but notification period not to exceed 10 days</li> </ul>	2012/2013: 100% - all meetings notified as required (2011/2012: no change)	100%
% of agendas and reports available from Council two clear working days prior to each meeting	2012/2013: 100% (2011/2012: no change)	100%
% attendance of Council members at various Committee and Working Group meetings	2012/2013: 89% at Council meetings (2011/2012: 88% at Council meetings)	90%
% Residents who are satisfied with the way Council involves people in decision making	<p>2012/2013: No survey was undertaken (2011/2012: no survey)</p> <p>2012/2013: No survey was planned to be carried out</p>	<p>75% satisfaction (survey undertaken in 2013/2014 - every second year)</p> <p>Next survey scheduled for 2015/2016</p>
Number of meetings held with Maori	2012/2013: No meetings were held (2010/2011: one meeting was held)	Two formal meetings per annum with recorded minutes
% of Council meetings that are run according to statutory requirements	2012/2013: All Council meetings are run according to statutory requirements. Nil breaches of legislation noted (2011/2012: no change)	100%
% of consultations undertaken in compliance with legislation through evaluation of consultation procedure	2012/2013: Consultations were undertaken and all legislative requirements were met - 100% (2010/2011: no change)	100%
% of agenda items to open Council	2012/2013: 90% (2011/2012: no change)	90%
Adoption of Long Term Council Community Plan and Annual Plan within statutory timeframes with an unqualified opinion on Long Term Plan	2012/2013: Council met required statutory deadlines for adoption of required reports (2011/2012: no change)	<p>The next Long Term Plan is scheduled to be adopted by June 2016.</p> <p>The Annual Plan for 2014/2015 is scheduled to be approved by June 2014.</p> <p>The Annual Report for the year ending 30 June 2014 is to be approved by October 2014</p>
Adoption of Annual Report	2012/2013: Council met required statutory deadlines for adoption of Annual Report (2011/2012: no change)	Meet required statutory deadlines for adoption of required reports



# Significant projects & issues

## Rating Review

A review of the current Rating System is long overdue. The current system of rates, which has developed over time, is based on a complex system with over 40 differentials currently being utilised.

The complexity within our differential rates makes our rating system difficult for ratepayers to understand.

At the same time the large number of target rates has produced geographic distortions that raise questions of inequity and the role of district-wide responsibilities.

A rating review will address the rationale for how the rates burden has been allocated across the sectors and ratepayer classes. When calculating rates for each sector and class of ratepayer, the rates review will consider how the sector and class of ratepayer receives benefits from and places demands on Council facilities and infrastructure. The intention will be to deliver a more transparent and equitable rating system.

## Assumptions

- We have assumed that there will be no significant legislation changes that may affect this activity.
- There are no significant negative effects associated with this activity. No change in the governance structure of Council as a result of the Representation Review has been assumed.

## Funding allocations

Activity	Funding Mechanism		
	General Rate	Fees	Capital Spend
Democracy	100%	Recoveries from triennial elections	Nil

## Explanation of Variances between the Long Term Plan and Annual Plan

### General Rates

General rates, totalling \$268,000, have increased compared to the Long Term Plan due to additional staff time planned to be allocated to governance (\$127,000) as well as external resource costs (totalling \$100,000) associated with the rating review project.

### Internal Charges & Overheads

Internal overheads have increased by \$127,000 to the Long Term Plan to more accurately reflect managerial time associated with reporting and governance.

### Other Operating Funding Applications

External assistance associated with the Rating Review project has been budgeted for in the 2014/2015 Annual Plan (\$100,000). This was not budgeted for in the Long Term Plan.

# Funding Impact Statement

## - Governance

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>Operating Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	998	1,017	1,285
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	41	0	0
<b>Total Operating Funding</b>	<b>1,039</b>	<b>1,017</b>	<b>1,285</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	274	243	278
Finance Costs	0	0	0
Internal charges and overheads applied	534	504	631
Other operating funding applications	231	270	376
<b>Total Applications of Operating Funding</b>	<b>1,039</b>	<b>1,017</b>	<b>1,285</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$0</b>	<b>\$0</b>	<b>0</b>
<b>Capital Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	0	0	0
Increase/ (decrease) in reserves	0	0	0
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Funding Balance GOVERNANCE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# Support Services



## Overview of Activity

### What we provide

“The goal of Support Services is to be efficient, service orientated and accountable to Council and includes the following functions:”

- Customer Service functions in Westport and Reefton
- Corporate planning
- Financial and accounting operations
- Generation of Annual Plans, Long Term Plans and Annual Reports
- Rating operations
- Human Resources management
- Information Technology management
- General administration
- Health and safety compliance & legal counsel
- Monitoring and compliance of all Council Controlled Organisations
- Guidance and monitoring of Holding Company performance
- Asset management
- Management functions

### Why do we do it?

The activity is intrinsic to the support and functioning of all Council's activities and service provision.

### What does Council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2014/2015
Prioritise and manage operating expenditure and capital expenditure.	Accountability to provide sound governance and financial management. Compliance with stated strategies in Annual Plan and Long Term Plan	Expenditure within overall budgets Provision of financial information to Council and the Finance and Audit Committee	Continue with compliance
Maintenance of rating information database in compliance with Local Rating Act 2002.	Compliance with Rating Act	Information available to public at Westport and Reefton offices and on website	Continue with compliance
Maintenance of Council's Information systems including GIS and financial and regulatory systems.	Systems maintained and operated within budget	Available of systems to support provision of Councils service	Continue to improve system to change efficiency and effectiveness of Council services and operations
Customer Services provides the first point of contact for customers. The service includes a website (www.bullerdc.govt.nz), telephone service and face to face contact through the Customer Services desk in Westport.	To provide high level of response at the first point of contact regarding all aspects of Council's operations	Logging and monitoring of service requests to ensure all matters are resolved within agreed deadlines	Logging and monitoring of service requests with escalation where appropriate
To reduce the incidence of work related accidents and to ensure that Council complies with Health and Safety legislation.	Compliance with health and safety policies and legislation: Safety and Health in Employment Act 1992, Safety and Health in Employment Legislation 1995 and Employment Relations Act 2000	Ongoing review of all health and safety plans Compliance with health and safety legislation Secondary accreditation with WSMP programme	Ongoing compliance Maintain accreditation

## How we measure progress

Measures and Targets	Last Reported Performance	2014/2015
Net operating results and net capital results within overall budget	2012/2013: Within overall budgets with exceptions have been noted and explanations provided	Regular analysis of budgets and results with the Management Team to identify, explain and address any overruns in expenditure
	2012/2013: Council surplus of \$1.076 million versus a budget surplus of \$0.8 million (2011/2012: deficit of \$700,000)	Monthly reports to the Finance and Audit Committee with a monthly report to Council for discussion
	2012/2013: Net capital expenditure was \$6.6 million (2011/2012: \$5.3 million)	Operate within 5% of budgets
Statutory compliance and availability of rating information to public in Westport and Reefton	2012/2013: Continued availability of rating information to all members of the public	Continue to provide updated rating information available to public at Westport and Reefton Offices and on website
Availability of financial and operational systems including GIS systems to support provision of Council services for effective decision making	2012/2013: 99% availability with no extended downtime on all critical applications (2011/2012: 99%)	99% availability with no extended downtime on all critical applications
Customer information services are available to all customers. The activity employs highly trained and skilled staff who have local and Council knowledge and can provide clear, consistent and accurate information	Service requests are logged continuously and monitored weekly	Monthly logging and monitoring of all service requests
		Expediate all overdue service requests for resolution within agreed deadlines
		Compliance with agreed deadlines except in exceptional circumstances
Health and Safety	2012/2013: Maintain secondary level ACC accreditation (2011/2012: secondary accreditation achieved)  Ongoing review of policies and procedures, logging of all incidents and ongoing hazard identification	Secondary accreditation achieved

## Significant projects/issues

### Rating Review:

- A review of the current Rating System is long overdue. The current system of rates, which has developed over time, is based on a complex system with over 40 differentials currently being utilised.
- The complexity within our differential rates makes our rating system difficult for ratepayers to understand.
- The large number of target rates has produced geographic distortions that raise questions of inequity.

## Funding allocations

Support Services are charged as an overhead across Council's activities.

Activity	Funding Mechanism		
	Operating	Fees	Capital Spend
Corporate Services	Overheads reallocated to other departments	Nil	Nil Depreciation Reserves

## Variation between Long Term Plan and Annual Plan

### Internal Charges & Overheads Recovered

Lower operational costs associated with Support Services, mainly in Corporate and Information Services, have resulted in lower overheads needing to be recovered (\$123,000).

### Payments to Suppliers & Staff

Council made a decision not to participate in an IT shared service with the other local Councils on the West Coast. This has resulted in savings totalling \$182,000 to what was planned.

### Decrease in Debt

Council decided not to participate in the IT shared services and therefore no loan is required to fund the software implementation.

### Capital Expenditure

#### Improvement in the level of service:

Council decided not to participate in the IT shared services project and this reduced the annual plan software budget by \$596,000. Minor savings across a variety of other projects accounted for the difference.

Improvements to software and hardware were incorrectly reclassified as improvements to the level of service in the Long Term Plan (\$98,000).

#### Replace Existing Assets:

Improvements to current hardware and software have been budgeted for in the Annual Plan (\$117,000).



# Funding Impact Statement

## - Support Services

Annual Plan	Long Term Plan	Annual Plan
2013/2014	2014/2015	2014/2015
\$000	\$000	\$000

### Operating Funding

#### Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	0	0	0
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	4,200	4,388	4,265
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0
<b>Total Operating Funding</b>	<b>4,200</b>	<b>4,388</b>	<b>4,265</b>

#### Applications of Operating Funding

Payments to Suppliers and staff	3,058	3,152	2,970
Finance Costs	152	145	154
Internal charges and overheads applied	704	778	874
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>3,914</b>	<b>4,075</b>	<b>3,998</b>

<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$286</b>	<b>\$313</b>	<b>\$267</b>
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### Capital Funding

#### Sources of Capital Funding

Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	123	600	4
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>123</b>	<b>600</b>	<b>4</b>

#### Capital Expenditure

- to meet additional demand	0	0	0
- to improve the level of service	171	699	0
- to replace existing assets	152	0	117
Increase/ (decrease) in reserves	86	214	154
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>409</b>	<b>913</b>	<b>271</b>

<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$(286)</b>	<b>\$(313)</b>	<b>\$(267)</b>
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<b>Funding Balance SUPPORT SERVICES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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# Property Management, Amenities & Reserves



## Overview of Activity

### What we provide

Council provides and maintains active and passive recreation facilities in the Buller District to meet community and environmental needs. These include parks, reserves and sports facilities.

Public toilet facilities are provided by Council at Westport, Reefton and Waimangaroa. Council also assists in the provision of toilet facilities at Karamea, Granity, Carters Beach, Inangahua Junction, Springs Junction and Ikamatua.

The provision and maintenance of parks and reserves create a pleasant environment in which to live, work and play, which is an important part of the Vision for the district.

The provision of public toilet facilities assists with promoting the health and well-being of the district and environment.

### What do we do?

#### Amenities & reserves

Council provides and maintains active and passive recreational facilities in the Buller district to meet community and environmental needs.

These include parks, reserves and sports facilities.

#### Public toilets

Public toilet facilities are provided by Council at Westport, Reefton and Waimangaroa. Council assists in the provision of toilet facilities in Karamea, Granity, Carters Beach, Inangahua Junction, Springs Junction and Ikamatua.

#### Property management

Council owns and manages a number of properties and buildings in the District for providing sites and buildings for community needs.

#### Cemeteries

Council operates the following cemeteries:

- Orowaiti
- Mokihinui
- Reefton - Suburban
- Reefton - Boatmans

Council provides adequate land and plots to meet the District's burial needs.

#### Punakaiki Beach Camp

Council leased out the camp to a private operator in 2013/2014.

#### Housing for the Elderly

Council provides 44 housing for the elderly units:

- 2 in Karamea
- 16 in Reefton
- 26 in Westport

## What does Council plan to do in the Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What Council provides	2014/2015
Providing parks and reserves that enable many recreation opportunities for communities	Resource Management Act 1991	Providing parks and reserves maintained to standards specified in the Parks and Reserves Activity Management Plan	100% of playgrounds comply with New Zealand Standard 5828
	Reserves Act 1977	Maintaining parks in a clean and tidy condition Providing a variety of recreation opportunities and facilities in parks	95% compliance per annum with maintenance standards specified in the Parks and Reserves Maintenance Contract
To provide and manage cemeteries that meet community needs	Burial and Cremation Act 1964	Providing cemeteries which can meet the district's burial needs	Continue to do the same
To provide affordable, well maintained elderly housing	Tenancy Act	Providing elderly housing opportunities	90% occupancy
Managing Council property to enable service delivery and safety for its users		Maintaining and administering buildings and properties	Responding to 100% of service requests received for the maintenance or management of Council property within the agreed timeframe of 10 working days
			Maintenance expenditure carried out in accordance with the Asset Management Plan
Provision of public toilets has health and economic benefits supporting local communities, businesses and visitor destinations	Public health and safety	Provides toilet facilities in a clean and tidy condition to meet the Districts needs	Continue to do the same

## How do we measure progress

Measures and Targets	Last Reported Performance	2014/2015
% checks on contractors standard of maintenance on active recreation area	2012/2013: Checks were undertaken on the maintenance contractor any defects were notified to the contractor who then remediated (2011/2012: 100%)	95%
Weekly safety and maintenance inspections of playground equipment	2012/2013: The contractor completed weekly safety checks on all playground equipment (2011/2012: 100%) A survey was undertaken before the upgrade was carried out to determine what playground equipment needed to be upgraded	100% compliance with New Zealand Standard 5825
% of occupancy of Elderly Persons Housing	2012/2013: 97% (2011/2012: 98.7%)	90%
% customer satisfaction on provision of elderly housing	2012/2013: 71% of questionnaires were returned, with a satisfaction rate of 82% (2011/2012: 70% were returned with a satisfaction rate of 93%)	Continue to undertake annual survey Analysis of survey undertaken
Providing and managing cemeteries to provide for community health	2012/2013: Maintaining cemetery facilities to the appropriate national standard with public records available on request (2011/2012: no change)	Continue to do the same
To have sufficient plots available in all wards	2012/2013: Plan and access plot demand and acquire and designate land accordingly (2011/2012: no change)	Provide adequate plots and land to meet the district's burial needs
Maintain and administer Council properties for its users	2012/2013: 100% (2011/2012: 100%)	100% of service requests responded to in 10 working days
Provide sufficient toilet facilities to meet the district needs	2012/2013: Facilities are inspected, cleaned and maintained to an acceptable standard. The main toilets are inspected and cleaned daily, the other toilets and inspected and cleaned 2 or 3 times a week, depending on season and usage (2011/2012: no comparative information available, this was a new KPI in the 2012-2022 Long Term Plan)	Facilities are cleaned, inspected and maintained to serviceable standard Reduction in public toilet facilities in central Westport

## Significant Projects

- Garden upgrades and tree replacements (\$37,000). These beautification projects are funded from Reserve Contributions.
- Playground safety upgrades totalling (\$53,000). These upgrades are funded from Reserve Contributions.
- Cemetary extension at Mokihinui (\$17,000).
- Purchase of land at Karamea for a cemetary (\$20,000).
- Interior upgrades for three Westport pensioner units and replacement of stoves (\$16,000).
- Earthquake strengthening costs for Brougham House and Reefton Service Centre (\$210,000).
- Design work for the replacement of the Reefton housing for the elderly (\$10,000).
- Resurfacing of the Reefton Skatepark and repairs to fountain (\$7,000).

## Issues

### Public Toilets in Central Westport:

In the 2013/2014 Annual Plan the previous Council had agreed to remove the Exeloo in Victoria Square and the toilets from outside the NBS Theatre in Palmerston Street. Removal of the toilets outside the NBS Theatre has proved contentious within the community and the new Council has reconsidered the matter.

Council has agreed to relocate the Exeloo toilet to Tauranga Bay. They have also decided to retain the toilets outside the NBS Theatre. The back entrance to these toilets will be blocked and entry will be via Palmerston Street. It is anticipated that the blocking of the back entrance should reduce the extent of graffiti and vandalism. There will be a one-off capital cost of \$3,500.

The Council has agreed to demolish the Talley toilets at the wharf and remediate the site. This will have an additional one-off maintenance cost of \$5,250.

There is an ongoing reduction in service costs (\$33,000) for public toilets for the general ratepayer.

### Increase in Rentals for Housing for the Elderly

The 2012-2022 Long Term Plan proposed that the costs associated with housing for the elderly would be 100% recoverable from rentals for pensioner flats. The LTP also specified that future rent rises for housing for the elderly would be automatically increased at the same percentage increase that National Superannuation beneficiaries receive in their pensions.

The reality was that rentals were able to cover most of the operating expenses with the exception of depreciation. Depreciation would normally provide funds for refurbishments. In the LTP Council indicated that refurbishments would be funded by subsidies from the Housing Innovation Fund rather than funded by the general ratepayer. It was assumed that such funding would be available in the future. That assumption is no longer valid.

Much of the housing for the elderly was built some years ago at costs that were only a fraction of today's costs. As the Council has built new units these have come into being at much greater costs thereby driving up the average costs. At the same time modern expectations are higher than the past and all maintenance costs such as painting have escalated. These factors increase the operating expenditure that must be funded by rentals.

Council has re-confirmed the funding policy that operating costs associated with the provision of housing for the elderly must be self-funding over time. This means that rentals now have to increase to cover the increased operating costs. The level of increase needed is more than any expected percentage increase in pensions.

Council recognised that an immediate full catch up in required rent could be a harsh imposition. To mitigate the effects of a large rent increase Council agreed to quarantine the costs associated with housing for the elderly in a separate account, so that the increased costs can be smoothed and recovered over time.

Despite this smoothing adjustment, rentals for the elderly still increase at a rate which is higher than the expected percentage increase in Superannuation. Fortunately rental supplements are available from the Ministry of Social Development provided the tenant meets certain asset and income thresholds. Council cannot guarantee that every tenant will meet the criteria but expects that

most will. If the tenant does qualify for these supplements, these will significantly lower the impact of the rental increases to the pensioner. It is also important to remember that Council pensioner rentals still remain below the market value of rentals in the district.

Finally, Council has changed the depreciation funding policy for housing for the elderly to reduce this burden on tenants. From 2014/2015 Council will only seek to fund the historic cost principal repayments and minor capital rather than funding replacement values.

Council is actively promoting the use of accommodation supplements and will assist any tenant with the application forms.

*Below is a summary of the increased pensioner rentals and rental supplements available if the tenant qualifies:*

### Rent Rates

Single:	
Current Rent	\$105 per week
% Increase	7.5%
New Single	\$113 per week
Less: accommodation supplement (if tenant qualifies)	\$16
Net Rent after accommodation supplement	\$97 per week

Couple:	
Current Rent	\$138 per week
% increase	7.5%
New Couple	\$148 per week
Less: accommodation supplement (if tenant qualifies)	\$7
Net Rent after accommodation supplement	\$141 per week

Unfortunately that is not the end of the problem. Even after these increases the new operating expenses still exceed the new revenue. To bring the account into balance over time there will need to be ongoing significant annual increases. Pension increases and Ministry of Social Development rental supplements will soften those increases to some extent.

In the face of this difficulty, Council has reviewed the present programme to build additional housing for the elderly in Reefton and Westport. As indicated above the increased costs of new units is one of the factors driving rent increases. Council has also noted a reduced demand for its existing units.

Council is at present committed to the replacement of two units in Reefton in 2015/2016, and will revisit the overall situation pertaining to housing for the elderly when it addresses the next Long Term Plan for the period 2015-2025.



## Assumptions

- Playgrounds will only be upgraded if Reserve Contributions are available.
- It is assumed that the Parks and Reserves will be maintained at their current level.
- An agreement is being negotiated with landowners to allow the development at the Flagstaff Road in Karamea to allow public access to the beach.
- Demographics for elderly residents in the district remain at a similar level.
- Current standard of sports field management is maintained at the current level.
- The Annual Plan will not seek immediate funding for earthquake strengthening, however, as these reports on the earthquake assessments on Council buildings are undertaken, these costs are for indicative assessments only. Additional costs could occur to comply with Building Act legislation.

## Funding allocations

Activity	Funding Mechanism			
	General Rates	Fees	Reserves	Capital Spend
Reserves	100%	Nil		Depreciation, Reserves, Loans and Investments
Public Toilets	100%	Nil		
Cemeteries	75%	25%		
Property - Community	95%	5%		
Elderly Persons Housing	Nil	100%		
Property - Private	Nil	100%		
Punakaiki Camping Ground	21%	74%	5%	

## Explanation of Variances to the Long Term Plan

### General Rates

Increased contribution from Reserve Contribution has reduced the required contribution towards Parks and Reserves by \$75,000.

### Fees and other receipts

The leasing of the Punakaiki camp to a private operator means that the income from camp totalling \$257,000 now accrues to the private operator and not Council.

