



Buller District Council

Annual Plan 2013/2014





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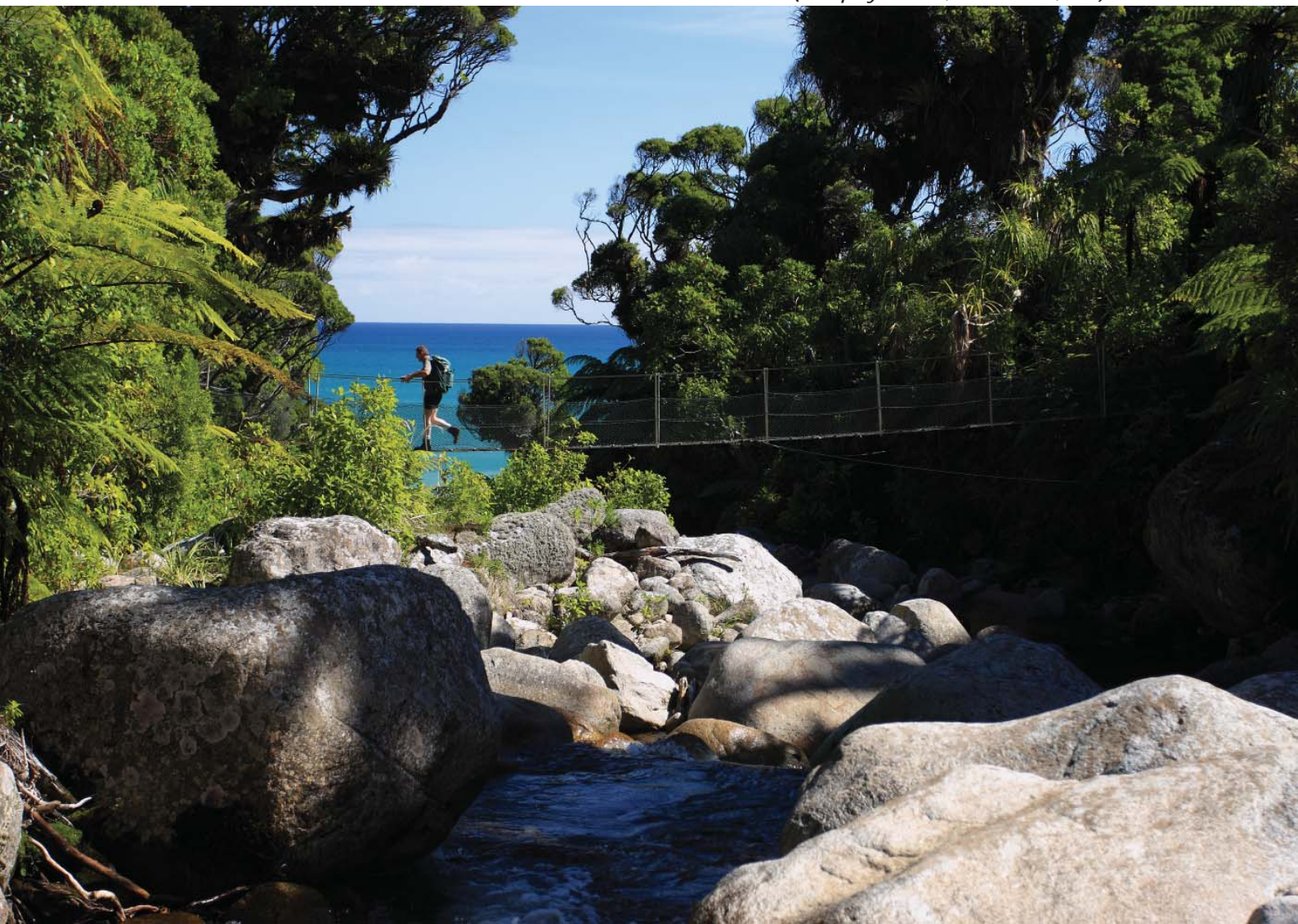
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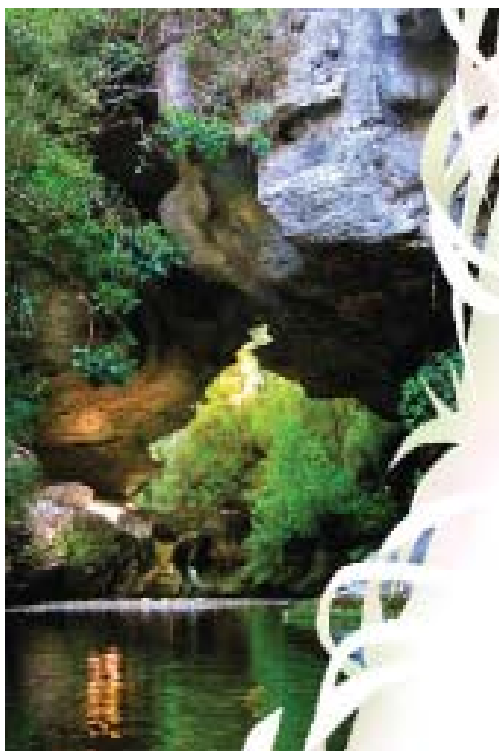


Buller at a glance.....

Rateable properties	7,415
Non-rateable properties	600
Gross Capital Valuations	\$2,845 million

(Heaphy Track, Karamea, NZ)





welcome

Buller District

top of the ***West Coast*** ●



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The district of Buller is located at the northern end of the West Coast's South Island, and is bordered by the Tasman and West Coast districts.

Buller stretches from Karamea in the north to Punakaiki in the South, Westport on the western coast and Reefton to the East. There are a number of small townships, villages and communities that add to these four main towns that make up the district of Buller.

Welcome to our 2013/2014 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 2013/2014 which is set out in the following pages. The Annual Plan includes information for the 2013/2014 year in relation to each group of activities contained in the Long Term Council Community Plan (LTCCP) 2012-2022 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 Annual Plan 2013/2014 is the second 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

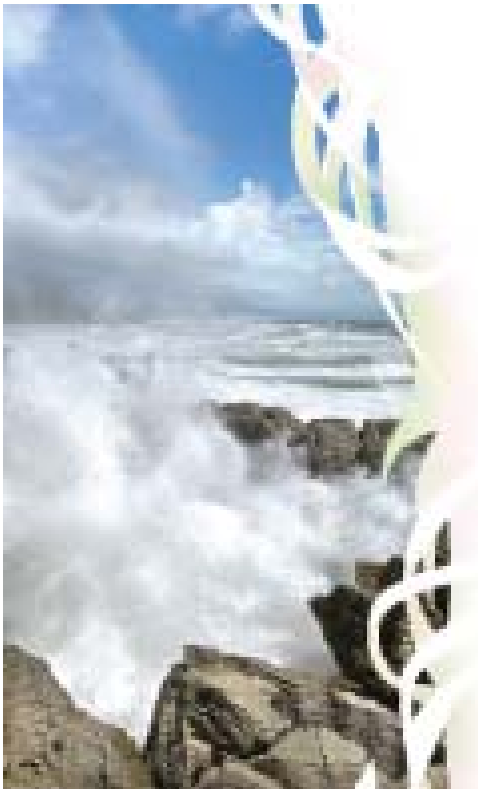
The diagram below indicates the relationship of the Community Outcomes to the Long Term Plan, Annual Plan and Annual Report.



This document highlights the activities the Council is involved in, the major issues and projects and where there are some variations from our original estimates for 2013/2014. 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.



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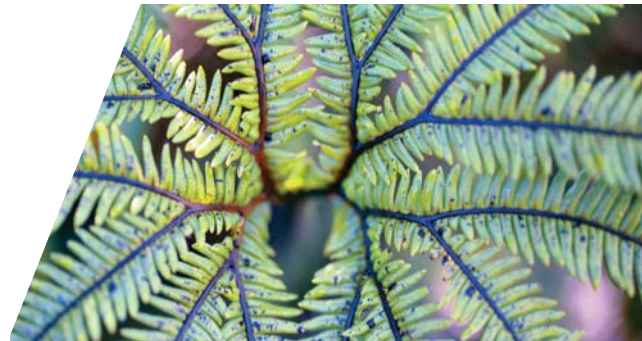
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Mayor & Councillors



(back from left) Councillors David Barnes, John Hill, Dick Marsh, Dave Hawes and Graeme Neylon

(front from left) Councillor Margaret Montgomery, Mayor Pat McManus, Councillors Rosalie Sampson, Graham Howard & Jim Halsall

(inset - Councillor Peter Campbell)

Mayor

Pat McManus

First Elected: 2000
| [03] 789 7013 (private)
| [027] 208 7583 (mobile)
patanddiane@xtra.co.nz



Westport Ward

David Barnes

First Elected: 2007
| [03] 789 6494 (private)
| [021] 159 1593 (mobile)
davidbarnes@xtra.co.nz



Inangahua Ward

Dave Hawes

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



Graeme Neylon

First Elected: 1992
| [03] 732 8382 (private)
| [027] 431 4659 (mobile)
graememaimai@xtra.co.nz



Jim Halsall

First Elected: 2007
| [03] 789 7546 (private)
rev.rona@e3.net.nz



Graham Howard

First Elected: 2010
| [03] 789 8787 (private)
| [027] 534 3129 (mobile)



Peter Campbell

First Elected: 2007
| [03] 789 7824 (business)
| [03] 789 6421 (private)
| [027] 434 8157 (mobile)
peterc@bizaccounting.co.nz



Seddon Ward

Rosalie Sampson

First Elected: 1989
| [03] 782 6745 (private)
| [027] 356 7388 (mobile)
peterandrosalie@xtra.co.nz



Dick Marsh

First Elected: February 2013
| [03] 782 8258 (private)
| [021] 500 243 (mobile)
dickm@xnet.co.nz



Fred Ratahi

First Elected: 1998
Resigned: November 2012



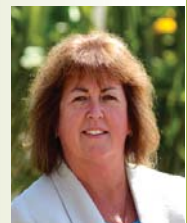
John Hill

First Elected: 2010
| [03] 548 5665 (private)
| [021] 199 7155 (mobile)
hilltration@yahoo.com



Margaret Montgomery

First Elected: 2004
| [03] 789 7043 (business/private)
| [027] 433 6016 (mobile)
westportholidaypark@xtra.co.nz





Inangahua Community Board

Jenette Hawes (Chair)

First Elected: 2004

| [03] 732 8423

pennyweightnursery@xtra.co.nz

Helen Bollinger

First Elected: 2008

| [03] 732 8123

helbol@kinect.co.nz

Barrie Fowler

First Elected: 2008

| [03] 732 8488

bjf@xtra.co.nz

Megan McCarthy

First Elected: 2007

| [03] 732 7006

megan.mccarthy@xtra.co.nz





**Buller District Council**

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.

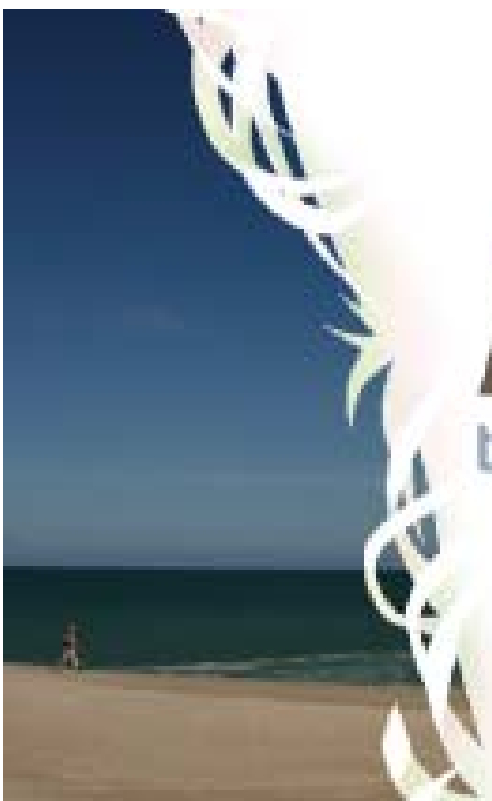
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Mayor & Chief Executives Message



Laying the Foundations for the future

In our Long Term Plan (LTP) for 2012-2022, we outlined the projects we were going to deliver over the next ten years and, most importantly, how we were going to pay for them.

In economic terms it has been a difficult year on the West Coast. Buller District relinquished its hold on the top spot for regional economic growth. However, Buller has managed to stay in the top ten, claiming 9th place in 2012 and is still the strongest performer on the West Coast. Buller employs 5,100 FTEs and generates \$400 million in GDP across 1,200 businesses. Over the five year period, Buller has had the strongest employment growth of all districts. Over a five year period, GDP growth has been relatively solid, with the 12th fastest rate of growth.

Despite the recent short-term economic setbacks in the mining industry, we are confident that mining will continue to grow and continue to underpin industry and employment within the District.

The annual plan for 2013/14 will continue to delivering the growth strategy set by the 2012-2022 Long Term Plan. This 2013/14 Annual Plan represents year two of the 2012-2022 Long Term Plan.

Our predicted financial performance remains strong with operating revenue increasing as a result of a larger than anticipated drinking water subsidy for the Westport Water Upgrade. Increases in operating expenditure are partially driven by inflation and delays in the commencement of the proposed Solid Waste contract. This has resulted in higher than anticipated costs associated with refuse, recycling and operation of the transfer station. Notwithstanding those individual cost increases, the overall cost of operating the council has only increased by a modest amount, which is good news for ratepayers.

We remain committed to addressing the infrastructure deficits built up by under-investment in earlier years.

This will increase debt in the short term but our net debt levels will continue to reduce over the next 10 years. Prudent use of debt remains an important tool for Council. If used for community assets that have a long life, debt spreads the costs over those generations that benefit, in a manner that is fair and affordable.

The key capital spend focus area for the next two years is the Westport and other smaller drinking water supply upgrades. In order to be successful and move ahead, we really do need to invest in the modern safe core infrastructure our district needs and deserves.

Initially we had planned to phase in the Westport water upgrade over the ten years of the Long Term Plan. But during 2012 and 2013, staff and Councillors held public meetings with ratepayers. Ratepayers told us that clean safe drinking water is their number one priority. Feedback received from the Westport Concept Plan confirmed that before we did anything else we had to "fix the water first".

We have listened and now we want to act. We intend to complete the upgrade of the Westport Water Supply water over the next two financial years at a cost of \$9 million. Initially the experts offered three forms of upgrade. We could have a complete upgrade of everything, or we could leave out some nice but perhaps not essential components and have a partial upgrade, or we could just do the bare basics. In this plan, Council has approved the middle course of a partial upgrade as the one which offers the best value for money. This upgrade not only delivers clean safe drinking water but also improves the reliability of the supply by upgrading the trunk main.

We have already completed the Punakaiki and Reefton drinking water upgrades. The next in line are the Ngakawau-Hector and Waimangaroa upgrades which will be substantially completed in 2013/2014. In this plan, we also propose consideration of the Little Wanganui, Inangahua Junction and South Granity drinking water upgrades. We will also undertake an investigation to determine if an upgrade of the Karamea water supply is feasible.

Rubbish and Recycling

Delays in finalising the contract have now meant that the original Long Term Plan first of July 2013 target date, for the new service, will not be able to be achieved. Council will continue to run the transfer station and provide refuse and recycling collections and continue to provide the current level of service for six months until 31 December 2013. As such, ratepayers will continue to be charged a targeted refuse rate (\$30.43 exclusive of GST) and recycling (\$54.78 exclusive of GST) by Council. These rates have been reduced as they cover costs for only six months.

During the 2012/2013 year Council sought expressions of interest from independent Contractors for the proposed Solid Waste Contract and then entered into a tendering process with preferred providers. Three contractors were shortlisted from the seven submissions received. These three contractors were interviewed and were asked to submit a bid and complete a pricing schedule. Two contractors withdrew during this process and the final contractor bids excluded Karamea and Maruia. This bid was compared to the existing service and two other proposals from the current in-house contractor. In June 2013 Council approved Smart Environmental Ltd as the successful tenderer. The contracted approach has resulted in significant cost savings for the ratepayer (\$150,000).

The contractor managed refuse and recycling collection and operation of the landfill and transfer stations will commence midway through the 2013/2014 year. The exact date could be either side of the New Year. The area covered by the new contract will be known as Zone 1. Separate zones were also established for Karamea (Zone 2) and Maruia (Zone 3).

A meeting was held with Karamea residents in June 2013. Costs were presented and the consensus from the meeting was that Karamea would like to 'go it alone' with a continuation of recycling. The final contract bid also excluded the Springs Junction and Maruia areas as it is believed that it would be more cost effective for these ratepayers to also 'go it alone'.

Consequently the contracted approach will not cover either the Karamea (Zone 2) or Maruia (Zone 3) areas. These ratepayers will continue to dump their refuse at the Karamea and Maruia landfills. Karamea residents will pay a targeted rate of \$75.00 (exclusive of GST) and Maruia residents will pay a targeted rate of \$70.00 (exclusive of GST) for the second six months of the 2013/2014 year.

Zone 1 will be the majority of the district including Westport, Westport to Mokihinui, Westport to Punakaiki, Inangahua Junction and Blacks Point.

When the new contract comes into being there will be no change to present arrangements to purchase rubbish bags from existing outlets. Refuse will continue to be collected weekly. A change to user pays enclosed rubbish bins will be at the option of the residents. A large free 240 litre enclosed bin for co-mingled recycling and a crate will be provided for glass. The recycling will be collected fortnightly.

The contractor will manage both the Westport and Reefton transfer stations, manage the disposal and transport of both the residual waste and recyclables and manage the delivery of bags to supermarkets and other outlets. A targeted rate (\$70.00 exclusive of GST) will be charged to the Zone 1 ratepayers to whom the service is available.

Significantly enhanced recycling and resource recovery will occur through the:

- Rollout of wheelie bins for free collection of co-mingled recyclables and crates for kerbside sorting and segregation of glass. This solution is proven to deliver the optimal recycling outcome.
- Continuance of a user pays refuse service via bags. User pays refuse services drive recycling outcomes via polluter pays.
- Establishment of a local Westport-based Material Recovery Facility which will be located at the Westport Transfer Station. This facility will be semi-automated and will employ an additional number of local staff who will be involved in resource recovery.
- Enhanced re-Layout, presentation and user friendliness of the Westport and Reefton Transfer Station sites to re-focus them on resource recovery, diversion and recycling.

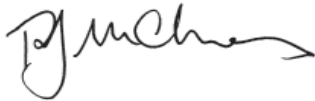
Rating Review

The cost of rates is an issue that will never go away. A key project for 2013/2014 financial year is the rating review. Background information should be available to the Council and the public prior to October 2013, but the substantive review will be undertaken by the in-coming Council after October 2013.

At this stage we know that the average annual rates remains close to the median annual average rates reported by the Department of Internal Affairs in 2012. There does not seem to be so much a problem as to the amount of rates that we collect in total, but more of a problem in how we calculate individual rates and how much individual ratepayers should pay as a fair share. The large number of fixed amount target rates, and a UAGC set at the maximum level, have combined to produce geographic distortions. We also have the inheritance of 44 differentials on the general rate which further contorts the rating impact. There is also controversy against some targeted rates such as the Promotion and Development rate.

The review will address the rationale for how the rates burden has been allocated with the intention being to deliver a more equitable, simple, and transparent rating system.

Constructive feedback was received during the Annual Plan submission process. Council listened to your views and was pleased to see so many ratepayers in attendance at the local roadshows.



Pat McManus
Mayor



Paul Wylie
Chief Executive

Financial Performance



Key Highlights of this Annual Plan

Financial Performance

Financial Summary	2011/2012 Actual	2012/2013 LTP	2013/2014 LTP	2013/2014 AP
Operating Revenue	23,717	23,725	24,092	25,071
Operating Expenses	24,218	22,914	22,994	24,639
Operating Surplus/ Deficit	(501)	811	1,098	432
Revaluations	13,812	0	18,000	14,300
Total Comprehensive Income	\$13,311	\$811	\$19,098	\$14,732

Revenue

- Recycling and Refuse targeted rates have increased by \$371,000 compared to the Long Term Plan (LTP) predictions, mainly because we propose to continue to charge the existing targeted rates for the first 6 months of the year. Originally it was assumed that the Solid Waste contract would be in place from 1 July 2013.
- The 2013/2014 LTP assumed that virtually all Solid Waste activities would be funded from targeted rates. Council has now agreed 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 as such should be rated for just like all other generic costs on land value within the general rate.) This change in funding strategy has meant that at an overall activity level, general rates for Solid Waste have increased by \$579,000 compared to the Long Term Plan. Overall targeted rates in Solid Waste have reduced by \$574,000 compared to the LTP.
- The change in funding strategy is the main driver for the increase in general rates to \$7.4 m from \$7.2 m compared to the Long Term Plan and the fall in the targeted rates from \$5.8 m in the LTP to \$5.2 m.
- Government Financial assistance has increased by \$1.2 m compared to the LTP as a result of a higher Westport Water Subsidy now budgeted to be received for the Westport Water Supply Upgrade. The LTP had assumed that \$223,000 would be received in 2013/2014 for Drinking Water. The Council has now received notification that Westport would qualify for a \$1.5 m subsidy. This is a direct benefit resulting from the decision to bring forward the capital spending programme for Westport Water.
- Water upgrades planned for Little Wanganui, Inangahua Junction and South Granity have been deferred to 2014/2015 when it is expected design and construction will commence. This deferral resulted in financial assistance reducing by \$692,000.
- Unplanned remedial work associated with the Karamea Highway increased financial assistance by \$500,000.
- Fees and charges increased by \$217,000 from the LTP estimate due to the extension of the existing recycling and rubbish services through to the end of the calendar year. The LTP had assumed that Solid Waste contracted approach would be in place from 1 July 2013 and that all fees and charges would have been paid directly to the contractor as gate fees at the transfer station.

Operating Expenditure

- Operating Expenditure has increased by \$1.2 million when compared to the LTP prediction. This is partially due to unbudgeted operational costs associated with Council provision of refuse, recycling and operation of the transfer station (\$719,000). These costs were not provided for in the Long Term Plan as it was assumed that the contracted model would have been in place from 1 July 2013.

Statement of Position

Council is still committed to the capital expenditure program signalled in the Long Term Plan with the only change being the accelerated programme to upgrade Westport's water supply.

The proposed capital spend has limited impact on net debt. The net debt (being gross external debt less liquid investments) starts at \$15 million and tracks 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 6% and the debt to income coverage is 116%.

Investments have continued to grow and remain consistent with investments levels predicted in the LTP.

Cash flow remains positive and exceeds predictions in the LTP for 2013/2014, mainly due to the favourable increase in the Westport Water Supply Upgrade subsidy.

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

Rate Increases

	2012/2013 Long Term Plan	2013/2014 Long Term Plan	2013/2014 Annual Plan
Total Rates	12,039,000	13,045,000	12,664,000
Rateable properties	7,265	7,392	7,415
Average Rates	\$1,657	\$1,765	\$1,708

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 28 to 29](#).

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

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

Council had limited rate increases to those forecasted in the Long Term Plan. In 2013/2014 rates have decreased from that predicted in the LTP. 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.

Balancing the Budget ~ The Choices

Council is required by Section 100 of the Local Government Act 2002 to ensure that each year's projected operating revenues are set at a level sufficient to meet each year's operating costs. In practice, the actual results may vary from the budget and Council does have the discretion to balance budgets over time by using surplus's in some years and deficits in others. History shows that after a run of surpluses, Buller District Council ran a \$3.144 million deficit in 2010/2011 and a \$501,000 deficit in 2011/2012.

The Draft 2013/2014 Annual Plan proposed a surplus of \$1.716 million. As a result of changes made during the Annual Plan process this surplus reduced to \$1.05 million.

To mitigate the rates increase, Council considered three rating choices during the Annual Plan process:

- 1) An average increase of \$130.00 per annum, or \$2.50 per week.
- 2) Reducing the surplus by \$585,000 so that the average increase equalled to \$52.00 per ratepayer, but distributing the reduction based on the improved land value.
- 3) Reducing the surplus by \$585,000 so that the average increase per ratepayer was \$52.00 per week. The reduction would be equally distributed in the UAGC.

Council recognised that the original 8% increase as proposed in the Draft Plan was a larger than expected increase and that while the large surplus may satisfy calls from Government and some members of the public for councils to minimise borrowings and to concentrate on bringing core infrastructure up to proper standards, the imposition on some ratepayers is too harsh.

Council therefore decided to reduce the surplus to a lower level. At a minimum the \$300,000 forgone last year has to be recovered, and the council does need to keep a sharp eye on debt (when nothing else changes any reduction in the surplus means that the net debt moves up by the same amount.) If the surplus is reduced to approximately \$585,000 the average increase per ratepayer is about \$51.00 per annum which is less than a dollar per week or 3%

This plan has reduced the 2013/14 surplus \$585,000 by reducing the Uniform Annual General Charge (UAGC) by approximately \$95.00 per liable ratepayer. This means that all ratepayers will get the same reduction.

This is deemed to be fiscally prudent and meet the requirements of the balanced budget test as:

- Council have set revenues to cover all of our operating expenses
- Council have set revenue to meet the ongoing asset renewal and replacement programme
- The number of projects and the total cost of asset development remains affordable for the community
- Council continues to maintain the service capacity and integrity of assets throughout their useful life. Council is actively investing in remedying past infrastructure deficits.
- Continue is achieving intergenerational equity by ensuring each generation pays their fair share for the maintenance and provision of assets throughout their useful life.
- Planned revenue and financing policies are achievable

Major Capital Projects

Council has some large capital projects planned to address infrastructure deficits. Total projects budgeted for in the 2013/2014 Annual Plan total \$10.7 million. This represents a \$ 5.1 million increase in capital expenditure to the LTP, of which \$4.7 million is attributable to bringing the Westport Water Supply Upgrade forward.

The construction of the Rough River bridge (\$232,000) has been deferred.

Community Services

- Upgrade to the filtration system and replacement of the liner at the Reefton Pool (\$395,000)
- Upgrade to sound system at the NBS Theatre (\$30,000)
- Acquisition of library books for Westport and Reefton Libraries (\$71,000)
- Urban Streetscape Project (\$250,000)
- Upgrade of the Reefton Community Centre (\$197,000)

Property Management, Amenities and Reserves

- Playground and reserve upgrades (\$118,000)
- Pensioner Housing interior upgrades (\$67,000)
- Various property upgrades totalling (\$66,000)
- Re-roofing and upgrading of 7 Punakaiki Camp cabins (\$31,000)

Roading

- Local and special road renewals (\$1.7 million)
- Local road improvements and minor works (\$181,000)
- Footpaths (\$188,000)

Sewerage

- Upgrades to Westport, Reefton and Little Wanganui wastewater systems (\$451,000)

Water

- Upgrade to the Westport Water Supply (\$8.9 m) (\$5.8 m in 2013/2014; \$3.1 m in 2014/2015)
- Rural Water Upgrades (Little Wanganui, Inangahua Junction and South Granty) (\$810,000)
- Investigation into a Water Supply for Karamea (\$150,000)

Stormwater

- Renewals totalling \$210,000

Support and Regulatory Services

- Purchase of leased vehicles (\$233,000)
- Software and Hardware Infrastructure (\$171,000)



Executive Summary



Key Issues

1. Westport Water Upgrade

In the Long Term Plan, a \$10.6 m upgrade of the water supply was scheduled to occur over the ten years of the plan.

Council has listened to the residents of Westport. Eight percent of all feedback received from the Westport Concept Plan meeting held indicated that clean safe water was the most commonly identified single issue. Meeting current NZ Drinking Water Standards means that drinking water complies with treatment required for all bugs (Protozoa).

There were compelling financial reasons to bring the upgrade forward.

The shortened program has now led to savings in certain costs. Deferring the piping of the tunnels, the excavation of the raw ponds and the lining of the raw ponds saves \$2.7 m in capital costs. This reduced scope of the upgrade and accelerated construction programme allows Council to take maximum advantage of Ministry of Health subsidies and increases the subsidy entitlement from \$ 0.5 million to \$1.5 million. As the subsidy is only available for a limited time, extending the capital program over 10 years would result in Council forfeiting some of the Drinking Water subsidy.

Council considered three different scenarios for the Westport Water Upgrade and costed all three upgrades as financed over a 30 year term loan as this is considered the optimum financing period.

The Three options considered all deliver clean, safe water.

Option 1: Full upgrade at a cost of \$10.4 million (Except for tunnel piping and lining raw water reservoirs which are deferred for the foreseeable future.)

Option 2: Partial upgrade at a cost of \$9 million (as above but also defers excavating and cleaning out the raw water reservoirs)

Option 3: Minimum upgrade at a cost of \$5.9 million (as per 2 above but also defers replacing trunk main)

In this Annual Plan, Council has chosen the Partial Upgrade **Option 2** as representing the best value for money while managing risks. Council prefers to partially upgrade the Westport Water Supply at a cost of \$9 million as this option not only delivers clean safe drinking water but also improves the reliability of the supply by upgrading the trunk main.

Deferring the excavation of the raw water reservoirs and the lining of the raw water reservoirs (as proposed in Option 1 - Full Upgrade) is considered appropriate given the current design of the proposed water upgrade.

Not upgrading the trunk main is considered to carry too much risk. The trunk main fails regularly due to its age. While repairs can be completed within a few hours, and there is little inconvenience to most residents, the short term loss of pressure or even total loss of supply can be critical to some residents and businesses.

Effect on Westport Targeted Rate

Westport Targeted Rates	2014	2015	2016	2017	2018	2019	2020	2021	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	(GST exclusive)								
Partial Upgrade (preferred option)	580	710	760	800	820	840	860	870	880

2. Karamea Water Supply Investigation

Council has previously investigated proposals for a reticulated and treated water supply for Karamea and Market Cross. The Drinking Water Assistance Programme is still available and this area may qualify. A meeting was held with the community in December 2012 to advise of the assistance programme and to revisit the previous proposals to canvas if there was a willingness within the community to proceed with a public water supply.

Stage 1 will encompass identifying a suitable water source. It will entail investigating groundwater and surface water options, designing a water treatment system, reservoir and pipework. It is estimated this will cost \$150,000. It was agreed that Council would apply to the MOH for subsidy and it is estimated that Council would receive \$120,000 in financial assistance from DWAP. At this stage there will be a shortfall and if the project is to proceed then this would be recovered from an amenities reserve.

Only if a viable water supply was proven, and after consultation with the community, would the design and construction of the water supply proceed.

3. Solid Waste

Council sought expressions of interest from independent Contractors for the proposed Solid Waste Contract and then entered into a tendering process with preferred providers. Three contractors were shortlisted from the seven submissions received. These three contractors were interviewed and were asked to submit a bid and complete a pricing schedule. Two contractors withdrew during this process and the final contractors bids excluded Karamea and Maruia. This bid was compared to the existing service and two other proposals from the current contractor. Council approved the bid from Smart Environmental Ltd in June 2013.

Delays in finalising the contract have now meant that the original LTP first of July 2013 target date for the new service will not be able to be achieved. Council will continue to run the transfer station and provide refuse and recycling collections and continue to provide the current level of service for 6 months until 31/12/2013. As such, ratepayers will continue to be charged a targeted refuse rate (\$30.43 exclusive of GST) and recycling rate (\$54.78 exclusive of GST) by Council. These rates have been reduced as they cover costs for only six months.

The contractor managed refuse and recycling collection and operation of the landfill and transfer stations will commence midway through the 2013/2014 financial year.

A meeting was held with Karamea residents in June 2013. Costs were presented and the consensus from the meeting was that Karamea would like to "go it alone" with a continuation of recycling. The final contract bid also excluded the Springs Junction and Maruia area as it is believed that it would be more cost effective for these ratepayers to also "go it alone".

Consequently the contracted approach will not cover either the Karamea (zone 2) or Maruia (zone 3) areas. These ratepayers will continue to dump their refuse at the Karamea and Maruia landfill. Karamea residents will pay a targeted rate of \$75.00 (exclusive GST) and Maruia residents will pay a targeted rate of \$70 (exclusive of GST) for the second six months of the 2013/2014 year.

Zone 1 will cover the majority of the district including Westport, Westport to Mokhinui, Westport to Punakaiki, Inangahua Junction and Blacks Point. Within Zone 1, there will be no change to present arrangements to purchase rubbish bags from existing outlets. Refuse will continue to be collected weekly. A change to user pays enclosed rubbish bins will be at the option of the residents. A large free 240 litre enclosed bin for co-mingled recycling and a crate will be provided for glass. The provision of the 240 litre bin will encourage recycling and resource recovery. The recycling will be collected fortnightly. The contractor will manage both the Westport and Reefton transfer stations, manage the disposal and transport of both the residual waste and recyclables and managed the delivery of bags to supermarkets and other outlets. A targeted rate (\$70.00 exclusive of GST) will be charged to the Zone 1 ratepayers to whom the service is available.

A contractor fee will be paid by the Council to the contractor. Council will use the subsidy to facilitate a collection service over most of the district and as a mechanism to control the amounts that the contractor can charge for rubbish bags and transfer station fees.

Notwithstanding the changes to the rubbish collection and recycling service, Council still propose to retain direct involvement in a range of on-going residual functions such as:

- Asset Management Planning for all Solid Waste facilities
- Landfill monitoring in accordance with resource consents
- On-going education to reduce residual waste
- Emission Trading Scheme, and Waste Levy Scheme
- Contractor Management (via the subsidy)

As these on-going residual costs benefit the entire Buller District, Council has now decided that they should be funded by the General Rate, applicable to all ratepayers. The average cost per ratepayer will be about \$30.00 (GST exclusive) for six months. Those with higher than average unimproved land values will pay more than \$30.00 (GST exclusive) while those with lower than average unimproved land values will pay less than \$30.00 (GST exclusive)

The new contract offers significantly enhanced recycling and resource recovery will occur through the:

- Rollout of wheelie bins for collection of comingled recycleables and crates for kerbside sorting and segregation of glass. This solution is proven to deliver the optimal recycling outcome in a New Zealand context.
- Continuance of a user pays refuse service via bags. User pays refuse services drive recycling outcomes via polluter pays.
- Establishment of a Westport-based Material Recovery Facility which will be located at the Westport Transfer Station. This facility will be semi-automated and will employ an additional number of local staff who will be involved in resource recovery, which recovered materials able to be recycled.
- Enhanced re-layout, presentation and user friendliness of the Westport and Reefton Transfer Station sites to refocus them on resource recovery, diversion and recycling.

The above activities will have an immediate and lasting impact on reducing waste to landfill.

4. Punakaiki Beach Camp

On 25 May 2011 Council resolved to begin consultation on a proposal to lease the Punakaiki Beach Camp. Consultation opened on 21 May 2011 and closed on 25 October 2011. 31 submissions were received.

Subsequently Council considered those submissions at its meeting on 30 November 2011. At that time Council received a report recommending that it proceed to seek expressions of interest in leasing the Camp, and that authority be granted to the Manager Operations and the Property Officer to negotiate and enter into a lease on behalf of Council, should it be considered appropriate.

However, this recommendation was not accepted as it was felt that there should be more consultation with Punakaiki residents.

Council established a Working Party to agree the viable options subject to full consultation with the Punakaiki community before making any decisions.

The Long Term Plan cited various proposals regarding the operation of the Camp:

- Leasing the reserve to an operator/developer to manage the Camp, rather than Council continuing to contract an operator.
- Allow the Camp to revert back to recreation reserve status.
- That Council continue to manage the camp (status quo).

However the Camp continues to run at a loss. This loss was funded by general rates.

It was agreed during the Draft Annual Plan deliberations that the camp would continue to operate under the present management system. However, Council also directed staff to immediately advertise the possibility of leasing the camp to a private operator. Advertisements have been placed and responses received have been positive. It is anticipated that a report detailing any potential lease arrangements will be brought to Council in 2014.

Council approved an amount of \$65,000 to be funded from General Rates towards the camps operating losses. Council agreed to this funding as it has recognised the benefit to the local community from retaining the camp. Considerable feedback was received as part of the written submission process to the Annual Plan. Council also agreed in principle to the use of Reserve Funds for the provision of new or improved facilities at the Punakaiki Camp as part of a lease arrangement with a non-Council lessee.

The Punakaiki Working Party will be kept fully informed of all developments. Overall the goal should be to create a win-win situation for all parties. The non-Council operator has to be able to run a commercially viable camping ground, Council has to be able to reduce the risk of ongoing losses funded by ratepayers, and the local community has some ability to use the area for recreation purposes.

5. Roothing

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.

As a result roading maintenance, renewals and improvements is probably the biggest single item of Council expense. About 25% of Council's operating costs go to roads etc. Fortunately some central government assistance is available when the New Zealand Transport Agency pays a percentage of the total cost of approved projects. Unfortunately the Agency plans to reduce this financial assistance rate (known as the "FAR").

Prior to 2006/2007 the assistance was 61% of the total cost. From 2006/2007 through to 2011/2012 the Agency paid 60% of the total cost. As signalled in the Long term Plan from 2013/2014 year onwards, Council only receives 58% of the total cost.

Each time the assistance rate drops the Council is left with a stark choice. Either make up the shortfall by increasing rates, or let the roads deteriorate. At present expenditure levels each 1% reduction will cost Buller ratepayers about \$35,000 extra each year just to maintain present levels of service.

New Zealand Transport Agency (NZTA) has indicated to Council that its base funding for the roading programme has been reduced for years 2012/2013 to 2014/2015 as well as having no inflation escalation for these three years.

Council agreed to a lower level of service such as higher road roughness levels, longer grading cycles and less roadside mowing. This service level decrease may be offset by potential efficiencies by working more closely with the roading contractor to identify service delivery savings.

6. 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. Some individual targeted rates such as the Promotion and Development Rate, also also controversial.

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 that 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. The review will take account of the Report of the 2007 Independent Inquiry into Local Government Rating (the Shand Report). This report advocated the removal of rating differentials and promotion of the capital value system as the basis for setting the general rate. Preliminary work to-date has suggested a rating model which is based on a mix of land and capital values. Once the review has been completed, there will be consultation with the community, before any recommendations are adopted.

7. Reduction in public toilets - central Westport

At present there are a multitude of public toilets in the central area of Westport. These are very expensive to maintain and are subject to graffiti and vandalism.

Council, in its deliberations of the 2012-2022 Long Term Plan, indicated they would defer the closure of the Exeloo toilet in Victoria Square (Russell Street) and the removal of the toilets from outside the NBS Theatre in Palmerston Street. Council has now indicated it wishes to proceed with the removal of these toilets. This will lead to a saving of \$40,000 for the general ratepayer.

8. Increases in Average Rates (General and Targeted Rates)

The annual average general rate predicted in the LTP was \$1,764 (excluding GST).

This has now risen to \$1,708 (excluding GST). This is due to refuse, recycling and transfer station costs which were unbudgeted due to the delay in the commencement of the contracted refuse model. These costs were not provided for in the Long Term Plan as it was assumed that the contracted model would have been in place from 1 July 2013

9. Rural Drinking Water Upgrades

There are planned upgrades for the Water supplies in Punakaiki, Waimangaroa, Ngakawau/Hector, Little Wanganui, Inangahua Junction and South Granity. 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.

10. Promotion and Development Rate

In 2009 a shared funding model was adopted with 40% coming from the general rates and 60% from a targeted rate. The district promotion and economic development targeted rate was introduced in the 2009-2019 Long Term Council Community Plan (LTCCP). The targeted rate was split into two components a flat (tiered) uniform rate based on capital value, plus a targeted rate of which was applied to capital value. The targeted rate was levied on all industrial and commercial ratepayers. Home-based businesses were also charged a flat rate.

In the 2013/2014 Draft Annual Plan the wording of the targeted rate has been amended as follows:

"The rate targeted all commercial and industrial rating categories, plus those in other rating categories that are deemed to be commercially of industrially oriented businesses (as per the land use definitions)".

Council agreed that the funding from general rates would be reduced to 36% and the targeted rates funding would increase to 61%, with the remainder being derived from minor fees and charges.

Changes to the targeted rate:

Tiers	Capital Value	Flat Rate (excluding GST)		
		2012/2013	2013/2014	
Commercial	Tier 1	\$0 to \$300,000	\$113.04	\$217.40
	Tier 2	\$300,001 - \$500,000	\$286.96	\$347.83
	Tier 3	Greater than \$500,001	\$547.83	\$695.65
Industrial			\$113.04 per rating unit	\$304.35 per rating unit
Home-based business - accommodation providers			\$113.04	\$260.86
Home-based business - other			\$180.00	\$173.91
Rate in the dollar applied to capital value			\$0.000690	\$0.0005

The changes were made during the 2013/2014 deliberation process in response to submissions made.

11. Policy Changes

Changes were also made to various funding mechanisms as detailed in the Revenue and Financing Policy on [Page 189](#) of this Plan.

Council has made the following changes in the Revenue and Financing Policy:

Activity	Current Funding Mechanism		Funding Mechanism Proposed
	1 July 2012		Effective 1 July 2013
Liquor Licensing	Operating 100% Fees		Operating 90% Fees 10% General Rates
Economic Development and Marketing	Operating 40% General rates 60% Targeted rate based on capital value.		Operating 36% General rates 3% Fees 61% Targeted rate based on capital value.
Resource Management - Planning	Operating 100% General Rates		Operating 94% General Rates 6% Fees
Water	Operating 100% Targeted Rates Metered water for major users Capital Financial assistance Targeted Rate		Operating 100% Targeted Rates Metered water for major users Capital Financial assistance Targeted Rate Amenities Reserve
Solid Waste	Refuse Recycling	- Current level of service	For the first six months of 2013/2014 Operating Targeted Rates
	Refuse Recycling Residual costs	- New level of service	Effective 1 January 2014 Zone 1, 2 & 3: This service will be funded by supplementary charges and a target rate payable by those to whom the collection service is available. Residual costs will be 100% general rates.
Punakaiki Camping Ground	Operating 100% Fees Capital Loans or Special Funds		Operating 74% Fees 21% General Rates 5% Reserves Capital Loans or Special Funds
Environmental Health	Operating 100% Fees		Operating 73% Fees 27% General Rates

Rating Examples



Below are examples of the rates for a sample of residential, commercial, rural residential and rural properties across the district. Please note these figures are indicative only and are included to give ratepayers an estimate of what level their rates are likely to be in the coming financial year.

The Promotion and Development Rate, if applicable, has been included.

GST has been excluded from the individual rates, so that "rounding" has been made in all examples. This may result in some NET and TOTAL RATES totals differing by very miniscule amounts from the aggregate of the individual rates figures and GST figure shown.

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>	\$53,000	\$63,000	\$76,000	\$44,000	\$49,000	\$55,000
General Rates	124.23	174.84	210.91	122.11	126.48	141.97
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
EP Targeted Rate	-	160.00	225.22	-	280.00	280.00
Targeted Water Rate	-	600.00	-	-	-	-
Targeted Sewage Disposal Rate	-	-	30.43	30.43	30.43	30.43
Targeted Refuse Collection Rate	-	-	54.78	54.78	54.78	54.78
Targeted Recycling Rate	74.78	74.78	70.43	70.43	70.43	70.43
Targeted Waste Management Rate	80.00	80.00	80.00	80.00	80.00	80.00
NET RATES	\$611.18	\$1,421.79	\$1,003.96	\$689.93	\$974.31	\$989.79
GST	\$91.68	\$213.27	\$150.59	\$103.49	\$146.15	\$148.47
TOTAL RATES	\$702.86	\$1,635.06	\$1,154.55	\$793.42	\$1,120.45	\$1,138.26
Comparison to Previous Year	\$624.69	\$1,494.53	\$1,158.19	\$806.48	\$1,133.05	\$1,138.21
% Change	12.67%	9.47%	-0.23%	-1.49%	-1.02%	0.09%

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>	\$65,000	\$72,000	\$90,000	\$90,000	\$210,000	\$49,000
General Rates	465.17	515.27	453.18	209.45	759.82	114.85
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	580.00	580.00	580.00	-	621.74	-
Targeted Sewage Disposal Rate	750.43	750.43	750.43	-	-	-
Targeted Refuse Collection Rate	30.43	30.43	30.43	30.43	30.43	30.43
Targeted Recycling Rate	54.78	54.78	54.78	54.78	54.78	54.78
Targeted Waste Management Rate	70.43	70.43	70.43	70.43	70.43	70.43
NET RATES	\$2,364.31	\$2,414.40	\$2,352.31	\$778.14	\$1,950.25	\$683.55
GST	\$354.65	\$362.16	\$352.85	\$116.72	\$292.54	\$102.53
TOTAL RATES	\$2,718.95	\$2,776.56	\$2,705.15	\$894.87	\$2,242.79	\$786.08
Comparison to Previous Year	\$2,653.64	\$2,705.94	\$2,636.12	\$897.66	\$2,151.25	\$798.90
% Change	2.46%	2.61%	2.62%	-0.31%	4.26%	-1.61%

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

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>\$43,000</i>	<i>\$38,000</i>	<i>\$106,000</i>	<i>\$195,000</i>	<i>\$90,000</i>	<i>\$850,000</i>
General Rates	190.47	89.07	1,269.02	5,608.41	951.32	1,355.79
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
P&D Targeted Rate	-	-	1,245.65	965.65	292.39	-
Targeted Water Rate	440.00	-	-	580.00	440.00	-
Targeted Sewage Disposal Rate	500.00	-	-	750.43	500.00	-
Targeted Refuse Collection Rate	30.43	-	-	30.43	30.43	-
Targeted Recycling Rate	54.78	-	-	54.78	54.78	-
Targeted Waste Management Rate	70.43	70.43	74.78	70.43	70.43	-
NET RATES	\$1,699.17	\$572.55	\$3,002.50	\$8,473.19	\$2,752.40	\$1,768.83
GST	\$254.88	\$85.88	\$450.37	\$1,270.98	\$412.86	\$265.32
TOTAL RATES	\$1,954.04	\$658.43	\$3,452.87	\$9,744.17	\$3,165.27	\$2,034.15
COMPARISON TO PREVIOUS YEAR	\$1,935.85	\$587.99	\$3,323.25	\$9,081.92	\$2,979.27	\$1,910.44
% Change	0.94%	11.98%	3.90%	7.29%	6.24%	6.48%

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>\$1,560,000</i>	<i>\$1,865,000</i>	<i>\$131,000</i>	<i>\$125,000</i>	<i>\$145,000</i>	<i>\$165,000</i>
General Rates	1,996.46	2,974.76	380.92	338.76	421.62	447.16
UAGC	413.04	413.04	413.04	413.04	413.04	413.04
Targeted Water Rate	-	-	-	-	-	-
Targeted Sewage Disposal Rate	-	-	-	-	-	-
Targeted Refuse Collection Rate	-	-	-	30.43	30.43	30.43
Targeted Recycling Rate	-	-	-	54.78	54.78	54.78
Targeted Waste Management Rate	70.43	70.43	74.78	70.43	70.43	70.43
NET RATES	\$2,479.94	\$3,458.23	\$868.74	\$907.45	\$990.32	\$1,015.86
GST	\$371.99	\$518.74	\$130.31	\$136.12	\$148.55	\$152.38
TOTAL RATES	\$2,851.93	\$3,976.97	\$999.05	\$1,043.57	\$1,138.87	\$1,168.24
COMPARISON TO PREVIOUS YEAR	\$2,579.30	\$3,600.63	\$892.68	\$1,032.66	1,119.17	\$1,145.83
% Change	10.57%	10.45%	11.92%	1.06%	1.76%	1.95%

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



welcome

Buller *District*

top of the **West Coast** ●



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DRIVE IN - DRIVE OUT

INVEST IN BULLER
GROW RATEPAYER BASE

HAPPIEST DISTRICT

NOTHING TO DO

BIGGEST EMPLOYMENT GROWTH

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 brochures.

There has been significant progress on the District Plan with numerous plan changes having been made in the last three years.

Compliance Management

Compliance Management includes the investigation of:

- Noise control complaints;
- non compliance of Council Bylaws;
- and any other complaint, eg, 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, land use and subdivision consents and ensures that appropriate certification is achieved for buildings by way of Code Compliance Certificates, Certificates for Public Use and Warrants of Fitness.

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

Liquor Licensing

The Sale of Liquor Act 1989 has been replaced by Sale and Supply of Alcohol Act 2012, which was enacted on 18 December 2012. This new Act comes into force in stages with most changes taking place on 18 December 2013 with the following exceptions:

- The Liquor Licensing Authority (LLA) has been replaced by the Alcohol Regulatory and Licensing Authority (ARLA) as at the date of enactment.
- Any new licences issued between 19 December 2012 and 18 June 2013 are interim licenses, valid for one year, and cannot be renewed.
- From 18 June 2013 an expanded criteria with new grounds for objections will apply to all licence applications and renewals.

Up until 18 December 2013 District Licensing Agencies will continue to deal with uncontested licenses and managers certificates but must advise people applying for new licences (apart from special licences) that these are interim licences only. Contested applications will be considered by ARLA.

District Licensing Agencies will be replaced by District Licensing Committees (DLC's) on 18 December 2013 and each Territorial Authority is responsible for establishing these committees and the appointment of members.

Council will need to develop a 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 and this policy must then be considered by licensing bodies when they make decisions on applications. Two or more Council's may develop a joint policy.

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

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 requirement 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.

Rural Fire

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.

Why we do it

Emergency Management

Our community has indicated they want a safe environment for all to live in; one where the risk to life and property is minimised and the community is well serviced by emergency services.

Animal & Stock Control

Protect the public from dangerous and nuisance animals.

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 environment 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.

Liquor Licensing

Activities are governed by legislative requirements from the Sale of Liquor Act 1989 and the Sale and Supply of Alcohol Act 2012.

Rural Fire

- To protect life and property through uncontrolled rural fires
- To ensure preparedness of the public to respond to rural fire emergencies

Changes in Fees and Charges

Dog Fees

Council has changed the fees from 01 July 2012 to reflect and achieve the 85% user and 15% general rates policy that currently exists.