Income from property rentals has also decreased by \$51,000 mainly due to lower leasehold income and WestReef depot rental.

### Payments to Suppliers and Staff

The leasing of the Punakaiki Beach Camp to a private operator means that the operational expenses associated with running the camp totalling \$244,000 are now incurred by the private operator and not Council. This decrease was offset by minor increases across various expenditure items.

### Internal Charges and Overheads Applied

An error in the Long Term Plan budget resulted in the overheads for 2014/2015 budget being understated by \$87,000. The remainder is due to minor increases in overheads in the Annual Plan.

### Capital Expenditure

#### To improve the level of service

The increase to the Long Term Plan is due to the following capital projects:

- Cemetary extension for Mokhinui (\$17,000)
- Land purchase to extend the cemetery in Karamea (\$20,000)
- Design work for Reefton's housing for the elderly (\$10,000).

#### Renew Existing assets

A change in the accounting treatment has resulted in painting which was previously capitalised being expensed in the Annual Plan (\$140,000). Leasing out of the camp has resulted in a reduction in capital expenditure to the Long Term Plan by \$30,000. Expenditure associated with cemetery berms totalling \$12,000 has not been budgeted for in the Annual Plan. Expenditure to clean the exterior of the clocktower chambers has not been budgeted for in the Annual Plan.

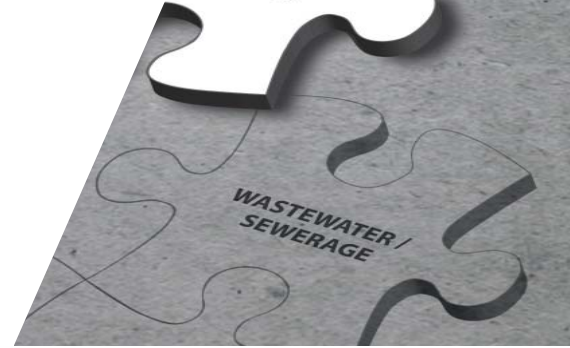
Costs associated with the earthquake strengthening for the Reefton Service Centre and Brougham House have resulted in additional capital expenditure totalling \$210,000. Minor capital upgrades in housing for the elderly account for a further \$16,000.

# Funding Impact Statement

## - Property Management, Amenities & Reserves

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>Operating Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	1,333	1,319	1,244
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	386	379	376
Local authorities fuel tax, fines, infringements fees and other receipts	1,270	1,391	1,074
<b>Total Operating Funding</b>	<b>2,989</b>	<b>3,089</b>	<b>2,694</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	1,878	2,046	1,808
Finance Costs	74	71	71
Internal charges and overheads applied	353	237	357
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>2,305</b>	<b>2,354</b>	<b>2,236</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$684</b>	<b>\$735</b>	<b>\$458</b>
<b>Capital Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(56)	53	(59)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>(56)</b>	<b>53</b>	<b>(59)</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	83	77	135
- to replace existing assets	201	213	331
Increase/ (decrease) in reserves	344	498	(65)
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>628</b>	<b>788</b>	<b>399</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$(684)</b>	<b>\$(735)</b>	<b>\$(458)</b>
<b>Funding Balance PROPERTY MANAGEMENT, AMENITIES &amp; RESERVES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# Council Controlled Trading Organisations



## 1. Nature and Scope of Activities

### Buller Holdings Limited

The nature and scope of Buller Holdings Limited is to provide a holding company structure for the ownership of selected Council assets and investments.

Buller Holdings provides a commercial focus in the governance and administration of Buller District Council's commercial assets, enabling more effective management of Council's commercial activities to achieve maximum returns on behalf of ratepayers.

### WestReef Services Limited

Westreef Services Limited is 100% owned by Buller Holdings Limited.

The nature and scope of WestReef Services Limited activities is predominantly to provide contracting services for physical works in the Buller Region and the West Coast of the South Island. Its activities include maintenance and construction services for:

- Road and bridges - maintenance and construction
- Response for Road and Civil Defence Emergencies
- Park and reserves (including associated facilities) - maintenance and construction
- Utility services (water and sewerage reticulation) - maintenance and construction
- Rural fire emergency response
- Vehicle workshop repairs
- Response to road and civil defence emergencies
- Roadside vegetation control
- Property maintenance
- Septic waste disposal

### Westport Harbour Limited

Westport Harbour Limited assumed responsibility for managing the delivery of port services from 1 September 2010 under a Harbour Management Agreement with the Buller District Council.

Westport Harbour Limited is involved in providing land, facilities, plant and labour for receiving, delivery, stockpiling, stacking and shipment of a wide range of products and raw materials; the control of land and facilities necessary to maintain the company's commercial assets; and the provision of dredging services.

### Buller Recreation Limited

Buller Recreation Limited owns and operates the Solid Energy Centre, a sports and leisure complex that was formally opened on 18 April 2009, and provides a range of leisure services to the district as summarised below:

- Recreational swimming and learn to swim programmes
- Aquatic sports events
- Indoor court sports competitions and events
- Fitness centre programmes and classes
- Outdoor turf sports
- Corporate, trade and social events

## 2. Significant Policies and Objectives

The principal objective of Buller Holdings Limited is to operate as a successful business while working for the benefit of its shareholders.

In pursuing these objectives the company is guided by the following key principles.

### Financial Performance:

The company is committed to operating as a successful business and achieving a competitive rate of return on its investments while working for the benefit of the shareholders. It will be striving to minimise operating costs and manage the assets and liabilities in a prudent way. The definition of financial return takes into account social, economic and environmental needs of the community

### Service:

The company recognises that the needs of the group's major customers are paramount and is committed to meeting those needs. It also recognises the need to develop its customer base to ensure sustainability of the business in the future.

### Employee Relations:

The holding company values its employees and will recruit and retain employees with the skills necessary to run the business and will provide opportunities for staff training and development. It will ensure that employees are fairly treated and provided with good and safe working conditions.

The holding company, together with its employees, will create a culture that recognizes the importance of being competitive, the value of delivering a high quality of customer service and the mutual benefit of continued employment. This will involve effective internal communications.

### Safety and Environment

The company has a zero tolerance to safety and environmental incidents. The company undertakes to comply with all Health and Safety legislation requirements.

### 3. Key Performance Targets

#### Buller Holdings Limited

Objective	Performance Measure	Targets
Financial Performance	a) Delivery of quarterly reports by 16 November, 16 February and 16 May an unaudited report consisting of a revenue statement, statement of position, cashflows and KPI's. Commentary on the results will also be provided.	Provision of quarterly reports to Council
	b) The Directors shall provide a Statement of Intent by 31 March for approval by Council	Statement of Intent
	c) Financial performance of the Group will be measured against the forecasts and KPI's in the approved Statements of Intent	Annual review
Service	a) The Board of Directors will meet with the Buller District Council Councilors on a formal basis.	Three times a year and at any other time by request.
	b) The General Manager will meet with the Buller District Council Chief Executive Officer on a formal basis.	Six times a year for a verbal update on issues and performance.

#### Westreef Services Limited

Objective	Performance Measure	Targets
Financial Performance	a) To achieve a pre tax operating profit of at least 10% on gross revenue (before any subvention payment) .	10% pre tax operating profit
	b) To grow revenue from competitively procured work.	Target 35% of gross revenue
Service Performance	a) To renew its TQS1 certification as required.	Renewal
	b) Meeting with major client, BDC engineers, to obtain feedback on specific contract performance.	Meet monthly
	c) Support activities involved with the social and environmental development in the community.	Support six activities
Employee Leadership, Development and Retention	a) Engage in policies that will assist in developing and retaining staff, including seeking opportunities for training schemes and apprenticeships as a means to upskilling employees.	Staff Turnover to be less than 15% annually excluding retirement
	b) Ensure succession plans are put in place for all senior management positions.	Succession plans in place
	c) Hold staff meetings to ensure effective communication with all staff.	Meetings to be held weekly with minutes kept
	d) Maintain a zero tolerance to loss time incidents.	LTI's to be no more than 5% of total hours

## Westport Harbour Limited

Objective	Performance Measure	Targets
Financial Performance	a) To achieve a pre tax operating profit (prior to funding dredge slip maintenance) of at least 9% of gross revenue.	9% pre tax operating profit
	b) To achieve a post tax operating profit of at least 15% on BHL's investment before any subvention payment.	15% post tax operating profit
	c) Pursue and all opportunities for growth in business with existing and new customers	Turnover growth
Service Performance	a) To safely maintain by dredging <ul style="list-style-type: none"> <li>■ a bar depth greater than 2.8 metres at chart datum</li> <li>■ an average river depth in the main navigation channel of 3.8 metres at chart datum</li> <li>■ the Cement berth depth to allow Milburn Carrier II to lie 'always afloat' loaded at a draft of 5.6 to 6.0m</li> </ul>	bar depth 2.8 + metres river depth 3.8 metres cement berth depth 5.6 to 6.0 metres
	b) To consistently deliver services to customers in accordance with contractual agreements.	Compliance with contract terms
Employee Relations	a) Achieve and maintain succession plans for the key staff positions of Harbourmaster and Dredgemaster.	Succession plans in place
	b) Engage in policies that will assist in recruiting and retaining staff.	Minimise staff turnover
	c) Achieve target training hours per employee. Target 0.5% total work hours.	Training hours 0.5% of total work hours
Safety and Environment	a) To maintain a comprehensive system of health and safety procedures involving all employees in identifying risks and hazards and striving to eliminate or mitigate these.	Compliance with legislation and Deed of Navigational Safety
	b) Promote a safety first - zero harm culture.	LTI target is zero
	c) To avoid harm to the environment as a consequence of port operations	Compliance with legislation and resource consents
	d) To maintain a high quality response to managing any environmental damage under the direction of the West Coast Regional Council.	Compliance with legislation and resource consents

## Buller Recreation Limited

Objective	Performance Measure	Targets
Financial Performance	a) Achieving budget revenue and expenditure	Operate within budget
Service Performance	a) Achieve fitness centre membership of circa 320pa with a retention rate of more than 75%	Membership of 320pa Retention rate of more than 75%
	b) Achieve regular patronage of aquatic services to an average of 4,000 visits per month	Average 4,000 visits per month
	c) Achieve swimming lesson students in programmes of 150 students (averaged over 12 months)	150 swimming students
	d) Ensuring compliance with legislation and industry best practice in health and safety management	Nil serious harm accidents to customers or staff 100% compliance with health and safety procedures
Employee Leadership, Development and Retention	a) Maintain a well qualified and committed workforce	Staff turnover less than 15% annually
	b) Maintain regular communication with all employees to ensure smooth transitions of the business	Regular and ongoing staff communication and meetings
Asset Management	a) Maintain a comprehensive asset management plan for the facility, plant and equipment	Asset management plan developed
	b) Complete maintenance and replacement in accordance with asset management plan	Monthly report on asset management



# Other Council Controlled Trading Organisations



## Buller Health Trust

### 1. Nature and Scope of Activities to be Provided

The Buller Health Trust was established in May 1997. The purpose of the Trust is the preservation of public health and wellbeing in the Buller District. The Trust's current activities include the provision of low interest loans to medical professionals. The Trust also owns the Westport Dental Clinic following the departure of the previous Dentist in November 2005 and currently employs a dentist.

### 2. Significant Policies and Objectives

The Mayor and Chief Executive are appointed as Trustees. The objective of the Trust is to support the provision of the medical services in the Buller District. The Buller District Council provides funding to the Trust by way of loans.

### 3. Key Performance Targets

- To support the provision of appropriate medical services to the Buller community
- To operate on a breakeven basis

## West Coast Rural Fire Authority

### 1. Nature and Scope of Activities to be Provided

The West Coast Rural Fire Authority is a rural fire management agency focusing on the West Coast of the South Island. The macro focus of the West Coast Rural Fire Authority is to co-ordinate and provide for a rural fire management capability within the region.

### 2. Significant Policies and Objectives

Council is represented on the West Coast Rural Fire Authority by the Environmental Services Manager whilst Council staff also contribute to the manning of fire fighting teams. Regular feedback on the activities of the Authority is given to Council and Council's future involvement and support of the West Coast Rural Fire Authority will depend on the success of the body in achieving its outcomes and the continuation of joint funding of the activity.

### 3. Key Performance Targets

- To manage the District with respect to legal and policy obligations
- To facilitate the co-ordination of Rural Fire control within the District
- To audit and monitor the state of readiness within the District

## Tourism West Coast

### 1. Nature and Scope of Activities to be Provided

Tourism West Coast is the official Regional Tourism Organisation for the West Coast region. Out of a total board size of five, Council appoints one member of the board, along with the Westland District Council and Grey District Council who also appoint one member each. The industry also appoints one member.

Council currently provides annual funding to the organisation and has signalled in this document for this to continue.

### 2. Significant Policies and Objectives

- Enhance the West Coast's basic promotional capabilities
- Co-ordinate the work of development and promotional agencies
- Secure long term funding
- Provide advisory and support services for the local Tourism industry

### 3. Key Performance Targets

- The Chairperson of the Board or CEO of Tourism West Coast will address Council on an annual basis
- The Annual Report will be presented to Council within two months of adoption

## Westport Airport

### 1. Nature and Scope of Activities to be Provided

Westport Airport is a joint venture between the Crown and Buller District Council, with each holding a 50% interest. Management and control of Westport Airport is vested in the Buller District Council.

The purpose of the joint venture is to operate Airport facilities at Westport. This includes the provision, maintenance, upgrading and enhancement of services and facilities to accommodate the landing of aircraft and the safe and efficient facilitation of passengers and cargo, having regard to the regulatory requirements of the Civil Aviation Authority of New Zealand

### 2. Significant Policies and Objectives

- To operate as close as possible to a commercial business in a cost effective and efficient manner.
- To maintain the Westport Airport assets
- To enter into any commercial undertakings that will complement the airport operations

### 3. Key Performance Targets

- To improve financial performance and to operate in a cost effective manner. Financial performance will be judged against projected income and expenditure.
- To systematically improve the quality and cost effectiveness of services provided to its customers.
- To operate the airport with due regard to sound cultural and environmental issues arising from the community.
- To comply with the Resource Management Act and undertake its activities in an environmentally sound manner having regard to the interest of the community.

# Funding Impact Statement

## - Westport Airport

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>OPERATING Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	73	68	61
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	0	0	0
Internal charges and overheads recovered	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	58	61	61
<b>Total Operating Funding</b>	<b>131</b>	<b>129</b>	<b>122</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	57	55	54
Finance Costs	10	10	0
Internal charges and overheads applied	10	10	14
Other operating funding applications	0	0	0
<b>Total Applications of Operating Funding</b>	<b>77</b>	<b>75</b>	<b>68</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$54</b>	<b>\$54</b>	<b>\$54</b>
<b>CAPITAL Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	(9)	(10)	0
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
<b>Total Sources of Capital Funding</b>	<b>(9)</b>	<b>(10)</b>	<b>0</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	0	0	30
Increase/ (decrease) in reserves	45	44	24
Increase/ (decrease) in investments	0	0	0
<b>Total applications of Capital Funding</b>	<b>45</b>	<b>44</b>	<b>54</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>(\$54)</b>	<b>(\$54)</b>	<b>(\$54)</b>
<b>Funding Balance WESTPORT AIRPORT</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



# Financials

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# Statement of Comprehensive Income



	Notes	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>OPERATING REVENUE</b>				
General Rates	1	7,450	6,962	7,942
Targeted Rates	2	5,237	6,114	5,407
Rates Penalties		230	200	230
Metered Water Charges		0	307	227
Subsidies & Grants		5,429	3,696	5,972
Fees & Charges	3	4,659	4,289	3,425
Development & Financial Contributions		0	0	100
Vested Assets		103	107	103
Revaluation of Investment Properties		270	263	263
Dividend Income		815	911	875
Interest Income		878	1,033	560
<b>TOTAL Operating Revenue</b>		<b>25,071</b>	<b>23,882</b>	<b>25,104</b>
<b>OPERATING EXPENDITURE</b>				
Employee Benefit Expenses	4	4,219	4,216	4,490
Depreciation and Amortisation		5,852	6,157	5,655
Finance Costs		1,561	1,613	1,337
Other Expenses		11,961	11,187	11,645
Impairment of Assets		696	696	0
Writeoff of Assets		350	0	350
<b>Total Operating Expenditure</b>		<b>24,639</b>	<b>23,869</b>	<b>23,477</b>
<b>Net Surplus (Deficit) Before Taxation</b>		<b>432</b>	<b>13</b>	<b>1,627</b>
<b>Income Tax Expense</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Surplus (Deficit) After Taxation</b>		<b>432</b>	<b>13</b>	<b>1,627</b>
<b>Comprehensive Income</b>				
Increase in Infrastructure Revaluation Reserve		14,300	0	0
<b>Total Comprehensive Income</b>		<b>\$14,732</b>	<b>\$13</b>	<b>\$1,627</b>

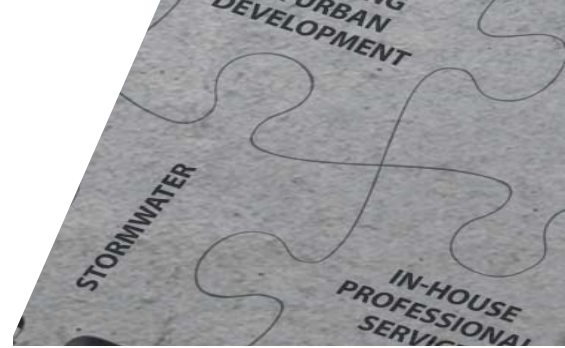
# Statement of Changes in Equity



	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>EQUITY as at 1 JULY</b>	310,947	351,560	323,779
Total Comprehensive Income	14,732	13	1,627
<b>TOTAL Equity at End of Year</b>	<b>\$325,679</b>	<b>\$351,573</b>	<b>\$325,406</b>
<b>COMPONENTS OF EQUITY</b>			
Accumulated Funds	173,541	183,413	172,553
Reserves	2,405	2,131	3,112
Asset Revaluation Reserve	149,733	166,029	149,741
<b>TOTAL Equity at End of Year</b>	<b>\$325,679</b>	<b>\$351,573</b>	<b>\$325,406</b>



# Statement of Financial Position



	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>CURRENT ASSETS</b>			
Cash and Bank	1,581	703	1,851
Trade and Other Receivable	4,325	4,117	4,908
Tax Receivable	0	110	0
Inventories	17	14	17
Other Current Assets	9	9	12
Short Term Investments	14,938	16,764	10,972
<b>TOTAL CURRENT ASSETS</b>	<b>20,870</b>	<b>21,717</b>	<b>17,760</b>
<b>NON CURRENT ASSETS</b>			
Investments	18,902	18,607	19,835
Investment Properties	10,991	9,330	10,308
Infrastructural Assets	289,855	313,278	291,063
Other Non Current Assets	23,725	24,680	20,974
Intangible Assets	95	717	152
<b>TOTAL NON CURRENT ASSETS</b>	<b>343,568</b>	<b>366,612</b>	<b>342,332</b>
<b>TOTAL ASSETS</b>	<b>\$364,438</b>	<b>\$388,329</b>	<b>\$360,092</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	5,951	5,764	4,050
Derivative and Financial Instruments	708	58	675
Employee Benefits	482	467	458
Current Portion of Term Debt	618	645	4,503
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,759</b>	<b>6,934</b>	<b>9,686</b>
<b>NON CURRENT LIABILITIES</b>			
Environmental Provisions	1,436	1,839	1,389
Bond Deposits	82	82	82
Employee Entitlement	199	161	286
Term Debt	29,283	27,740	23,243
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>31,000</b>	<b>29,822</b>	<b>25,000</b>
<b>EQUITY</b>			
Accumulated Funds	173,541	183,413	172,553
Reserves	2,405	2,131	3,112
Asset Revaluation Reserve	149,733	166,029	149,741
<b>TOTAL EQUITY</b>	<b>325,679</b>	<b>351,573</b>	<b>325,406</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$364,438</b>	<b>\$388,329</b>	<b>\$360,092</b>

# Statement of Cashflows



	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash will be provided from:</i>			
Rates	12,917	13,276	13,580
Other Income	10,088	8,290	9,723
Interest Received	878	1,033	560
Dividend Income and Subvention Payments	815	911	875
	<b>24,698</b>	<b>23,510</b>	<b>24,738</b>
<i>Cash will be applied to:</i>			
Payments to Suppliers and Employees	16,000	15,168	16,613
Interest Paid	1,561	1,613	1,337
Income Tax Paid	0	0	0
	<b>17,561</b>	<b>16,781</b>	<b>17,950</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$7,137</b>	<b>\$6,729</b>	<b>\$6,788</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
<i>Cash will be provided from:</i>			
Redemption of Term Deposits	0	0	4,500
Sale of investment properties	494	508	494
	<b>494</b>	<b>508</b>	<b>4,994</b>
<i>Cash will be applied to:</i>			
Purchase of Fixed Assets	10,717	5,762	9,186
Purchase of Long Term Investments	82	95	0
Purchase of Short Term Investments	2,000	2,000	1,500
	<b>12,799</b>	<b>7,857</b>	<b>10,686</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>\$(12,305)</b>	<b>\$(7,349)</b>	<b>\$(5,692)</b>