Building Fees

With effect from 01 July 2012 financial year building consent fees will also include a modified Building Control Authority (BCA) levy calculated as follows:

Building Control Authority Levy		
< \$20,000	\$50.00	This will enable the building activity to be funded 90% from Fees and Charges and 10% from the General Rates. There should always be an element of community good.
\$20,000 - \$49,999	\$150.00	
\$50,000 - \$99,999	\$350.00	
\$100,000 - \$199,999	\$750.00	The levy covers things such as obtaining and maintaining accreditation, audits and staff assessments, manual updates to systems, public information updates and industry upskilling of tradesmen. This is deemed to represent public good as these elements cannot be on-charged.
\$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	

Sale of Liquor 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) with a proposal for 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.

Environmental Health Fees

Effective from 01 July 2012 Council increased fees to recover full costs for this activity.

Fire Permits

Council continues to charge for Fire Permits. This is adopting a userpays approach to ensure that costs associated with issuing a fire permit are recovered.

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 detailed 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?	2013/2014
To maintain quality of life through ensuring	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 buildings were reviewed and a new policy adopted 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 of Liquor Policy Sale and Supply of Alcohol Policy 2012 Local Alcohol Policy	Processing applications in accordance with the Sale of Liquor Act and BDC policy	All applications to be processed under the Sale and Supply of Alcohol Act 2012 and Local Alcohol Policy (once adopted)
	Buller District Council Building Quality Assurance Policy	Processing applications for PIM's, LIM's, building consents and Code Compliance Certificates	Continue to process consents for customers within statutory timeframes
			Ensuring regulations are met with building Warrants of Fitness
			Conduct building inspections in accordance with the Building Act requirements
			Conducting inspections within 24 hours of request
	Buller District Plan	Processing applications for resource consents	Continue to process consents within statutory timeframes
			Monitoring resource consent conditions 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
	Sale of Liquor Policy	Liquor licence in accordance with relevant legislation	Continue to process liquor licence applications and monitor compliance in accordance with legislation and the Buller District Local Alcohol Policy
Existing Buller District Licensing Agency, Sale of Liquor Policy		Ensure appropriate structures are in place to handle likely liquor reforms and appoint a District Licensing Committee	
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?	2013/2014
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	Resource Management Act	Content review of District Plan completed	On-going review of District Plan
		Changes passed in 2010/2011	
		Areas have been prioritised for review	
		District Plan changes 115-121 and 122-132 completed	

Measuring our Achievements

MEASURES & TARGETS	Last Reported Performance	2013/2014
Meet earthquake policy objectives	2011/2012: Due to the publicity following the Christchurch earthquakes, any building consent application received for commercial buildings which would be affected by this policy have included voluntary strengthening work by the applicant without any requirement for Council enforcement	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
	2011/2012: In addition, Council has carried out an initial visual inspection of at risk commercial buildings in both Westport and Reefton	
	2011/2012: The findings passed onto the building owners which have prompted further in depth investigations funded by the owner	
	2011/2012: It has resulted in some buildings undergoing strengthening work and in some cases evacuation of the buildings	
Building consents and LIM's issued within statutory timeframes	2011/2012: 491 Building Consents issued 99% completed within the statutory 20 working day timeframe (2010/2011: 465 / 99%)	Target 100%
	2011/2012: 312 LIM's issued 100% completed within the statutory 10 working day timeframe, with an average of 4 days processing time (2010/2011: 217 issued with 98% completed within timeframe)	
Building inspections carried out within 24 hours for urban and 48 hours for rural areas	2011/2012: Achieved 100% (2010/2011: 100%)	Achievement of this level of services in the 90-100% range
	2011/2012: Building inspections are scheduled and carried out in accordance with bookings made	
Audit compliance schedules	2011/2012: No sampling undertaken	No longer required
	2011/2012: Not a requirement under the Building Act 2004	
Ensure quality assurance requirements for building consent authorities are met as required by Regulation 17 of Building Consent Authorities Regulation 2006.	2011/2012: Audit completed in December 2011 and accreditation maintained	Continued compliance as required by Regulation 17
		Audit by IANZ due December 2013
Process non-notified resource consents within statutory timeframes	2011/2012: 96.8% achieved within statutory timeframes (2010/2011: 100%)	Target 100%
Inspect all food premises	2011/2012: 100%, 94 food premises inspected (2010/2011: 100%, 90 premises inspected)	Target 100%
	2011/2012: No significant findings	
	2011/2012: These premises met the standards set by the Food Hygiene Regulations 1974	

MEASURES & TARGETS	Last Reported Performance	2013/2014
Carry out investigations into non-compliance and nuisance activities in acceptable timeframes	2011/2012: Achieved 112 simple investigations within 10 days 82% (2010/2011: 161 investigations with 100% within timeframe)	Simple investigations to be carried out within 10 working days
	2011/2012: 5 remain under investigation, awaiting court action (2010/2011: 5 - 3.65%)	More complex investigations to be undertaken within 40 working days
	2011/2012: 20 complex investigations undertaken within 20 days 14.6% (2010/2011: Nil)	
Investigate all animal related complaints	2011/2012: 100% 468 complaints investigated (2010/2011: 100%, 499 complaints investigated)	Target 100%
	2011/2012: This is measured by the use of the service request system and all complaints are loaded through this system	
	2011/2012: Continued education for animal owners occurs	
Respond to 90% of all noise complaints within 30 minutes	2011/2012: Achieved 95%, 202 complaints received with 192 being responded to within 30 minutes (2010/2011: 95%, 340 complaints received, 323 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	2011/2012: A set of District Plan changes is currently being worked on and it is intended they will be initiated in the 2013 calendar year (2010/2011: plan changes 122-132 initiated in the 2011 calendar year)	Initiate a plan change in each calendar year
	2011/2012: District Plan changes to be aligned with Vision 2050 and Westport Concept Plan	



Issac Taylor and Tracy Judd - Animal Control Officers

Significant Projects

Development of a Local Alcohol Policy

Develop a draft Local Alcohol Policy (LAP) in consultation with Police, licensing inspectors and medical officers of Health, then consult the community on the draft policy using the special consultative procedure (LGA 2002) and prepare a provisional policy.

After 18 December 2013 give public notice of this provisional policy, adopt the policy and give public notice of its adoption and the date it will come into effect (as determined by Council resolution).

The earliest the LAP can come into force is 17 January 2014.

Trading hours come into force three months after the rest of the policy to give licensees time to make any staffing changes necessary to comply with the policy.

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 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 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.

The Westport Concept Plan will inform the Buller Vision 2050 Strategic Plan and the District Plan Review.

How Do We Fund Environmental 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

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

Capital Expenditure

Council has budgeted to purchase vehicles which are currently leased, as this is considered to be more cost effective (\$81,000).

The purchases will be loan financed and this change has resulted in debt increasing commensurately.

Fees & Charges

- Forecast fees and charges have reduced in Building by \$100,000 compared to the Long Term Plan, due to the lower than anticipated growth and volume of building permits and LIM's. This was offset by higher fees and charges in Resource Consent processing (\$50,000).

Funding Impact Statement - Regulatory Services

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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OPERATING Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	768	563	724
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	15	15
Local authorities fuel tax, fines, infringements fees and other receipts	1,362	1,660	1,588
TOTAL OPERATING FUNDING	2,145	2,238	2,327

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	1,603	1,656	1,692
Finance Costs	12	11	16
Internal charges and overheads applied	490	528	561
Other operating funding applications	12	12	12
TOTAL APPLICATIONS OF OPERATING FUNDING	2,117	2,207	2,281
SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$28	\$31	\$46

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	(18)	43	110
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	(18)	43	110

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	0	62	62
- to replace existing assets	0	0	81
Increase/ (decrease) in reserves	10	12	13
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	10	74	156
SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(28)	\$(31)	\$(46)
FUNDING BALANCE REGULATORY SERVICES	\$0	\$0	\$0

Emergency Management



Overview of Activity

What we provide

Civil Defence Preparedness

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

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.

Vehicles have been purchased for the Inangahua Fire Brigade (July 2010) and Charleston Fire Brigades (May 2011).

Civil Defence

Exercises have been conducted and both volunteers and staff have participated.

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.

There is to be a major South Island Civil Defence exercise during 2013, Buller District Civil Defence team will be extensively involved in this event, testing our capabilities and readiness and thus ensuring that we are well placed to respond if such an event were to occur.

Sound relationships are in place with the West Coast Regional Council and other District Councils, and local Search and Rescue Organisations.

Why we do it

Council provides services to assist people in the event of Civil Defence emergencies or wild fires in rural areas.

Provision of these services is governed by legislation and supported by Central Government and Regional Council.

Risk/Assumptions

- Significant loss of life and property if preparedness is not at the desired level
- Lack of volunteers could pose a risk to our ability to respond. This is, however, mitigated by the continual training of volunteers and ongoing work to ensure readiness in the event of a natural disaster.

What Does Council plan to do in the Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2013/2014
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	Increasing community awareness, understanding, preparedness and participation in Civil Defence Emergency Management Improve this through education and consultation
	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
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	2013/2014
Maintain three teams of trained volunteers	2011/2012: Achieved Karamea, Westport and Reefton teams in place.	Maintain training for all three teams
	2011/2012: 160 volunteers and staff trained in various roles (2010/2011: 160 volunteers)	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	2011/2012: Council participated in Operation Cruickshank Minor as a desktop exercise, co-ordinated from the Grey District Council.	On-going regional exercises scheduled and completed
Develop Civil Defence, ICT and Recovery Plans	2011/2012: Emergency Operation Centre fully functional	Continue to review and improve systems
	2011/2012: 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
	2011/2012: This is still very much a work in progress	Regular exercises undertaken to ensure readiness
	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
Annually review fire plan	2011/2012: Annual review of fire plan completed	Annual review
Maintain trained volunteers, fire engines and equipment	2011/2012: All rural fire stations conducted weekly training sessions	We have budgeted to purchase a new fire appliance for the Seddonville Rural Fire Brigade, this will receive 66% assistance of the purchase from the National of-fice.
	2011/2012: Crews have also attended specialist training courses when required	
Maintain restricted fire season and fire education	2011/2012: On-going training of all rural fire-fighters and ensuring equipment met compliance requirements	Continue
	2011/2012: Fire permits issued	

Significant Project

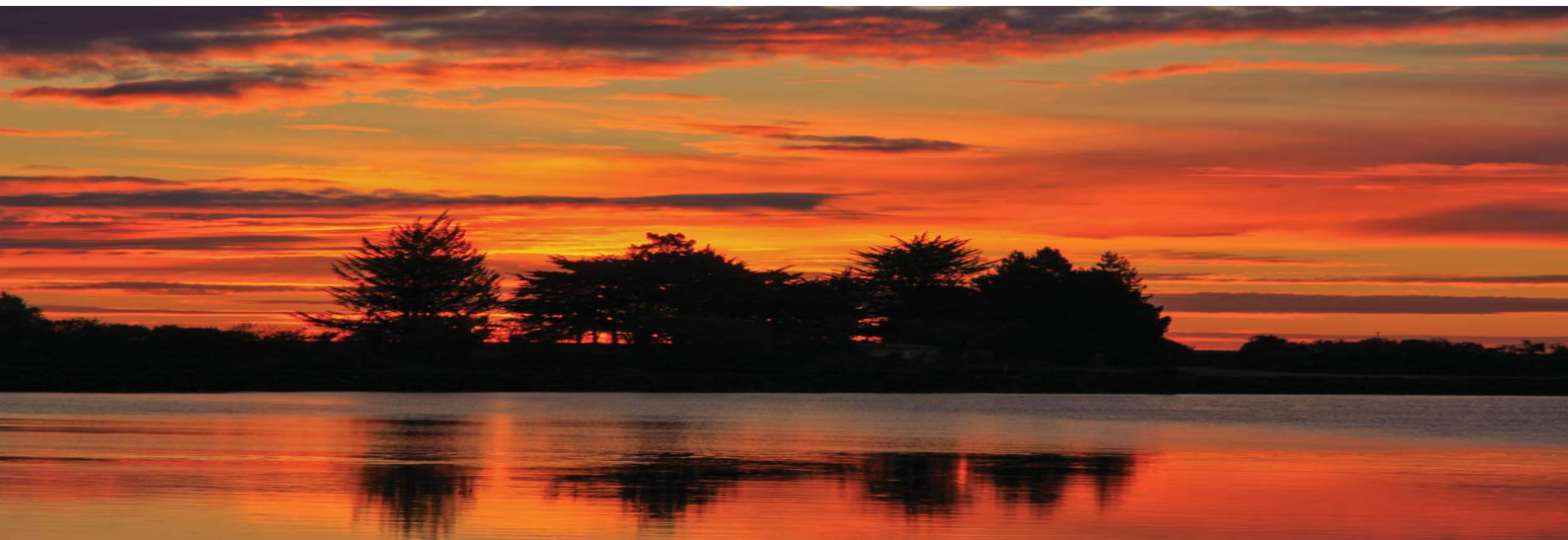
Purchase of truck for Seddonville Rural Fire Brigade (2013/2014: \$62,000). This purchase will be offset by recoveries from the National Rural Fire Association of \$41,000.

How do we fund Emergency Services?

Activity	Funding Mechanism		
	General Rates	Fees	Capital Spend
Emergency Services - Civil Defence	100%	Nil	Nil
Emergency Services - Rural Fire	100%	Fire attendance on cost recovery	Loans and Special Funds

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

No significant variances noted.



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 Design 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?	2013/2014
Provide a safe road network	NZ Transport Strategy District Transport Strategy Safety Management System	Road safety audit undertaken in urban Reefton and Westport	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 undertaken in July 2011 and June 2012 (not undertaken in 2010/2011 because of gear malfunction)	
		Sealed road roughness 89.8 which meets the target of less than 120 (2011: 88.3) The roughness of a good sealed road is 70 NASSRA	



Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2013/2014
Provide useable footpaths	Roading Plans Asset Management Maintenance Contract	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
		From these ratings the forward programme of remedial work for footpaths is determined - rating undertaken in April 2011 and due to be undertaken in 2013	
		Maintenance programme for footpaths are based on rating - 1.7km of footpaths were refurbished by reseal or slurry seals, 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 Plans Asset Management 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 Plans Asset Management 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	2013/2014
Public Safety		
Annual Road Safety Audit	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
	2011/2012: An audit carried out by NZTA and Council staff covered 93.15km which is 15.5% of the network (2010/2011: 57.25km, 10%)	
	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	2011/2012: Based on the crash analysis report produced by the New Zealand Transport Agency there has been a decrease in the number of accidents for 2012 for the Buller District compared to 2010/11 but is still higher than the accident levels in 2008/09	Continue to reduce trend of fatal accidents and those causing injury
	2011/2012: Serious accidents show a downward trend compared with the previous years	
	2011/2012: Fatal accidents have remained fairly static at 1 fatality in 2012 (2010/2011: 2 fatalities)	
	2011/2012: Accident reports provided to Council are analysed to determine if any road factors contributed to the accidents	
	2011/2012: If there are road conditions or geometry that could have contributed to the accident then these are investigated for remedial work	
Maintenance of roading in compliance with Asset Management Plan	2011/2012: Update upgrades as per Asset Management Plan	Compliance with Asset Management Plan
		Changes ratified through the Annual Plan process
System Usability		
Maintain current road roughness levels	2011/2012: Road roughness surveys were undertaken in July 2011 and June 2012 (not undertaken in 2010/2011 because of gear malfunction)	Average sealed road NASSRA roughness less than 120
	2011/2012: Sealed road roughness 89.8 which meets the target of less than 120 (2010/2011: 88.3)	
	2011/2012: The roughness of a good sealed road is 70 NASSRA and for an unsealed road 170 NASSRA	
	2011/2012: Unsealed roughness not measured, as this measurement is considered by the industry to not be of value as the roughness of an unsealed road changes constantly	

Measures and Targets	Last Reported Performance	2013/2014
Footpaths		
Undertake condition rating of footpaths	2011/2012: Footpaths were rated according to condition on a scale of 1 to 5	Remedial work programmed for all footpaths with a Level 4 and 5 rating This programme is assessed every two years by an independent consultant
	2011/2012: From these ratings the forward programme of remedial work for footpaths is determined	
	2011/2012: Rating was undertaken in April 2011 and due to be undertaken in 2013	
	2011/2012: Maintenance programmes for footpaths are based on rating	
	2011/2012: 2km of footpaths were refurbished by reseal or asphalt concrete (2010/2011: 1.7 km; 2%)	
	2011/2012: This represents 2.3% of the footpath length	
Design all new footpaths for accessibility	2011/2012: 75 metres of new footpath constructed in concrete - suitable for wheelchair and pram usage	Continue to design new footpaths for wheelchair and pram usage
System Disruption		
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	2011/2012: The contractor responded to notification of all slips from call centre logs within the response times required	80% compliance with the contracted response times
	2011/2012: Compliance checks were undertaken randomly at construction sites to check compliance with the NZ Code of Practice for Temporary Traffic Management - Local Road Supplement	Road works checked against national standards during site inspections
Environmental Impact		
To comply with resource consent conditions	2011/2012: No resource consents required for road maintenance or construction during the financial year	100% compliance

Assumptions

That the New Zealand Transport Agency has provided financial assistance for 2013/2014 at 58% for maintenance activities where costs have not been adjusted for inflation for three years. The rate for financial assistance 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.

Subsidisation of footpath and cycling facilities by the New Zealand Transport Agency.

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 not expected that the increased usage due to population growth will be significant requiring roading network upgrades. 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

- Upgrade of Karamea Highway (\$50,000) to address drainage works and remedial structures.
- Footpaths progressively renewed/resurfaced to provide a safe environment (\$181,000)
- Staged upgrade over 10 years of Derby Street (a major street in Westport) in conjunction with the replacement of services - from Salisbury Street to railway line on Derby Street
- Local road minor improvements (\$375,000)
- Local road renewals (\$1.3 million)



Key Issues

Roading

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.

As a result roading maintenance, renewals and improvements is the biggest single item of Council expense. About 25% of Councils operating costs go to roads etc. Fortunately some central government assistance is available when the New Zealand Transport Agency pays a percentage of the total cost of approved projects. Unfortunately the Agency plans to reduce this financial assistance rate (known as the "FAR")

Prior to 2006/2007 the assistance was 61% of the total cost. From 2006/2007 through to 2011/2012 the Agency paid 60% of the total cost. In 2012/2013 this subsidy dropped to 59% and from the 2013/2014 year onwards we can only expect 58% of the total cost.

Each time the assistance rate drops the Council is left with a stark choice. Either make up the shortfall by increasing rates, or let the roads deteriorate. At present expenditure levels each 1% reduction will cost Buller ratepayers about \$35,000 extra each year just to maintain present levels of service. The draft plan assumed that ratepayers would continue to pick up any cost shares dropped by the Government.

New Zealand Transport Agency has now indicated to Council that the funding has been based on roading expenditure has been reduced for three years 2012/2013 to 2014/2015 and has also not being escalated for these financial years. This reduction in funding from NZTA has been applied to the plan and has the following implications on roading service levels. Council has therefore decided to reduce its roading level of service to ensure that roading expenditure matches the funding received and is consistent with its Revenue and Financing Policy.

This will result in some levels of service being reduced. An increase in road roughness will be expected, with the gap between actual road roughness and targeted road roughness expected to narrow over the ten year plan. In addition, the extent to which roads are resealed will also need to be reduced if the inflation factor of the cost of bitumen increases. Maintenance of unsealed roads will reduce principally by reducing grading and metaling cycles on rural roads with low traffic volumes. There will be a change in the standard of vegetation control. Vegetation control will continue to provide for safe sight distances but roadside mowing intervals will invariably be increased.

Council intend to also work closely with its roading contractor to identify if levels of service can be maintained by exploring efficiencies in how the roading programme is delivered.

Berm Maintenance

Council has agreed to fund the mowing of the berms in Westport and Reefton from the general rates. The current level of funding provides for the berms to be mowed at least four times per annum.

Funding Allocations

Activity	Funding Mechanism		
	General Rate	Fees	Capital Spend
Roading	2012/2013 41%	2012/2013 59%	Special fund Loans Subsidy from NZTA
	2013/2014 onwards 42%	2013/2014 onwards decreasing to 58%	
Urban Development	100%	Nil	Special fund Loans Subsidy from NZTA

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

Financial Assistance

NZTA subsidy is \$500,000 greater than the LTP due to the funding assistance associated with unbudgeted Karamea Highway remedial works.

Capital Expenditure

The Annual Plan defers the construction of Rough River Bridge (\$232,000) provided for in the Long Term Plan, due to the closure of the Pike River Mine.

Other Operating Expenditure

Repairs and maintenance expenditure totalling \$500,000 to address drainage work and remedial structures along the Karamea Highway has been included in the 2013/2014 Annual Plan. This work will be fully funded by NZTA. Remedial action will be undertaken to re-instate failures on sections of the Karamea Highway and to reduce the risk of further failures.

Funding Impact Statement

- Roading & Urban Development

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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OPERATING Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	2,245	2,297	2,349
Targeted rates (other than a targeted rate for water supply)	0	0	0
Subsidies for operating purposes	1,695	1,673	2,170
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	182	175
TOTAL OPERATING FUNDING	4,115	4,152	4,694

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	2,736	2,739	3,235
Finance Costs	0	0	0
Internal charges and overheads applied	596	625	655
Other operating funding applications	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	3,332	3,364	3,890

SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$783	\$788	\$804
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CAPITAL Funding

SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	1,251	1,236	1,253
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	0	232	0
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	1,251	1,468	1,253

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	165	397	191
- to replace existing assets	1,869	1,859	1,866
Increase/ (decrease) in reserves	0	0	0
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	2,034	2,256	2,057

SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(783)	\$(788)	\$(804)
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FUNDING BALANCE ROADING & URBAN DEVELOPMENT	\$0	\$0	\$0
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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, Waimangaroa, Westport, Cape Foulwind, Reefton, South Granity and Punakaiki. The 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 64](#) details the timelines to upgrade the various water supplies to comply with the Drinking Water Standards.

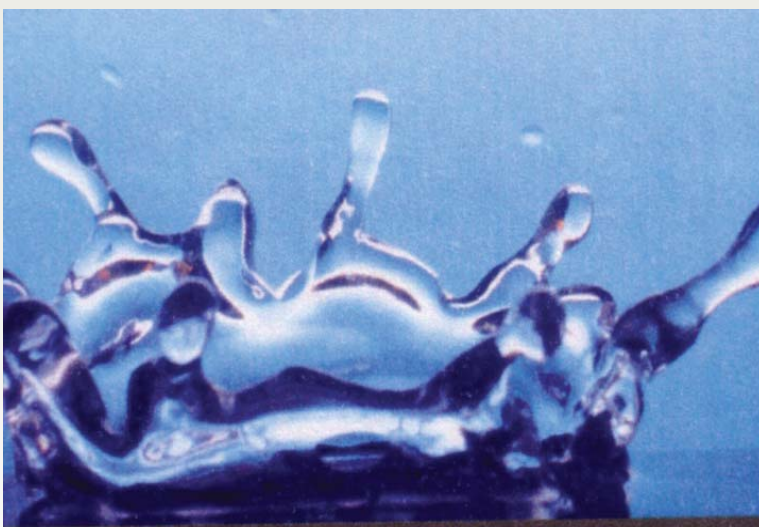
To date the upgrade for the Reefton town water supply has been completed, and in November 2011 Council agreed a long term solution for the Westport water upgrades. Approval from the Ministry of Health has been received for the Waimangaroa and Ngakawau-Hector Drinking Water Supply upgrades and these upgrades will be completed in 2013/2014.