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>			
<i>Cash will be provided from:</i>			
Loans Raised	4,555	1,055	2,568
	<b>4,555</b>	<b>1,055</b>	<b>2,568</b>
<i>Cash will be applied to:</i>			
Repayment of Loans	618	645	4,503
	<b>618</b>	<b>645</b>	<b>4,503</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>\$3,937</b>	<b>\$410</b>	<b>\$(1,935)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(1,231)</b>	<b>(210)</b>	<b>(839)</b>
<b>OPENING CASH AS AT 1 JULY</b>	<b>2,812</b>	<b>913</b>	<b>2,690</b>
<b>CLOSING CASH AS AT 30 JUNE</b>	<b>\$1,581</b>	<b>\$703</b>	<b>\$1,851</b>

# Notes to the Financial Statements



## NOTE 1: Required from General Rates

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Democracy	976	1,017	1,285
Community Services	3,806	3,884	3,592
Regulatory Services	563	650	992
Property Management, Amenities & Reserves	1,308	1,319	1,244
Roading & Urban Development	2,297	2,347	2,452
Water	0	0	0
Solid Waste	111	112	313
Wastewater	0	0	0
In House Professional Services	(73)	(61)	(59)
Airport	68	68	61
Stormwater	459	397	405
Rates Smoothing Adjustment	300	0	0
	<b>9,815</b>	<b>9,733</b>	<b>10,287</b>
<b>LESS</b>			
Interest Income	(1,529)	(1,660)	(1,240)
Other Income - Dividends	(880)	(911)	(875)
	<b>(2,409)</b>	<b>(2,571)</b>	<b>(2,115)</b>
Rates Penalties	(200)	(200)	(230)
<b>TOTAL GENERAL RATES REQUIREMENT</b>	<b>\$7,206</b>	<b>\$6,962</b>	<b>\$7,942</b>

## NOTE 2: Targeted Rates

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Water	2,027	2,194	2,152
Solid Waste	1,298	1,307	702
Wastewater/sewerage	2,212	2,305	2,319
Community Services	302	308	236
<b>TOTAL TARGETED RATES</b>	<b>\$5,839</b>	<b>\$6,114</b>	<b>\$5,407</b>

## NOTE 3: Subsidies & Grants

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Community Services	375	425	21
Roading & Urban Development	2,909	2,909	4,071
Water	925	327	1,851
Solid Waste	34	35	29
<b>TOTAL SUBSIDIES &amp; GRANTS</b>	<b>\$4,243</b>	<b>\$3,696</b>	<b>\$5,972</b>

## NOTE 4: Fees & Charges

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Democracy	41	0	0
Community Services	782	835	785
Regulatory Services	1,660	1,671	1,242
Property Management, Amenities & Reserves	1,293	1,391	1,074
Roading & Urban Development	183	191	175
Solid Waste	43	44	65
Wastewater	85	88	15
Stormwater	8	8	8
Airport	59	61	61
<b>TOTAL FEES &amp; SUNDRY</b>	<b>\$4,154</b>	<b>\$4,289</b>	<b>\$3,425</b>

## NOTE 5: Internal Recoveries

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Community Services	0	0	1
Regulatory Services	15	16	0
Property Management, Amenities & Reserves	376	379	376
Support Services	4,066	4,388	4,265
In-house Professional Services	727	751	785
<b>TOTAL INTERNAL RECOVERIES</b>	<b>\$5,184</b>	<b>\$5,534</b>	<b>\$5,427</b>



## NOTE 6: Operating Expenditure as per Activity

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Democracy	1,017	1,017	1,285
Community Services	4,976	5,101	4,752
Regulatory Services	2,315	2,417	2,254
Property Management, Amenities & Reserves	2,873	2,983	2,709
Roading & Urban Development	6,104	6,333	7,079
Water	2,186	2,377	2,289
Solid Waste	1,215	1,233	1,070
Wastewater	2,169	2,244	2,233
Support Services	4,066	4,388	4,255
In-house Professional Services	654	690	727
Airport	128	129	122
Stormwater	401	422	459
	<b>28,104</b>	<b>29,334</b>	<b>29,234</b>
<i>PLUS</i> Impairment of Assets	696	696	0
<i>PLUS</i> Writeoff of Assets	0	0	350
<i>LESS</i> Internal Interest	(622)	(627)	(680)
<i>LESS</i> Internal Recoveries	(5,184)	(5,534)	(5,427)
<b>TOTAL OPERATING EXPENDITURE</b>	<b>\$22,994</b>	<b>\$23,869</b>	<b>\$23,477</b>

## Note 7: Investment Income

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Interest, Investment, Loans and Term Deposits	1,528	1,660	1,240
<i>LESS</i> Internal Interest	(622)	(627)	(680)
	<b>\$906</b>	<b>\$1,033</b>	<b>\$560</b>

## NOTE 8: Finance Costs

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Interest Expenses	2,166	2,240	2,017
<i>LESS</i> Internal Interest	(622)	(627)	(680)
	<b>\$1,544</b>	<b>\$1,613</b>	<b>\$1,337</b>

## NOTE 9: Depreciation

	Long Term Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Community Services	436	434	415
Regulatory Services	108	112	74
Property Management, Amenities & Reserves	597	629	474
Roading & Urban Development	2,742	2,921	2,721
Water	645	744	682
Solid Waste	109	98	96
Wastewater	620	661	664
Support Services	277	313	256
In-house Professional Services	8	8	13
Airport	168	54	54
Stormwater	54	183	206
	<b>\$5,764</b>	<b>\$6,157</b>	<b>\$5,655</b>

# Capital Expenditure Projects



Department	Project	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
Community Services	Urban Streetscape, Vision 2010 Projects in Inangahua & Seddon Districts	223	240	465
	Theatres, Recreation Facilities and Libraries	496	73	293
	Promotion and Tourism website and signage	32	0	0
Regulatory Services	Rural fire assets, vehicle replacements	143	0	0
Property Management, Amenities & Reserves	Reserves, Playgrounds, Camping Grounds	119	121	98
	Cemetaries	0	12	37
	Council Properties & Buildings, Public Toilets	97	41	305
	Housing for the Elderly	67	116	26
Roading & Urban Development	Roading	1,870	1,836	2,089
	Footpaths, Security Cameras, Street Banners	188	195	251
Solid Waste	Refuse, Litter & Recycling	0	6	120
Water Supplies	Westport Water	6,144	1,886	3,517
	Reefton Water	105	75	133
	District Water	192	10	1,067
Wastewater/sewerage	Westport Sewer	375	233	374
	Reefton Sewer	56	69	111
	Little Wanganui Sewer	20	9	12
Stormwater	Stormwater Upgrades & Replacements	210	141	141
In-house Professional Services	Vehicles	57	0	0
Airport	Various Capital	0	0	30
Support Services	Information Technology, Vehicle Replacement	323	699	117
<b>TOTAL CAPITAL PROJECTS</b>		<b>\$10,717</b>	<b>\$5,762</b>	<b>\$9,186</b>

# Reserve Funds



Changes to the Local Government Act 2002 now require councils to provide a summary of the Reserve funds that it holds. These changes have placed more focus on the accounting for and disclosure of reserves. The Act defines reserve funds as “money set aside by a local authority for a specific purpose”. Reserves are part of equity which may or may not be physically backed by cash/ investments.

Reserves are often used to separate a funding surplus of an activity. The Act requires Council to specify the amount expected to be deposited in the fund, and the amount expected to be withdrawn from the fund over the 10 year period that the Long Term Plan covers. Council does not transfer money from one reserve to fund another. Council also does not charge/pay ‘internal’ interest on any surplus or deficit balances that each individual reserve may have. Opening balance surpluses are usually due to approved committed projects not yet being undertaken or completed.



Separate Reserves	Activity that the Reserve relates to	Purpose of the Reserve	Projected	Transfers	Transfers	Balance
			Opening	to	from	30 June
			Balance	Reserves	Reserves	2015
			1 July 2014			
			\$000	\$000	\$000	\$000
Refuse Collection	Solid Waste	Separates all funding & expenditure & surpluses or deficits for the refuse collection activity	(156)	0	0	(156)
Recycling	Solid Waste	Separates all funding & expenditure & surpluses or deficits for the recycling activity	(119)	0	0	(119)
Contracted Refuse/Recycling Operations	Solid Waste	Separates all funding & expenditure & surpluses or deficits for the refuse collection & recycling activities	0	699	655	45
Karamea Solid Waste	Solid Waste		0	61	62	0
Maruia Solid Waste	Solid Waste		0	11	12	0
Westport Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	(599)	4,952	4,932	(578)
Reefton Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	307	322	348	281
Little Wanganui Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	39	12	12	39
Mokihinui Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	21	11	7	26
Ngakawau Hector Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	176	268	425	19
Waimangaroa Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	27	445	539	(67)
Cape Foulwind Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	288	63	22	329
Punakaiki Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	20	55	38	37
Inangahua Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	14	135	155	(6)
South Granity Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	15	9	6	18
Karamea Water	Water	Separates all funding & expenditure & surpluses or deficits for each water scheme	0	0	0	0
Westport Sewerage	Wastewater/Sewerage	Separates all funding & expenditure & surpluses or deficits for each sewerage scheme	(1,695)	2,004	1,960	(1,652)
Reefton Sewerage	Wastewater/Sewerage	Separates all funding & expenditure & surpluses or deficits for each sewerage scheme	59	294	309	43
Little Wanganui Sewerage	Wastewater/Sewerage	Separates all funding & expenditure & surpluses or deficits for each sewerage scheme	(20)	35	38	(24)
Inangahua Junction Sewerage	Wastewater/Sewerage	Separates all funding & expenditure & surpluses or deficits for each sewerage scheme	(1)	0	0	(1)
Punakaiki Sewerage	Wastewater/Sewerage	Separates all funding & expenditure & surpluses or deficits for each sewerage scheme	(16)	0	0	(16)
Punakaiki Camp	Property Management, Amenities & Reserves	Separates all funding & expenditure & surpluses or deficits for the Punakaiki Camp activity	(168)	24	5	(148)
Punakaiki Sea Wall	Property Management, Amenities & Reserves	Separates all funding & expenditure & surpluses or deficits for the Punakaiki seawall activity	2	0	0	2
Housing for the Elderly	Property Management, Amenities & Reserves	Separates all funding & expenditure & surpluses or deficits for the pensioner housing activity	0	313	420	(107)
Dog Control	Regulatory	Separates all funding & expenditure & surpluses or deficits for the dog control activity	(156)	19	35	(172)
Promotion and Tourism	Community Services	Separates all funding & expenditure & surpluses or deficits for the Promotion and Tourism activity	(11)	364	364	(11)
<b>TOTAL Separate Balances Only</b>		<b>These do not form part of Reserve Balances, are in Retained Earnings</b>	<b>(1,973)</b>	<b>10,097</b>	<b>10,343</b>	<b>(2,220)</b>



Separate Reserves	Activity that the Reserve relates to	Purpose of the Reserve	Projected Opening Balance 1 July 2014	Transfers to Reserves	Transfers from Reserves	Balance 30 June 2015
			\$000	\$000	\$000	\$000
Amenities Reserve	various not specified	Proceeds from general ratepayer to fund various infrastructure where there was no government subsidy available	365	0	0	365
Community Development - Other	various not specified	Funds from depreciation used for the upgrade and construction of replacement Council assets	1,972	1,381	1,757	1,597
Reserve Contributions	Regulatory	Proceeds from subdivision for public reserve upgrades	1,029	100	32	1,097
Miles Bequest	Property Management, Amenities & Reserves	Funds set aside for the purchase of engraved seats at the Westport cemetery	2	0	0	2
Powell Bequest	Property Management, Amenities & Reserves	Funds bequested to Council for the purchase of public seating in Westport	3	0	0	3
War Memorial Hall	Property Management, Amenities & Reserves	n/a will be rounded down to 0	0	0	0	0
Mayor's Relief Fund	Democracy	Funds for providing grants for relief at the discretion of the Mayor	1	5	3	3
Kater Plot	Property Management, Amenities & Reserves	n/a will be rounded down to 0	0	0	0	0
Boiler Replacement Fund	Property Management, Amenities & Reserves	Funds set aside to go toward replacement of boiler at Brougham Street offices	7	0	0	7
Development Contributions	Regulatory	Proceeds from commercial & industrial development to provide for social and recreation need of the area	18	0	0	18
Sale of Gifted Property	various not specified	Funds set aside from the sale of property gifted to Council	11	0	0	11
Infrastructure Contributions	Regulatory	Funds set aside for upgrading infrastructure where appropriate	10	0	0	10
<b>TOTAL Reserves Only</b>			<b>\$3,417</b>	<b>\$1,486</b>	<b>\$1,792</b>	<b>\$3,112</b>
<b>TOTAL Reserves and Separate Balances</b>			<b>\$1,444</b>	<b>\$11,583</b>	<b>\$12,136</b>	<b>\$892</b>

**Please note:**

Reserves and Separate Balances are disclosed separately within the financial statements. The Reserves total in this note reconciles to the Reserves component of Equity in the financial statements. The Separate Balances total in this note is not included in Reserves within Equity but is included within the Accumulated Funds component of Equity in the financial statements.



# Assumptions



The Buller District Council Annual Plan is based on a number of significant forecasting assumptions. These assumptions include assessments of a number of factors that might impact on Council and the community including a consideration of how the population may change, funding of Council services, and the financial environment.

The assumptions are the best reasonable assessment based on current information, but actual results may differ and these differences could be large. Council has therefore, included an assessment of how likely the actual may vary from the assumptions and what impact the variances would have on Council and the community. These are overarching assumptions relating to Council's activities. In addition to these assumptions, activity specific assumptions are found within each of the activity sections.

Assumption	Description of Risk	Level of Uncertainty	Impact
<b>1. New Zealand Transport Agency Funding:</b>			
An underlying assumption of the budget figures is that the Government subsidy through the Financial Assistance Rate in 2013/2014 the subsidy rate will reduce to 58%. Funding rates used for the preparation of this Plan are based on information from the New Zealand Transport Agency.	That the Government will reduce the subsidy available to Councils	Medium	<p>Any decrease in NZTA funding will require Council to make a decision of whether to increase funding from rates, reduce service levels, remove projects or apply a mix of these options.</p> <p>This means levels of funding will not increase to take account of rising costs of providing the service. Therefore service levels in roading will reduce, this will be particularly evident in higher road roughness levels, maintenance of low volume rural roads and a reduction in vegetation control including mowing.</p>
<b>2. Financial Contributions:</b>			
That Council will receive external lump sum contributions in the Annual Plan towards the capital projects.	Lump sum contributions could be lower or higher than anticipated	Medium	This may mean that Council would need to reassess the projects and either delay the projects or agree to manage the shortfall.
<b>3. Useful lives of significant assets:</b>			
Council has made a number of assumptions about the useful life of its assets. These assumptions affect the depreciation charge contained within the Plan. The detail for each asset category is reflected in the Statement of Accounting Policy on pages 107-115 of this document. Council's assets depreciation rates are contained within of the Statement of Accounting Policies.	That the lives of assets are materially different from those contained within the Plan	Low	If the life of the assets are materially different from those contained within the Plan, the asset values stated in the balance sheet and the profit contained in the statement of financial performance would be affected. If the life was shorter than expected then Council might need to replace the asset sooner than planned and this would need to be funded. Council has a long history of managing assets and has asset management practices in place which reduce the likelihood of assets being very different to projections.

Assumption	Description of Risk	Level of Uncertainty	Impact
<b>4. Significant Asset Condition:</b>			
Council understanding of condition of its assets underpins the renewal forecasts in the Annual Plan (and also the significant lives of assets discussed above). Council has sufficient information about the condition of its assets to forecast their probably replacement periods. However, further more detailed information is desirable to further reduce the risk that actual condition varies from the assumed condition.	That condition information is not a sufficiently accurate representation of the actual condition of assets	Medium	If the asset condition is substantially worse than expectations then there is an increased risk of unexpected asset failure and the increased costs of repairing assets would need to be funded. These costs are not in the Annual Plan and Council would need to consider how they should be funded - higher rates, use of cash reserves or debt would be options.
<b>5. Return on Investments:</b>			
It is assumed that the return on investments, including dividends from Council Controlled Organisations and retained earnings on subsidiaries will continue at current levels.	That returns are lower than expected.	Medium	Lower returns will impact on rates as the income will need to be raised from other sources. Alternatively Council could consider reducing levels of service.
<b>6. Interest Rates - External Borrowings:</b>			
Council has assumed: Interest rate of 6%	The prevailing interest rate may differ significantly from those estimated.	Medium	Increases in interest rates flow through to higher debt servicing costs and higher rates funding requirements. Council has mitigated these risks with a prudent hedging programme developed within the limits of Council's Treasury Management Policy.
<b>7. External Borrowings - Renewability:</b>			
It has been assumed that Council will be able to renew existing external loan facility.	Higher interest rates or delay of capital projects	Medium	If the loan could not be re-negotiated with the current bank, a change in provider could alter finance costs
<b>8. Interest Rates - Term Deposits:</b>			
Interest rates on term deposits: 4.9%	The prevailing rate may differ from those estimated	Medium	Decreases in term deposit interest rates would lower investment income which would ultimately lead to increased General Rates
<b>9. Rates and Rate Increases:</b>			
Limits on rates and rate increases, as required by the Local Government Act 2002, This plan assumes that Council will remain within these limits.	That rate increases are above the limits set by Council	Low	Annual Plan - reality check and rates will change but this will not happen without consultation as required by the Local Government Act
<b>10. Disasters:</b>			
It is assumed that there will be limited events during the of this Plan, and that these events will not be significant.	That there is a significant natural disaster in the District, such as flooding, earthquake or fire	Low	Council had adequate insurance to cover natural disasters. However, in the event of a significant event Council will need to re-evaluate its work programme and implement disaster recovery plans.

# Statement of Accounting Policies



## Statement of Responsibility & Cautionary Note

The 2014/2015 Annual Plan was authorised for issue by Council on 26 March 2014.

The purpose of this Annual Plan is to consult with the community on the planned activities and expenditure of Council over the next year. The use of this information for other purposes other than for which it was prepared may not be appropriate.

The Council is responsible for the financial statements presented, including the appropriateness of the underlying assumptions and related disclosures. Actual financial results achieved for the period covered may vary from the information presented, and the variations may be material.

The financial statements have been prepared in compliance with FRS-42 Prospective Financial Statements.

## Reporting Entity

The Buller District Council is a territorial local authority governed by the Local Government Act 2002.

The financial statements do not include the consolidated statements of Council Controlled Organisations, except for Westport Airport Authority which is a joint venture.

The primary objective of Buller District Council is to provide goods and services for the community or social benefit, rather than making a financial return. Accordingly, Buller District Council has designated itself and the group as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

## Basis of Preparation

### Statement of Compliance

The financial statements of Buller District Council have been prepared in accordance with the requirements of the Local Government Act 2002: sections 95, 100, 101, 111 and Part 2 of Schedule 10 which includes the requirement to comply with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

These financial statements are the first set of financial statements prepared under Public Benefit Entity Accounting Standards. The Council is a Public Benefit Entity (PBE) and has elected to report as a Tier 1 Public Sector PBE and required to apply Tier 1 PBE Accounting Standards with effect from 1 July 2014.

These 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 financial statements.

### Measurement Base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain infrastructural assets, investment property and financial instruments.

### Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$1,000) unless stated. The functional currency of Buller District Council is New Zealand dollars.

### Changes in Accounting Policies

As a result of applying the new accounting standards, there have been no significant changes in the Council's accounting policies.

### Standards, Amendments and Interpretations issued that are not yet effective and have not been early adopted

There are no standards, amendments and interpretations issued that are not yet effective and have not been early adopted

The Ministry of Commerce has approved a new Accounting Standards Framework (incorporating a tier strategy) developed by the External Reporting Board (XRB) based on current international Public Sector Accounting Standards. The effective date for the new standards for public sector entities is for reporting periods beginning on or after 1 July 2014. The new standards have been adopted for the preparation of this Annual Plan and will be applicable for the Council Annual Report for the year ended 30 June 2015.

Due to the change in the Accounting Standards Framework preparation of general purpose financial statements will depend on the type and size of the entity. The type of entity that applies to the Council is a Public Benefit Entity (PBE). PBE's are entities whose primary objective is to provide goods or services to the community or social benefit, and where equity has been provided with a view to supporting that primary objective, rather than for a financial return to equity.

PBE's are subject to a Tier structure which determines the level of disclosure requirements. Council is classified as a Tier 2 entity by virtue that it is medium sized (expenses are between \$2 million and \$30 million) and is not publicly accountable. The power to levy rates does not make an entity publicly accountable, however if Council issued financial instruments it would be publicly accountable and would be classified as Tier 1. Being classified as Tier 2 entitles Council to apply the new Public Benefit Entity Accounting Standards Framework but with reduced disclosure requirements. These reduced disclosure requirements have been applied where applicable.