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 issue 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?	2013/2014
Provide an adequate quality of water	Water Supply Asset Management Plans	Supplying treated water to Westport and Punakaiki	Provide treated water up to New Zealand Drinking Water Standards for Reefton, Punakaiki, Waimangaroa and Ngakawau-Hector
	Public Health Risk Management Plans		Undertake upgrade of Westport Water Supply over next 2 years. Upgrade to be completed in 2014/2015 It is anticipated that clean safe drinking water will be provided to residents upon completion of the upgrade
	Water Supply Asset Management Plans	Providing an adequate flow of water for domestic activities, such as taking a shower Providing bulk water supplies to businesses Providing hydrants for fire fighting	Continue to deliver current quantities of water
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	2013/2014
Water Quality No potential for illness due to unwholesome water	2011/2012: A total of 2 e-coli tests were recorded showing contamination (2010/2011: 10 tests showed contamination)	No confirmed E coli contamination The Council programme in the Long Term Plan allows for all water supplies, except Mokihinui and Cape Foulwind, to be upgraded to meet the Drinking Water Standards in accordance with the Health Act Subsidies have been confirmed for Westport, Ngakawau/Hector, Reefton, Waimangaroa and Punakaiki The Waimangaroa and Ngakawau-Hector water supplies have funding approved and have been deferred until 2013/2014 - 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
	2011/2012: In total there were 198 individual samples taken from Westport, Carters Beach, Reefton and Punakaiki water supplies. E-coli or faecal coliforms come from the gut of warm blooded animals (possums, deer, goats and birds) (2010/2011: 169 samples)	
	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	
Water Quantity - Westport and Reefton Supplies To be able to fill a ten litre bucket three times within a minute All fire hydrants to be operational	2011/2012: No request for pressure tests (2010/2011: no requests for pressure tests)	No more than ten recorded failures per annum throughout the district
	2011/2012: All hydrants were operational (2010/2011: all operational)	100% compliance
Water Reliability To provide water into the system virtually all of the time	2011/2012: Water was supplied for 99.86% of the time - mains only (2010/2011: 99.8%)	Water supplied 99% of the time
	2011/2012: Measurement of the availability to individual laterals not currently measured	
To minimise disruption caused by unplanned shutdowns	2011/2012: There were two occasions when water was provided on low pressure because of repairs being undertaken on the 354mm trunk main (2010/2011: six occasions)	No more than three shutdowns per kilometre All unplanned shutdowns less than four hours
	2011/2012: 130 leaks were repaired over the 174 km of mains which is 0.75 leaks per km (2010/2011: 0.95 leaks per km)	
	2011/2012: One shutdown on Carters Beach supply (Westport Zone) for 30 minutes	
	2011/2012: As service requests are received, Council assess the priority of the request and advises the contractor accordingly	
	2011/2012: Contractors responded to these priorities 93% of the time within agreed deadlines (2010/2011: 90%)	
To permit gardens to be maintained in a healthy state all year	2011/2012: No water restrictions for any of the supplies	No more than 5 days of water restrictions per year
	2011/2012: No more than five days of water restrictions per year	
Environmental Impact To comply with resource consent conditions as assessed by Regional Council consents	2011/2012: 100% compliance (2010/2011: 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. The Long Term Plan assumes that the upgrading of the existing Westport supply will provide for expected increases in Westport's population.

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.

Council has been successful with an application to the Ministry of Health for funding assistance for the upgrade of the Punakaiki Water Supply, Reefton, Waimangaroa and Ngakawau-Hector water supplies.

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	2013/2014
	GST exclusive
Westport	580.00
Reefton	440.00
Little Wanganui	160.00
Mokihinui	225.00
Ngakawau-Hector	280.00
Waimangaroa	280.00
Cape Foulwind **	0.55
Punakaiki	622.00
Inangahua Junction	230.00
South Gracity	230.00

** Footnote: This charge is per m³ 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.

Funding Allocations

Activity	Funding Mechanism	
	Targeted Rate	Capital Spend
Water Supplies	100%	Loan or Targeted Rates
	Metered water for major users	Subsidies from Special Funds
		Amenities Reserve



Summary of Planned Upgrades

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	Phased upgrade over the next 2 years	\$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	2012/2013 Almost Complete	\$259
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	\$745
Waimangaroa	Ungraded	Marginally satisfactory, moderate level or risk for source, treatment and distribution (Cc)	Covered storage, filtration and disinfection	Deferred to 2013/2014	\$245
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	Deferred to 2013/2014	\$315
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	\$260
Little Wanganui	Ungraded	Marginally satisfactory, moderate level or risk for source, treatment and distribution (Cc)	Covered storage, filtration and disinfection	Scheduled for 2014/2015 subject to approval of application by Ministry of Health	\$291
South Granity	Ungraded	Marginally satisfactory, moderate level or risk for source, treatment and distribution (Cc)	Covered storage, filtration and disinfection	Scheduled for 2014/2015 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.

Long Term Solution for Westport Water

Council clearly identified this as its highest priority. The provision of consistent, safe, potable water is a fundamental service for any local authority. The current supply has been in place since 1903 and the treatment plant constructed in 1985 is no longer able to meet the latest drinking water standards. Council is committed to determine a long term solution that will meet the needs of the Westport community for the next 50-100 years.

A brief history of Westport Water Supply

The original Westport Water Supply was opened in 1903 after a lengthy construction period, when four tunnels and timber water races were established between the south branch of Giles Creek (headwaters of the Orowaiti River) and the site of the raw water reservoirs.

This water was piped to the Westport township by a single eight inch (200mm) diameter cast iron pipeline. Around the mid 1920's a second 14 inch (355mm) diameter steel delivery pipeline was installed to provide additional water to cope with increased population.

This supply system continues to supply Westport with water to the current day.

In 1967 a delivery pipeline was installed by Carters Beach residents between Westport and Carters Beach, allowing Carters Beach to join the water supply.

In 1986 Westport Borough Council constructed a water treatment plant which at that time was state of the art and graded Aa (the highest grading possible). At this time there was controversy as to whether the Council should make this upgrade or not, there were doctors with opposing comments about the need to carry out the upgrade, etc, but in the end the Council of the time made the decision to carry out the upgrade. A subsidy from the government was available at this time so Council was able to utilise those funds towards the project.

During the 1986 construction of the water treatment plant, Council invested \$1million in this project, which relayed into today's terms is approximately \$2.5million.

In the year 2000 the drinking water standards of New Zealand were changed. Since these changes came into force the Westport Water supply has remained un-graded, as the current system does not meet that standard.

Also in 2000 Council experienced its first major tunnel collapse of the tunnels that were constructed in the early 1900s. An outcome of this collapse was that Connell Wagner were commissioned to analyse all possible options for supplying water to Westport. Outcomes of this work included a range of options including:

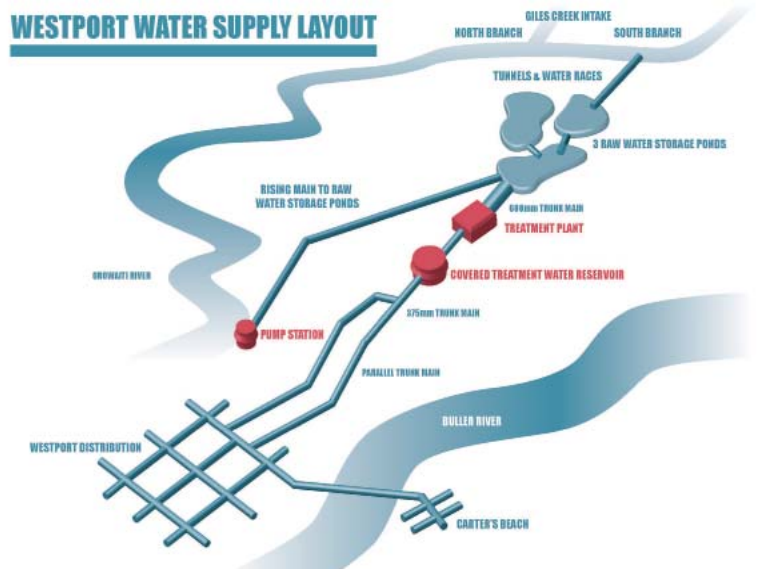
- A pumped supply from Gillows Dam
- A pumped supply from Reedy's Road bore field
- A pumped supply from Lower Orowaiti River
- A pumped supply from Upper Orowaiti River
- Maintain existing supply & pipe existing tunnels
- Maintain existing supply & refurbish existing tunnels
- Maintain existing supply & construct new tunnels

The most cost effective option was to keep the existing supply but to add an alternative supply, this working as a back up to the main system removing the risk of depending on the tunnels. Also giving a back up option during a time of drought. The addition of the alternative water supply cost Council approximately \$1 million.

A major collapse in the number four tunnel in 2009 resulted in the tunnel being piped the whole length. This 420 metre long tunnel had caused issues on several occasions over many years. Therefore it was considered that piping the tunnel was the best option, this cost approximately \$650,000. While work was being carried out in the tunnel, the alternate water supply proved to be invaluable as the water was pumped from the alternate supply during the entire time that this work was being carried out which took approximately eight months.

Council has spent several years investigating affordable options for the Westport Water Supply to meet the current Drinking Water Standard, which after the initial changes in 2000, have seen two further rounds of amendment or change in 2005 and 2008.

Extensive upgrades and repairs were required in 2009/2010 and 2010/2011 financial years following disruption to Westport's primary water source network. The dependence on an aging infrastructure combined with the impact on the availability of the Council's service delivery and cost of running Westport's backup supply led to a review of Westport's water supply. Council considered the report which was prepared by Opus International Consultants, in April 2010, and embarked on further investigation into the long term options to upgrade the Westport Supply.



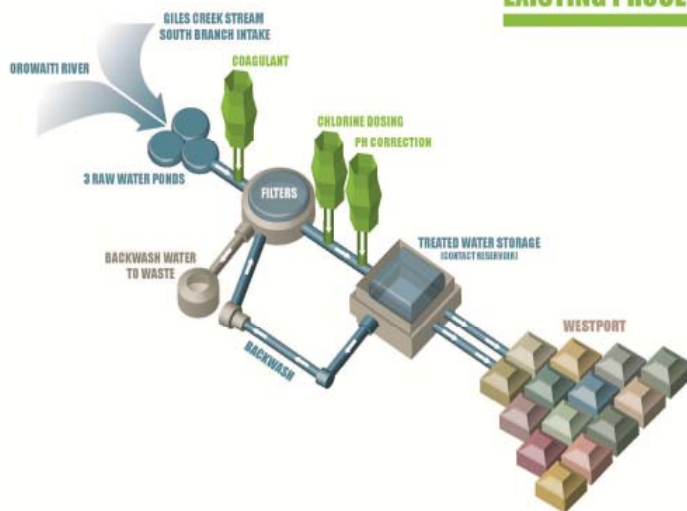
Protozoa

The current water treatment processes at the Westport Water Treatment Plant (WTP) comply with the current NZ Drinking Water Standards for Chemical composition, and the treatment of bacteria. However it does not comply for the treatment of Protozoa.

Protozoa is a water borne bug that is so small it cannot be seen by the naked eye, and it is difficult to remove by filtering. It can remain dormant in the water supply, but if ingested through drinking water, will quickly multiply and thrive in the warm conditions of the gut, causing moderate to severe sickness which can last for several months.

The introduction of Ultra Violet light (U.V.) treatment will sterilise Protozoa bugs, so they cannot reproduce and will pass harmlessly through the gut.

EXISTING PROCESS



What all these terms mean:

Turbidity:

Water particles (low = clear water and high = dirty/muddy water)

Coagulant:

Chemical additive to combine water particles together, this makes filtration easier.

Flocculation tanks:

Where particles combine together to form larger particles.

Filters:

Removes Flocculation particles.

U.V. (Ultra-Violet light):

Sterilises bugs and other nasties that are in the water.

Chlorine:

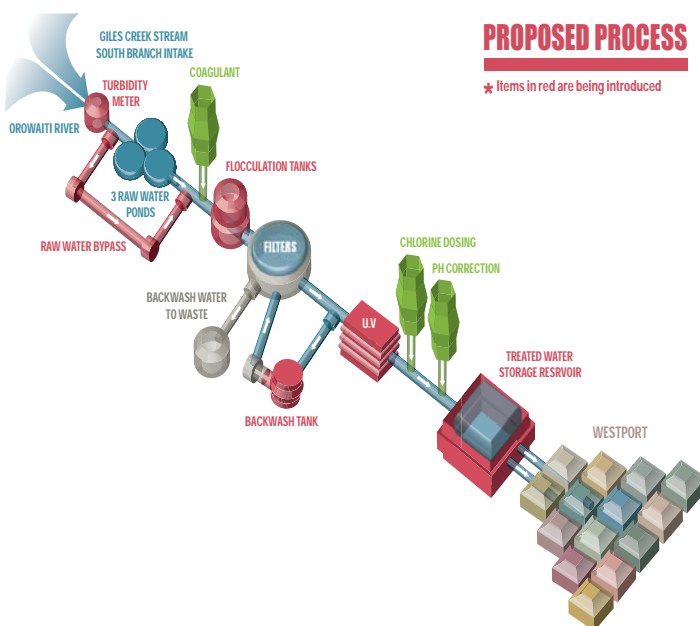
Kills all bugs in water except for Protozoa.

Ph Correction:

To remove acidity in water (reduce pipe corrosion).

PROPOSED PROCESS

* Items in red are being introduced



The turbidity meter will detect changes in the raw water turbidity and the Water Treatment Plant will automatically alter the chemical dosing regime to adequately treat the changing water conditions.

The construction of the Flocculation tank will allow longer retention time for the formation of larger Floc particles. These are more easily filtered out.

The backwash tank will retain sufficient water for regular programmed backwashing of the water filters.

Installation of the U.V. (Ultra Violet Light) facility allows the sterilisation of Protozoa which as previously mentioned was untreated and harmful if ingested through drinking water.

Increased capacity to store treated water will proved greater Plant efficiency and limit the effect of Plant outages, such as equipment malfunctions and power failure by having more treated water available.

What has been considered:

Opus International consultants were engaged to complete a peer review of the strategic study that was carried out at an earlier stage by Connell Wagner, conduct an operational review of the current Westport Plant and assess any alternative options Council could consider.

Throughout all of this research conducted two areas were considered worth pursuing, to continue with the existing system or to go to the Buller River.

Council was provided with three options:

Option 1: Upgrade the existing supply (\$10.638 million)

Option 2: Buller River supply - gravity fed (\$15.641 million)

Option 3: Buller River supply - pumped fed (\$13.423 million)

A decision was made by Council in November 2010 to upgrade the existing supply.

The Long Term Plan had phased this upgrade over an extended period:

Year	Cost	Details
2012/2013	\$857,000	<ul style="list-style-type: none"> Raw water quality Flocculation tanks Foundation <p style="text-align: right;">Subsidy: \$350,000</p>
2013/2014	\$988,000	<ul style="list-style-type: none"> Filters refurbishment Seismic upgrade Provision for filtered water storage for backwashing filters Filter to waste system <p style="text-align: right;">Subsidy: \$223,000</p>
2014/2015	\$1.5 million	<ul style="list-style-type: none"> New plant and buildings Upgrade monitoring and control system UV disinfection and building Alkalinity correction system <p style="text-align: right;">Subsidy: \$327,000 (anticipate to receive)</p>
2016/2017	\$1.6 million	<ul style="list-style-type: none"> Raw ponds excavate material and remove material
2018/2019	\$1.9 million	<ul style="list-style-type: none"> Piping of tunnels 1, 2 and 3
2020/2021	\$3.9 million	<ul style="list-style-type: none"> Trunk main upgrade
Post 2012 Long Term Plan	\$3.3 million	<ul style="list-style-type: none"> Increase Treated water Storage
	\$851,000	<ul style="list-style-type: none"> Lining of the Raw Ponds
TOTAL	\$14.9 million	

Changes to the Long Term Plan

For both service delivery and financial reasons Council decided in December 2012 to bring the upgrade forward from that proposed in the LTP.

Service Level Reasons for change

Council listened to the residents of Westport who stated that Clean safe water was the most commonly identified single issue in the feedback on Westport Concept Plan (8% of all feedback received) stated they wanted the water fixed first.

Meeting current NZ Drinking Water Standards means that water complies with treatment required for all bugs (Protozoa).

Financial Reasons for Change

The shortened program has now led to savings in certain costs. Deferring the piping of the tunnels, the excavation of the raw ponds and the lining of the raw ponds saves \$2.7 million in capital costs.

This reduced scope of the upgrade and speeded up construction programme and allows us to take maximum advantage of MOH subsidies and increases the subsidy entitlement from \$900,000 to \$1.5 million.

Upgrade Scenarios Considered

Council has considered three different scenarios for the Westport Water Upgrade - (all three upgrades have been financed over a 30 year term loan as this is considered the optimum financing period.)

Three options considered - all of which deliver safe clean water:

Option 1: Full upgrade at a cost of \$10.4 million (except for tunnel piping and lining raw water reservoirs which are deferred for the foreseeable future.)

Option 2: Partial upgrade at a cost of \$9 million (as above but also defers cleaning out and lining of the raw water reservoirs) **(Preferred Option)**

Option 3: Minimum upgrade at a cost of \$5.9 million (as per 2 above but also defers replacing trunk main)

Council considers the accelerated Westport water upgrade to be a significant decision in terms of its Significance Policy.

Westport Water Upgrade

Partial Upgrade	2012/13 \$000	2013/14 \$000	2014/15 \$000	Sub-total \$000	Deferred \$000
Upgrade Buildings	4	433	0	437	0
Filtration	10	996	0	1,006	0
Treatment	14	1,423	0	1,437	0
Raw Water Ponds	18	393	0	410	2,715
Tunnels	0	0	0	0	2,092
Treated Water Storage	24	2,514	0	2,539	0
Reticulation	24	63	3,137	3,224	0
TOTAL	\$94	\$5,823	\$3,137	\$9,053	\$4,807

In this Annual Plan Council has chosen the Partial Option as representing the best value for money. Council prefers to partially upgrade the Westport Water Supply at a cost of \$9 million as this option not only delivers clean safe drinking water but it also improves the reliability of the supply by upgrading the trunk main.

Deferring the excavation of the raw water reservoirs and the lining of the raw water reservoirs (as proposed in Option 1) is considered appropriate given the current design of the proposed water upgrade. Given the new treatment regime, this work would only provide superfluous storage capacity. If such additional storage is ever needed in the future, then the work can be undertaken at that time.

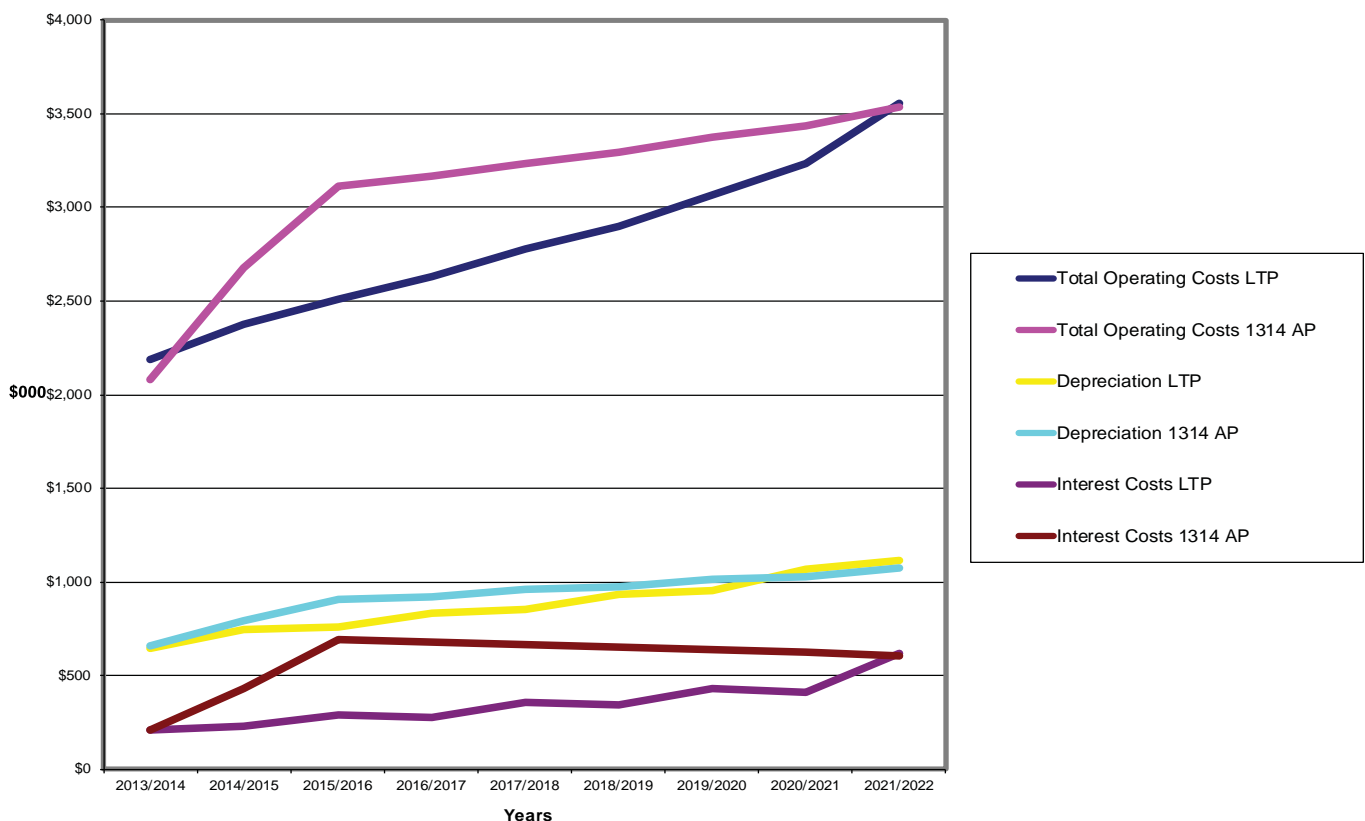
Not upgrading the trunk main is considered to carry too much risk. The trunk main fails regularly due to its age. While repairs can be completed within a few hours, and there is little inconvenience to most residents, the short term loss of pressure or even total loss of supply can be critical to some residents and businesses.

Naturally, the three different options come at different costs and each produces a different target rate. Council is anxious that ratepayers are made aware of the differences and given the opportunity to state their preferences. The Table and Graph shown below demonstrate the different levels of costs and target rates that would apply over the next ten years for the various options.

As indicated above, the stated intention in this Annual Plan is to proceed with the Partial Upgrade (Option 2).

Financial Impacts

Graph comparing water costs for Preferred Option with the proposal in the Long Term Plan



Summary of costs over 10 years - Preferred Option (partial upgrade)

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Interest Costs LTP	207	232	292	279	359	341	434	411	618	3,173
Interest Costs 1314 AP	207	434	695	682	669	654	639	623	606	5,210
Depreciation LTP	645	744	760	835	853	932	952	1,068	1,114	7,902
Depreciation 1314 AP	660	793	911	924	960	974	1,012	1,027	1,074	8,335
Operating Costs LTP	1,097	1,146	1,191	1,238	1,282	1,328	1,380	1,437	1,497	11,596
Operating Costs 1314 AP	994	1,186	1,230	1,276	1,321	1,367	1,419	1,476	1,536	11,806
Total Operating Costs LTP	2,186	2,377	2,509	2,627	2,777	2,898	3,068	3,231	3,558	25,231
Total Operating Costs 1314 AP	2,082	2,676	3,111	3,164	3,237	3,295	3,373	3,437	3,536	27,911
Debt Movements LTP	648	1,016	(200)	1,350	(269)	1,574	(354)	3,492	(505)	6,752
Debt Movements 1314 AP	4,072	4,362	(195)	(207)	(221)	(235)	(250)	(267)	(284)	6,775

Effect on Westport Targeted Rate

Westport Targeted Rates	2014	2015	2016	2017	2018	2019	2020	2021	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	(GST exclusive)								
Partial Upgrade (preferred option)	580	710	760	800	820	840	860	870	880

Rural Projects

The Drinking Water upgrades for Little Wanganui, Inangahua Junction and South Grantly have been deferred to 2014/2015.

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 if there are delays in the construction programme.

Karamea Water Supply

The Council has previously investigated the proposal for a reticulated and treated water supply for Karamea including Market Cross. At that time no financial assistance was available and the proposal did not receive enough acceptance from the community to proceed.

However, the Drinking Water Assistance Programme is still available and the Karamea area may still qualify. A meeting was held with the community on 17 December 2012 to consider the assistance programme and to revisit the previous proposals. The meeting set out to canvas if there was a willingness within the community to proceed with a public water supply.

Under the latest proposal, Stage 1 will encompass identifying a suitable water source. It will entail drilling a test borehole, designing a water treatment system, reservoir and pipework. It is estimated this will cost \$150,000. The December 2012 meeting agreed that Council would apply to the Ministry of Health for subsidy. At this stage, no decision has been received back from DWAP.

Even if the decision is favourable there will be a shortfall and if the project was to be proceed then this would need to be recovered. In the interim, this shortfall could be funded from the Amenities Reserves.

Unfortunately there are other uncertainties. Only if a reliable water supply is proven could the installation of the water supply take place. The investigation will explore all options, eg, the Karamea River, other surface water takes as suggested at the public meeting, as well as bores.

Currently Council is waiting for confirmation from DWAP that a subsidy will be available for the initial exploratory and design stage. As information comes to hand there will be more consultation with the Karamea community.

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

Financial Assistance

Council's application for financial assistance from the Drinking Water Assistance Programme (DWAP) has been successful with a subsidy of \$1,5 million being approved by the Ministry of Health. In the Long Term Plan Council had budgeted to receive \$900,000 over three financial years (\$350,000 in 2012/2013, \$223,000 and \$327,000 in 2013/2014 and 2014/2015). Deferrals of drinking water upgrades for Inangahua Junction, South Granity and Little Wanganui to 2014/2015 reduced financial assistance by \$692,000.

Other Expenses

There has been a reduction in forecast repairs and maintenance for 2013/2014. This is due to the upgrade of the Westport Water Supply being brought forward.

Capital Expenditure

Westport Water Supply Upgrade

There has been a significant increase in the capital expenditure budgeted in 2013/2014 and 2014/2015. The LTP had assumed a 10 year phased upgrade of the Westport Water Supply and the Plan has now budgeted for a partial upgrade costing \$9 million over two financial years (2013/2014: \$5.8m ; 2014/2015 \$3.1 m).

Karamea Water Supply

An amount of \$150,000 has been provided for as capital expenditure in this Annual Plan and it has been estimated that \$120,000 will be received as Financial Assistance from Ministry of Health. There was no provision for this in the Long Term Plan.

Debt

The Long Term Plan had assumed that the phased upgrade would be financed internally from short term investments. With the expected work programme, it is not possible to finance internally resulting in the external debt increasing in the short term.

The overall net debt (external debt less term deposits) tracks down from over the ten years and remains close to the predicted levels in the Long Term Plan.

Funding Impact Statement

- Water Supplies

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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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)	1,889	2,027	2,021
Subsidies for operating purposes	0	0	0
Fees, charges and targeted rates for water supply	277	290	281
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0
TOTAL OPERATING FUNDING	2,166	2,317	2,302

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	1,056	1,097	994
Finance Costs	183	207	207
Internal charges and overheads applied	219	237	227
Other operating funding applications	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	1,458	1,541	1,428

SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$708	\$776	\$874
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CAPITAL Funding

SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	350	925	1,594
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	409	648	4,177
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	759	1,573	5,771

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	857	1,799	5,919
- to replace existing assets	483	574	523
Increase/ (decrease) in reserves	127	(24)	203
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	1,467	2,349	6,645

SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(708)	\$(776)	\$(874)
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FUNDING BALANCE WATER SUPPLIES	\$0	\$0	\$0
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Buller District Council



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 be 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.

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 Consents will be renewed for Westport sewerage for emergency discharge.

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.

What does Council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2013/2014
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

How do we measure progress

Measures and Targets	Last Reported Performance	2013/2014
Public Safety		
No accidents, injuries or public contact with sewerage	2011/2012: No accidents recorded (2010/2011: no injuries)	Continue to do the same
Number of public health issues attributed to the wastewater system	2011/2012: No reports (2010/2011: nil)	Maintain zero reports
No intrusions or injuries	2011/2012: No intrusions and no injuries arising from intrusions (2010/2011: nil)	
System Capacity		
Maintain capacity of existing combined systems	2011/2012: 6 of the 16 sewerage overflows occurred on the Carters Beach rising main between Carters Beach and Westport (2010/2011: 11 overflows)	No more than ten overflows throughout the district
Design all new systems to New Zealand Standard: 4404:2010	2011/2012: These are unavoidable due to inferior pipe being installed in 1995	All new sewers designed to cope with a one in ten year event
	2011/2012: Derby Street from Cobden Street to Pakington Street was designed to meet NZS4104:2010 which are the Engineering Standards adopted by Council	
	2011/2012: No new systems constructed	
System Reliability		
To accept sewage from properties virtually all of the time	2011/2012: Council has 74.7 km of sewerage mains and for the 2011/2012 year we had 25 blockages which equals 0.34 blockages per kilometer of pipe. This is less than the target level indicated (2010/2011: 21 blockages which equals 0.39 blockages per kilometer of pipe)	No more than one blockage per kilometre of pipeline
	2011/2012: One blockage took six hours to clear due to a manual excavation in a confined area	All blockages cleared within four hours
	2011/2012: All other blockages were cleared in accordance with response times	
	2011/2012: 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
	2011/2012: Over all three sewerage schemes there were a total of 52 lateral blockages that required clearing	
	2011/2012: This is 12 more than the targeted level (2010/2011: 39 lateral blockages)	
Environmental Impact		
To comply with resource consent conditions	2011/2012: 100% compliance	100% compliance
	Reefton Waste Water Treatment Plant (WWTP):	
	2011/2012: Analytes that were in breach of the consent conditions on 8 occasions were:	
	2011/2012: Arsenic (1), Copper (1), Lead (1), Mercury (1), and Zinc (1) were detected in Cemetery Creek. - The same analytes were tested for at the ponds discharge point and were not detected, supporting the theory that the metals detected in Cemetery Creek may originate from upstream of the WWTP and are not present as a result of the wastewater treatment plant.	
	2011/2012: Other non compliance was for Temperature (1), Ecoli (1) and Faecal Coliform (1) results in the Inangahua river sites.	
	Conveyance Pump Stations:	
2011/2012: There were 18 breaches for overflow monitoring, Ecoli (8), Enterococci (3) Faecal Coliforms (7)		
Westport Waste Water Treatment Plant (WWTP):		
2011/2012: Leaving the treatment plant there were 7 breaches, three of these were for the presence Ecoli and four were for Faecal Coliforms		
No complaints regarding objectionable odour from the treatment plants	2011/2012: Nil unsubstantiated smell complaints received (2010/2011: one unsubstantiated complaint was received)	Zero

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 Consents will be renewed for Westport sewerage for emergency discharge.

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:

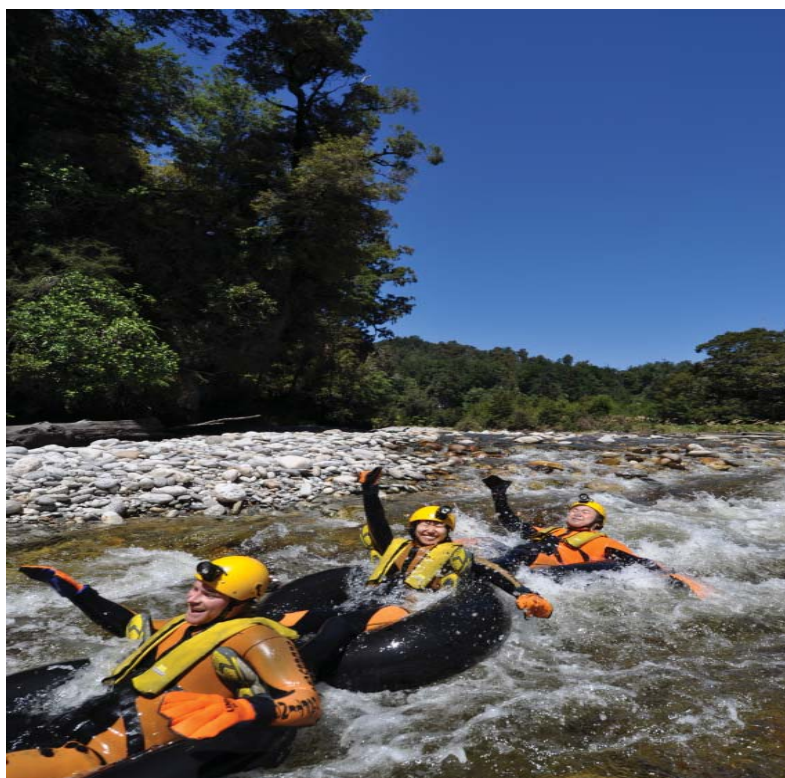
- Continue with plan to upgrade sewerage systems in Derby Street (\$114,000)
- Pump replacements in Westport (\$36,000)
- Main renewals (\$80,000)
- Finalise the sewer modelling and separation project (\$54,000) over the duration of the Plan
- Replacement of the UV lights and other plant at the Westport Water Treatment Plant (\$91,000)

Reefton Sewerage:

- Reticulation renewals (\$39,000)
- Manhole replacements (\$165,000)

Little Wanganui:

- Asset renewals (\$20,000)



Funding Allocations

Activity	Funding Mechanism	
	Operating	Capital
Westport sewerage	Targeted rate	Special Funds Loans
Reefton sewerage	Targeted rate	Special Funds Loans
Little Wanganui sewerage	Targeted rate	Special Funds Loans

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 four years are:

Forecast Targeted Rates	2013/2014
	GST Exclusive
Westport Sewerage	750.00
Reefton Sewerage	500.00
Little Wanganui Sewerage	600.00

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

Depreciation

Depreciation was \$88,000 higher than the amount predicted in the Long Term Plan due to revaluation of assets in 2011/2012.

Capital Expenditure

An additional \$55,000 has been budgeted for replacement of the Westport Wastewater Treatment Plant (WWTP) computer and bio-blower, in addition, an amount of \$50,000 has been budgeted to install telemetry in the pump station at Carters Beach and second pump replacement in this location. This unforeseen expenditure has been driven by upgrades required from the recent major plant review.



Funding Impact Statement - Wastewater / Sewerage

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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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)	2,156	2,212	2,191
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	26	85	85
TOTAL OPERATING FUNDING	2,182	2,297	2,276

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	985	1,019	1,040
Finance Costs	317	305	305
Internal charges and overheads applied	213	225	238
Other operating funding applications	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	1,515	1,549	1,583
SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$667	\$748	\$693

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	(217)	(229)	(229)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	(217)	(229)	(229)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	110	114	114
- to replace existing assets	246	218	337
Increase/ (decrease) in reserves	94	187	13
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	450	519	464
SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(667)	\$(748)	\$(693)
FUNDING BALANCE WASTEWATER / SEWERAGE	\$0	\$0	\$0



Buller District Council



WestReef Services, Derby Street, Westport

Stormwater



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 open drain stormwater systems in Hector/Ngakawau, Seddonville, Granity, Waimangaroa, Westport, Carters Beach and Reefton. In addition there is a piped stormwater system in Westport.

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 at all - stormwater simply soaks to ground naturally.

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?	2013/2014
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	2013/2014
Provide adequate stormwater capacity	2011/2012: One new main constructed designed for a 1 in ten year event (2010/2011: one new main)	All designs conform with New Zealand Standard 4404:2010
Compliance with design standards		
No houses inundated with stormwater (2010: Nil)	2011/2012: No houses inundated with stormwater (2010/2011: Nil)	No more than five houses inundated by stormwater flooding per annum, by a 1 in 50 year event
Provide a reliable stormwater system	2011/2012: 14 service requests of which 13 were completed on time	Continue to do the same
	2011/2012: 93% of service requests completed within response times (2010/2011: 100%)	
	2011/2012: Regular inspections of stormwater system were undertaken	
	2011/2012: 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
	2011/2012: There were 4 blockages to the stormwater system that resulted in main clearance (2010/2011: eight blockages)	
	2011/2012: These blockages did not result in any significant flooding	
Provide a stormwater system with minimal environmental impact	2011/2012: Currently no resource consents for stormwater due to existing use	100% compliance
	2011/2012: 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 (\$188,000)
- Also includes continuation of increasing number of manholes (\$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. The financial information for stormwater is included in the wastewater financials section on [Page 73](#).

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 and the Annual Plan

- No significant variances noted.



Funding Impact Statement

- Stormwater

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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OPERATING Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	348	459	449
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	9	8
TOTAL OPERATING FUNDING	356	468	457

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	135	140	142
Finance Costs	42	41	30
Internal charges and overheads applied	51	53	56
Other operating funding applications	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	228	234	228

SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$128	\$234	\$229
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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	(22)	(24)	(19)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	(22)	(24)	(19)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	106	210	210
Increase/ (decrease) in reserves	0	0	0
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	106	210	210

SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(128)	\$(234)	\$(229)
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FUNDING BALANCE STORMWATER	\$0	\$0	\$0
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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 currently 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 currently operates transfer stations and recovery parks in Westport and Reefton. These sites are used by all District residents and businesses for the disposal of separated recyclable materials, household hazardous 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.

Rationale for Changes in how we deliver Solid Waste

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.

Changes within the industry now allow for co-mingled recycling of recyclables.

Our proposed new bag and wheelie bin system will be a more environmentally sustainable waste system for the entire District.

The provision of a wheelie bin system means that glass and cardboard may now be collected as part of a kerbside collection. This means that a complete service can be provided, bags for residual rubbish and a bin for co-mingled recyclables throughout the District.

This new system will actively encourage recycling and be in line with our Waste Minimisation Plan.

What was signalled in the Long Term Plan ?

In the LTP Council signalled a move to a contractor managed refuse and recycling collection and operation of landfill and transfer stations from 1 July 2013.

The plan proposed that the contractor would provide a two or three wheelie bin system with an alternate weekly collection for refuse and recycling. (One week the rubbish will be taken, the next week the recycling.) This new service would expand the collection area and service more residents.

Serviced ratepayers would be provided with one bin which will be for residual rubbish (80 litre) and one which will be for recycling (240 litre). There would be an arrangement between the contractor and the resident as no individual charges for wheelie bins or their pickup would be paid to the Council. While there would be a solid waste collection, all supplementary charges for refuse and recycling collections would be charged directly to the residents by the operator.

The collection would change to a two weekly collection for residual rubbish and recycling. There will be separate collections for recycling and rubbish a week apart.

All fees paid at the transfer station gate would be paid directly to the contractor.

In the plan it was proposed that a two tiered targeted rate be charged – an amount of \$232 would be charged to all ratepayers to whom the service is available; a base rate of \$148 would be charged to all residential and commercial ratepayers to whom the service is not available.

The rate would be used to fund the costs associated with landfill monitoring, landfill development, waste minimisation, litter collection and asset management planning.

Council also proposed to pay a “contractor fee” to the independent operator, as a mechanism to control the amounts that the contractor could charge as supplementary collection fees, and to ensure that the optimum District wide collection service was provided.

All this was to be in place by 1 July 2013.

Where are we now ?

Council sought expressions of interest from independent Contractors for the proposed Solid Waste Contract and then entered into a tendering process with preferred providers. Three contractors were shortlisted from the seven submissions received. These three contractors were interviewed and were asked to submit a bid and complete a pricing schedule. Two contractors withdrew during this process and the final contractors bids excluded Karamea and Maruia. This bid was compared to the existing service and two other proposals from the current contractor. Council selected Smart Environmental Ltd as the successful tenderer in June 2013.

Delays in finalising the contract have now meant that the original LTP first of July 2013 target date for the new service will not be able to be achieved. Council will continue to run the transfer station and provide refuse and recycling collections and continue to provide the current level of service for 6 months until about 31 December 2013. As such, ratepayers will continue to be charged a targeted refuse rate (\$30.43 exclusive of GST) and recycling rate (\$54.78 exclusive of GST) by Council. These rates have been reduced as they cover costs for only six months.

The contractor managed refuse and recycling collection and operation of the landfill and transfer stations will commence from 1 January 2014.

A meeting was held with Karamea residents in June 2013. Costs were presented and the consensus from the meeting was that Karamea would like to “go it alone” with a continuation of recycling. The final contract bid also excluded the Springs Junction and Maruia area as it is believed that it would be more cost effective for these ratepayers to also “go it alone”.

Consequently the contracted approach will not cover either the Karamea (zone 2) or Maruia (zone 3) areas. These ratepayers will continue to dump their refuse at the Karamea and Maruia landfill. Karamea residents will pay a targeted rate of \$75.00 (exclusive GST) and Maruia residents will pay a targeted rate of \$70 (exclusive of GST) for the second six months of the 2013/2014 year.

Zone 1 will be the majority of the district including Westport, Westport to Mokhinui, Westport to Punakaiki, Inangahua Junction and Blacks Point. The new contracted service will commence on 1 January 2014.

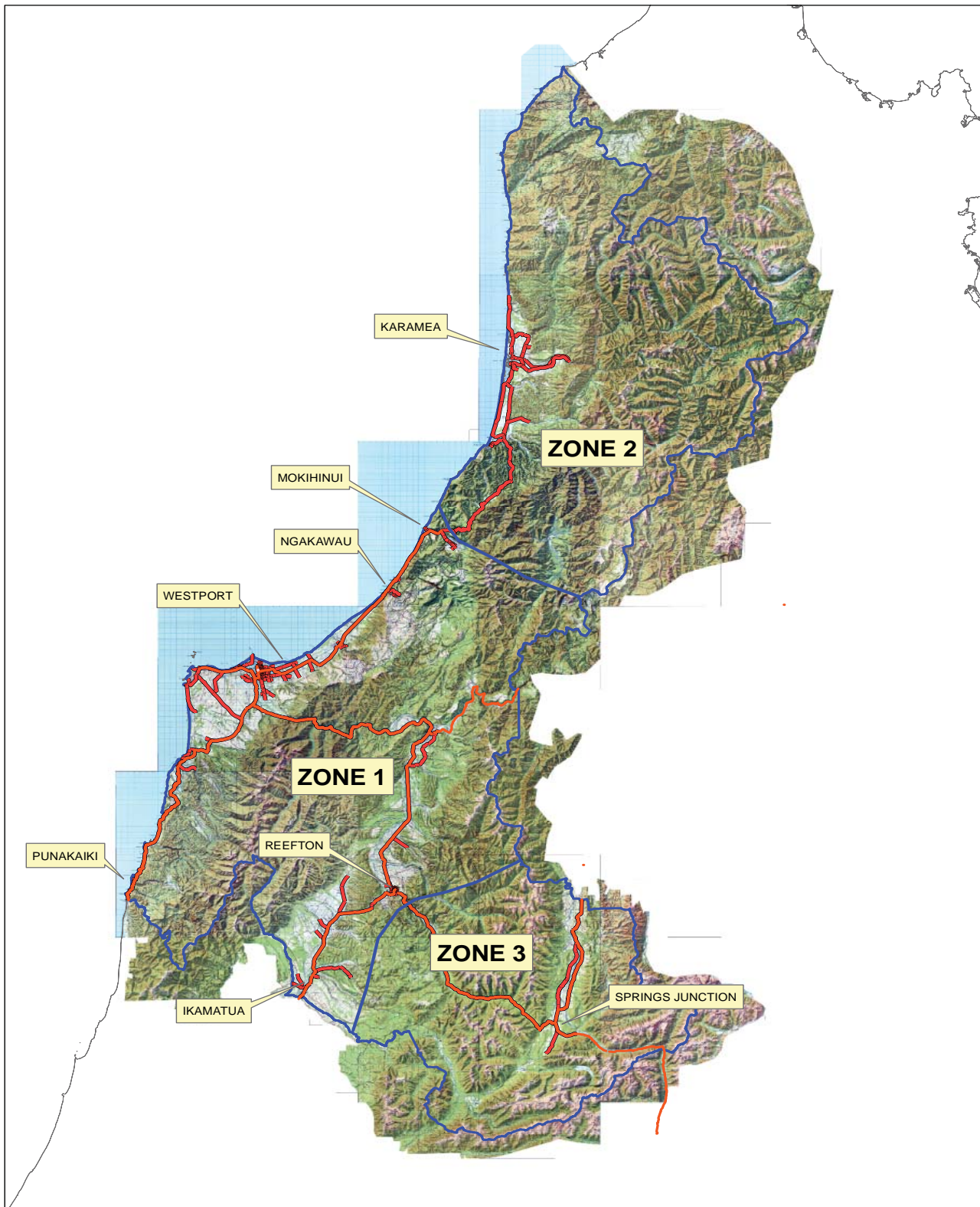
There will be no change to present arrangements to purchase rubbish bags from existing outlets. Refuse will continue to be collected weekly. A change to user pays enclosed rubbish bins will be at the option of the residents. A large free 240 litre enclosed bin for co-mingled recycling and a crate will be provided for glass. The recycling will be collected fortnightly. The contractor will manage both the Westport and Reefton transfer stations, manage the disposal and transport of both the residual waste and recyclables and managed the delivery of bags to supermarkets and other outlets. A targeted rate (\$70.00 exclusive of GST) will be charged to the Zone 1 ratepayers to whom the service is available.

A contractor fee will be paid by the Council to the contractor. The Council will use the subsidy to facilitate a collection service over most of the district and as a mechanism to control the amounts that the contractor can collect for bag sales and transfer station fees.



Service Routes

The existing service collection extends to 4,276 rateable properties and the following map show the proposed extended route.



The contracted service will cover the properties in the following areas:

- Mokihinui North
- Fairdown
- Wilsons Lead & Charleston area
- Reefton east (Springs Junction)
- Grey Valley

Zone 2 (Karamea) and Zone 3 (Maruia) will continue with the existing level of service and will be excluded from the contracted approach

On-going Council Functions

Council will retain involvement 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 the subsidy)

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

Level of Service at Transfer Stations and Landfills

Transfer Stations

It is proposed that Reefon would be open for four half days (no changes) and Westport transfer station would be open for five half 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 will not be 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 contractor will be responsible for the maintenance and operation of these two small landfills.

Funding of Solid Waste

First Six months of 2013

The delays with the contract now mean that for the first six months the service will be provided as it has in the past.

There will be targeted rates for six months for refuse collection, and recycling while the litter collection and residual costs of operating the transfer stations will be met by general rates.

These targeted rates will be \$30.43 (exclusive of GST) for Refuse and \$54.78 (exclusive of GST) for Recycling.

Second Six Months of 2013

Targeted Rates (exclusive of GST):

Zone 1	\$70.43
Karamea (Zone 2)	\$74.78
Maruia (Zone 3)	\$70.43

What does Council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2013/2014
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	Transfer station open for 5 half days a week
	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 kerbside refuse collection to all properties rated for kerbside refuse and recycling collection for the first six months
		Monitor of Council waste facilities	Move to an independently managed fortnightly bag and wheelie bin collection service effective 1 January 2014.
	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	Successful tenderer will dispose 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 we measure progress

Measures and Targets	Last Reported Performance	2013/2014
Monitoring of Council's solid waste facilities	2011/2012: All sites monitored and reports provided to West Coast Regional Council in accordance with resource consents	Continue to monitor and provide reports to West Coast Regional Council
	2011/2012: Results indicate that final capping of the closed landfills should be considered as well as some changes to the resource consent conditions	
Total amount of waste (tonnes) sent to landfill per year	2011/2012: Reduction over last 12 months is 1% (2010/2011: less than 1%)	
Publication of information and articles for community members	2011/2012: Four articles published per annum (2011: five articles)/	Four articles
Provide programmes to schools on waste care, re-use and recycling	2011/2012: The programme to schools was previously undertaken by the Waste Minimisation Officer whose position was funded through the Ministry for the Environment and the other West Coast Councils	Every school in the district
	2011/2012: This position was disestablished at the end of 2009	
	2011/2012: Council now contributes to the Enviroschools Programme which is delivered to schools that are prepared to take part in the programme	
	2011/2012: This programme was also stopped, however it is due to recommence in 2011/2012	
	2011/2012: Council staff took two school groups through the transfer station and recycling facility	

Assumptions

- No change in delivery of service for 1 July 2013 to December 2013
- Weekly refuse bags and fortnightly recycling wheelie bin collections in place from 1 January 2014 onwards.
- Council has secured a site for the development of a landfill near Westport and designations will be obtained for the site
- 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 2013/2014 - thereafter the contractor will be responsible for the disposal of rubbish and recycling
- Emission Trading Scheme will cost approximately \$27.50 per tonne, however this is market driven



Funding allocations

Funding allocations are as per the Revenue and Finance Policy

Activity	Funding Mechanism		
		Operating	Capital
Landfill Monitoring	2013/2014:	General Rates	Special Funds
Landfill development			Loans
Landfill Operations	2013/2014:	100% General Rates	Special Funds
			Loans
Refuse Collection	First six months of 2013/14:	100% Targeted Rates	Special Funds
		Bag sales	Loans
Recycling	First six months of 2013/2014:	100% Targeted Rates	Special Funds
			Loans
Targeted Rate for contracted refuse & recycling, operation of transfer station and landfill	Second six months of 2013/2014:	100% Targeted Rate	
Residual costs associated with landfill monitoring, landfill development, waste minimisation and asset management	Second six months of 2013/2014:	100% General Rates	Special Funds
			Loans

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

Targeted Rates and General Rates

- Recycling and refuse targeted rates have increased by \$371,000 compared to the Long Term Plan (LTP) predictions, mainly because we propose to continue to charge the existing targeted rates for the first six months of the year. Originally it was assumed that the Solid Waste contract would be in place from 1 July 2013.
- The 2013/2014 Long Term Plan assumed that virtually all Solid Waste activities would be funded from targeted rates. Council has now agreed 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 as such should be rated for just like all other generic costs on land value within the general rate). This change in funding strategy has meant that at an overall activity level, general rates for Solid Waste have increased by \$580,000 compared to the Long Term Plan, and overall targeted rates in Solid Waste have reduced by \$569,000 compared to the Long Term Plan.

Fees and Charges

- As Council will continue to provide refuse and recycling collections and to manage the Transfer Station, additional fees and charges for bag sales and dump revenue have been budgeted for \$248,000).

Operating Expenditure and Overheads

- The six month delay in the commencement of the contracted approach has resulted in unanticipated costs associated with refuse, recycling and the operation of the Transfer Station (\$797,000).

Funding Impact Statement

- Solid Waste

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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OPERATING Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	709	111	690
Targeted rates (other than a targeted rate for water supply)	688	1,298	729
Subsidies for operating purposes	33	34	37
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	690	8	337
TOTAL OPERATING FUNDING	2,120	1,451	1,793

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	1,560	805	1,502
Finance Costs	132	129	129
Internal charges and overheads applied	228	172	194
Other operating funding applications	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	1,920	1,106	1,825
SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$200	\$345	\$(32)

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	(70)	(74)	(74)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	(70)	(74)	(74)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	5	31	0
Increase/ (decrease) in reserves	125	240	(106)
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	130	271	(106)
SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(200)	\$(345)	\$32
FUNDING BALANCE SOLID WASTE	\$0	\$0	\$0

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?	2013/2014
To provide engineering advice to Council and administer contracts	Asset Management Plans	Prepare annual work programmes for the Chief Executive Officer on Work Programme progress	Continue to do the same

How we measure progress

Measures and Targets	Last Reported Performance	2013/2014
Provide monthly reports on annual work programmes, monitor contract works and prepare monthly contract progress reports	2011/2012: Monthly reports to the Chief Executive 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	Overheads reallocated to other departments	Nil	Loans Special Funds

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

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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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	705	727	743
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0
TOTAL OPERATING FUNDING	705	727	743

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	514	527	537
Finance Costs	2	1	5
Internal charges and overheads applied	108	118	121
Other operating funding applications	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	624	646	663

SURPLUS/ (DEFICIT) OF OPERATING FUNDING

	\$81	\$81	\$80
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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	(5)	(6)	42
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	(5)	(6)	42

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	0	0	57
Increase/ (decrease) in reserves	76	75	65
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	76	75	122

SURPLUS/ (DEFICIT) OF CAPITAL FUNDING

	(81)	(81)	(80)
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FUNDING BALANCE IN-HOUSE PROFESSIONAL SERVICES

	\$0	\$0	\$0
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Buller District Council



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 safety initiatives.