## Subsidiaries

Subsidiaries are those entities where Buller District Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Buller District Council controls the majority voting power of the governing body or where such policies have been irreversibly predetermined by Buller District Council.

The subsidiaries of Buller District Council are Buller Holdings Limited, WestReef Services Limited, Westport Harbour Limited, Buller Recreation Limited, Buller Health Trust and Buller Arts and Recreation Trust (BART).

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

Any excess of the cost of the business combination over Buller District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, is recognised as goodwill. If Buller District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the difference will be recognised immediately in the surplus or deficit.

The purchase method of consolidation has been used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, income and expenses on a line by line basis. All significant intragroup balances, transactions, income and expenses are eliminated on consolidation.

Buller District Council's investment in its subsidiaries is carried at cost in the Buller District Council's own "parent entity" financial statements.

The financial statements only include statements for the parent entity (Buller District Council).

## Associates

An associate is an entity over which Buller District Council has significant influence and that is neither a subsidiary nor an interest in a joint venture.

Buller District Council accounts for an investment in an associate using the equity method. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the share of the surplus or deficit of the associate.

The Council has two associates, Tourism West Coast and Denniston Heritage Trust. There is no equity investment and therefore no forecast results are equity accounted for in these financial statements.

## Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

Buller District Council has a 50/50 joint venture interest in the Westport Airport Authority with Ministry of Transport.

Buller District Council recognises in its financial statements the assets it controls, the liability and expenses it incurs, and the share of income that it earns from the joint venture.

## Revenue

Revenue is measured at the fair value of consideration received. Revenue from the rendering of services is recognised by the 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.

### 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

Buller District Council receives Government Grants from the New Zealand Transport Authority, which subsidises part of Buller District Council's costs in maintaining the local roading infrastructure. Grants are received from the Ministry of Health for eligible sewerage schemes. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure are fulfilled.

Sales of goods are recognised when a product is sold to a customer. Sales are usually in cash. The recorded revenue is the gross amount of the sale.

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 Buller District Council are recognised as revenue when control over the asset is obtained.

Rental income is recognised on a straight line basis.

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive the payment has been established.

## Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

## Grant Expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure at the time when such application has been received.

Discretionary grants are those grants that Buller District Council has no obligation to award and are recognised as expenditure when a successful applicant has been notified of the Buller District Council's decision.

## 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 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 utilised.

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 from 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 shown against the surplus or deficit for the period, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

## Leases

### Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, Buller District Council recognises finance leases as assets and liabilities in the Prospective 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 Buller District Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the lease term or useful life, whichever is the shortest.

### Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of the asset. Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term.

## Cash & Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held on call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown as current liabilities in the Prospective Statement of Financial Position.

## Trade & Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

Loans, including loans to community organisations made by Buller District 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 the present value of the expected future cash flows of the loan is recognised in the surplus or deficit.

A provision for impairment of receivables is established when there is objective evidence that Buller District Council will not be able to collect all the amounts due according to the original terms of receivables. The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.



## Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

The write down from cost to current replacement cost or net realisable value is recognised in the surplus or deficit.

## Non-Current Assets Held for Sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through the sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for writedowns of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

## Financial Assets

Buller District Council classifies its financial assets into the following four categories:

- Financial assets at fair value through surplus or deficit;
- Held-to-maturity investments;
- Loans and receivables; and
- Fair value through other comprehensive income.

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 surplus or deficit in which case the transaction costs are recognised in surplus or deficit.

Purchases and sales of investments are recognised on trade date, the date on which Buller District 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, Buller District Council having 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. Buller District Council uses a variety of methods and makes assumptions that are based on market conditions existing at 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
- 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.

Currently Buller District Council recognises derivative financial instruments in this category.

## Held to Maturity Investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Buller District 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 derecognised are recognised in the surplus or deficit.

Currently Buller District Council does not hold any financial assets in this category.

## 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 derecognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and receivables" and short and long term investments in the Prospective Statement of Financial Position.

Investments in this category include loans to subsidiaries and other companies and term deposits.



## Fair Value through other Comprehensive Income

Financial assets at fair value through other comprehensive income are those that are designated into this category at initial recognition or are not classified in any of the other categories above.

This category encompasses:

- Investments that Buller District Council intends to hold long-term but which may be realised before maturity.
- Shareholdings that Buller District Council holds for strategic purposes. Buller District Council's investments in its subsidiary and associate companies are not included in this category as they are held at cost whereas this category is to be measured at fair value.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in other comprehensive income except for impairment losses, which are recognised in the surplus or deficit.

Investments in this category include shares in other companies.

## Impairment of Financial Assets

At each balance sheet date Buller District 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.

Any cumulative losses previously recognised in equity will be removed from equity and shown in the surplus or deficit.

## Derivative Financial Instruments

Buller District Council uses derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, Buller District Council does not hold or issue derivative financial instruments for trading purposes. However derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

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 gain or loss on re-measurement to fair value is recognised immediately in surplus or deficit. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The fair value of interest rate swaps is the estimated amount that Council would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties. The fair value of forward contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.

Buller District Council has not adopted hedge accounting to account for its derivative financial instruments.

## Property, Plant and Equipment

Property, plant and equipment consist of:

**Council Assets** - These include land, buildings, plant and machinery, motor vehicles, office equipment, library books and the Airport runway.

**Infrastructure Assets** - These include roads, footpaths, traffic facilities, street lights, bridges, culverts, water reticulation, storm water reticulation, sewerage reticulation and landfill.

**Harbour Assets** - These include land, buildings, wharves, plant and machinery, office equipment, motor vehicles and harbour vessels.

**WestReef Assets** - These include leasehold improvements, plant and equipment, office equipment, office furniture, fittings and computer equipment.

**Buller Health Trust Assets** - These include plant and equipment and furniture and fittings.

Property, plant and equipment are shown at cost or revaluation, less accumulated depreciation and impairment losses.

## Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Buller District Council and the cost of the item can be reliably measured.

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.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

## Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

## Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Buller District Council and the cost of the item can be measured reliably.

## Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment, other than land, 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:

## Assets:

Council	Depreciation Rate (%)	Useful Life (Years)
Motor vehicles	15%	7
Office Equipment	10% to 50%	2 - 5
Plant and machinery	3.33% to 15%	7 - 30
Buildings	1% to 10%	10 - 100
Library Books	10%	10
<b>Airport runway:</b>		
■ Basecourse	1.3%	75
■ Seal	5%	20

Harbour	Depreciation Rate (%)	Useful Life (Years)
Wharves	1.67%	60
Buildings	2.5%	40
Plant and Machinery	3.3% to 10%	10 - 30
Office Equipment	20% to 33.5%	3 - 5
Motor Vehicles	10% to 20%	5 - 10
Harbour Vessels	5% to 6.7%	15 - 20

WestReef Services Limited	Depreciation Rate (%)	Useful Life (Years)
Leasehold Improvements	6.5% to 15%	6.7 - 15
Plant and Equipment	5.5% to 40%	2.5 - 18
Vehicles	8% to 29%	3 - 12
Office Equipment	8% to 40%	2.5 - 12.5
Office Furniture and Fittings	8% to 24%	4 - 12.5
Computer Equipment	18% to 36%	3 - 5.5

Buller Health Trust	Depreciation Rate (%)	Useful Life (Years)
Plant and Equipment	7% to 50%	2 - 10
Furniture and Fittings	7% to 13.5%	7.4 - 14.3
Furniture and Fittings	16.2% to 48%	2.1 - 6.2

Infrastructure	Depreciation Rate (%)	Useful Life (Years)
<b>Roads:</b>		
■ Formation	Not Depreciated	
■ Basecourse- unsealed roads	Not Depreciated	
■ Basecourse - sealed roads	1% to 2%	50 - 100
■ Seal	4% to 12.5%	8 - 25
<b>Footpaths:</b>		
■ Basecourse	Not Depreciated	
■ Pavement	1.25% to 10%	10 - 80
Traffic facilities	5% to 10%	10 - 20
Street lights	3.33%	30
Bridges	2% to 6.67%	50 - 100
Culverts	1.11% to 1.25%	80 - 90
<b>Water Reticulation:</b>		
Drains	Not depreciated	
Kerb and Channelling	1.25%	80
Pipes	1.10% to 4.10%	25 - 100
Valves, hydrants	1.67%	60
Intake structures	1.11% to 2%	50 - 90
Reservoirs	1.25%	80
Resource Consents	2.85%	35
Pump stations	2% to 6.67%	15 - 50
Treatment Equipment	2% to 6.67%	15 - 50
Tunnels	0.7% to 4%	25 - 150
<b>Stormwater Reticulation:</b>		
■ Pipes	1% to 1.54%	65 - 100
<b>Sewerage Reticulation:</b>		
■ Pipes	1% to 1.42%	70 - 100
■ Treatment Plants	1.11% to 6.67%	15 - 90
■ Pump Stations	1.11% to 6.67%	15 - 90
■ Manholes	1.11%	90

Capital work in progress is not depreciated. The total cost of the project is transferred to Property Plant and Equipment on its completion and then depreciated.

The residual value and useful life of an asset is reviewed and adjusted if applicable, at each financial year end.

## Revaluation

Those asset classes that are revalued are valued on a basis described below. 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.

**Council Land** - The Airport land was revalued to fair value as determined by market based evidence by an independent valuer. The most recent valuation was performed by Quotable Value with an effective date as at 30 June 2005. Council land is recognised at deemed cost.

**Harbour Land** - The Harbour land was revalued to fair value as determined by market based evidence by an independent valuer. The most recent valuation was performed by Quotable Value with an effective date as at 30 June 2005. Harbour land is recognised at deemed cost.

**Infrastructural Assets** - The infrastructural assets are valued on a two yearly valuation cycle at fair value determined on a depreciated replacement cost basis by an independent valuer. At balance date Buller District Council assesses the carrying values of its infrastructural assets to ensure that they do not differ materially from the assets fair value. The most recent valuation was performed by GHD Limited and the valuation is effective as at 30 June 2012. All infrastructural asset classes carried at valuation were valued. The total value of infrastructural assets valued by GHD Limited on 30 June 2012 was \$246,295,000.

## Accounting for Revaluation

Buller District Council accounts for revaluations of property, plant and equipment on a class of assets basis.

The results of revaluing are credited or debited to an asset revaluation reserve. 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 the revaluation reserve.

## Intangible Assets

### Goodwill

Goodwill is initially measured at its cost, being the excess of the cost of the acquisition over Buller District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill on acquisition of subsidiaries is included in intangible assets by applying the purchase method.

Goodwill arising in business combinations is not amortised. Instead, goodwill is tested for impairment annually. After initial recognition, Buller District Council measures goodwill at cost less any accumulated impairment losses. An impairment loss recognised for goodwill will not be reversed in any subsequent period.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination, in which the goodwill arose.

## 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 cost, including transaction costs.

After initial recognition, Buller District Council measures all investment property at fair value as determined annually by an independent valuer. The most recent valuation of investment property was carried out by Darroch Valuations with an effective date as at 30 June 2012.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit

## 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 the assets 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 an 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 of 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 the revaluation reserve. 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, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss was previously recognised in the surplus or deficit, a reversal of the impairment loss is also 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.

## Employee Entitlements

### Short Term Benefits

Employee benefits that Buller District 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, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

Buller District Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that Buller District Council anticipates it will be used by staff to cover future absences.

Buller District Council recognises a liability and 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

Entitlement that are payable beyond 12 months, such as long service leave and retirement gratuities, 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 and the likelihood that staff will reach the point of entitlement : and
- The present value of the estimated future cashflows. A discount rate of 5.7% and an inflation factor of 2.5% 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

### Superannuation Schemes

#### - Defined Contributions Schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

## Provisions

Buller District 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.

## Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

## Equity

Equity is the communities interest in Buller District 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;
- Restricted reserves; and
- Asset revaluation reserve.

## Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Prospective Statement of Financial Position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Prospective Statement of Cashflows.

Commitments and contingencies are disclosed exclusive of GST.

## Cost Allocation

Buller District Council has derived the cost of service for each significant activity using the cost allocation system outlined below.

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.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using an appropriate cost driver.

## Critical Accounting Estimates & Assumptions

In preparing these financial statements Buller District 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 form a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

### Landfill Aftercare Provision

The Landfill Aftercare Provision Note discloses an analysis of the exposure of Buller District Council in relation to estimates and uncertainties surrounding the landfill aftercare provision.

### Infrastructural Assets

There are a number of assumptions and estimates used when performing valuations over infrastructural assets which include:

- The physical deterioration and condition of an asset, eg 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 such as stormwater, wastewater and water supply pipes that are underground. The 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 made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by local conditions, eg, 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 the risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructure Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers prepare Council's infrastructural asset revaluations. The last valuation was prepared by GHD Limited on 30 June 2012.



# Funding Impact Statement



All figures in this policy are GST exclusive.

## 1. General Rates

General Rates includes both the general (differential) rate and a uniform annual general charge.

General Rates are used to fund or part fund Democracy, Economic Development, Community Services, Regulatory Services, Amenities and Reserves, Roading, Solid Waste Management, and Stormwater and Airport activities.

### 1.1 General (Differential) Land Rate

The general rate is set and assessed on the land value of all rateable land in the district, on a differential basis based on location, area, land use, and the activities that are permitted, controlled or discretionary for the area in which the land is situated as per the District Plan.

The definition of the differential categories is set out in [Section 6](#) of this Funding Impact Statement.

General Rates (exclusive of GST).

Table 1 - Differentials

General Rate Differential Categories	Percentage of General Rate	General Rate (Cents per \$ Land Value)
Residential 101	0.940%	0.25492
Residential 102	0.169%	0.18457
Residential 103	0.656%	0.32710
Residential 104	0.820%	0.28182
Residential 105	0.362%	0.18966
Residential 106	19.267%	0.67145
Residential 107	1.266%	0.55920
Residential 108	1.144%	0.49903
Residential 109	0.642%	0.43412
Residential 110	0.425%	0.49264
Residential 111	0.196%	0.17833
Residential 112	0.484%	0.37192
Residential 113	0.334%	0.31293
Residential 114	1.029%	0.38541
Residential 115	2.608%	0.43560
Multi Residential 121	0.017%	0.91896
Multi Residential 122	0.008%	0.64694
Multi Residential 123	1.534%	1.43591
Multi Residential 124	0.134%	1.90205
Multi Residential 125	0.138%	0.91015
Multi Residential 126	0.150%	1.04329
Commercial 131	0.965%	1.33488
Commercial 132	0.252%	0.83591
Commercial 133	1.917%	1.65626

General Rate Differential Categories	Percentage of General Rate	General Rate (Cents per \$ Land Value)
Commercial 134	10.458%	2.62240
Commercial 135	0.089%	1.22323
Commercial 136	0.330%	0.68536
Commercial 138	0.023%	0.11297
Commercial 139	1.202%	0.77905
Commercial 140	0.955%	1.09422
Rural 141	17.545%	0.17676
Rural 142	1.192%	0.16236
Rural 143	3.629%	0.13694
Rural Residential 151	3.931%	0.29515
Rural Residential 152	2.789%	0.27891
Rural Small Holding 161	1.398%	0.21187
Rural Small Holding 162	0.105%	0.13531
Rural Small Holding 163	0.189%	0.15144
Rural Small Holding 164	0.052%	0.07090
Industrial 171	2.990%	5.75949
Industrial 172	9.799%	4.08830
Industrial 173	5.217%	1.29425
Industrial 174	2.650%	9.16501
	100.0%	



## 1.2 Uniform Annual General Charge (UAGC)

The Council will set and assess a uniform annual general charge (UAGC) as a fixed amount per SUIP of a rating unit.

The Uniform Annual General Charge will be \$413.04 (exclusive of GST) per SUIP of a rating unit.

### 1A Expected Yield (Collect)

The expected collect from the General Rates (both the general (differential) rate and the uniform annual general charge) is calculated to be \$7,950,791 (excluding GST).

## 2. Water

Targeted water supply rates are set for each rating unit connected or able to be connected within certain scheme areas, as follows.

The rates are set on a per connection basis with a differential applied for each rate based on the use of the rating unit.

A differential is also applied in some scheme areas based on the availability of the service. The categories applied are rating units connected to the supply, and rating units which are not connected but are able to be connected ('serviceable'). A rating unit is regarded as serviceable if the rating unit lies within 50 metres of the water reticulation system.

For the Westport, Reefton, Mokihiui, Ngakawau/Hector and Waimangaroa water supplies, only connected properties are rated (there is no differential for serviceable properties).

Refer to the definition of the differential categories set out in [Section 6](#) of this Funding Impact Statement.

Table 2 - Unit rates

Water Supply Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST excl)
<b>Westport - Multi-residential only</b>			
	1-2	1.00	\$610.43
	3	1.70	\$1037.73
	4	2.30	\$1,403.99
	5	2.80	\$1,709.20
	6	3.20	\$1,953.38
	7	3.60	\$2,197.55
	8	4.00	\$2,441.72
	9	4.40	\$2,685.89
	10	4.80	\$2,930.06
	11	5.20	\$3,174.24
	12	5.60	\$3,418.41
<b>Westport - all other rating sectors</b>			
	1	1.00	\$610.43
	2	1.70	\$1037.73
	3	2.30	\$1,403.99
	4	2.80	\$1,709.20
	5	3.20	\$1,953.38
	6	3.60	\$2,197.55
	7	4.00	\$2,441.72
	8	4.40	\$2,685.89
	9	4.80	\$2,930.06
	10	5.20	\$3,174.24
	11	5.60	\$3,418.41
	12	6.00	\$3,662.58
<b>Reefton - Multi-residential only</b>			
	1-2	1.00	\$485.22
	3	1.70	\$824.87
	4	2.30	\$1,116.01
	5	2.80	\$1,358.62
	6	3.20	\$1,552.70
	7	3.60	\$1,746.79
	8	4.00	\$1,940.88
	9	4.40	\$2,134.97
	10	4.80	\$2,329.06
	11	5.20	\$2,523.14
	12	5.60	\$2,717.23
<b>Reefton - all other rating sectors</b>			
	1	1.00	\$485.22
	2	1.70	\$824.87
	3	2.30	\$1,116.01
	4	2.80	\$1,358.62
	5	3.20	\$1,552.70
	6	3.60	\$1,746.79
	7	4.00	\$1,940.88
	8	4.40	\$2,134.97
	9	4.80	\$2,329.06
	10	5.20	\$2,523.14
	11	5.60	\$2,717.23
	12	6.00	\$2,911.32

Water Supply Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST excl)
<b>Reefton - major users</b>			
1905006101	1+	2.00	\$970.44
1905023800	1+	2.00	\$970.44
1905043500	1+	2.00	\$970.44
1905044200	1+	2.00	\$970.44
1905050000	1+	2.00	\$970.44
1905036800	1+	40.00	\$19,408.80
<b>Mokihinui</b>			
Connected (excluding major users)	1	1.00	\$225.22
Major users*	1+	8.00	\$1,801.74
<b>Ngakawau Hector</b>			
Connected (excluding major users)	1	1.00	\$280.00
Major users*	1+	20.00	\$5,600.00
<b>Waimangaroa</b>			
Connected (excluding major users)	1	1.00	\$310.43
Major users*	1+	3.00	\$931.29
<b>Punakaiki</b>			
Connected	1	1.00	\$590.43
Serviceable	1	0.50	\$295.22
<b>Little Wanganui</b>			
Connected (excluding major users)	1	1.00	\$160.00
Serviceable	1	0.50	\$80.00
Major users*	1+	15.00	\$2,400.00
<b>Inangahua Junction</b>			
Connected (excluding major users)	1	1.00	\$230.43
Serviceable	1	0.50	\$115.22
Major users*	1+	3.00	\$691.30
Granity South Connected	1	1.00	\$230.43

## Definition of major users differential categories

Rate	Valuation Reference
Little Wanganui subdivision	1878035600
Mokihinui	1879001700
Ngakawau-Hector	1880006300
Waimangaroa	1883044300
Inangahua Junction	1901009300

## 2.1 Metered Water Supplies

### 2.1.1 Cape Foulwind Rural Water Supply

A targeted rate is set to fund the Cape Foulwind Rural Water Supply. Each farm connection is charged for consumption at a rate of \$0.55 (exclusive of GST) per m<sup>3</sup>.

### 2.1.2 Westport Metered Water Supply

The Council sets two rates for Westport Metered Water Supply.

A targeted rate is set for each connection to the Westport water supply through a meter. The rate is set as a fixed amount per connection of \$610.43 (exclusive of GST).

Each metered supply is then charged at a rate of \$1.60 (exclusive of GST) per cubic metre (m<sup>3</sup>) for consumption over 400m<sup>3</sup> per connection per annum.

### 2.1.3 Reefton Metered Water Supplies

Council is considering options to introduce Metered Water Supply for extraordinary users .

## 2.2 Punakaiki Water Supply

A targeted rate is set for each rating unit that is connected to the Punakaiki water supply.

The rate is set on a differential basis, based on use of the rating unit. The rate for differential factor 1.0 is \$590.43 per connection (excluding GST).

Table 2.2A - General description of differential categories and differential factor

Differential category	Differential factor	Targeted Rate
		(GST Exclusive)
(A) Section Only	0.5	\$295.22
(B) Single Residential Dwelling (Including A Home-Based Business)	1.0	\$590.43
(C) Department Of Conservation Depot	1.0	\$590.43
(D) Two Residential Dwellings On One Rating Unit	2.0	\$1,180.86
(E) Motel complex of more than 4 units	2.0	\$1,180.86
(F) Three residential dwellings on one rating unit	3.0	\$1,771.29
(G) Hostel (backpackers)	4.0	\$2,361.72
(H) Tavern, motel complex, and dwelling	6.0	\$3,542.58
(I) Camping ground and dwelling	12.0	\$7,085.16

## Table 2.2B - Categorisation of each property

The following table lists the properties (by valuation reference) that fall within each of the above categories:

Category	Valuation reference(s)
(A)	1886029000, 1886029001, 1886029003, 1886029007, 1886029013, 1886029014, 1886029015, 1886029019, 1886029029, 1886029030
(B)	1886016900, 1886016901, 1886017000, 1886017100, 1886017200, 1886017201, 1886017300, 1886017400, 1886017500, 1886017700, 1886017701, 1886017800, 1886017900, 1886018000, 1886018400, 1886018500, 1886018600, 1886018700, 1886018900, 1886019200, 1886019201, 1886019400, 1886019500, 1886019600, 1886019700, 1886019800, 1886019900, 1886028700, 1886028900, 1886029002, 1886029004, 1886029006, 1886029008, 1886029009, 1886029010, 1886029012, 1886029017, 1886029018, 1886029020, 1886029025, 1886029026, 1886029031, 1886029033, 1886029034, 1886029035, 1886029036, 1886031601, 1886031602, 1886031604, 1886031607, 1886031610, 1886031611, 1886031614, 1886031615
(C)	1886018001
(D)	1886029021, 1886029028, 1886031609
(E)	1886019000
(F)	1886029023
(G)	1886018100
(H)	1886031616
(I)	1886031200

Any future change to the use of any property within the Punakaiki water supply which results in a change to the use (as set out in Table 2.2A) will result in a change to the differential category the property is in, from the next rating year.

Council may require any user on the water supply to have a meter installed, if it deems it necessary to do so, in the interests of fairness within the supply area.

## 2A Expected Yield (Collect)

The expected collects for each of the Water Supply areas (GST exclusive) are:

Water Supply Area	Collect
Little Wanganui Subdivision	\$12,480
Mokihinui	\$11,250
Ngakawau-Hector	\$49,280
South Granity	\$10,070
Waimangaroa	\$42,470
Westport	\$1,643,340
Reefton	\$321,555
Punakaiki	\$54,886
Inangahua Junction	\$7,590

## 3. Sewage Disposal

Targeted sewage disposal rates are set for each rating unit connected or able to be connected within certain scheme areas, as follows.

The rates are set on a per pan basis with a differential applied for each rating unit based on the use of the rating unit.

A differential is also applied based on the availability of the service. The categories applied are rating units connected to the supply, and rating units within certain scheme areas which are not connected but are able to be connected ("serviceable"). A rating unit is regarded as serviceable if it is within 30 metres of the sewerage reticulation system.

For the Westport, Reefton, Mokihinui, Ngakawau/Hector and Waimangaroa water supplies, only connected properties are rated (there is no differential for serviceable properties).

Refer to the definition of the differential categories set out in [section 6](#) of this Funding Impact Statement.

Table 3 - Unit rates

Sewerage Scheme Rates	Differential category (refers to use by number of connections)	Differential factor	Targeted Rate (GST excl)
<b>Westport and Carters Beach - multi-residential only</b>			
	1-2	1.00	\$790.43
	3	1.70	\$1,343.73
	4	2.30	\$1,817.99
	5	2.80	\$2,213.20
	6	3.20	\$2,529.38
	7	3.60	\$2,845.55
	8	4.00	\$3,161.72
	9	4.40	\$3,477.89
	10	4.80	\$3,794.06
	11	5.20	\$4,110.24
	12	5.60	\$4,426.41
<b>Westport and Carters Beach - all other rating sectors</b>			
	1	1.00	\$790.43
	2	1.70	\$1,343.73
	3	2.30	\$1,817.99
	4	2.80	\$2,213.20
	5	3.20	\$2,529.38
	6	3.60	\$2,845.55
	7	4.00	\$3,161.72
	8	4.40	\$3,477.89
	9	4.80	\$3,794.06
	10	5.20	\$4,110.24
	11	5.60	\$4,426.41
	12	6.00	\$4,742.58
<b>Reefton - multi-residential only</b>			
	1-2	1.00	\$510.43
	3	1.70	\$867.73
	4	2.30	\$1,173.99
	5	2.80	\$1,429.20
	6	3.20	\$1,633.38
	7	3.60	\$1,837.55
	8	4.00	\$2,041.72
	9	4.40	\$2,245.89
	10	4.80	\$2,450.06
	11	5.20	\$2,654.24
	12	5.60	\$2,858.41

Sewerage Scheme Rates	Differential category (refers to use by number of connections)	Differential factor	Targeted Rate (GST excl)
<b>Reefton - all other rating sectors</b>			
	1	1.00	\$510.43
	2	1.70	\$867.73
	3	2.30	\$1,173.99
	4	2.80	\$1,429.20
	5	3.20	\$1,633.38
	6	3.60	\$1,837.55
	7	4.00	\$2,041.72
	8	4.40	\$2,245.89
	9	4.80	\$2,450.06
	10	5.20	\$2,654.24
	11	5.60	\$2,858.41
	12	6.00	\$3,062.58
<b>Little Wanganui</b>			
Connected	1	1.00	\$580.00
Serviceable	1	0.50	\$290.00

### 3A Expected Yield (Collect)

The expected collects for each of the Sewerage areas (GST exclusive) are:

Sewerage Area	Collect
Little Wanganui Subdivision	\$34,800
Westport	\$1,967,890
Reefton	\$293,760

## 4. Waste Management (formerly Refuse & Recycling)

For the purposes of the cost of providing waste management (refuse and recycling) throughout the district, three zones have been established, each having its own level of service.

The localities of these zones are:

Zone	Locality
1	All of the district except north of the Mokihinui River and east of Blacks Point to which the collection service is provided
2	North of the Mokihinui River (Karamea)
3	East of Blacks Point (Maruia)

The levels of service for each are:

Zone	Locality
1	The provision of a collection service for bins and bags, plus the cost of the waste management disposal area(s) within the zone.
2	The cost of the waste management disposal area(s) within the zone.
3	The cost of the waste management disposal area(s) within the zone.

### 4.1 Waste Management - Zone 1

The cost of providing recycling and refuse collection is recovered from those properties that receive the service, in the form of a targeted annual waste management charge of a fixed amount per set of two bins (one wheelie bin and one basket) delivered to those properties within the Zone 1 area.

Thus, any property that has been delivered more than one set of bins, is deemed to be receiving the service for each of those sets of bins, and shall be liable for the fixed amount for each set of bins delivered to the property.

The bins are used for the fortnightly recycling collection, while bags are available for purchase at various district outlets for the use of weekly refuse collection.

The annual waste management charge for Zone 1 will be \$133.04 per set of two bins (excluding GST).

### 4.2 Waste Management - Zone 2

The cost of providing a waste management landfill activity within the Zone 2 area is recovered from those rating units within the area.

The annual waste management charge for Zone 2 will be \$93.04 per rating unit (excluding GST).

### 4.3 Waste Management - Zone 3

The cost of providing a waste management landfill activity within the Zone 3 area is recovered from those rating units within the area.

The annual waste management charge for Zone 3 will be \$81.74 per rating unit (excluding GST).

### 4.1 Expected Yield (Collect)

The expected collects for each of the Waste Management zones (GST exclusive) are:

Waste Management Area	Collect
Zone 1	\$643,055
Zone 2	\$49,569
Zone 3	\$9,430



## 5. District Promotion and Tourism Rates

The Council sets targeted rates for district promotional and development activities, first introduced effective 1 July 2009.

The rates are assessed on all commercial and industrial rating units, plus rating units in any other rating category that are deemed to be commercially or industrially-orientated businesses (as per the definitions of the differential categories). Rating units that are apportioned for more than one use that includes commercial or industrial use are assessed for this rate.

Refer to the definition of the differential categories set out in section xx of this funding impact statement.

One rate is set as a fixed amount per rating unit, as follows:

Differential Category	Description of differential category	Amount per rating unit (GST exclusive)
Commercial Tier 1 -	\$0 - \$300,000 capital value	\$130.43
Commercial Tier 2 -	\$300,001 - \$500,000 capital value	\$260.47
Commercial Tier 3 -	Greater than \$500,001 capital value	\$391.30
Industrial		\$173.91
Other categories of rating units partly used for commercial accommodation purposes, but commercial accommodation is not the main use		\$217.39
Other categories of rating units used for commercial/industrial purposes (not included in commercial accommodation category above), but the commercial/industrial use is not its main use)		\$130.43

Another rate is set as a uniform amount per dollar of per capital value of the rating unit, set on commercial and industrial rating units (as defined by the differential categories).

The rate is set at \$0.000465 cents in the dollar of capital value of a rating unit (exclusive of GST).

### 5A Expected Yield (Collect)

The expected collect from the District Promotion and Tourism Rate is calculated to be \$235,703 (excluding GST).

Lump sum contributions

The Council does not accept lump sum contributions in respect of any of the targeted rates.

## 6. Differential Categories

Note that the first five digits of any valuation reference comprises the valuation roll in which the reference is found.

Also note that subject to the rights of objection to the rating information database set out in Section 28 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories applied to a rating unit.

### Residential Categories:

Rating units, or parts of rating units, being less than 4,000 square metres in area, having no more than one residential dwelling, and being primarily used for, or able to be used for, residential living.

**Residential 101** - includes residential rating units, or parts of rating units, within the valuation rolls numbered 18780 (but excluding the Little Wanganui Subdivision); 18800 (but excluding the township of Granity); 18820; 18830 (but excluding the townships of Waimangaroa and Conns Creek); 18840 (but excluding the settlement of Snodgrass, and those properties in the greater Westport area to the west of the Orowaiti River); 19000; 19010; 19040; 19080; and 19081.

**Residential 102** - includes residential rating units, or parts of rating units, within the valuation roll numbered 18810, plus the settlement of Snodgrass.

**Residential 103** - includes the residential rating units, or parts of rating units, within the valuation roll numbered 18790 (but excluding the township of Hector), plus the Little Wanganui Subdivision, and Conns Creek.

**Residential 104** - includes the residential rating units, or parts of rating units, on the inland side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity, plus the township of Waimangaroa.

**Residential 105** - includes the residential rating units, or parts of rating units, on the seaward side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity.

**Residential 106** - includes the residential rating units, or parts of rating units, within the valuation rolls numbered 18840, 18950, 18960, and 18970 (but not including any properties to the east of the Orowaiti River or south of Stafford Street, and those properties on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shelswell Streets, and selected properties at the northern end of Derby Street).

**Residential 107** - includes the residential rating units, or parts of rating units, on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shelswell Streets, and selected properties at the northern end of Derby Street.

**Residential 108** - includes the residential rating units, or parts of rating units, within the township of Carters Beach (but excluding those properties located on Marine Parade).

**Residential 109** - includes the residential rating units, or parts of rating units, within the township of Carters Beach located on Marine Parade.

**Residential 110** - includes the residential rating units, or parts of rating units, within the valuation roll numbered 18850 (but excluding the townships of Carters Beach, Omau, and Tauranga Bay and valuation reference 1885022301).

**Residential 111** - includes the residential rating units, or parts of rating units, within the valuation roll numbered 18860 (but excluding the townships of Charleston and Punakaiki and the Ross Subdivision).

**Residential 112** - includes the residential rating units, or parts of rating units, within the townships of Omau and Tauranga Bay, plus valuation reference 1885022301.

**Residential 113** - includes the residential rating units, or parts of rating units, within the township of Charleston.

**Residential 114** - includes the residential rating units, or parts of rating units, within the township of Punakaiki and the Ross Subdivision.

**Residential 115** - includes the residential rating units, or parts of rating units, within the valuation roll numbered 19050.

### Multi Residential:

Rating units that have more than the one dwelling, excluding farm properties and communal residences. Where practicable, Council may have the rating unit divided into each of its separate uses, so each division can be assessed for rates in a different differential category.

**Multi Residential 121** - includes those rating units under valuation references 1878011803 and 1908009900.

**Multi Residential 122** - includes the rating unit under valuation reference 1878037247.

**Multi Residential 123** - includes the multi-residential rating units within the valuation rolls numbered 18840 (excluding 1884000500, 1884001900 and 1884001903); 18950; 18960; and 18970.

**Multi Residential 124** - includes those rating units under valuation references 1884000500, 1884001900, 1884001903, and within the valuation roll numbered 18860.

**Multi Residential 125** - includes those multi-residential rating units within the valuation roll numbered 18850.

**Multi Residential 126** - includes those multi-residential rating units within the valuation roll numbered 19050.

## Commercial:

Rating units, or portions of rating units, used primarily for, or able to be used in terms of the District Plan for, carrying out a commercial or trading enterprise, including retail and/or wholesale, community, personal, business and repair services, offices, hotels, motels, camps and air transport.

**Commercial 131** - includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18780; 18820; 19000; 19010; 19040; 19080; and 19081; and those rating units under valuation references 1884018600 and 1884018701.

**Commercial 132** - includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18790; 18800; 18810; and 18830.

**Commercial 133** - includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18840 (excluding 1884018600 and 1884018701); 18960; and 18970; and those rating units under valuation references 1895009100, 1895021600 and 1895032100.

**Commercial 134** - includes commercial rating units, or parts of rating units, within the valuation roll numbered 18950 (excluding 1895009100, 1895021600 and 1895032100).

**Commercial 135** - includes the rating unit under valuation references 1885002400 and 1885022400C.

**Commercial 136** - includes commercial rating units, or parts of rating units, within the valuation roll numbered 18850 (excluding 1885002400 and 1885022400C).

**Commercial 137** - includes the rating unit under valuation references 1886031200 and 1886032401.

**Commercial 138** - includes the rating unit under valuation references 1886014901, 1886014903, 1886015102, 1886015200A and 1886015301.

**Commercial 139** - includes commercial rating units, or parts of rating units, within the valuation roll numbered 18860 (excluding 1886014901, 1886014903, 1886015102, 1886015200A, 1886015301, 1886031200 and 1886032401).

**Commercial 140** - includes commercial rating units, or parts of rating units, within the valuation roll numbered 19050.

## Rural:

Properties being 10 hectares or greater, used exclusively or principally for agricultural, horticultural, and/or pastoral purposes, including forestry, or vacant land that is able to be used for such purposes in terms of the District Plan.

**Rural 141** - includes rural rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

**Rural 142** - includes rural rating units, or parts of rating units, within the valuation rolls numbered 18790; and 18800.

**Rural 143** - includes rural rating units, or parts of rating units, within the valuation rolls numbered 18850; and 18860.

## Rural Residential:

Properties being greater than 4,000 square metres but less than 4 hectares, primarily used for the purpose of residential living.

**Rural Residential 151** - includes rural residential rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

**Rural Residential 152** - includes rural residential rating units, or parts of rating units, within the valuation rolls numbered 18790; 18800; 18850; and 18860.

## Rural Small Holding:

Properties being greater than 4 hectares but less than 10 hectares, used exclusively or principally for agricultural, horticultural and/or pastoral purposes, including forestry.

**Rural Small Holding 161** - includes rural small holding rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18850; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

**Rural Small Holding 162** - includes rural small holding rating units, or parts of rating units, within the valuation rolls numbered 18790; and 18800.

**Rural Small Holding 163** - includes rural small holding rating units, or parts of rating units, within the valuation roll numbered 18860 (but excluding those units within the valuation reference ranges 1886003000 to 1886003600 and 1886023800 to 1886027700).

**Rural Small Holding 164** - includes rural small holding rating units, or parts of rating units, within the valuation reference ranges of 1886003000 to 1886003600 and 1886023800 to 1886027700.

## Industrial:

Clay-Cement properties used primarily in the extraction of lime or clay, and/or used in the manufacture, storage, and/or distribution of cement.

**Industrial 171** - includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Clay-Cement above.

## Industrial Coal:

Properties used primarily in the extraction, storage, and/or distribution of coal.

**Industrial 172** - includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Coal above.

## Industrial Other:

Properties used primarily in the following, as well as all associated land and buildings related to:

- transport (road, rail, sea), excepting those properties defined as Industrial Harbour;
- utility services (communications, electricity, gas, water, sanitation);
- the manufacture of food, drink, and tobacco;
- the processing of textiles, leather, and fur;
- the processing of timber products, including manufacturing and storage sites (ie sawmills and timber yards, wooden articles of manufacture such as furniture)
- all other types of mining, not included in the sectors defined as Industrial Clay-Cement or Industrial Coal;
- engineering, metalwork appliances, and machinery works;
- chemicals, plastics, rubber, and paper manufacture;
- other manufacturing industries not defined above;
- depots and yards of contractors, central and local government; demolition, and fumigation and pest control firms; and
- vacant land designated for the primary purpose of industrial use

**Industrial 173** - includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Other above.

## Industrial Harbour:

Properties owned or occupied by Westport Harbour Limited and used for harbour and associated activities.

**Industrial 174** - includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Harbour above.

## SUIP (Separately Used or Inhabited Part) of a Rating Unit - Definition

A separately used or inhabited part of a rating unit includes:

- any part or parts of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement, or
- any part or parts of a rating unit that is/are used or occupied by the ratepayer for more than one single use.

## Examples of separately used or inhabited parts of a rating unit include:

- A residential property that contains two or more separately occupiable units, flats or houses, each of which is separately inhabited or is capable of separate habitation.
- A commercial, or other non-residential property containing separate residential accommodation in addition to its commercial, farming or other primary use.
- A commercial premise that contains separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.
- Council recognises that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations. These specific instances are:
  - Where a business, farm, orchard, vineyard or horticultural operation contains accommodation on a rent-free basis for the owner, staff or share-milkers associated with the enterprise's productive operation.
  - Where a residential property contains not more than one additional separately inhabited part, or where members of the owners family inhabit the separate part on a rent-free basis.
  - Where an orchard, vineyard or horticultural operation contains a staff for the sale of goods produced solely by the operation, a residence that provides accommodation on a rent-free basis for the owner and staff of the operation.