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

District promotion & development, event, tourism & business support

Council introduced a District Promotion and Development Targeted Rate in the 2009/2010 financial year based on a tiered flat rate in conjunction with a capital charge, targeting tourism operators who advertise and all commercial/industrial ratepayers.

- The Buller Visitor Strategy that was included in the 2006-2009 Long Term Plan has been used as frame-work for promotion and development projects. The recommendations in the Strategy were used as a starting point to create the Buller Promotion and Development Strategy, Buller Promotion and Development 2011-2015 Marketing Plan and Collective Tourism / Fine Mesh Marketing Plans. These plans are being executed over the next five years in a goal to improve Buller's outside perception, increase visitor numbers and increase the number of people relocating to Buller. Note: Fine Mesh is a low hanging fruit approach which involves the development of marketing tools to encourage visitors who are already coming in this direction to spend time in the Buller, explore more, stay longer and spend more.
- The Economic Development and Marketing Officer meets regularly with stakeholders and the governance committee to communicate operational activities and obtain ongoing support and direction.
- Initiated the Collective Tourism Promotion Project which has gathered widespread support. This is creating a strong core suite of promotion material (strong promotional libraries, district-wide tourism website and touring guide), inspired landscaped district and town entrances, increased promotion, conference and schools promotion, events support, better integration and consistency in district messaging and a distribution plan that positions Buller as a visitor destination
- Web Family Project - to develop websites and link all online Buller resources (where appropriate) for visitors and locals including but not limited to events, business support, tourism and community services.
- Assists in local business start-ups and support. We provide business support systems and networks to local businesses and organisations.
- Involvement in promoting investment in the Buller - beginning with a business hub website for Buller, business training and a district profile.
- New focus area - identify, research and develop Economic Development opportunities for Buller.

Development of a Cultural Hub

Council approved the construction of the Cultural Hub on 27 June 2012.

Construction was completed in May 2013 with the Coaltown Museum and i-site fully operational by late May 2013 in the new site.

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 the holding company on 01 July 2009 for improved commercial focus and continues to contribute towards funding of this recreation and aquatic centre.

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

- Capital funding has been included in this Ten Year Plan for the Reefton Community Centre in 2013/2014 (\$197,000).
- Provision has also been made for Westport Streetscape (\$250,000 in 2013/2014) which is to be used for beautification projects within Westport



conceptual drawing - Cultural Hub, Westport,

What does Council plan to do in the future?

OBJECTIVE	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2013/2014
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
		Facilitating Creative New Zealand funding distribution	Distribution of grants from Creative NZ Funding twice per annum
	Regional Activity Strategy	Facilitating Sport New Zealand funding distribution	Distribution of grants twice per annum
		Facilitating Ministry of Justice funding support for Town Watch	
		Supporting Buller REAP in the provision of youth transition services for the Buller	
Providing funding for rural projects and overseeing project completion	Capital funding for Inangahua, Seddon and Streetscape projects		
To provide services and facilities that meet information, learning, recreational and cultural needs	Library Policies Library Collection Plan	Providing a District Library in Westport and Branch Library in Reefton and supporting five Community Libraries throughout the district	Provide library services as detailed
		Providing a wide range of free information services and opportunities through the Libraries	
		Providing reference and archive services	
	Digital Strategy		
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 www.buller.co.nz 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 Development of events website to be a reliable source for all Buller events
	Key Performance indicators agreed with all grant recipients and monitored	Providing tourism grants and monitoring of agreed KPI's	Continue to review, agree upon and monitor KPI's
	Buller Visitor Strategy, Marketing Plan and Fine Mesh campaigns	BERL report on economic development opportunities for the District	Manage business support tools and resources Form industry sector working groups and promote business growth/investment in the District
To keep the community informed		Distribution of newsletters and community information emails, provision of media releases also required	Distribution of newsletter, emails and media releases

Measuring our achievements

MEASURES & TARGETS	Last Reported Performance	2013/2014
Community Grants and Funding:		
Distribution of national funding in accordance with policies	2011/2012: 92% Achieved (2011: 100%)/	100%
	2011/2012: A further \$67,000 distributed in base and contestible funding for Creative New Zealand, SPARC and Ministry of Justice (2011: \$40,000)/	
Council Grants distributed and monitored in accordance with our policies	2011/2012: 100% (2011: 100%)/	100%
District Promotion, Tourism Support and Events:		
Key Performance Indicators (KPI's) agreed with all identified grant recipients and monitored	2011/2012: KPI's have been reviewed and agreed upon with Council and are monitored	90 - 100% range of targets set for organisations
	2011/2012: Quarterly reports are provided to the Community Services Officer	KPI's monitored and achieved in quarterly report to Council
Monitor achievement of strategic promotional objectives	2011/2012: Continual monitoring of data from Statistics NZ in relation to regional visitor nights is being undertaken	Monitor increase / decrease in guest nights for Buller
	2011/2012: Communication and data sharing with Tourism West Coast has occurred	
	2011/2012: Tourism West Coast also provides regular updates and newsletters to industry on changes in guest night data - these are forwarded to stakeholders where required	
	2011/2012: Continual search engine optimisation and google ad campaigns initiated for buller.co.nz website	Ongoing input and development of tourism website
	2011/2012: Monitor unique visitor numbers to all websites managed by Economic Development and Marketing Office	Increase in unique visitor numbers
	2011/2012: Number of district profiles sent out	Increase in number sent/requested
	2011/2012: Number of businesses listing on all websites and district visitor guide than previous year	Increase in number of business listings
	2011/2012: Consistent reporting in place for all key stakeholders	Monthly reports from Economic Development and Marketing Office
	2011/2012: Outcomes from economic development opportunities research	Economic Development Plan created and working groups established
	Completion of Cultural Hub Project	2011/2012: Project approved on 27 June 2012 and construction commenced
2011/2012: Anticipated to be completed by April 2013		
Visitor satisfaction	2011/2012: The project was only approved in June 2012 and this has delayed the formal or approval of any associated governance structures	Commercial lease negotiated and funding arrangements agreed
		I-site and Coaltown to continue providing their current services
		Increased museum visits with a view to reducing reliance from Tourism Grants



NBS Theatre, Westport

MEASURES & TARGETS	Last Reported Performance	2013/2014
Library:		
Satisfaction with Library services	2011/2012: 90% according to an internal customer survey (2011: 88.7%)/	80 - 95% range
Number of active members	2011/2012: Active Members 3,247 - increased by 3.2% (2011: 3,145 - 8% increase)/	Maintain or increase (0-4%)
Number of items borrowed	2011/2012: 77,248 items borrowed decreased by 0.7% (Target 72,000) (2011: 77,769)/	Issues maintained or increased
Number of physical items added to the Library collection per year	2011/2012: 2,663 items added (2010/2011: 2,796). LIANZA standards would require a minimum holding of 35,957 items (86% of LIANZA Standard)	Increase annually until we are meeting the LIANZA Standard
	2011/2012: Current items held total 31,097 (2010/2011: 86%)	Not less than 2,000 new items per year
Quality of sport and recreation service provision via the Solid Energy Centre	2011/2012: Service level agreement finalised between Buller District Council and Buller Recreation Limited	Maintaining of performance against budgets, Statement of Intent and KPI's
	2011/2012: Statements of Intent are submitted and approved by Council	
	2011/2012: Quarterly reports are submitted to Council	
	2011/2012: Monitoring of these done in the half yearly reports submitted by Buller Holdings Ltd to Council	Regular quarterly reports to Council
	2011/2012: Performance to the targets in the Statement of Intent reports as reflected under Council Controlled Organisations	
Community engagement - provision of information to community	2011/2012: Distribution of newsletters, emails and media releases	Distribution of communications as required
NBS Theatre:		
Number of cinema screenings per week	2011/2012: 35 on average per week (2010/2011: 45 per week)	Number of cinema screenings per week - 26 (dependent on film titles and time of the year)
	2011/2012: 22.8% occupancy per month in the Bill Moffitt Cinema and 24.1% occupancy in the Fred Gregory screen room - totalling 23.6% total occupancy	Occupancy of cinema - 25% per month
	2011/2012: The introduction of Met Opera screenings averaged 41.7% occupancy	
Number of shows/performances	2011/2012: 42 days per year (2010/2011: 37 per year)	Number of shows/performances - 30 days per year
	2011/2012: Overall occupancy 63.6% (77.03% local show occupancy and 49.6% outside show occupancy) (2010/2011: 25.4% overall occupancy - local occupancy 90%)	Occupancy per show - 40% (full Theatre not always required for smaller shows)
	2011/2012: The wide variety of shows offered has vastly increased occupancy from last year	
Room hire	2011/2012: 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

Targeted Promotion & Development Rate

In 2009 a shared funding model was adopted with 40% coming from the general rates and 60% from a targeted rate. The district promotion and economic development targeted rate was introduced in the 2009-2019 LTCCP. The targeted rate was split into two components a flat (tiered) uniform rate based on capital value plus a targeted rate of which was applied to capital value. The targeted rate is levied on all industrial and commercial ratepayers. Home-based businesses are also charged a flat rate.

In the 2013/2014 Draft Annual Plan, the wording of the targeted rate has been amended as follows:

"The rate targets all commercial and industrial rating categories, plus those in other rating categories that are deemed to be commercially of industrially oriented businesses (as per the land use definitions)."

Council agreed that the funding from general Rates would be reduced to 36% and the Targeted Rate funding would increase to 61%, with the remainder being derived from minor fees and charges.

Changes to the Targeted Rate:

Tiers	Capital Value	Flat Rate (excluding GST) 2012/2013	Flat Rate (excluding GST) 2013/2014	
Commercial:	1	\$0 to \$300,000	\$113.04	\$217.40
	2	\$300,001 to \$500,000	\$286.96	\$347.83
	3	Greater than \$500,001	\$547.83	\$695.65
Industrial		\$113.04 per rating unit	\$304.35 per rating unit	
Home-based businesses - accommodation providers		\$113.04	\$260.86	
Home-based businesses - other		\$180.00	\$173.91	
Rate in the dollar applied to capital value		\$0.000690	\$0.0005	

The changes were made during the 2013/2014 deliberation process in response to submissions made.

Economic Development and Marketing:

- Signage and promotional display units (\$12,000).
- Website development (\$20,000).

Reefton Pool:

- Upgrade to the filtration system and replacement of the liner (\$395,000)

Libraries:

- Acquisition of books for Westport and Reefton libraries (\$71,000).

NBS Theatre:

- Upgrading of sound system (\$30,000).

Vision 2010 Projects:

- Upgrading of the Reefton Community Centre (2013/2014: \$197,000)
- Reefton Broadway Project (2013/2014: \$40,000).
- Westport Streetscape Project (2013/2014: \$250,000).

How do we fund Community Services?

ACTIVITY	Funding Mechanism			
	General Rate	Targeted Rate	Fees	Capital Spend
Tourism and Promotion	40%	61%	3%	Nil
		Targeted District Promotion & Marketing rate based on capital value		
Libraries	90%	Nil	10%	Loans, Special Funds, Grants
Recreation Facilities	100%	Nil	Nil	Loans, Special Funds, Grants, Reserves
Theatre	50%	Nil	50%	Loans, Special Funds, Grants
Community Development & Support	100%	Nil	Nil	Nil

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

Capital Expenditure

- The proposed upgrade to the filtration system and liner of the Reefton Pool is estimated to cost significantly more than anticipated in the Long Term Plan (\$109,000).
- The capital expenditure for the NBS Theatre sound system and Promotional signage/display units was not budgeted for the in the Long Term Plan (\$62,000).

Operating Expenditure

Employee Benefit Expenses

- This has been reduced by \$64,000 due to staffing reorganisation.

Funding Impact Statement

- Community Services

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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OPERATING Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	3,542	3,806	3,728
Targeted rates (other than a targeted rate for water supply)	293	302	296
Subsidies for operating purposes	25	25	25
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	748	783	817
TOTAL OPERATING FUNDING	4,608	4,916	4,866

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	2,278	2,322	2,268
Finance Costs	1,069	1,242	1,254
Internal charges and overheads applied	516	555	519
Other operating funding applications	378	421	434
TOTAL APPLICATIONS OF OPERATING FUNDING	4,241	4,540	4,475

SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$367	\$376	\$391
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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	2,286	(56)	99
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	1,566	350	350
TOTAL SOURCES OF CAPITAL FUNDING	3,852	294	449

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	4,000	447	222
- to replace existing assets	107	357	528
Increase/ (decrease) in reserves	112	(134)	90
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	4,219	670	840

SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(367)	\$(376)	\$(391)
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FUNDING BALANCE COMMUNITY SERVICES	\$0	\$0	\$0
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Governance



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

Council provides systems for making decisions for the overall benefit of the community, for both current and future generations, and supports:

- The decision making process
- Monitoring of performance
- The functions of the Inangahua Community Board
- The way in which the community can have input into the Council’s decisions
- Representation of the community’s interests

What does Council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	2013/2014
To provide a governance structure and to develop strategic direction for the future of the Buller District	Local Electoral Act 2001	By providing support for meetings (eg agendas and minutes)	All public meetings notified on time
	Local Government Act 2002 Code of Conduct Standing Orders Form appropriate Committees and Working Groups encouraging community involvement	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	Arranging and providing support for meetings	Agenda's and minutes meet statutory timeframes and are easily accessible
	Public Forum Guidelines	Providing public forum opportunities	
	Local Government Act 2002	Preparing consultation documents, collecting and collating submissions	
	Local Government Official Information and Meetings Act 1987	Providing hearing opportunities	
	Standing Orders	Providing policy assistance and advice around petitions, hearings etc	
Code of Conduct			
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	2013/2014
All meetings notified as per legislative requirements (Local Government Official Information Meetings Act "LGOIMA" and Standing Orders)	2011/2012: 100% - all meetings notified as required (2010/2011: no change)	100%
<ul style="list-style-type: none"> • Minimum notification period of five days but this notification period must not exceed 14 days • If meeting after the 21st day of the month, minimum notification is five days but notification period not to exceed 10 days 		
% of agendas and reports available from Council two clear working days prior to each meeting	2011/2012: 100% (2010/2011: no change)	100%
% attendance of Council members at various Committee and Working Group meetings	2011/2012: 88% at Council meetings (2010/2011: 94% at Council meetings)	90%
% Residents who are satisfied with the way Council involves people in decision making	2011/2012: Survey was undertaken in November 2010	75% satisfaction (survey undertaken in 2013/2014 - every second year)
	2011/2012: No survey was planned to be carried out	
Number of meetings held with Maori	2011/2012: Ngatai Waewae were consulted with regards to the Community Outcomes. (2010/2011: Nil meetings held but consultation over proposed landfill site)	Two formal meetings per annum with recorded minutes
% of Council meetings that are run according to statutory requirements	2011/2012: All Council meetings are run according to statutory requirements. Nil breaches of legislation noted (2010/2011: no change)	100%
% of consultations undertaken in compliance with legislation through evaluation of consultation procedure	2011/2012: Consultations were undertaken and all legislative requirements were met (100%) (2010/2011: no change)	100%
Adoption of Long Term Council Community Plan and Annual Plan within statutory timeframes with an unqualified opinion on Long Term Plan	2011/2012: Council met required statutory deadlines for adoption of required reports (2010/2011: no change)	Meet required statutory deadlines for adoption of required reports
Adoption of Annual Report	2011/2012: Council met required statutory deadlines for adoption of Annual Report (2010/2011: no change)	Meet required statutory deadlines for adoption of required reports

Significant projects & issues

Nil.

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

- No significant variations noted

Funding Impact Statement

- Governance

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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OPERATING Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	873	976	998
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	10	41	41
TOTAL OPERATING FUNDING	883	1,017	1,039

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	232	238	274
Finance Costs	0	0	0
Internal charges and overheads applied	456	504	534
Other operating funding applications	195	275	231
TOTAL APPLICATIONS OF OPERATING FUNDING	883	1,017	1,039
SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$0	\$0	\$0

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	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	0	0	0

CAPITAL EXPENDITURE

- 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
TOTAL APPLICATIONS OF CAPITAL FUNDING	0	0	0
SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$0	\$0	\$0
FUNDING BALANCE GOVERNANCE	\$0	\$0	\$0



Buller District Council



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?	2013/2014
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	Ongoing compliance
		Compliance with health and safety legislation Secondary accreditation with WSMP programme	Maintain accreditation

How we measure progress

Measures and Targets	Last Reported Performance	2013/2014
Net operating results and net capital results within overall budget	2011/2012: 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
	2011/2012: Council deficit of \$0.7 million versus a budget surplus of \$1.6 million (2010/2011: \$647,000 deficit)	Quarterly reports to the Finance and Audit Committee with all significant matters being referred to Council for discussion
	2011/2012: Net capital expenditure \$5.3 million (2010/2011: \$5.5 million)	Operate within 5% of budgets
Statutory compliance and availability of rating information to public in Westport and Reefton	2011/2012: 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	2011/2012: 99% availability with no extended downtime on all critical applications (2010/2011: 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	2011/2012: The number of transactions at Westport Customer Services averages 5,700 per month, and 6,000 per month for Reefton	Monthly logging and monitoring of all service requests
	2011/2012: Service request system has been implemented to log all requests and monitor the deadlines for completion (875 logged with 852 being completed for this financial year)	Expediate all overdue service requests for resolution within agreed deadlines
		Compliance with agreed deadlines except in exceptional circumstances
Health and Safety	2011/2012: Secondary accreditation achieved	Secondary accreditation achieved
	2011/2012: Work has been undertaken on improving the principal contractor relationship, health and safety procedures and processes	Monitoring of contractors safety and compliance procedures to ensure compliance with Council policies and statutory requirements
	2011/2012: Setting up systems to ensure that all contracts and contractors comply with legislative requirements	

Assumptions

It is anticipated that the size of the Support Services team will remain more or less at current levels in spite of the workload required in meeting increased expectation.

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 that 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. The review will take account of the Report of the 2007 Independent Inquiry into Local Government Rating (the Shand Report). This report advocated the removal of rating differentials and promotion of the capital value system as the basis for setting the general rate. Preliminary work to-date has suggested a rating model which is based on a mix of land and capital values. Once the review has been completed, there will be consultation with the community, before any recommendations are adopted.

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 Special Funds

Variation between Long Term Plan and Annual Plan

Employee Benefit Expenses

- Increases have occurred as a result of wage inflation adjustments, health care entitlements and increases in Council Kiwisaver contributions (\$112,000).
- There have also been proposed changes in staff complement within Asset Management and Information Services.

Capital Expenditure

- Additional costs have been budgeted for the rates modelling tool and much needed improvements of hardware infrastructure (\$66,000)
- Council has budgeted to purchase vehicles currently leased as this is considered to be a more cost effective approach (\$152,000)

Funding Impact Statement

- Support Services

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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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	3,848	4,066	4,200
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0
TOTAL OPERATING FUNDING	3,848	4,066	4,200

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	2,851	2,953	3,058
Finance Costs	142	145	152
Internal charges and overheads applied	639	691	704
Other operating funding applications	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	3,632	3,789	3,914
SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$216	\$277	\$286

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	55	(7)	123
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	55	(7)	123

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	412	105	171
- to replace existing assets	0	0	152
Increase/ (decrease) in reserves	(141)	165	86
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	271	270	409
SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(216)	\$(277)	\$(286)
FUNDING BALANCE SUPPORT SERVICES	\$0	\$0	\$0



Buller District Council

Brumbles Bridge



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.

In the 2009-2019 Long Term Plan Council agreed to increase the level of service for public toilets, which has meant that the associated ratepayer costs have increased

Property management

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

\$50,000 has been budgeted in this plan to obtain Engineer Reports on all Council owned buildings.

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.

Effective from 2012/2013 all interment fees and charges are based on a full cost recovery.

Punakaiki Beach Camp

On 25 May 2011 Council resolved to begin consultation on a proposal to lease the Punakaiki Beach Camp. Consultation opened on 21 May 2011 and closed on 25 October 2011. 31 submissions were received.

Subsequently Council considered those submissions at its meeting on 30 November 2011. At that time Council received a report recommending that it proceed to seek expressions of interest in leasing the Camp, and that authority be granted to the Manager Operations and the Property Officer to negotiate and enter into a lease on behalf of Council, should it be considered appropriate.

However, this recommendation was not accepted as it was felt that there should be more consultation with Punakaiki residents.

Council established a Working Party to agree the viable options subject to full consultation with the Punakaiki community before making any decisions.

The Long Term Plan cited various proposals regarding the operation of the Camp:

- Leasing the reserve to an operator/developer to manage the Camp, rather than Council continuing to contract an operator.
- Allow the Camp to revert back to recreation reserve status.
- That Council continue to manage the camp (status quo).

However the Camp continues to run at a loss which is funded from general rates.

It was agreed during the Long Term Plan deliberations that the camp would continue to operate under the present management system. Council directed staff to immediately advertise the possibility of leasing the camp to a private operator. Advertisements have been placed and responses received have been positive. It is anticipated that a report detailing any potential lease arrangements will be brought to Council in 2014.

Council approved an amount of \$65,000 to be funded from General Rates towards the camps operating losses. Council agreed to this funding as it has recognised the benefit to the local community from retaining the camp. Considerable feedback was received as part of the written submission process to the Annual Plan. Council also agreed in principle to the use of Reserve Funds for the provision of new or improved facilities at the Punakaiki Camp as part of a lease arrangement with a non-Council lessee.

The Punakaiki Working Party will be kept fully informed of all developments. Overall the goal should be to create a win-win situation for all parties. The non-Council operator has to be able to run a commercially viable camping ground, Council has to be able to reduce the risk of ongoing losses funded by ratepayers, and the local community has some ability to use the area for recreation purposes.

Pensioner Housing

Council provides 44 housing for the elderly units:

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

Two new units are scheduled to be built in Karamea in 2012/2013 and two in Reefton (2015/2016), and two new units are to be built in Westport in 2018/2019.

Future rent rises for housing for the elderly will be automatically increased annually at the same percentage increase that National Superannuation beneficiaries receive.

What Does Council plan to do in the Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What Council provides	2013/2014
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	2013/2014
% checks on contractors standard of maintenance on active recreation area	2011/2012: Checks were undertaken on the maintenance contractor any defects were notified to the contractor who then remediated (2010/2011: 100%)	95%
Weekly safety and maintenance inspections of playground equipment	2011/2012: 100% - the contractor completed weekly safety checks on all playground equipment (2010/2011: 100%)	100% compliance with New Zealand Standard 5825
% of occupancy of Elderly Persons Housing	2011/2012: 98.7% - from income records flats were vacant for 29 weeks (2010/2011: 24 week) 2011/2012: There is potential for the flats to be occupied for 2,288 weeks per annum therefore the occupancy rate was 98.8% (2010/2011: 98.8)	90%
% customer satisfaction on provision of elderly housing	2011/2012: Questionnaire sent to the occupiers of all 44 units - 31 (70%) were returned	Continue to undertake annual survey
	Of those returned 93% were satisfied with their units 2010/2011: 34 returned, 91% satisfied	Analysis of survey undertaken
Providing and managing cemeteries to provide for community health	2011/2012: Cemeteries have been maintained and are available for purpose	Continue to do the same
To have sufficient plots available in all wards	2011/2012: Surveys show that cemeteries in Karamea, Mokihinui, Westport and Reefton have capacity for the next five years.	Continue to ensure sufficient plots are available
Maintain and administer Council properties for its users	2011/2012: Not previously measured	100% of service requests responded to in 10 working days
Provide sufficient toilet facilities to meet the district needs	2011/2012: Not previously measured	Facilities are cleaned, inspected and maintained to serviceable standard
		Reduction in public toilet facilities in central Westport

Significant Projects

- Capital expenditure has been allowed for the cyclical replacement of bark at the playgrounds (\$52,000 per annum).
- An amount of \$31,000 has been provided for the development at the Flagstaff Road in Karamea to allow public to access the beach. This is subject to agreement being reached with the land owners.
- Garden upgrades and tree replacements (\$36,000). These beautification projects are funded from Reserves Contributions.
- Interior upgrades for pensioner housing units in Westport and Reefton (\$22,000) and re-roofing of the Henley/Wakefield Street flats in Westport (\$33,000).
- Property upgrades (\$66,000) includes resurfacing the changing room in the Victoria Square Complex, upgrading the Good as New room in the Clocktower Chambers and interior refurbishment of the Sue Thompson Memorial Library. All these planned upgrades will be subject to engineer reports regarding earthquake strengthening.
- Provision has been made to re-roof and upgrade 7 cabins at the Punakaiki Camping Ground (\$31,000).

Issues

Reducing the number of public toilets in Westport:

At present there are a multitude of public toilets in the central area of Westport. These are very expensive to maintain and are subject to graffiti and vandalism.

Council, in its deliberations of the 2012-2022 Long Term Plan, indicated they would defer the closure of the Exeloo toilet in Victoria Square (Russell Street) and the removal of the toilets from outside the NBS Theatre in Palmerston Street. Council has now indicated it wishes to proceed with the removal of these toilets. This will lead to a saving of \$40,000 for the general ratepayer.

Funding of Punakaiki Beach Camp

The camp presently runs at a significant loss (\$60,000-\$100,000), and has also accumulated losses in the past years. In this Annual Plan, that \$65,000 of the shortfall for 2013/2014 be funded by the General Ratepayer.

Responses have been positive and a report will be brought to Council before any decision is made.

The Punakaiki Working Group will also be kept fully informed of all developments.

Assumptions

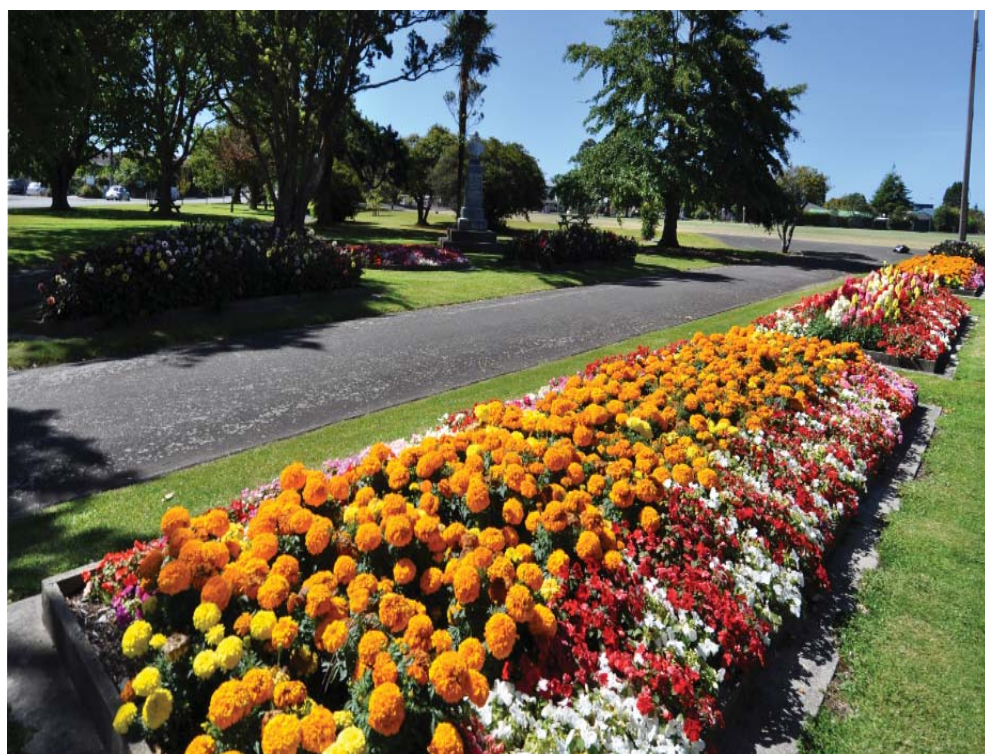
- Playgrounds will only be upgraded if Reserve Contributions are available.
- It is assumed that the Parks and Reserves will be maintained at their current level.
- That an agreement is being negotiated with landowners to allow the development at the Flagstaff Road in Karamea to allow public access to the beach.
- That the demographics for elderly residents in the district remain at a similar level.
- That the 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, Council will have to provide in future years to fund strengthening replacements.

Funding allocations

Activity	Funding Mechanism			
	General Rates	Fees	Reserves	Capital Spend
Reserves	100%	Nil		Special Funds / Loans
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

No significant variances noted.



Funding Impact Statement

- Property Management, Amenities & Reserves

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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OPERATING Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	1,210	1,308	1,333
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	345	376	386
Local authorities fuel tax, fines, infringements fees and other receipts	1,246	1,293	1,270
TOTAL OPERATING FUNDING	2,801	2,977	2,989

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	1,908	1,975	1,878
Finance Costs	57	74	74
Internal charges and overheads applied	213	227	353
Other operating funding applications	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	2,178	2,276	2,305
SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$623	\$701	\$684

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	278	(56)	(56)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	278	(56)	(56)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	500	83	83
- to replace existing assets	388	234	201
Increase/ (decrease) in reserves	13	328	344
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	901	645	628
SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(623)	\$(701)	\$(684)
FUNDING BALANCE PROPERTY MANAGEMENT, AMENITIES & RESERVES	\$0	\$0	\$0



Financials

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Statement of Comprehensive Income



	Notes	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
OPERATING REVENUE				
General Rates	1	7,013	7,206	7,450
Targeted Rates	2	5,026	5,839	5,237
Metered Water Charges		277	291	0
Rates Penalties		200	200	230
Financial Assistance	3	4,920	4,243	5,429
Fees & Charges	4	4,351	4,154	4,659
Vested Assets		100	103	103
Revaluation of Investment Properties		285	270	270
Dividend Income		850	880	815
Interest Income	7	703	906	878
TOTAL OPERATING REVENUE		23,725	24,092	25,071
OPERATING EXPENDITURE				
Employee Benefit Expenses		4,019	4,116	4,219
Depreciation and Amortisation	9	5,559	5,764	5,852
Finance Costs	8	1,339	1,544	1,561
Other Expenses		11,301	10,874	11,961
Impairment of Assets		696	696	696
Writeoff of Assets				350
TOTAL OPERATING EXPENDITURE	6	22,914	22,994	24,639
Net Surplus (Deficit) Before Taxation		811	1,098	432
Income Tax Expense		0	0	0
Net Surplus (Deficit) After Taxation		811	1,098	432
COMPREHENSIVE INCOME				
Increase in Infrastructure Revaluation Reserve		0	18,000	14,300
TOTAL COMPREHENSIVE INCOME		\$811	\$19,098	\$14,732

Statement of Changes in Equity



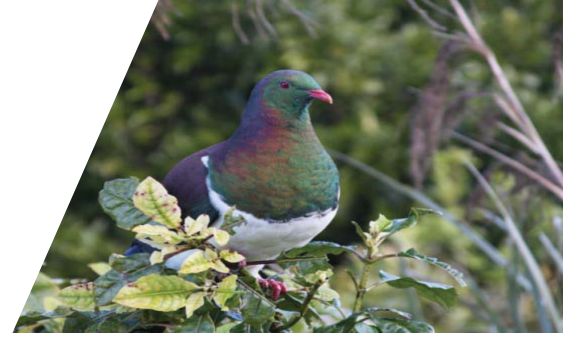
	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
EQUITY AS AT 1 JULY	331,651	332,462	310,947
Total Comprehensive Income	811	19,098	14,732
TOTAL EQUITY AT END OF YEAR	\$332,462	\$351,560	\$325,679
COMPONENTS OF EQUITY			
Accumulated Funds	184,451	184,885	173,541
Reserves	(17)	646	2,405
Asset Revaluation Reserve	148,028	166,029	149,733
TOTAL EQUITY AT END OF YEAR	\$332,462	\$351,560	\$325,679

Statement of Financial Position



	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
CURRENT ASSETS			
Cash and Bank	1,629	913	1,581
Trade and Other Receivable	4,093	4,156	4,325
Tax Receivable	109	111	0
Inventories	14	14	17
Other Current Assets	9	9	9
Short Term Investments	12,764	14,764	14,938
TOTAL CURRENT ASSETS	18,618	19,967	20,870
NON CURRENT ASSETS			
Investments in CCO's	19,822	19,208	18,902
Investment Properties	9,799	9,575	10,991
Infrastructural Assets	294,403	313,372	289,855
Other Non Current Assets	25,293	25,283	23,725
Intangible Assets	433	305	95
TOTAL NON CURRENT ASSETS	349,750	367,743	343,568
TOTAL ASSETS	\$368,368	\$387,710	\$364,438
CURRENT LIABILITIES			
Trade and Other Payables	5,534	5,553	5,951
Derivative and Financial Instruments	55	56	708
Employee Benefits	448	450	482
Current Portion of Term Debt	263	567	618
TOTAL CURRENT LIABILITIES	6,300	6,626	7,759
NON CURRENT LIABILITIES			
Environmental Provisions	1,906	1,872	1,436
Bond Deposits	82	82	82
Employee Entitlement	161	161	199
Term Debt	27,457	27,409	29,283
TOTAL NON CURRENT LIABILITIES	29,606	29,524	31,000
EQUITY			
Accumulated Funds	184,451	184,885	173,541
Reserves	(17)	646	2,405
Asset Revaluation Reserve	148,028	166,029	149,733
TOTAL EQUITY	332,462	351,560	325,679
	\$368,368	\$387,710	\$364,438

Cashflow Statements



Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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CASHFLOWS FROM OPERATING ACTIVITIES

Cash will be provided from:

Rates	12,239	13,245	12,917
Other Income	9,549	8,687	10,088
Interest Received	703	906	878
Dividend Income	850	880	815
	23,341	23,718	24,698

Cash will be applied to:

Payments to Suppliers and Employees	15,185	15,068	16,000
Interest Paid	1,339	1,544	1,561
Income Tax Paid	0	0	0
	16,524	16,612	17,561

NET CASH FROM OPERATING ACTIVITIES	\$6,817	\$7,106	\$7,137
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CASHFLOWS FROM INVESTING ACTIVITIES

Cash will be provided from:

Sale of investment properties	480	494	494
	480	494	494

Cash will be applied to:

Purchase of Fixed Assets	9,598	6,490	10,717
Purchase of Long Term Investments	18	82	82
Purchase of Short Term Investments	2,000	2,000	2,000
	11,616	8,572	12,799

NET CASH FROM INVESTING ACTIVITIES	\$ (11,136)	\$ (8,078)	\$ (12,305)
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Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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CASHFLOWS FROM FINANCING ACTIVITIES

Cash will be provided from:

Loans Raised	3,257	823	4,555
	3,257	823	4,555

Cash will be applied to:

Repayment of Loans	263	567	618
	263	567	618

NET CASH FROM FINANCING ACTIVITIES	\$ 2,994	\$ 256	\$3,937
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NET INCREASE (DECREASE) IN CASH	(1,325)	(716)	(1,231)
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OPENING CASH AS AT 1 JULY	2,954	1,629	2,812
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CLOSING CASH AS AT 30 JUNE	\$1,629	\$913	\$1,581
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Funding Impact Statement



All figures in this policy are GST exclusive.

1. General Rates

General Rates includes both the general rate and a uniform annual general charge. General Rates are used to fund Democracy, Economic Development, Community Services, Regulatory Services, Amenities and Reserves, Roothing, Solid Waste Management, and Stormwater and Airport activities.

1.1 General Rate

The general rate is assessed on the land value of each rating unit in the district, being set on a differential basis based on location and land use, or designated land use as per the District Plan.

Differentials Based on Land Use

Residential - rating units, or portions of rating units, being less than 4,000 square metres in area, having no more than one residential unit, and being primarily used for, or designated for the use of, residential living.

Multi Residential - rating units that have more than the one dwelling unit on a single valuation assessment, excluding farm properties and communal residences. Where practicable, Council may have the rating unit divided into each of its separately used or inhabited portions, with each division being considered as a separate rating unit.

Commercial - rating units, or portions of rating units, used primarily for, or designated for the use of, 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.

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 designated for such purposes, or other lands of this size.

Rural Residential - properties being greater than 4,000 square metres but less than 4 hectares, primarily used for the purpose of residential living, or other lands of this size.

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, or other lands of this size.

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 Coal - properties used primarily in the extraction, storage, and/or distribution of coal.

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 in (1) to (8) 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 Harbour - Properties owned or occupied by Westport Harbour Limited and used for harbour and associated activities.

SUIP Definition

For the purposes of this provision, a separately used or inhabited part of a rating unit is defined as:

A separately used or occupied part of a rating unit includes any part 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 are used or occupied by the ratepayer for more than one single use. Separately used or inhabited parts 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 inhabitation.
- A commercial, or other non-residential property contains 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 has recognised 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 enterprises 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 or residence that provides accommodation on a rent-free basis for the owner and staff of the operation.

Sectors

The following are the sectors further defining each of the differential rating categories. These definitions are indicative of the sectors, with the full list of properties (by valuation reference) being available from Council's Office.

Residential 101 - includes residential rating units, or portions of rating units, within the valuation rolls 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 portions of rating units, within the valuation roll numbered 18810, plus the settlement of Snodgrass.

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

Residential 104 - includes the residential rating units, or portions 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 portions 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 portions of rating units, within the valuation rolls 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 Shellswell Streets, and selected properties at the northern end of Derby Street).

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

Residential 108 - includes the residential rating units, or portions 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 portions of rating units, within the township of Carters Beach located on Marine Parade.

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

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

Residential 112 - includes the residential rating units, or portions of rating units, within the townships of Omau and Tauranga Bay, plus selected Punakaiki properties and includes 1885022301.

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

Residential 114 - includes the residential rating units, or portions of rating units, within the township of Punakaiki and the Ross Subdivision (but excluding those nominated Punakaiki properties defined in Sector Residential 112 above).

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

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 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 18860.

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

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

Commercial 131 - includes commercial rating units, or portions of rating units, within the valuation rolls 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 portions of rating units, within the valuation rolls 18790, 18800, 18810, and 18830.

Commercial 133 - includes commercial rating units, or portions of rating units, within the valuation rolls 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 portions of rating units, within the valuation roll 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 portions of rating units, within the valuation roll 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 portions of rating units, within the valuation roll 18860 (excluding 1886014901, 1886014903, 1886015102, 1886015200A, 1886015301, 1886031200 and 1886032401).

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

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

Rural 142 - includes rural rating units, or portions of rating units, within the valuation rolls 18790, and 18800.

Rural 143 - includes rural rating units, or portions of rating units, within the valuation rolls 18850, and 18860.

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

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

Rural Small Holding 161 - includes rural small holding rating units, or portions of rating units, within the valuation rolls 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 portions of rating units, within the valuation rolls 18790, and 18800.

Rural Small Holding 163 - includes rural small holding rating units, or portions of rating units, within the valuation rolls 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 portions of rating units, within the valuation reference ranges of 1886003000 to 1886003600 and 1886023800 to 1886027700.

Industrial 171 - includes those industrial rating units, or portions of rating units, that fall within the definition of Industrial Clay-Cement above.

Industrial 172 - includes those industrial rating units, or portions of rating units, that fall within the definition of Industrial Mining above.

Industrial 173 - includes those industrial rating units, or portions of rating units, that fall within the definition of Industrial Other above.

Industrial 174 - includes those industrial rating units, or portions of rating units, that fall within the definition of Industrial Harbour above.

Please 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.

General Rates (exclusive of GST)

General Rate Differentials	Percentage of General Rate	General Rate
		(Cents per \$ Land Value)
Residential 101	0.938%	0.23439
Residential 102	0.169%	0.19841
Residential 103	0.654%	0.27752
Residential 104	0.817%	0.25812
Residential 105	0.360%	0.15388
Residential 106	19.209%	0.71565
Residential 107	1.263%	0.63266
Residential 108	1.140%	0.50353
Residential 109	0.640%	0.37169
Residential 110	0.424%	0.39620
Residential 111	0.196%	0.19830
Residential 112	0.482%	0.25286
Residential 113	0.333%	0.23272
Residential 114	1.025%	0.36182
Residential 115	2.600%	0.44296
Multi Residential 121	0.017%	0.91994
Multi Residential 122	0.008%	0.53196
Multi Residential 123	1.530%	1.56755
Multi Residential 124	0.134%	0.76327
Multi Residential 125	0.138%	0.90758
Multi Residential 126	0.149%	1.19872
Commercial 131	0.962%	1.20859
Commercial 132	0.251%	0.88961
Commercial 133	1.911%	1.89571
Commercial 134	10.426%	2.87611
Commercial 135	0.089%	1.08870
Commercial 136	0.329%	0.67867
Commercial 137	0.301%	0.95751
Commercial 138	0.023%	0.30652
Commercial 139	1.199%	0.99895
Commercial 140	0.952%	1.05702
Rural 141	17.492%	0.15950
Rural 142	1.189%	0.14397
Rural 143	3.618%	0.12880
Rural Residential 151	3.919%	0.29078
Rural Residential 152	2.781%	0.27101
Rural Small Holding 161	1.394%	0.20888
Rural Small Holding 162	0.105%	0.12622
Rural Small Holding 163	0.188%	0.13709
Rural Small Holding 164	0.052%	0.06467
Industrial 171	2.981%	4.99629
Industrial 172	9.769%	3.69231
Industrial 173	5.201%	1.66204
Industrial 174	2.642%	9.42684
	100.0%	

1.2 Uniform Annual General Charge

Each rating unit is levied a separate uniform annual general charge.

Where a rating unit has been apportioned into its separate used or inhabited divisions, each division shall be considered a separate rating unit and will be levied a uniform annual general charge.

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

2. Water

A targeted water supply rate is set for each separately used or inhabited portion of a rating unit connected or, within certain scheme areas, able to be connected to a water supply scheme (excluding the Cape Foulwind Rural Water Supply).

A differential is applied based on the number of separately used or inhabited portions within 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 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.

A nil rate is applied to serviceable properties not connected to the Westport, Reefton, Mokihinui, Ngakawau/Hector and Waimangaroa water supplies.

Table 2 - Unit rates

Water Supply Scheme	Number of SUIP's	Differential	Targeted Rate	Water Supply Scheme	Number of SUIP's	Differential	Targeted Rate
		(based on unit rate)	(GST exclusive)			(based on unit rate)	(GST exclusive)
Westport Multi-residential only	1	1.00	\$580.00	Reefton All other rating sectors	1	1.00	\$440.00
	2	1.00	\$580.00		2	1.70	\$748.00
	3	1.70	\$986.00		3	2.30	\$1,012.00
	4	2.30	\$1,334.00		4	2.80	\$1,232.00
	5	2.80	\$1,624.00		5	3.20	\$1,408.00
	6	3.20	\$1,856.00		6	3.60	\$1,584.00
	7	3.60	\$2,088.00		7	4.00	\$1,760.00
	8	4.00	\$2,320.00		8	4.40	\$1,936.00
	9	4.40	\$2,552.00		9	4.80	\$2,112.00
	10	4.80	\$2,784.00		10	5.20	\$2,288.00
	11	5.20	\$3,016.00		11	5.60	\$2,464.00
	12	5.60	\$3,248.00		12	6.00	\$2,640.00
Westport All other rating sectors	1	1.00	\$580.00	Mokihinui	1	1.00	\$225.22
	2	1.70	\$986.00	Ngakawau Hector	1	1.00	\$280.00
	3	2.30	\$1,334.00	Waimangaroa	1	1.00	\$280.00
	4	2.80	\$1,624.00	Punakaiki Connected	1	1.00	\$621.74
	5	3.20	\$1,856.00	Punakaiki Serviceable	1	0.50	\$310.87
	6	3.60	\$2,088.00	Little Wanganui Connected	1	1.00	\$160.00
	7	4.00	\$2,320.00	Little Wanganui Serviceable	1	0.50	\$80.00
	8	4.40	\$2,552.00	Inangahua Junction Connected	1	1.00	\$230.43
	9	4.80	\$2,784.00	Inangahua Junction Serviceable	1	0.50	\$115.22
	10	5.20	\$3,016.00	Granity South Connected	1	1.00	\$230.43
	11	5.60	\$3,248.00				
	12	6.00	\$3,480.00				
Reefton Multi-residential only	1	1.00	\$440.00				
	2	1.00	\$440.00				
	3	1.70	\$748.00				
	4	2.30	\$1,012.00				
	5	2.80	\$1,232.00				
	6	3.20	\$1,408.00				
	7	3.60	\$1,584.00				
	8	4.00	\$1,760.00				
	9	4.40	\$1,936.00				
	10	4.80	\$2,112.00				
	11	5.20	\$2,288.00				
	12	5.60	\$2,464.00				

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 m³.

2.1.2 Westport Metered Water Supply

A targeted rate is set for each separately used or inhabited portion of a rating unit that is connected to the Westport water supply through a meter. A differential is applied on the number of metered connections for each rating unit.

Number of Metered Water Connections	Targeted Rate (GST exclusive)
1	\$580.00
2	\$1,160.00
3	\$1,740.00
4	\$2,320.00
5	\$2,900.00
6	\$3,480.00
7	\$4,060.00
8	\$4,640.00

Each metered supply is then charged at a rate of \$1.45 (exclusive of GST) per cubic metre (m³) for consumption over 400m³ per connection.

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 separately used or inhabited portion of a rating unit that is connected to the Punakaiki water supply. A differential in terms of a "share allocation" is applied to each property, with the rate for 1.0 share being set at \$621.74 (excluding GST).

Table 2.2A - General description of properties and allocated share

Description of property	Number of shares
(A) Section only	0.5
(B) Single residential dwelling (including a home-based business)	1.0
(C) Department of Conservation depot	1.0
(D) Two residential dwellings on one rating unit	2.0
(E) Motel complex of more than 4 units	2.0
(F) Three residential dwellings on one rating unit	3.0
(G) Hostel (backpackers)	4.0
(H) Tavern, motel complex, and dwelling	6.0
(I) Camping ground and dwelling	12.0

Table 2.2B - Categorisation of each property

For the 2013-14 rating year, 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 “share” allocation.

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.

2.3 Major Users

Within Little Wanganui, Mokihiui, Ngakawau-Hector, Waimangaroa, Inangahua Junction and Reefton Water Supplies

The following rating units are considered major users within water supply areas that are not currently on a metered supply. A targeted rate for these major users is assessed on a differential basis for each rating unit (or portion of a rating unit as the case may be). The unit rate for each supply area is given in Table 2 above.

Water Supply Area (based on unit rate for particular water supply)	Valuation Reference	Differential	Targeted Rate (GST exclusive)
Little Wanganui Subdivision	1878035600	15.00	\$2,400.00
Mokihiui	1879001700	8.00	\$1,801.74
Ngakawau-Hector	1880006300	20.00	\$5,600.00
Waimangaroa	1883044300	3.00	\$840.00
Inangahua Junction	1901009300	3.00	\$691.30
Reefton	1905006101	2.00	\$880.00
Reefton	1905023800	2.00	\$880.00
Reefton	1905043500	2.00	\$880.00
Reefton	1905044200	2.00	\$880.00
Reefton	1905050000	2.00	\$880.00
Reefton	1905036800	40.00	\$17,600.00

These schemes, and the Westport water supply scheme (for those not on metered supply), will be reviewed during the 2013-2014 rating year with the intention of implementing changes in line with those having been adopted for the Punakaiki Water Supply as listed in Table 2.2A above.

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

3. Sewage Disposal

A targeted sewage disposal rate is set for each separately used or inhabited portion of a rating unit connected or able to be connected to a sewerage scheme.

A differential is applied based on the number of separately used or inhabited portions within 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.

A nil rate is applied to serviceable properties not connected to the Westport, Reefton and Carters Beach sewerage schemes.

Table 3 - Unit rates

Sewerage Scheme	Number of SUIP's	Differential	Targeted Rate	
		(based on unit rate)	(GST exclusive)	
Westport and Carters Beach	1	1.00	\$750.43	
	2	1.00	\$750.43	
Multi-residential only	3	1.70	\$1,275.74	
	4	2.30	\$1,726.00	
	5	2.80	\$2,101.22	
	6	3.20	\$2,401.39	
	7	3.60	\$2,701.57	
	8	4.00	\$3,001.74	
	9	4.40	\$3,301.91	
	10	4.80	\$3,602.09	
	11	5.20	\$3,902.26	
	12	5.60	\$4,202.43	
Westport and Carters Beach	1	1.00	\$750.43	
	2	1.70	\$1,275.74	
All other rating sectors	3	2.30	\$1,726.00	
	4	2.80	\$2,101.22	
	5	3.20	\$2,401.39	
	6	3.60	\$2,701.57	
	7	4.00	\$3,001.74	
	8	4.40	\$3,301.91	
	9	4.80	\$3,602.09	
	10	5.20	\$3,902.26	
	11	5.60	\$4,202.43	
	12	6.00	\$4,502.61	
Reefton	1	1.00	\$500.00	
	Multi-residential only	2	1.00	\$500.00
		3	1.70	\$850.00
		4	2.30	\$1,150.00
		5	2.80	\$1,400.00
		6	3.20	\$1,600.00
		7	3.60	\$1,800.00
		8	4.00	\$2,000.00
		9	4.40	\$2,200.00
		10	4.80	\$2,400.00
		11	5.20	\$2,600.00
		12	5.60	\$2,800.00
Reefton	1	1.00	\$500.00	
	All other rating sectors	2	1.70	\$850.00
		3	2.30	\$1,150.00
		4	2.80	\$1,400.00
		5	3.20	\$1,600.00
		6	3.60	\$1,800.00
		7	4.00	\$2,000.00
		8	4.40	\$2,200.00
		9	4.80	\$2,400.00
		10	5.20	\$2,600.00
		11	5.60	\$2,800.00
		12	6.00	\$3,000.00
Little Wanganui Connected	1	1.00	\$600.00	
Little Wanganui Serviceable	1	0.50	\$300.00	

4. Refuse Collection

A targeted refuse rate is set for each separately used or inhabited portion of a rating unit to which a refuse collection service is provided. A rating unit is regarded as being provided with this service if the property is within 100m of the route the collection vehicle travels in the normal course of picking up refuse bags.