# Funding Impact Statement

	Annual Plan 2013/2014 \$000	Long Term Plan 2014/2015 \$000	Annual Plan 2014/2015 \$000
<b>OPERATING Funding</b>			
<b>Sources of Operating Funding</b>			
General rates, Uniform Annual General Charge, Rates penalties	7,450	6,962	7,942
Targeted rates (other than a targeted rate for water supply)	5,237	6,114	5,407
Subsidies for operating purposes	2,231	1,733	2,761
Fees, charges and targeted rates for water supply	281	307	227
Interest and dividends from investments	1,693	1,944	1,435
Local authorities fuel tax, fines, infringements fees and other receipts	4,609	4,454	3,655
<b>Total Operating Funding</b>	<b>21,501</b>	<b>21,514</b>	<b>21,427</b>
<b>Applications of Operating Funding</b>			
Payments to Suppliers and staff	15,502	14,731	15,244
Finance Costs	1,561	1,613	1,337
Other operating funding applications	678	672	892
<b>Total Applications of Operating Funding</b>	<b>17,741</b>	<b>17,016</b>	<b>17,473</b>
<b>Surplus/ (deficit) of Operating Funding</b>	<b>\$3,760</b>	<b>\$4,498</b>	<b>\$3,954</b>
<b>CAPITAL Funding</b>			
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	2,847	1,563	3,211
Development and financial contributions	0	0	100
Increase/(Decrease) in Debt	4,164	410	(2,387)
Gross proceeds from sale of assets	494	508	494
Lump Sum contributions	350	400	0
<b>Total Sources of Capital Funding</b>	<b>7,855</b>	<b>2,881</b>	<b>1,418</b>
<b>Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	6,762	2,801	5,158
- to replace existing assets	3,955	2,961	4,028
Increase/ (decrease) in reserves	404	1,650	192
Increase/ (decrease) in investments	494	(33)	(4,006)
<b>Total applications of Capital Funding</b>	<b>11,615</b>	<b>7,379</b>	<b>5,372</b>
<b>Surplus/ (deficit) of Capital Funding</b>	<b>\$(3,760)</b>	<b>\$(4,498)</b>	<b>\$(3,954)</b>
<b>FUNDING BALANCE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# Rating Examples

SECTOR	Res 101	Res 103	Res 103	Res 103	Res 104	Res 104
Location	Karamea	Little Wanganui	Mokihinui	Seddonville	Hector	Waimangaroa
<i>Land Value</i>	\$48,000	\$57,000	\$76,000	\$40,000	\$53,000	\$55,000
General Rates	122.36	186.45	248.60	130.84	149.37	155.00
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	-	160.00	225.22	-	280.00	310.43
Targeted Sewer Disposal Rate	-	580.00	-	-	-	-
Targeted Solid Waste Rate	93.04	93.04	133.04	133.04	133.04	133.04
<b>NET RATES</b>	<b>\$628.45</b>	<b>\$1,432.53</b>	<b>\$1,019.90</b>	<b>\$676.93</b>	<b>\$975.45</b>	<b>\$1,011.52</b>
GST	\$94.27	\$214.88	\$152.99	\$101.54	\$146.32	\$151.73
<b>TOTAL RATES</b>	<b>\$722.72</b>	<b>\$1,647.41</b>	<b>\$1,172.89</b>	<b>\$778.47</b>	<b>\$1,121.77</b>	<b>\$1,163.25</b>
<i>Comparison to Previous Year</i>	<i>\$703.86</i>	<i>\$1,636.06</i>	<i>\$1,155.55</i>	<i>\$794.42</i>	<i>\$1,121.45</i>	<i>\$1,139.26</i>
% Change	2.68%	0.69%	1.50%	(2.01%)	0.03%	2.11%

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

SECTOR	Res 106	Res 106	Res 108	Res 113	Res 114	Res 101
Location	Westport (Brougham)	Westport (Russell)	Carters Beach	Charleston	Punakaki	Ikamatua
<i>Land Value</i>	\$86,000	\$83,000	\$99,000	\$77,000	\$210,000	\$48,000
General Rates	577.45	557.31	494.04	240.95	809.36	122.36
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	610.43	610.43	610.43	-	590.43	-
Targeted Sewage Disposal Rate	790.43	790.43	790.43	-	-	-
Targeted Solid Waste Rate	133.04	133.04	133.04	133.04	133.04	133.04
<b>NET RATES</b>	<b>\$2,524.41</b>	<b>\$2,504.26</b>	<b>\$2,440.99</b>	<b>\$787.04</b>	<b>\$1,945.88</b>	<b>\$668.45</b>
GST	\$378.66	\$375.64	\$366.15	\$118.06	\$291.88	\$100.27
<b>TOTAL RATES</b>	<b>\$2,903.07</b>	<b>\$2,879.90</b>	<b>\$2,807.14</b>	<b>\$905.10</b>	<b>\$2,237.76</b>	<b>\$768.72</b>
<i>Comparison to Previous Year</i>	<i>\$2,718.95</i>	<i>\$2,776.56</i>	<i>\$2,705.15</i>	<i>\$894.87</i>	<i>\$2,242.79</i>	<i>\$786.08</i>
% Change	6.77%	3.72%	3.77%	1.14%	(0.22%)	(2.21%)

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

REFER TO PAGES 120-121 FOR SECTOR CODE DETAILS



SECTOR	Res 115	Res 101	Com 131	Com 134	Com 140	Rur 141
Location	Reefton	Springs Junction	Karamea	Westport	Reefton	Karamea
<i>Land Value</i>	<i>\$48,000</i>	<i>\$38,000</i>	<i>\$100,000</i>	<i>\$235,000</i>	<i>\$90,000</i>	<i>\$810,000</i>
General Rates	209.09	96.87	1,334.88	6,162.63	984.80	1,431.77
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Promotion and Tourism Targeted Rate	-	-	775.11	647.17	220.22	-
Targeted Water Rate	485.22	-	-	610.43	485.22	-
Targeted Sewage Disposal Rate	510.43	-	-	790.43	510.43	-
Targeted Solid Waste Rate	133.04	81.74	93.04	133.04	133.04	93.04
<b>NET RATES</b>	<b>\$1,750.83</b>	<b>\$591.65</b>	<b>\$2,616.08</b>	<b>\$8,756.76</b>	<b>\$2,726.76</b>	<b>\$1,937.85</b>
GST	\$262.62	\$88.75	\$392.41	\$1,313.51	\$409.01	\$290.68
<b>TOTAL RATES</b>	<b>\$2,013.45</b>	<b>\$680.40</b>	<b>\$3,008.49</b>	<b>\$10,070.27</b>	<b>\$3,135.77</b>	<b>\$2,228.53</b>
<i>Comparison to Previous Year</i>	<i>\$1,954.04</i>	<i>\$658.43</i>	<i>\$3,452.87</i>	<i>\$9,744.17</i>	<i>\$3,165.27</i>	<i>\$2,034.15</i>
% Change	3.04%	3.34%	(12.87%)	3.35%	(0.93%)	9.56%

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

SECTOR	Rur 143	Rur 141	RR 151	RR 152	RR 151	RR 152
Location	Cape Foulwind	Grey Valley	Karamea	Granity	Fairdown	Alma Road
<i>Land Value</i>	<i>\$1,550,000</i>	<i>\$1,870,000</i>	<i>\$131,000</i>	<i>\$125,000</i>	<i>\$160,000</i>	<i>\$180,000</i>
General Rates	2,122.54	3,305.44	386.64	348.63	472.24	502.03
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	-	-	-	-	-	-
Targeted Sewage Disposal Rate	-	-	-	-	-	-
Targeted Solid Waste Rate	133.04	133.04	93.04	133.04	133.04	133.04
<b>NET RATES</b>	<b>\$2,668.62</b>	<b>\$3,851.52</b>	<b>\$892.73</b>	<b>\$894.72</b>	<b>\$1,018.32</b>	<b>\$1,048.12</b>
GST	\$400.29	\$577.73	\$133.91	\$134.21	\$152.75	\$157.22
<b>TOTAL RATES</b>	<b>\$3,068.92</b>	<b>\$4,429.25</b>	<b>\$1,026.64</b>	<b>\$1,028.93</b>	<b>\$1,171.07</b>	<b>\$1,205.33</b>
<i>Comparison to Previous Year</i>	<i>\$2,851.93</i>	<i>\$3,976.97</i>	<i>\$999.05</i>	<i>\$1,043.57</i>	<i>\$1,138.87</i>	<i>\$1,168.24</i>
% Change	7.61%	11.37%	2.76%	(1.40%)	2.83%	3.18%

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

REFER TO PAGES 120-121 FOR SECTOR CODE DETAILS

# Revenue & Financing Policy



## Background

Section 102(4)(a) of the Local Government Act 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 (S(103(2)):

The Funding Impact Statement from [pages 112 - 125](#) provides detailed definitions, description and rating sectors for each of the targeted rates.

- General rates: which includes both a general (differential) rate and Uniform Annual General Charge (UAGC).  
The general rate is set and assessed on the land value of all rateable land in the district, on a differential basis based on location, area, land use and the activities that are permitted, controlled or discretionary for the area in which the land is situated as per the District Plan.

The definition of the differential categories is set out in [Section 6](#) of the Funding Impact Statement.

- Targeted rates
- Fees and charges: refers to [pages 140 - 156](#)
- Interest and income from investments
- Borrowings
- Proceeds from asset sales
- Development contributions
- Financial contributions under the Resource Management Act
- Grants and subsidies
- Any other sources

In considering which funding sources are appropriate for each activity, Council has considered (S(101(3)) of the Local Government Act:

- a) The promotion of community outcomes
- b) User/beneficiary pays - the distribution of benefits between the community as a whole, any identifiable part of the community and individuals
- c) Intergenerational equity - the period in or over which those benefits are expected to come
- d) Exacerbator pays - the extent to which the actions or inaction of particular individuals or groups contribute to the need to undertake the activity
- e) 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
- f) The overall impact on the current and future social, economic, environmental and cultural well-being of the community

# Changes to Funding Mechanisms

Activity	Current Funding Mechanism	Funding Mechanism
	1 July 2013	Effective 1 July 2014
Economic Development and Marketing	Operating 3% Fees 36% General rates 61% Targeted rate based on capital value.	Operating 4% Fees 6% Reserves 29% General Rates 61% Targeted rate based on capital value
Theatre	Operating 50% Fees - user pays 50% General rates	Operating 40% Fees - user pays 60% General rates
Reefton Post Office	Operating 100% Fees	Operating 85% Fees 15% General rates
Vision 2010 Rural Projects	Capital 50% funded from General rates 50% funded from external contributions	Capital 50% funded from General rates or Loans 50% funded from external contributions
		Operating 100% General rates
Area Maintenance	Operating 100% Targeted rates - Westport only	N/A
	Capital No capital spend	
Resource Management - Planning	Operating 94% General Rates 6% Fees	Operating 92% General Rates 8% Fees
Building Control	Operating 100% Fees	Operating 90% Fees 10% General Rates
Environmental Health - Food Premises	Operating 73% Fees 27% General rates	Operating 76% Fees 24% General Rates
Reserves	Operating 100% General rates	Operating 3% Fees 97% General Rates
Refuse Collection & Recycling	From 1 July 2013 to 31 December 2013: Operating 100% Targeted rates	ZONE 1, 2 & 3: 100% Targeted rates  Fees from bag sales will be managed by an independent contractor and the activity will be partially funded by a targeted rate to ratepayers to whom the service is available
	Effective 1 January 2014: Fees from bag sales will be managed by an independent contractor and the activity will be partially funded by a targeted rate to ratepayers to whom the service is available	
Recycling	From 1 July 2013 to 31 December 2013: Operating 100% Targeted rates	REMOVED
	Effective 1 January 2014: This activity will be managed by an independent contractor and Council's subsidy to the contractor will be partially funded by a targeted rate by ratepayer to whom the service is available	

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2014	
						General Benefits	Private Benefits		
Governance	Democracy	Elected Representatives	Statutory requirement Local Government Act 2002	- All	Ongoing	All can be involved in democratic representation	Inangahua community benefits through separate board of four members plus two Councillors	Operating 100% General rates Capital No capital spend	
		Community Planning and Consultation	Local Electoral Act 2001 and regulations  The need for the Inangahua Community Board is created by the Inangahua Community			Liaison with central government  Equal access for all			
			Governance Structure for effective leadership, advocacy and accountable stewardship of the Council's assets and resources						
Community Services	Libraries	Library service	Supports lifelong literacy and learning for different ages and needs. Council's provision of services allows all residents the opportunity for information, knowledge, recreation and leisure at a community facility.	- Learning - Who we are	Ongoing Long term: Library books Library buildings	Library facilities are provided for the entire community and enhance wellbeing.  Better informed and educated community  Equal access to all	Individuals who directly benefit from the service taking out books  Researchers	Operating 90% General rates 10% Fees Land valuation Capital Loans Investments Depreciation Reserves Grants	
		Information service							
		Grants District Marketing Economic Development	District Promotion and Marketing Agencies and Businesses Economic Development	- Prosperity - Wellbeing	Ongoing	Improved economic benefit of district	Local business	Operating 4% Fees 6% Reserves 29% General rates 61% Targeted rate based on capital value Tiered charge (based on CV) plus CV based rate (\$0,000,465) on all commercially rated properties. Tier 1 - \$130.43 Tier 2 - \$260.87 Tier 3 - \$391.30 Flat charge (\$173.91) plus CV based rate (\$0,000,465) on all industrially rated properties. Flat charge \$217.39 on all home-based businesses providing accommodation. Flat charge (\$130.43) on all home-based businesses not providing accommodation. Capital Loan, Depreciation Reserves	

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2014
						General Benefits	Private Benefits	
Community Services	Recreation Facilities	Swimming Pool at Reefton	Users of facilities benefit from personal fitness and competition	Wellbeing Learning Who are we	Ongoing	Community benefits in providing options for people to exercise and relieve the pressure on the health system	Users of pool Users of gym, pool and sports recreational facilities.	Operating 100% General rates  Capital Loans Investments
		Community Centre at Reefton which provides an indoor community and sports venue, and gym facilities				Community benefits in providing options for people to exercise and relieve the pressure on the health system.		
		Solid Energy Centre in Westport, which provides gym, pool and sports facilities	The Solid Energy Centre can be used to attract regional and national sporting events			Enhanced health and well-being of community. Opportunities for recreation and leisure. Controlled safe environment for younger community.		
	Theatre	Live performance	Theatre groups who use the theatre for performances	Who are we	Ongoing	Facility that can be used by all and enhances cultural well-being of district.	Groups who need a venue for live performances.	Operating 40% Fees - user pays 60% General rates Land valuation
	Movies	Movie goers			Long Term: - Theatre Venue	Overall public benefit.	Residents who want to watch movies.	Capital Loans Depreciation Reserves Grants Investments
		School groups who use the theatre for performances						
	Reefton Service Centre	Council Services	Reefton residents who require access to services	Who are we	Ongoing Long Term: - building	Reefton residents and visitors to the area	Individuals and businesses requiring information or transaction processing	Operating 100% General Rates  Capital Depreciation Reserves
	Reefton Post Office	Postal Services	Reefton residents who require access to services	Who are we	Ongoing Long Term: - building	Reefton residents and visitors to the area	Individuals and businesses requiring postal agency information or transaction processing	Operating 85% Fees 15% General rates Capital Depreciation Reserves

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2014
						General Benefits	Private Benefits	
Community Services	Community Development and Support	Provision of grants	Volunteer organisations and individuals who want funding due to financial pressures	Who we are Learning	Ongoing	Grants paid to organisations benefit the whole community through improved facilities and cultural opportunities	Users of the services or facilities provided by grant recipients	Operating 100% General rates  Capital No capital spend
		Vision 2010 rural projects	Council recognises that our rural communities face particular challenges in continuing to provide community services and facilities to their local populations. The Vision 2010 projects are designed to support local community initiatives to improve community facilities and projects that benefit residents.	Prosperity  Who we are	Ongoing	The Vision 2010 projects are designed to support local community initiatives to improve community facilities and projects that benefit residents	Users of the community facilities	Capital 50% funded from General rates 50% funded from external contributions Loans  Operating 100% General rates
	Community Development and Support	Development of Cultural Hub	Council is looking to help revitalise the town centre environment through the creation of a cultural hub.  Cultural facilities like libraries, theatres and museums, along with information providers (such as I-Site) have resources and activities that appeal to people of all ages and cultures in our community along with our visiting tourists. Museums provide a repository for the district's history in a way that is both enjoyable and helps to build understanding of our district and social identity. These facilities can be vital in drawing people to the heart of our town and encouraging further interactions, longer visits and encourage participation in social activities.	Prosperity Who we are	Ongoing	These facilities can be vital in drawing people to the heart of our town and encouraging further interactions, longer visits and encourage participation in social activities.	Users of facilities Business operators in the town and region	Operating 100% General rates  Capital 50% Funded by loan 50% Funded by external contributions



Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2014
						General Benefits	Private Benefits	
Regulatory Services	Resource Management Planning	District Plan - framework, regulation and control of subdivisions and environmental practices	Council administers the responsibilities imposed under the Resource Management Act (RMA) relating to the use of the land, air and water. This function requires the administration of the operative District Plan. To achieve a healthy and sustainable environment. The RMA Act places specific statutory functions on territorial authorities to promote the sustainable development of natural and physical resources.	Sustainable environment	Ongoing Long Term: District Plan	Entire district - Regulations Monitoring benefits  Contributes to the sustainable management and development of the district resources and of benefit to district as a whole	Applicants for Resource Consents	Operating 92% General Rates 8% Fees  Capital No capital spend
	Resource Management Consents	Resource Consents	Legislation - RMA  Resource Consent Applicants  Monitoring enforcement of land use.	Sustainable environment Wellbeing	Ongoing	Entire district - Regulations Monitoring benefits.  There is also an element of benefit to the whole district by ensuring planning and development is done in a co-ordinated and not haphazard way.  Environment safeguards	Applicants for Resource Consents	Operating 100% Fees  Capital No capital spend
	Building Control	Building consents	The Building Act 2004 places substantial statutory function requirements on territorial authorities. The activity ensures buildings meet the requirements of the New Zealand Building Code.  To provide high quality safe solutions to the community for their building needs	Prosperity Wellbeing	Ongoing	Benefit to the entire district of having buildings that comply with regulations.  Public health and wellbeing	Individuals who are building	Operating 90% Fees 10% General Rates  Capital No capital spend
	Animal Control - Dogs	Dog licensing	Legislation below requires territorial authorities to enforce certain statutory functions regarding dog control: - Dog Control Act 1996 - Impounding Act 1955  Animal control activities promote public welfare and safety	Wellbeing	Ongoing Long Term: Dog pounds	Entire district - Complaint service - Public safety	Those with dogs cause the problems.  Individuals will have delegated exercise areas for dogs.	Operating 15% General rates 85% Fees  Capital Investments loans
	Animal Control - Stock	Stock control	Legislation below requires territorial authorities to enforce certain statutory functions regarding stock control. - Impounding Act 1955  Stock control activities promote public welfare and safety.	Wellbeing	Ongoing	Entire district - Complaint service - Public safety	Those with stock cause the problems	Operating 60% General rates 40% Fees  Capital No capital spend

Activity Group	Activity	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2014
					General Benefits	Private Benefits	
Regulatory Services	Environmental Health - Food Premises	Licensing of premises Legislation - Food Hygiene Regulations 1974 - Health Act 1956 The activity ensures the enforcement of safety legislation to protect members of our community from potential risk.	Wellbeing Sustainable Environment	Ongoing	Entire district benefits from health and safety in business meeting standards. The community as a whole benefits through control of infectious diseases and monitoring of environmental standards. The community includes local residents and visitors to the district.	Individuals who require certification of their businesses	Operating 76% Fees 24% General Rates  Capital No capital spend
	Environmental Health - Liquor Licensing	Sale of Liquor Act 1989 Gambling Act The activity ensures the enforcement of safety legislation to protect members of our community from potential harm.	Wellbeing	Ongoing	Entire district - Regulated opening times / venues Public health and safety	Individuals who require certification of their businesses	Operating 90% Fees 10% General rates  Capital No capital spend
	Environmental Health - Noise	Noise complaints serviced This is driven by legislation via the Resource Management Act (RMA). People are not allowed to make 'excessive' noise and must ensure that noise from their property does not reach an 'unreasonable' level. Address nuisance activities.	Wellbeing	Ongoing	Health benefits from reduced noise levels	Promotion of a pleasant environment for the community. No hazards from excessive noise levels	Operating 95% General rates 5% Fees  Capital No capital spend
	Environmental Fire Services - Rural Fire	Fires attended Training of locals Rural fire fighting capability There is a requirement for this activity as per the Forest and Rural Fires Act (1977). It ensures public safety and ensures that there are adequate plans to respond to hazards, risks and emergencies. It also ensures that there are sufficient trained personnel and response measures in place during an emergency.	Wellbeing	Ongoing Long Term: - vehicles	Entire district as fire is contained / prevented	Individuals exposed to fire risk to safety and property	Operating 100% General rates Fire attendance on cost recovery  Capital Loans Investments
	Emergency Services - Civil Defence	Training of locals Civil defence preparedness This activity is fundamental to achieving community preparedness for emergencies. There is a requirement for this activity as per the Civil Defence and Emergency Act. It ensures public safety and ensures that there are adequate plans to respond to hazards, risks and emergencies. It also ensures that there are sufficient trained personnel and response measures in place during an emergency.	Wellbeing	Ongoing	Provides certainty and assurance to public Council prepared to meet impact of natural disaster	Individuals requiring assistance during an emergency	Operating 100% General rates  Capital Loans Depreciation Reserves Investments

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2014	
						General Benefits	Private Benefits		
Property Management, Amenities & Reserves	Reserves	Parks	Provides the community with recreation facilities and relaxation areas	Wellbeing Who we are	Ongoing	Use of parks is public	Users of parks and reserves facilities	Operating 97% General rates 3% Fees	
		Sports grounds	Create a pleasant environment for the community.	Wellbeing Who we are	Long Term: - Land - Playground equipment	Promotion of a pleasant environment for the community.	Individuals using facilities	Capital Reserve contributions Loans Depreciation Reserves Investments	
		Reserves	The provision of toilet facilities promotes the health and wellbeing of the district and environment.		Beauty and image of Buller district is enhanced				
		Playgrounds			Enhanced health and wellbeing				
		Beach areas			Public - non-exclusivity Health and wellbeing of community				
Public Toilets	Toilet facilities	The provision of toilet facilities promotes the health and wellbeing of the district and environment.	Wellbeing	Ongoing Long Term: buildings	Individuals using facilities	Operating 100% General rates	Capital Loans Depreciation Reserves Investments		
Cemeteries	Cemeteries	Interment facilities	Burial and Cremation Act 1974	Wellbeing	Ongoing Long Term: land	Community as a whole benefits from availability of interment facilities	Benefit for family of person interred	Operating 75% General rates 25% Fees	Capital Loans Depreciation Reserves Investments
		Cemetery reserve	Community and civic buildings provide for a diverse range of community activities	Wellbeing Who we are	Ongoing Long Term: buildings	Availability of heritage records	Groups using halls	Operating 95% General rates 5% Fees	
		Records enquiry service							
Property - Community	Community halls	Community and civic buildings provide for a diverse range of community activities	Wellbeing Who we are	Ongoing Long Term: buildings	All benefit from public buildings	Operating 95% General rates 5% Fees	Capital Loans Depreciation Reserves Investments		
Elderly Persons Housing	Housing for the Elderly	Provision of housing for the elderly assists our senior citizens to maintain their independence and remain in the community	Wellbeing Who we are	Ongoing Long Term: buildings	Retaining the elderly within the community which retains our social character and mix	Tenants renting	Operating 100% Fees	Capital Loans Depreciation Reserves Investments	

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2014	
						General Benefits	Private Benefits		
Property Management, Amenities & Reserves	Property - Private	Property Management of leased property	Management of leased land assists in the effective maintenance of Council's assets and facilities	Who we are	Ongoing Long Term: - buildings	All benefit from return on investment	Leasehold tenants	Operating 100% Fees Capital Loans Depreciation Reserves Investments	
		Holiday park accommodation for visitors	Provision of an area for both passive and active recreation and enjoyment	Wellbeing Who we are	Ongoing Long Term: - buildings	All benefit from extra visitors and economic gain	Customers using the facility	Operating 80% Fees 20% General rates Capital Loans Depreciation Reserves Investments	
Roading & Urban Development	Roading	Roads	Local Government Act 2002 Road Controlling Authority This activity ensures property access and freedom of travel and supports the sustainability of the community	Wellbeing Prosperity	Ongoing Long Term: - road construction and renewals	Sustainability of the community	Individuals using the transport network Benefit from access to property and access to facilities Improved safety of roads	Operating 42% General rates 58% NZTA Subsidy Capital General rates NZTA Subsidy Investments Loans	
		Street lighting							
		Footpaths							
		Car parking spaces							
Roading & Urban Development	Urban Development	Improving street and landscape in towns	More pleasant environment for our communities by use of planting, street treatment and decorative measures	Who we are	Ongoing Long Term: - landscaping	Promotion of a pleasant environment for the community	Improved environment to residents and tourists	Operating 100% General rates Capital General rates Loans Investments	
		Supply of water	Community health, safety and development. Provision of water supplies is a core function of Local Government	Wellbeing	Ongoing Long Term: - new schemes / renewals	Supply of water for public toilets. Fire fighting supply	Residents able to be connected to supply.	Operating 100% Targeted rates Metered water for major users Capital Targeted rate Subsidies Loans Investments Depreciation Reserves	

Activity Group	Activity	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2014	
					General Benefits	Private Benefits		
Solid Waste	Activity: What is the Community getting	<p>ACTIVITY: What is the Community getting</p> <p>ZONE 1 Collect household refuse and recycling</p> <p>ZONE 2 Provide waste management disposal facilities</p> <p>ZONE 3 Provide waste management disposal facilities</p>	<p>Necessary for the health and quality of life in the community. Ensure that refuse is managed and disposed of in an efficient and sustainable manner.</p> <p>Necessary for the health and quality of life in the community. Ensure that refuse is managed and disposed of in an efficient and sustainable manner.</p> <p>Necessary for the health and quality of life in the community. Ensure that refuse is managed and disposed of in an efficient and sustainable manner.</p>	Wellbeing	Ongoing	Better environment	Those using collection service	Operating 100% Targeted rates Fees from bag sales will be managed by an independent contractor and the activity will be partially funded by a targeted rate to by ratepayers to whom the service is available Capital Loans Depreciation Reserves Investments
						Public health		Operating 100% Targeted rates Fees from bag sales will be managed by an independent contractor and the activity will be partially funded by a targeted rate to by ratepayers to whom the service is available Capital No capital spend
						Better environment	Those using collection service	Operating 100% Targeted rates Fees from bag sales will be managed by an independent contractor and the activity will be partially funded by a targeted rate to by ratepayers to whom the service is available Capital No capital spend
Solid Waste	Landfill Operation	<p>Ensure that capacity exists for residual waste and recycling if it cannot be disposed at the Nelson facility.</p> <p>Ensure that refuse is managed and disposed of in an efficient and sustainable manner that maintains the districts natural and aesthetic values</p> <p>Necessary for health and quality of life in communities, and disposed of in an efficient manner</p>	Wellbeing	Ongoing	Community facilities for rubbish disposal	Residents able to dispose of unwanted rubbish	Operating 100% General rates	
					Better environment			
					Public health			
Solid Waste	Litter	Litter collection	Wellbeing	Ongoing				

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2014
						General Benefits	Private Benefits	
Wastewater/Stormwater	Sewerage	Disposal of sewerage	Necessary for health and quality of life in the community	Wellbeing	Ongoing Long Term - New schemes / renewals	Community health and wellbeing	Residents able to be connected to sewer	Operating 100% Targeted rates Trade waste Fees Capital Depreciation Reserves Investments Loans
		Disposal of trade waste				Maintains sanitation	Those disposing of trade water	
Wastewater/Stormwater	Stormwater	Collect and transport land drainage from property	Protection of property Health and safety as it reduces danger from flooding	Wellbeing	Ongoing Long Term - New schemes / renewals	Public health benefit Continuity of access to property	Urban properties benefit due to density of roading and footpaths Drainage protection Open drains in rural area	Operating 100% General rates Capital Loans Depreciation Reserves
		General staff and administration services	Implement and support of all Council activities	All	Ongoing Long Term - Office Equipment	Benefits community at large		Overheads reallocated back to other departments.
Support Services	Information Systems	Computer systems	Availability of information and systems to support all Council activities and enable sound decision making.	All	Ongoing Long Term - Computer systems	Benefits community at large	Individuals accessing databases and information	Overheads reallocated back to other departments. Capital Depreciation Reserves Loans Investments
		Tele-communication networks						
Airport	Westport Airport	Airport Services	Public Transportation	Prosperity	Ongoing Long Term - Buildings - Land	Economic benefit to all Social and heritage value	Commercial / individual users benefit	Operating 100% Fees 50% Funded by Crown Remainder from General rates Capital Loans Depreciation Reserves 50% funded by the Crown
		Engineering Services	Council access to engineering services on a cost effective basis	All	Ongoing	Benefits community at large		Operating Internal charges reallocated back to other departments. Capital Loans Depreciation Reserves Investments



# Ratepayers are currently rated on a system that uses Land Values as the basis for General Rates

User charges are used for those services where there is a benefit to an individual. If it is possible to efficiently impose a charge the Council does so, on the basis of either recovering the full cost of the service or a rate that the market will pay. The market rate can limit the potential for charging in circumstances where the Council believes that a charge set too high will adversely reduce use.

**General rates** are used to fund those services where the council believes there is a public benefit even though it may not be to the whole community. It typically funds “public goods” for which there is no practical method for charging individual users as the benefit is wider than just specific users. General rates fund a range of services which are used by individual ratepayers to varying extents. The council uses the general rate rather than a number of targeted rates in order to achieve a simpler rating structure. That simpler structure makes it easier for ratepayers to understand how they are being rated and it is also simpler and cheaper to administer. Rates are regarded as a tax which funds the collective community benefit rather than be any form of proxy for use of a service. Differentials are only used to ensure that other rates mechanisms do not alter the incidence in rates between the major rate payer groups

Targeted rates are also used to fund community benefits and wider public goods. A targeted rate means a rate to be used exclusively to pay for that operating expense. It is used in circumstances where the council believes that the benefits from the services are such that the principles of a general rate approach (noted above) are not sufficient and that they should be targeted to a particular beneficiaries group. It is also used where the council considers that the level of charge is outside council’s control and the extent of the rate should be clear to the community.

Grants and subsidies are used where they are available.

Borrowing is not generally used to fund operating expenses, but is used as a tool to smooth out major lumps in the capital replacement and acquisitions programme. The council may choose to borrow for an operating expense to give a grant to a community organisation that is building a community facility.

Income from dividends, interest and net rental income is used to offset the cost of provision of other services. Income from interest and dividends is included as revenue in the investments and governance activity. This revenue is utilised to reduce Council’s general rates income stream. Income from rental of property is applied to the activity which is the primary user of a facility, if the property does not have a primary use but is held for commercial or strategic purposes the rental is included in investments and governance activity, and is applied to general purposes.

Licence fees are charged where they are available as a mechanism. They are set as for user charges but may have constraints on the level of the fee. These constraints are established under various legislation.

Enforcement fees are charged when possible. The purpose of the fee is to promote compliance rather than to raise revenue, at times enforcement fees will recover the full cost and at

other times it will not depending on the level of compliance and also the extent to which the charges are limited by statute or the courts.

## Funding of Capital

Rates in all forms will be used to fund an ongoing replacement programme and may be used to fund a portion of capital acquisition work. This will be balanced against the affordability for the current ratepayers and the extent to which a capital replacement or acquisitions programme is even over the period of the plan. Over the period of the plan the council will get to the point where asset renewals are being met from operating revenue, and also a contribution is being made to levels of service and growth capital.

**Borrowing** will be applied to capital works subject to the preceding statement on the use of rates. The council views debt as a smoothing mechanism and a means of achieving equity between time periods, however the council does not have an unlimited capacity to borrow and the community does not have unlimited capacity to service those loans into the future. Therefore, the council adopts a prudent approach to debt and its capital programme to ensure that the burden of debt and the interest cost does not place an impossible burden on the community. In doing so the council is conscious of its peak debt and its ongoing funding stream for debt servicing and work programme.

In the early years of the plan the council is borrowing to fund asset renewals. This is being done to achieve a balance between the level of rates rises and the sustainability of service levels. In the later years of the plan the council achieves sustainable funding and borrows for part of the level of service and growth capital works. This is outlined in the Funding Impact Statement (page 127).

**Proceeds from asset sales** may be used to fund capital works or repay debt. The preferred option will be for debt repayment with any new works funded from new debt draw down. This method is favoured due to its transparency and the neutral effect it has on rating. There is no major planned asset sales programme over the period of this plan, but assets which are no longer required for strategic or operational purposes may be sold.

# Remission Policy

## Policy on Remission of Uniform Charges and Targeted Rates on apportioned rating units

### Objective(s) of the Policy

To maintain fairness with regard to the charging of set rates to apportioned units that are used as "a single unit"

### Conditions and criteria

Where any rating unit has been apportioned, and the parts are used as 'a single unit', in the fact that the owner/occupier lives at and/or operates all parts of the rating unit, then only one of the parts will be subject to any uniform charge and any targeted rate (that may be applicable to the parts in terms of the conditions set by the Funding Impact Statement for those particular charges).

Such rating units may include any Residential, Rural Residential, Rural Small Holding, or Rural property (in terms of the definitions defined under Part 6 of the Funding Impact Statement, Differential Categories) that includes a commercial or industrial enterprise as one of the parts.

# Fees & Charges



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All Fees & Charges inclusive of 15% GST unless otherwise stated

# Library

## Archives

Initial Research (for search conducted by Library Staff) .....	\$18.00 first 15 minutes
Search Fee (for search conducted by Library Staff) .....	\$71.50 per hour

## Rentals

Books - large print .....	\$0.50
Books - rental titles other than Bestseller Collection .....	\$1.00
Books - Bestseller Collection (two week loan only) .....	\$3.00
Magazines (first issue year) .....	\$0.50
Jigsaws .....	\$1.00
DVD .....	\$3.00

Late Returns (per item, fees accumulating)	Age: 18+	Age: 15-18	Under 15 yrs
More than 1 day late .....	\$0.80	\$0.70	no charge
More than 8 days late .....	\$3.00	\$2.50	\$2.50
More than 55 days late .....	\$6.00	\$5.50	\$5.50
Bestsellers overdue per day .....	\$0.80 per day	\$0.70 per day	\$0.70 per day

*Plus Invoicing Fee if applicable*

## Lost/Damaged Items

Item recovery charge .....	\$15.00
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(This charge applies to any overdue accounts referred to Council and followed up with a Debt Collection Agency)

Replacement Costs

## Requests

Interloan (reciprocal libraries) .....	\$7.00
Interloan (non-reciprocal libraries) .....	\$20.00
Reserves Own Collection Per Book (free for online customer services) .....	\$1.00
Replacement Cards .....	\$5.00

## Sales

Books .....	From \$1.00 - \$5.00
Book Covering .....	\$7.00
Internet Printing (from People's Network) .....	\$0.30

## Photocopying

A4 mono .....	\$0.30 per sheet
A4 colour .....	\$2.00 per sheet
A3 mono .....	\$0.40 per sheet
A3 colour .....	\$2.00 per sheet

## Laminating Costs

A4 .....	\$2.00 each
A3 .....	\$4.00 each

All Fees & Charges inclusive of 15% GST unless otherwise stated

## Hire of Meeting Room

Commercial / Business / Government Department .....	\$126.50 per day
Commercial / Business / Government Department .....	\$69.00 per half day
Non profit / Community Group.....	\$50.00 per day
Non profit / Community Group.....	\$25.00 per half day

## Non Resident Subscription

Holiday Card (valid up to one month) .....	\$15.00
Subscription Membership Card (valid six months) .....	\$50.00
Subscription Membership Card (valid 12 months).....	\$80.00

## Fax Services

Fax - outwards - within New Zealand .....	\$2.50
Fax - outwards - outside New Zealand.....	\$5.00
Fax - inward .....	\$1.00

# NBS Theatre

## Movie Admission

Adults .....	\$14.00
Student (with ID) .....	\$11.00
Children (primary) .....	\$8.50
Senior Citizens (60+).....	\$9.00
Family Ticket (Two Adults and Two Children) .....	\$40.00
3-D Glasses .....	\$2.00 per pair

## Theatre Hire

Variable at discretion of Theatre Manager, plus other direct costs - wages, heating .....	\$40.00 per hour
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## Daily Theatre Hire Rate

Professional.....	\$700.00
Local .....	\$430.00
Arts Council and Public Meetings .....	\$380.00
Two day hire .....	\$1,000.00

## Green Room Hire Rate

Per hour.....	\$45.00
Per four hours.....	\$150.00

## Fred Gregory Screen Room Hire Rate

Per hour.....	\$45.00
Daily rate .....	\$150.00

All Fees & Charges inclusive of 15% GST unless otherwise stated



## Equipment Usage Charges

Lights .....	\$16.00 per day
Dimmer Packs .....	\$27.00 per day
Speakers .....	\$27.00 per day
Microphones, Stands, Light Trees, Tape Deck, CD Player .....	\$11.00 per day
Staff Technician, Usher, Front of House .....	\$27.00 per hour per person
Laptop .....	\$30.00 per day
Commission .....	At the discretion of Theatre Manager
Additional Charges .....	At the discretion of Theatre Manager

## Reefton Cinema

### Movie Admission

Adults .....	\$13.50
Students (with ID) .....	\$10.50
Children (Under 16)/Seniors 60+ .....	\$8.50
Family Ticket (Two Adults and Two Children) .....	\$39.50
3-D Glasses .....	\$2.00 per pair

## Reefton Community Hall

### Hire Rate

Hire rate to 4:00pm weekdays .....	\$11.00 per hour
Hire rate, nights, weekends, statutory holidays .....	\$22.00 per hour
(Variable at discretion of Staff, plus other direct costs - wages, heating)	

### Reefton Community Hall - Sports

U16 Training .....	\$6.00 per hour
Senior Training and U16 Competition .....	\$11.00 per hour
Senior Competition .....	\$22.00 per hour
Full night hire .....	\$220.00

### Auditorium

Visiting Shows 3.00pm to 1.00am .....	\$550.00
Others 3.00pm to 1.00am .....	\$415.00
Rehearsals .....	\$15.00 per hour

All Fees & Charges inclusive of 15% GST unless otherwise stated

# Reserves

## Victoria Square

Buller Cricket Association.....	\$220.00 per year
Buller Rugby Union.....	\$75.00 + 6% gate per year
Rangimarie Croquet Club.....	\$84.00 per year
White Star Rugby Club.....	\$84.00 per year

## Kilkenny Park

Buller Women's Hockey Association.....	\$167.00 per year
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## Rayner Park

White Star Rugby Club.....	\$84.00 per year
NZ Fire Service.....	\$84.00 per year

## North Beach

Westport Pony Club.....	\$84.00 per year
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# Westport & Reefton Cemeteries

## Burial

Adult interment (opening fee).....	\$599.00
Child aged 12 years or over interment (opening fee).....	\$599.00
Child aged under 12 years interment in area specially provided (opening fee).....	\$154.00
Stillborn child (buried in area provided or in previously purchased existing plot).....	\$55.00
Extra Depth, over 1.8 m.....	\$110.00
Interments taking place on Saturdays or on a Monday or day following a public holiday before 11:00am an additional fee of.....	\$250.00
Interment of Ashes.....	\$110.00 / \$148.00 for two
Disinterment.....	\$599.00
Re interment.....	\$599.00

## Other Cemetery Fees

Purchase of right of burial in perpetuity each single plot.....	\$353.00
■ includes adult and child aged 12 years or under	
■ excludes stillborn child in area provided	
Pre-purchase of Ashes plot.....	\$61.00
Perpetual maintenance of each single lawn plot.....	\$631.00
Perpetual maintenance (child under 12) in special area provided.....	\$166.00
Perpetual maintenance (ashes berm).....	\$73.00

All Fees & Charges inclusive of 15% GST unless otherwise stated

Plaque permit on berm (grave).....	\$128.00
Plaque permit on berm (ashes).....	\$64.00
Burial fee adjustment - in case of double bereavement in one family .....	Opening fee reduced by 33.3%
Issue of duplicate of any document or certificate .....	\$46.00
Cemetery burial records search exceeding 10 minutes of staff time .....	\$39.00

## Rubbish

Solid Waste fees will be charged by the contractors, Smart Environmental Ltd.

## Service Connections

All service connections shall be on a cost recovery. The work involved shall be installed to Council Specifications and the installations must be undertaken by an Approved Contractor following the application being approved by Council.

## Housing for the Elderly

Single Unit .....	\$113.00 (GST Exempt) per week
Double Unit .....	\$148.00 (GST Exempt) per week
Garage (if available) .....	\$6.45 (GST Exempt) per week

## Room Rental

The Operations Division will provide rental rates upon application.

## Grazing of Legal Road Reserve

Rental or lease - 4.5% of the valuation or a minimum of \$60.00 (\$53.33 GST exclusive).

## Vehicle Crossings

Vehicle crossings are required to be installed to Council Specifications and the installation must be undertaken by an Approved Contractor following the application being approved by Council.

All Fees & Charges inclusive of 15% GST unless otherwise stated

# Schedule 1C - Trade Waste Charges

Fees and charges are set annually by Council resolution and notified in the Annual Plan. The following charging categories apply to non-domestic/trade waste consumers.

## A1 Connection/Annual Charge

This is an annual charge made for every connection to the Westport Sewerage System. This is the minimum charge per rateable lot with a connection to the system

## A2 Additional Trade Waste Charge

This is an annual charge for recovery of the marginal cost of providing additional trade waste capacity. This charge will be made using the methodology defined in Schedule 1D. This charge will be made on the basis of multiples of domestic dwelling equivalents

## A3 Provisional Application Fee

No Charge

Cost per domestic connection \$908.50

Additional cost for non-domestic consumers \$13.00 / Domestic Dwelling Equivalent (DDE)

The Domestic Dwelling Equivalent (DDE) varies depending on the activity. To calculate the total Trade Waste cost charging groups based on DDE are as follows:

Charging Group	Domestic Dwelling Equivalent (DDE) Band	Targeted Rate for Domestic Connection	Trade Waste Fee	Total
A	<2 DDE	\$908.50	\$0	\$908.50
B	2 - <5 DDE	\$908.50	\$39.00	\$947.50
C	5 - <10 DDE	\$908.50	\$91.00	\$999.50
D	10 - <20 DDE	\$908.50	\$195.00	\$1,103.50
E	20 - <30 DDE	\$908.50	\$325.00	\$1,233.50
F	30 - <70 DDE	\$908.50	Determination required	
G	<70 DDE	\$908.50	Determination required	

## A4 Trade Waste Consent Application Fee

This is payable with each Trade Waste Consent Application.

## A5 Compliance or Extraordinary Application Processing Costs

Time and disbursement costs, as incurred on at a rate identified in the Annual Plan. Extraordinary application processing or compliance costs will subsequently apply.

# Schedule 1D - Methodology for calculating additional Trade Waste Charges

The following methodology will be used to apply the fees and charges set out in Schedule 1C. This methodology is based on principles outline in the Introduction to the Bylaw.

1. The Council will prepare a schedule of non-domestic consumers from their rating database.
2. Using best available information and local knowledge, the Council will assess the business function or activity and estimate the relevant local capacity of usage criteria of each non-domestic consumer on the schedule.
3. From load factors for the generic business functions or activities, an average daily flow will be estimated. In special cases, organic load may be considered, if relevant to that activity or if it may have an implication to the sewerage system.

All Fees & Charges inclusive of 15% GST unless otherwise stated

4. From the estimate of daily flows (or organic load in special cases), the ratio of flow estimated from the activity (or organic load) to that expected from a domestic dwelling and as identified will be calculated.
5. As the assessment is not necessarily highly accurate, the calculated ratio will be averaged into one of the following groups and the appropriate charge concluded.

Ratio	Group	Charge
1 - <2	A	1 Domestic Charge
2 - <5	B	1 Domestic Charge plus 3 additional Trade Waste Charges
5 - <10	C	1 Domestic Charge plus 7 additional Trade Waste Charges
10 - <20	D	1 Domestic Charge plus 15 additional Trade Waste Charges
20 - 30	E	1 Domestic Charge plus 25 additional Trade Waste Charges
>30	F	1 Domestic Charge plus ratio x additional Trade Waste Charges
>70	G	Formal Trade Waste Consent Application required

6. The assessment will be forwarded to the applicant as a Provisional Trade Waste Consent, with procedures defined in Section 3.2 of the Bylaw.
7. For application assessed or known to have a maximum flow greater than 50m<sup>3</sup>/day, a formal Trade Waste Consent Application shall be required to be submitted by the consumer.

*For further information regarding the Trade Waste Bylaw contact the Operations Department.*

# Environmental Services - Resource Management

## Basis of Charges

The Buller District Council has adopted a user pays policy for all resource consent applications and functions that the Council carries out under the Resource Management Act 1991. The purpose of the charges is to recover the actual and reasonable costs incurred by the Council.

In setting these charges, the Council has had regard to the criteria set down in Section 36 of the Resource Management Act (RMA).

## Timing of Payments

Most of the charges and amounts specified in this schedule (unless otherwise specified) are payable in advance of any action being undertaken by the Council. Pursuant to Section 36(7) of the RMA the Council need not perform the action to which the charge relates until the charge has been paid in full.

## Deposits

Deposits are initial charges payable at the time an application is submitted to Council for processing. Notwithstanding that a deposit may be paid, the Council will commence processing the application only when it is satisfied that the information received with the application is adequate.

Statutory timeframes will be suspended until the Council is satisfied that all necessary information has been received.

Since resource consent applications can vary significantly in their content and nature, the Council cannot set a fixed charge that would be fair and reasonable in every case. The deposit shown in the schedule is the minimum deposit for that particular application category. A deposit higher than the minimum could be required and this would be dependent on the nature and scale of each specific application.

## Final Costs

When the processing of an application has been completed and a decision has been made, Council will then finalise the cost of processing the application.

### (a) Refund of Charges

Pursuant to Section 36(5) of the RMA, the Council, at its discretion may remit the whole or any part of the charges listed in this schedule where the deposit paid is greater than the costs incurred by Council in processing the application. Any refunds due will be paid after Council has assessed the final cost of processing the application.

**All Fees & Charges inclusive of 15% GST unless otherwise stated**

### (b) Additional Charges

Additional charges may be required under Section 36(3) of the RMA where the deposit is inadequate to cover costs, to enable Council to recover its actual and reasonable costs relating to any particular application.

### (c) Discount on Charges

Persuant to Section 36AA the Council will give discounts on administration charges to applicants whose resource consents have exceeded the prescribed timeframes where the responsibility for the failure rests solely with Council. The refund will be in accordance with the recommendation of the Minister for the Environment.

## Policy

As a basis for additional costs under Section 36(3) of the RMA 1991, Council will assess such costs on the following basis:

- (a) Staff costs will be charged out at their hourly charge out rates as determined by the Department Manager from time to time.
- (b) Vehicle mileage rates will be charged at \$1.00 per kilometre plus GST for external charging.
- (c) Site visits involving more than an hour total travelling time will be charged at a flat rate of one hour of staff time in addition to charges under (b) above.
- (d) Advertising, materials and laboratory costs will be charged at cost.
- (e) Costs for Hearing Commissioners and their disbursements will be recovered at actual rates.
- (f) Legal charges / peer reviews will be recovered at actual rates.

## List of Charges

A charge shall be made for each type of application or action listed. All charges unless otherwise specified in this table are a deposit and are inclusive of GST. All references are to the Resource Management Act 1991 and any subsequent amendments unless specified otherwise.

Where work is required to be undertaken by a specialist consultant in an advisory capacity or for the purpose of processing a consent, (eg noise reports, planning consultant reports, legal advice), the direct cost of engaging the consultant will be passed onto the applicant.

Consents administration fee .....	\$100.00
Monitoring administration fee .....	\$100.00

## Category A - Land Use Consents

Description of Service	Minimum Deposit/Fixed Charge
Non notified (other than below) .....	\$800.00 deposit with full cost recovery
Non notified .....	\$500.00 deposit with full cost recovery
■ Electric Line Installation	
■ Minor bulk, height and location matters	
■ Signs	
Notified .....	\$1,200.00 deposit with full cost recovery (eg hearings and joint hearings with the Regional Council)

## Category B - Subdivision Consents

Non notified .....	\$800.00 deposit plus \$50.00 per additional lot with full cost recovery
Notified .....	\$1,200.00 deposit with full cost recovery
Boundary Adjustment .....	\$500.00 deposit with full cost recovery

All Fees & Charges inclusive of 15% GST unless otherwise stated



# Category C - Survey Plan & Related Subdivision Processing

Section 223 Sealing of Plan Subdivision 1-4 Lots .....	\$200.00 minimum with full cost recovery
Section 223 Sealing of Plan Subdivision 5+ Lots .....	\$200.00 minimum with full cost recovery
Signing under Section 224(c) where no conditions are imposed on the subdivision.....	\$100.00 minimum with full cost recovery
Signing under Section 224(c) where minor conditions are imposed.....	\$200.00 minimum with full cost recovery
Signing under Section 224(c) which includes the following .....	\$200.00 minimum with full cost recovery
■ Covenant	
■ Consent Notice	
■ Geotech Report Checking	
■ Checking Engineering Plans	
■ Site visit or visits by Planning/Engineering/Building/Environmental Health Staff	
Section 226 Certificates.....	\$150.00 minimum with full cost recovery
Right of Way and Easement Amendments (Section 348 of LGA 1974).....	\$300.00 minimum with full cost recovery
Resolution for no frontage access to a lot (Sec 321 of LGA 1974).....	\$300.00 minimum with full cost recovery
Authenticated Copy of Section 321 Resolution.....	\$130.00 minimum with full cost recovery
Easements and encumbrances including lifting building line restrictions .....	\$255.00 minimum with full cost recovery
Other services (eg building, engineering advice) .....	At Cost

# Category D - General Consent Processing

Compliance monitoring on a Resource Consent where a breach of consent condition or conditions are identified - Sec 35(2)(d) .....	At cost, invoiced on completion of investigations
Random compliance monitoring of Resource Consent conditions, including Compliance Certificate for completion of conditions.....	At cost, invoiced on completion of investigations
Objection on Resource Consent Decision - Sec 357.....	\$200.00 deposit with full cost recovery
Lapsing/cancellation/change/review of conditions - Sections 125, 126, 127, 128-132 .....	\$450.00 deposit with full cost recovery
Notified review of condition - Sec 128.....	Full cost recovery
Bond preparation by Council Solicitor.....	At cost
Legal costs associated with consent application.....	At cost
Title Search (or first instrument).....	\$40.00 per title
<i>Plus:</i> Per additional document.....	\$10.00

## Category E - Other RMA Functions

Existing Use Rights - Sec 10 .....	\$650.00 deposit with full cost recovery
Certificate of Compliance - Sec 139 .....	\$450.00 deposit with full cost recovery
Requirement for Designation - Secs 168-173 (Heritage Order Secs 189-191) .....	Non-notified \$1,000.00 deposit with full cost recovery Notified \$2,000.00 deposit with full cost recovery
Approval of Outline Plan - Sec 176(a) .....	\$200.00 deposit with full cost recovery
Waiver of Outline Plan - Sec 176 .....	\$100.00 flat fee
Requirement for alteration of a designation - Sec 181 .....	Non-notified \$500.00 deposit with full cost recovery Notified \$800.00 deposit with full cost recovery
Application to determine that a designation should not lapse - Secs 184(1)(b) and (2)(b) .....	Non-notified \$300.00 deposit with full cost recovery Notified \$1,000.00 deposit with full cost recovery
Searching and compiling information in respect of plans, resource consent records, planning files, involving more than 30 minutes and per half hour or part thereof .....	\$25.00 deposit with full cost recovery
Consultation of more than 30 minutes regarding information in respect of District Plan or Proposed District Plan interpretation on any one project. This charge excludes explanations associated with the statutory process for processing a consent .....	Invoiced on completion of consultation
Written response to interpretations sought on District Plan or any Proposed District Plan rule/s .....	Invoiced on completion of investigations
Request for Private Plan Change .....	\$5,000.00 deposit with full cost recovery

## Category F - Miscellaneous

Preparation of any documents for the purposes of the Overseas Investment Commission .....	At Cost
Resource Management Planning Certificate under the Sale and Supply of Alcohol Act 2012 .....	\$150.00 deposit with full cost recovery
Information requests under the Local Government Official Information and Meetings Act 1987 .....	At cost for requests that take longer than 30 minutes to answer
Application for Class 4 Gambling Venues .....	\$250.00 deposit with full cost recovery

## Category G - District Plans

Buller District Plan Folder .....	\$200.00 flat fee
Buller District Plan CD .....	\$30.00 flat fee
Buller District Plan Maps .....	\$300.00 flat fee

# Category H - Charge Out Rates

The following are chargeout rates that will be used to assess actual costs:

Chief Executive .....	\$200.00 per hour
All Divisional Managers .....	\$180.00 per hour
Processing and Engineering Officers .....	\$110.00 - \$200.00 per hour
Planning Assistant .....	\$100.00 per hour
Other Staff.....	Hourly rate set by Manager of the respective department, but not less than \$90.00 per hour
Cost of Commissioners attending Hearings.....	Actual Costs
Consultants.....	Actual Costs

# Category I - Charge Out Rates Mining Privileges

Chief Executive .....	\$200.00 per hour
All Divisional Managers .....	\$180.00 per hour
Processing Officer .....	\$110.00 - \$200.00 per hour
Planning Assistant .....	\$100.00 per hour
Other Staff.....	Hourly rate set by Manager of the respective department, but not less than \$90.00 per hour
Consultants.....	Actual Costs

*Copying, vehicle costs and other administration charges are applicable as prescribed for the whole of Council's operations*

**Notes:**

1. The Council may charge a late default fee of \$100.00 if a resource consent application is withdrawn within five (5) working days of an appointed hearing, in addition to costs.
2. Consent monitoring charges will be included as conditions on resource consents where appropriate.
3. Every other certificate, authority, approval, consent, service given or inspection made by the Council under any enactment or regulation not specifically mentioned in the resolution above, where such enactment contains no provision authorising the Council to charge a fee and does not provide that certificate, authority, approval, consent, service or inspection is to be given or made free of charge, will be charged for at cost. This includes cancellation of amalgamation conditions.
4. All information searches which take longer than 10 minutes will be charged for.
5. These charges shall come into effect on 1 July 2014 and remain in effect until rescinded by Council.
6. All charges are inclusive of the GST rate effective 1 July 2014. Changes in the rate could mean that ratepayers would have to pay the rate legislated by Government.

# Building Consent Fees

Building Consent Fees shall be paid by way of deposit up front followed by settlement of any additional cost before uplifting a consent.

Fees are as listed below:

Property Information Memorandums (PIM's).....	\$125.00 set fee
Marquee/temporary building/demolition.....	\$200.00 set fee
Spaceheater - Freestanding.....	\$400.00 set fee
Spaceheater - Inbuilt .....	\$500.00 set fee

All Fees & Charges inclusive of 15% GST unless otherwise stated

Minor Alterations (<\$20,000) eg remove internal wall, install shower .....	Deposit \$380.00 with full cost recovery
Minor Work (<\$20,000) eg Garage/Shed/Carport/Conservatory/re-pile .....	Deposit \$480.00 with full cost recovery
New work/Alterations (>\$20,000) but not major construction and multi-proof consents .....	Deposit \$700.00 with full cost recovery
New Major Constructon .....	Deposit \$2,500.00 with full cost recovery

## Applications

Administration Fee - All .....	\$120.00
Inspection Fee (per inspection) .....	\$125.00
<i>(The current inspection fee will apply for any inspections carried out more than two years after the consent was issued regardless of whether an extension of time has previously been granted. If inspections have been prepaid the balance between the fee paid and the current fee will apply)</i>	
Processing of Consent Applications .....	\$125.00 per hour
Code Compliance Certificate .....	\$120.00
Compliance Schedule - where required .....	\$120.00
Exempt Building WorkDeposit .....	\$60.00 with full cost recovery
Waiver request form .....	\$60.00

## Building Levies (Fees are payable on consent of a value in excess of \$20,000)

Department of Building and Housing (as set by statutory requirements) .....	Currently Fees are \$2.01 per \$1,000.00 or part thereof
BRANZ (as set by statutory requirements) .....	Currently Fees are \$1.00 per \$1,000.00 or part thereof

	BCA Levy
< \$20,000	\$50.00
\$20,000-\$49,999	\$150.00
\$50,000-\$99,999	\$350.00
\$100,000-\$199,999	\$750.00
\$200,000-\$349,999	\$1,000.00
\$350,000-\$499,999	\$1,500.00
\$500,000-\$1,000,000	\$2,000.00
> \$1,000,000	\$2,500.00

## Other Fees

Land Information Memorandum (LIM) minimum fee of: .....	\$250.00
Certificate of Acceptance - The full cost of processing a Certificate of Acceptance based on inspection and processing fees plus the full fee, charges and/or levies that would have been payable had the owner or the owners predecessor in title applied for a building consent before carrying out the building work. (Refer Section 97 Building Act 2004)	
Building Compliance Certificate (Sale of Liquor) .....	Flat Fee of \$50.00
Inspection and reports on unauthorised work .....	\$125.00 per hour
Swimming Pool Fence Inspections Fee (first free, subsequent inspections charged) .....	\$125.00 per inspection
Field/Service/Site Inspection .....	\$125.00 per hour
Building Information .....	\$125.00 per hour
Notices to Fix .....	\$125.00 per hour
Annual Administration Fee for Compliance Schedule (includes Audit if required) .....	\$120.00
Design or Peer Review plus specific inspections by Specialist External Contractors .....	Full cost recovery
Certificates for Public Use .....	\$30.00 administration fee
.....	\$125.00 per hour processing fee
Amendment of Consents .....	\$30.00 administration fee
.....	\$125.00 per hour processing fee
Building Consent - Extension of time fee .....	\$25.00

All Fees & Charges inclusive of 15% GST unless otherwise stated

## Registration Costs Section 73, 77 and 83 of the Building Act

Administration/Preparation of Signed Certificate .....	\$66.50
<i>Plus: Registration Costs to DLR as set by Land Information New Zealand</i>	

## Fire Permits

Issuing of Fire Permits .....	\$28.75
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# Health Inspection Fees

### Premises Licence Fees:

Food Premises - no kitchen .....	\$210.00
Food Premises - all other premises .....	\$420.00
Additional Visits if required .....	\$126.00 per hour (includes mileage)
Food Vending Machines .....	\$37.00
Hairdressers .....	\$210.00
Mortuary Licence .....	\$263.00
Offensive Trades .....	\$263.00
Camping Grounds .....	\$263.00
Transfer Fee .....	\$32.00
Others - Itinerant Traders .....	\$263.00
Mobile or Travelling Shops .....	\$158.00
Hawkers .....	\$23.50
Street Stalls .....	\$25.00 up to and including a maximum of three (3) days over any seven (7) day period
.....	\$40.00 for more than three (3) days up to seven (7) days over any seven (7) day period
Licence to Occupy Footpaths for dining purposes - temporary structures .....	\$120.00

# Environmental Health Officer

Inspections .....	\$150.00
Administration .....	\$75.00
Consultation .....	\$150.00 per hour

All Fees & Charges inclusive of 15% GST unless otherwise stated

# Sale of Liquor Licensing (Sale of Liquor Regulations 2000)

## refer to Sale and Supply of Alcohol (Fees) Regulations 2013

- On Licence or Off Licence or Club Licence - new or renewal applications
- On Licence Endorsed BYO - new or renewal applications
- Conveyance Licence - new or renewal applications
- Special Licence - new or renewal applications
- Manager's Certificate - new or renewal applications
- Extract from Registrar
- Temporary Authority per licence
- Temporary licence

## Amusement Devices (set by regulation)

For one device, for the first seven days of proposed operation or part days thereof.....	\$11.25
For each additional device, for the first seven days of proposed operation of part days thereof.....	\$2.25
For each device, for each further period of seven days or part thereof .....	\$1.12

## Dog Registration Fees

For the purposes of determining Annual Dog Registration Fees, there will be two categories of dog owner - those considered to demonstrate competent dog ownership known as responsible dog owners (RDO) and those who have not. To demonstrate competence a dog owner must not have had any substantiated complaints in the previous twelve month period. Animal Control Officers will be responsible for investigating and recording complaints made about dogs.

### Responsible Dog Owners will be charged the following registration fees

Approved Dog Owners - Entire Dogs.....	\$85.00
Approved Dog Owners - De-sexed Dogs.....	\$65.00

### Dog owners who are not able to show competence in dog ownership will be charged the following fees

Entire Dogs .....	\$150.00
De-sexed Dogs .....	\$130.00

### Other Fees related to Registration

Dogs not registered after due date - per dog.....	Additional 50%
Duplicate Registration Tags.....	\$2.50
Collars .....	From \$7.50 - \$10.50
Microchipping of Dogs .....	\$40.00

All Fees & Charges inclusive of 15% GST unless otherwise stated



Inspection Fee .....	\$51.00
Animal Control Officer Consultation.....	\$66.50 per hour

### Dog Impounding

First impounding within 12 months.....	\$75.00
Second impounding within 12 months .....	\$180.00
Third impounding within 12 months.....	\$200.00
Plus in each instance above, a sustenance fee per day or part there of .....	\$20.00
Any dogs impounded after normal working hours, owner to pay an additional fee.....	\$50.00
Finders Fee (first offence, registered, able to be identified, able to be received) .....	\$50.00
Dog Euthanasia .....	Full cost recovery

### Ranging & Impounding of Animals

Stock Impounding .....	Actual cost
Every horse, above 12 months of age .....	\$60.00
Every horse, under 12 months of age .....	\$60.00
Every mule or ass.....	\$60.00
Every bull over the age of 9 months.....	\$60.00
Every ox, cow, steer, heifer or calf .....	\$60.00
Every ewe, wether or lamb .....	\$50.00
Every hind or stag.....	\$60.00
Every goat .....	\$50.00
Every boar, sow or pig.....	\$50.00

### Impounding and Sustenance

The owner of any stock impounded shall pay, in addition to the above impounding fee, a similar amount per day or part day thereof for sustenance, and actual and reasonable charges incurred in impounding the stock on the following basis:

- The actual costs on wages plus 140% (plus GST)
- Vehicle expenses at \$1.00 per kilometre plus GST for external charging
- The actual freight costs incurred

### Administration Costs

Travel Costs .....	Vehicle expenses at \$1.00 per kilometre plus GST for external charging
Any dogs impounded after normal working hours, owner to pay an additional fee.....	\$50.00
Finders Fee (first offence, registered, able to be identified, able to be received) .....	\$31.00

## Information Services

Where written information is sought or staff are employed to provide information other than that in relation to normal inspectoral or by-law requirements, an hourly rate of .....	\$71.50 per hour
Photography Costs .....	\$2.00 per photo

### Other Services

All other services rendered by staff which is outside of the services normally provided for in the other fees and charges, an hourly rate of .....	\$71.50 per hour
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All Fees & Charges inclusive of 15% GST unless otherwise stated

# All Departments (with the exception of the Library)

## Staff time

For chargeable services the staff hourly rate is: ..... \$80.00 per hour

## Photocopying

A4 Mono .....	\$0.20 per copy
A4 Colour .....	\$1.00 per copy
A3 Mono .....	\$0.40 per copy
A3 Colour .....	\$2.00 per copy

## Aerial Photos or Maps

GIS preparation and printing: ..... \$10.00 per item

- Photocopying charges apply as above for multiple copies
- Complex enquiries may incur specialist staff time charges

## Electronic imaging

CD or DVD..... \$5.00 per job





**BULLER**  
DISTRICT COUNCIL

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**Reefton Office & Library**

66 Broadway  
PO Box 75  
Reefton 7851  
New Zealand  
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Ph 64 3 732 8821  
Fax 64 3 732 8822

**Sue Thomson-Casey  
Memorial Library**

87-89 Palmerston Street  
Westport 7825  
New Zealand  
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**Final 2014/2015 Annual Plan**

**email: [info@bdc.govt.nz](mailto:info@bdc.govt.nz)  
[www.bullerdc.govt.nz](http://www.bullerdc.govt.nz)**

**Online Version:**

To save on both cost and environmental impact, this report has been created with online viewing in mind.

Only a limited number of the printed version have been produced.

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