A differential is applied based on the number of separately used or inhabited portions within the rating unit.

Refuse Collection	Number of SUIP's	Differential	Targeted Rate
		(unit rate)	(GST exclusive)
Multi-Residential only	1	1.00	\$30.43
	2	1.00	\$30.43
	3	1.70	\$51.74
	4	2.30	\$70.00
	5	2.80	\$85.22
	6	3.20	\$97.39
	7	3.60	\$109.57
	8	4.00	\$121.74
	9	4.40	\$133.91
	10	4.80	\$146.09
	11	5.20	\$158.26
	12	5.60	\$170.43
All other Rating Sectors	1	1.00	\$30.43
	2	1.70	\$51.74
	3	2.30	\$70.00
	4	2.80	\$85.22
	5	3.20	\$97.39
	6	3.60	\$109.57
	7	4.00	\$121.74
	8	4.40	\$133.91
	9	4.80	\$146.09
	10	5.20	\$158.26
	11	5.60	\$170.43
	12	6.00	\$182.61

5. Recycling

A targeted recycling rate is set for each separately used or inhabited portion of a rating unit to which the recycling service is provided. A rating unit is regarded as being provided with this service if the property is within 100m of the route the collection vehicle travels in the normal course of picking up recycled goods.

A differential is applied based on the number of separately used or inhabited portions within the rating unit.

Recycling Collection	Number of SUIP's	Differential	Targeted Rate
		(unit rate)	(GST exclusive)
Multi-residential only	1	1.00	\$54.78
	2	1.00	\$54.78
	3	1.70	\$93.13
	4	2.30	\$126.00
	5	2.80	\$153.39
	6	3.20	\$175.30
	7	3.60	\$197.22
	8	4.00	\$219.13
	9	4.40	\$241.04
	10	4.80	\$262.96
	11	5.20	\$284.87
	12	5.60	\$306.78
All other rating sectors	1	1.00	\$54.78
	2	1.70	\$93.13
	3	2.30	\$126.00
	4	2.80	\$153.39
	5	3.20	\$175.30
	6	3.60	\$197.22
	7	4.00	\$219.13
	8	4.40	\$241.04
	9	4.80	\$262.96
	10	5.20	\$284.87
	11	5.60	\$306.78
	12	6.00	\$328.70

6. Waste Management Rate

A targeted rate is set for each rating unit to which waste management is provided.

Zone	Locality	Rate (GST exclusive)
1	All of the district except north of the Mokihinui River and east of Blacks Point	\$70.43
2	North of the Mokihinui River (Karamea)	\$74.78
3	East of Blacks Point (Maruia)	\$70.43

7. District Promotion & Development Rate

A targeted rate for district promotional and development activities was introduced effective 1 July 2009. The rate targets all commercial and industrial rating categories, plus those in any other rating category that are deemed to be commercially or industrially-orientated businesses (as per the land use definitions).

- (a) Commercial categories only: a tiered targeted rate (based on the capital value of the rating unit) as detailed below, plus a targeted rate of \$0.0005 (exclusive of GST) applied to capital value.

Commercial	Capital Value	Rate (GST exclusive)
Tier 1 -	\$0 - \$300,000	\$217.39
Tier 2 -	\$300,001 - \$500,000	\$347.83
Tier 3 -	Greater than \$500,001	\$695.65

- (b) Industrial categories only: a uniform targeted rate \$304.35 (exclusive of GST) per rating unit, plus a targeted rate of \$0.0005 (exclusive of GST) applied to capital value.
- (c) All other rating categories (Residential, Multi-residential, Rural, Rural-residential, Rural Small Holding) which have a commercially provided accommodation usage, but which is not deemed to be main usage of the rating unit (in terms of the land use definitions for the rating differential categories): a uniform targeted rate \$260.87 (exclusive of GST) per rating unit.
- (d) All other rating categories (Residential, Multi-residential, Rural, Rural-residential, Rural Small Holding) which have a commercial or industrial usage (not being commercially provided accommodation), but which is not deemed to be main usage of the rating unit (in terms of the land use definitions for the rating differential categories): a uniform targeted rate \$173.91 (exclusive of GST) per rating unit.

Funding Impact Statement

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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OPERATING Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	7,013	7,206	7,450
Targeted rates (other than a targeted rate for water supply)	5,026	5,839	5,237
Subsidies for operating purposes	1,753	1,732	2,231
Fees, charges and targeted rates for water supply	277	291	281
Interest and dividends from investments	1,553	1,786	1,693
Local authorities fuel tax, fines, infringements fees and other receipts	4,520	4,320	4,609
TOTAL OPERATING FUNDING	20,142	21,174	21,501

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	14,735	14,283	15,502
Finance Costs	1,339	1,544	1,561
Other operating funding applications	585	708	678
TOTAL APPLICATIONS OF OPERATING FUNDING	16,659	16,535	17,741

SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$3,483	\$4,639	\$3,760
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CAPITAL Funding

SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	1,601	2,161	2,847
Development and financial contributions	0	0	0
Increase/(Decrease) in Debt	2,994	256	4,164
Gross proceeds from sale of assets	480	494	494
Lump Sum contributions	1,566	350	350
TOTAL SOURCES OF CAPITAL FUNDING	6,641	3,261	7,855

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	6,044	3,007	6,762
- to replace existing assets	3,554	3,483	3,955
Increase/ (decrease) in reserves	98	1,122	404
Increase/ (decrease) in investments	428	288	494
TOTAL APPLICATIONS OF CAPITAL FUNDING	10,124	7,900	11,615

SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(3,483)	\$(4,639)	\$ (3,760)
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FUNDING BALANCE	\$0	\$0	\$0
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Notes to the Financial Statements



NOTE 1: Required from General Rates

	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Democracy	873	976	998
Community Services	3,542	3,806	3,728
Regulatory Services	768	563	724
Property Management, Amenities & Reserves	1,210	1,308	1,333
Roading & Urban Development	2,245	2,297	2,349
Solid Waste	709	111	690
In House Professional Services	(73)	(73)	(64)
Airport	57	68	73
Stormwater	348	459	449
Rates Smoothing Adjustment	(300)	300	(285)
	9,379	9,815	9,995
LESS			
Interest Income	(1,316)	(1,529)	(1,500)
Other Income - Dividends	(850)	(880)	(815)
	(2,166)	(2,409)	(2,315)
Rates Penalties	(200)	(200)	(230)
TOTAL GENERAL RATES REQUIREMENT	\$7,013	\$7,206	\$7,450

NOTE 2: Targeted Rates

	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Water	1,889	2,027	2,021
Solid Waste	688	1,298	729
Wastewater/sewerage	2,156	2,212	2,191
Community Services	293	302	296
TOTAL TARGETED RATES	\$5,026	\$5,839	\$5,237

NOTE 3: Financial Assistance

	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Community Services	1,591	375	375
Roading & Urban Development	2,946	2,909	3,423
Water	350	925	1,594
Solid Waste	33	34	37
TOTAL FINANCIAL ASSISTANCE	\$4,920	\$4,243	\$5,429

NOTE 4: Fees & Charges

	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Democracy	10	41	41
Community Services	747	782	817
Regulatory Services	1,360	1,660	1,588
Property Management, Amenities & Reserves	1,245	1,293	1,270
Roading & Urban Development	175	183	175
Water	0	0	281
Solid Waste	723	43	337
Wastewater	25	85	85
Stormwater	8	8	8
Airport	58	59	58
TOTAL FEES & SUNDRY	\$4,351	\$4,154	\$4,659

NOTE 5: Internal Recoveries

	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Regulatory Services	15	15	15
Property Management, Amenities & Reserves	345	376	386
Support	3,848	4,066	4,200
Professional Services	705	727	743
TOTAL INTERNAL RECOVERIES	\$4,913	\$5,184	\$5,344

NOTE 6: Operating Expenditure as per Activity

	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Democracy	883	1,017	1,038
Community Services	4,647	4,976	4,919
Regulatory Services	2,221	2,315	2,401
Property Management, Amenities & Reserves	2,702	2,873	2,860
Roading & Urban Development	6,079	6,104	6,598
Water	2,066	2,186	2,090
Solid Waste	2,017	1,215	1,923
Wastewater	2,141	2,169	2,290
Support Services	3,848	4,066	4,200
In House Professional Services	632	654	680
Airport	115	128	132
Stormwater	397	401	429
	27,748	28,104	29,559
<i>PLUS</i> Impairment of Assets	696	696	696
<i>PLUS</i> Writeoff of Assets	0	0	350
<i>LESS</i> Internal Interest	(617)	(622)	(622)
<i>LESS</i> Internal Recoveries	(4,913)	(5,184)	(5,344)
TOTAL OPERATING EXPENDITURE	\$22,914	\$22,994	\$24,639

Note 7: Investment Income

	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Interest, Investment, Loans and Term Deposits	1,320	1,528	1,500
<i>LESS</i> Internal Interest	(617)	(622)	(622)
	\$703	\$906	\$878

NOTE 8: Finance Costs

	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Interest Expenses	1,956	2,166	2,183
<i>LESS</i> Internal Interest	(617)	(622)	(622)
	\$1,339	\$1,544	\$1,561

NOTE 9: Depreciation

	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Community Services	406	436	444
Regulatory Services	104	108	120
Property Management, Amenities & Reserves	524	597	556
Roading & Urban Development	2,747	2,742	2,708
Water	608	645	663
Solid Waste	96	109	98
Wastewater	626	620	707
Support Services	216	277	285
In House Professional Services	8	8	16
Airport	170	168	55
Stormwater	54	54	200
	\$5,559	\$5,764	\$5,852

Capital Expenditure Projects



Department	Project	Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
Community Services	Westport Cultural Hub	4,000	0	0
	Urban Streetscape, Vision 2010 Projects in Inangahua & Seddon Districts	0	447	223
	Theatres, Recreation Facilities and Libraries	107	357	496
	Project website, signage (promotion & development)	0	0	32
Regulatory Services	Rural Fire Assets, vehicle replacements	0	62	143
Property Management, Amenities & Reserves	Reserves, Playgrounds, Camping Grounds	137	132	119
	Cemetaries	32	0	0
	Council Properties & Buildings, Public Toilets	264	114	97
	Pensioner Housing	455	71	67
Roading & Urban Development	Roading	1,836	2,068	1,870
	Footpaths, Security Cameras, Street Banners	198	188	188
Solid Waste	Refuse, Litter & Recycling	5	31	0
Water Supplies	Westport Water	1,231	1,421	6,144
	Reefton Water	95	105	105
	District Water	14	847	192
Wastewater / Sewerage	Westport Sewer	311	264	375
	Reefton Sewer	44	51	56
	Little Wanganui Sewer	1	17	20
Stormwater	Stormwater Upgrades & Replacements	106	210	210
In-house Professional Services	Vehicles	0	0	57
Airport	Erosion Protection	350	0	0
Support Services	Information Technology, Vehicle Replacement	412	105	323
TOTAL CAPITAL PROJECTS		\$9,598	\$6,490	\$10,717

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.



Reserve	Activity the Reserve relates to	Purpose of Reserve	Projected Opening Balance 2012/2013	Transfer to Reserves	Transfer from Reserves	Balance 2013/2014
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						
Community Contributions	Regulatory	Funds from depreciation used for the upgrade and construction of replacement Council assets	881	5,653	5,235	1,299
Miles Bequest	Property Management, Amenities & Reserves	Proceeds from subdivision for public reserve upgrades	641	91	31	701
Powell Bequest	Democracy	Funds set aside for the purchase of engraved seats at the Westport cemetery	2	0	0	2
Mayor's Relief Fund	Property Management, Amenities & Reserves	Funds requested to Council for the purchase of public seating in Westport	3	0	0	3
Boiler Replacement Fund	Regulatory	Funds for providing grants for relief at the discretion of the Mayor	2	0	0	2
Development Contributions	Regulatory	Funds set aside to go toward replacement of boiler at Brougham Street offices	7	0	0	7
Sale of Gifted Property	Various not specified	Proceeds from commercial and industrial development to provide for social and recreation need of the area	14	0	0	14
Infrastructure Contributions	Regulatory	Funds set aside from the sale of property gifted to Council	11	0	0	11
Refuse Collection	Regulatory	Funds set aside for upgrading infrastructure where appropriate	0	0	0	0
Recycling	Solid Waste	Separates all funding and expenditure and surpluses or deficits for each targeted activity	(86)	196	194	(84)
Contracted Refuse/Recycling Operations		Separates all funding and expenditure and surpluses or deficits for each targeted activity	145	273	271	147
Karamea Solid Waste		Separates all funding and expenditure and surpluses or deficits for each targeted activity	(10)	377	333	35
Maruia Solid Waste		Separates all funding and expenditure and surpluses or deficits for each targeted activity	0	33	33	0
Westport Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	0	6	6	0
Reefton Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	(779)	3,241	3,062	(600)
Little Wanganui Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	309	290	305	294
Mokihinui Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	42	12	10	45
Ngakawau Hector Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	27	11	6	32
Waimangaroa Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	200	49	27	222
Cape Foulwind Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	43	38	50	31
Punakaiki Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	325	61	32	354
Inangahua Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	37	58	43	52
South Granity Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	12	8	4	15
Karamea Water		Separates all funding and expenditure and surpluses or deficits for each targeted activity	19	9	5	23
Westport Sewerage		Separates all funding and expenditure and surpluses or deficits for each targeted activity	0	120	150	(30)
Reefton Sewerage		Separates all funding and expenditure and surpluses or deficits for each targeted activity	(1,671)	1,954	1,966	(1,682)
Little Wanganui Sewerage		Separates all funding and expenditure and surpluses or deficits for each targeted activity	118	286	253	151
Punakaiki Camp		Separates all funding and expenditure and surpluses or deficits for each targeted activity	(10)	35	44	(19)
Dog Control		Separates all funding and expenditure and surpluses or deficits for each targeted activity	(172)	235	255	(192)
Promotion & Development		Separates all funding and expenditure and surpluses or deficits for each targeted activity	(129)	197	193	(124)
TOTAL RESERVES		Separates all funding and expenditure and surpluses or deficits for each targeted activity	\$295	\$13,707	\$12,979	\$1,023

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
1 - 7 days.....	\$0.80	\$0.70.....	no charge
8 - 42 days	\$3.00	\$2.50.....	\$2.50
43 days and over	\$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

Replacement Costs

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)

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

All Fees & Charges inclusive of 15% GST unless otherwise stated

Laminating Costs

A4	\$2.00 each
A3	\$4.00 each

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	\$40.00 per day
Non profit / Community Group	\$20.00 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	\$38.00 per hour
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All Fees & Charges inclusive of 15% GST unless otherwise stated

Daily Theatre Hire Rate

Professional.....	\$680.00
Local	\$400.00
Arts Council and Public Meetings	\$350.00
Two day hire	\$780.00

Green Room Hire Rate

Per hour	\$35.00
Per four hours.....	\$120.00

Fred Gregory Screen Room Hire Rate

Per hour	\$45.00
Daily rate	\$250.00
Four hour rate	\$150.00

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.....	\$13.00
Children (Under 16)/Senior Citizen 65+.....	\$8.50

All Fees & Charges inclusive of 15% GST unless otherwise stated

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

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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All Fees & Charges inclusive of 15% GST unless otherwise stated

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
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

Rubbish Bags Purchased

Purchase per bag (plastic).....	\$4.00
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Dumping Charges - Refuse Tips

Official Refuse Bags.....	No Charges
Minimum charge for any refuse	\$9.00
All Refuse	\$245.00/per tonne
All Greenwaste	\$10.00 - single trailer / \$15.00 - tandem trailer
All prepared car bodies	\$35.00 per car

[Council will advertise 4 dates per calendar year where fully-prepared car bodies can be dumped free of charge at all landfill sites throughout the Buller District]

All Fees & Charges inclusive of 15% GST unless otherwise stated

All unprepared car bodies	\$65.00 per car
All car tyres	\$3.50 per tyre
All truck tyres	\$6.50 per tyre
All tractor or loader tyres	\$27.50 per tyre
Booking Fee per month	\$10.50

Note

- All refuse charges calculated by weight from 1 July 2008.
- New charges will be payable to the Contractor from 1 January 2014.

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	\$105.50 (GST Exempt)
Double Unit	\$138.30 (GST Exempt)
Garage (if available)	\$6.15 (GST Exempt)

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.

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 \$863.00
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 Equipment (DDE) Band	Calculation of Charges
A	<2 DDE	\$863.00
B	2 - <5 DDE	\$863.00
C	5 - <10 DDE	\$863.00
D	10 - <20 DDE	\$863.00
E	20 - <30 DDE	\$863.00
F	30 - <70 DDE	\$863.00
G	<70 DDE	\$863.00

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.

All Fees & Charges inclusive of 15% GST unless otherwise stated

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.
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 50m³/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.

All Fees & Charges inclusive of 15% GST unless otherwise stated

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.

(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

Pursuant 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

All Fees & Charges inclusive of 15% GST unless otherwise stated

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
<ul style="list-style-type: none"> ● 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

Category C - Survey Plan & Related Subdivision Processing

Section 223 Sealing of Plan Subdivision 1-4 Lots	\$200.00 deposit with full cost recovery
Section 223 Sealing of Plan Subdivision 5+ Lots	\$200.00 deposit with full cost recovery
Signing under Section 224(c) where no conditions are imposed on the subdivision	\$100.00 deposit with full cost recovery
Signing under Section 224(c) where minor conditions are imposed	\$200.00 deposit with full cost recovery
Signing under Section 224(c) which includes the following:	
Covenant	\$200.00 deposit with full cost recovery
Consent Notice	\$200.00 deposit with full cost recovery
Geotech Report Checking	\$200.00 deposit with full cost recovery
Checking Engineering Plans	\$200.00 deposit with full cost recovery
Site visit or visits by Planning/Engineering/Building/Environmental Health Staff	\$200.00 deposit with full cost recovery
Section 226 Certificates	\$150.00 deposit with full cost recovery
Right of Way and Easement Amendments (Section 348 of LGA 1974)	\$300.00 deposit with full cost recovery
Resolution for no frontage access to a lot (Sec 321 of LGA 1974)	\$300.00 deposit with full cost recovery
Authenticated Copy of Section 321 Resolution	\$130.00 deposit with full cost recovery
Easements and encumbrances including lifting building line restrictions	\$255.00 deposit with full cost recovery
Other services (eg building, engineering advice)	At Cost

All Fees & Charges inclusive of 15% GST unless otherwise stated

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	\$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 \$300.00 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 of Liquor Act 1989	\$150.00 deposit with full cost recovery
Information requests under the 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

All Fees & Charges inclusive of 15% GST unless otherwise stated

Category G - District Plans

Buller District Plan Folder	\$100.00 flat fee
Buller District Plan CD.....	\$26.00 flat fee
Buller District Plan Maps	\$150.00 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 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
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 2012 and remain in effect until rescinded by Council.
6. All charges are inclusive of the GST rate effective 1 July 2011. 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)	\$115.00 set fee
Marquee/temporary building/demolition	\$200.00 set fee
Spaceheater - Freestanding	\$400.00 set fee
Spaceheater - Inbuilt	\$500.00 set fee
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
Processing of Consent Applications	\$125.00 per hour
Code Compliance Certificate	\$120.00
Compliance Schedule - where required	\$120.00
Exempt Building Work Deposit	\$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	\$120.00 per hour
Swimming Pool Fence Inspections Fee (first free, subsequent inspections charged)	\$120.00 per inspection

All Fees & Charges inclusive of 15% GST unless otherwise stated

Field/Service/Site Inspection	\$120.00 per hour
Building Information	\$120.00 per hour
Notices to Fix	\$120.00 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
.....	\$120.00 per hour processing fee
Amendment of Consents.....	\$30.00 administration fee
.....	\$120.00 per hour processing fee
Building Consent - Extension of time fee	\$25.00

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	\$200.00
Food Premises - all other premises	\$400.00
Additional Visits if required	\$120.00 per hour (includes mileage)
Food Vending Machines	\$35.00
Hairdressers	\$200.00
Mortuary Licence.....	\$250.00
Offensive Trades.....	\$250.00
Camping Grounds	\$250.00
Transfer Fee	\$30.00
Others - Itinerant Traders.....	\$250.00
Mobile or Travelling Shops	\$150.00
Hawkers.....	\$22.50
Street Stalls	\$20.00 up to and including a maximum of three (3) days over any seven (7) day period
.....	\$35.00 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	\$115.00

All Fees & Charges inclusive of 15% GST unless otherwise stated

Environmental Health Officer

Inspections.....	\$150.00
Administration.....	\$75.00
Consultation.....	\$150.00 per hour

Sale of Liquor Licensing (Sale of Liquor Regulations 2000)

On Licence or Off Licence or Club Licence - new or renewal applications	\$793.24
On Licence Endorsed BYO - new or renewal applications.....	\$134.93
Conveyance Licence - new or renewal applications.....	\$134.93
Special Licence - new or renewal applications.....	\$64.40
Manager's Certificate - new or renewal applications.....	\$134.93
Extract from Registrar.....	\$23.00
Temporary Authority per licence.....	\$134.93

(Costs may be subject to change with the implementation of the Sale and Supply of Alcohol Act 2012)

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

All Fees & Charges inclusive of 15% GST unless otherwise stated

Dog owners who are not able to show competence in dog ownership will be charged the following fees

Entire Dogs	\$140.00
De-sexed Dogs	\$120.00

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	\$35.00
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	\$40.00
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	\$51.00
Every horse, under 12 months of age	\$51.00
Every mule or ass	\$51.00
Every bull over the age of 9 months	\$51.00
Every ox, cow, steer, heifer or calf	\$51.00
Every ewe, wether or lamb	\$41.00
Every hind or stag	\$51.00
Every goat	\$41.00
Every boar, sow or pig	\$41.00

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	\$20.50
Finders Fee (first offence, registered, able to be identified, able to be received)	\$31.00

All Fees & Charges inclusive of 15% GST unless otherwise stated

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 Departments (with the exception of the Library)

Staff time

For chargeable services the staff hourly rate is:	\$80.00 per hour
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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
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- 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
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All Fees & Charges inclusive of 15% GST unless otherwise stated

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
- Landfill and transfer station - operation and maintenance
- Roadside vegetation control
- Property maintenance
- Refuse and kerbside recycling - collection
- Septic waste disposal
- Transfer Station operation

Westport Harbour Limited

Westport Harbour Limited will provide innovative and profitable port services.

Westport Harbour Limited will achieve this through delivering fast efficient services to its customers and by being proactive in managing bar depths and dredging options.

Buller Recreation Limited

Buller Recreation Limited is 100% owned by Buller Holdings Limited. The Solid Energy Centre assets were transferred from Council to Buller Recreation Limited, effective 01 July 2009.

The Solid Energy Centre is a sports and leisure complex which was formally opened on 18 April 2009. Buller Recreation Limited is responsible for the day-to-day management of the Solid Energy Centre and the Reefton swimming pool.

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. 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.

WestReef Services, Karamea Bluff



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 gross revenue by 5%	5% increase in revenue
	c) To grow revenue from competitively procured work	Target 30% 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"> ● a bar depth greater than 2.8 metres at chart datum ● an average river depth in the main navigation channel of 3.8 metres at chart datum ● the Cement berth depth to allow Milburn Carrier II to lie 'always afloat' loaded at a draft of 5.6 to 6.0m 	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

Long Term Plan 2012/2013 \$000	Long Term Plan 2013/2014 \$000	Annual Plan 2013/2014 \$000
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OPERATING Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	57	68	73
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	59	58
TOTAL OPERATING FUNDING	115	127	131

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	51	53	57
Finance Costs	0	10	10
Internal charges and overheads applied	10	10	10
Other operating funding applications	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	61	73	77

SURPLUS/ (DEFICIT) OF OPERATING FUNDING	\$54	\$54	\$54
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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	350	(9)	(9)
Gross proceeds from sale of assets	0	0	0
Lump Sum contributions	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	350	(9)	(9)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	350	0	0
Increase/ (decrease) in reserves	54	45	45
Increase/ (decrease) in investments	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	404	45	45

SURPLUS/ (DEFICIT) OF CAPITAL FUNDING	\$(54)	\$(54)	\$(54)
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FUNDING BALANCE WESTPORT AIRPORT	\$0	\$0	\$0
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Assumptions



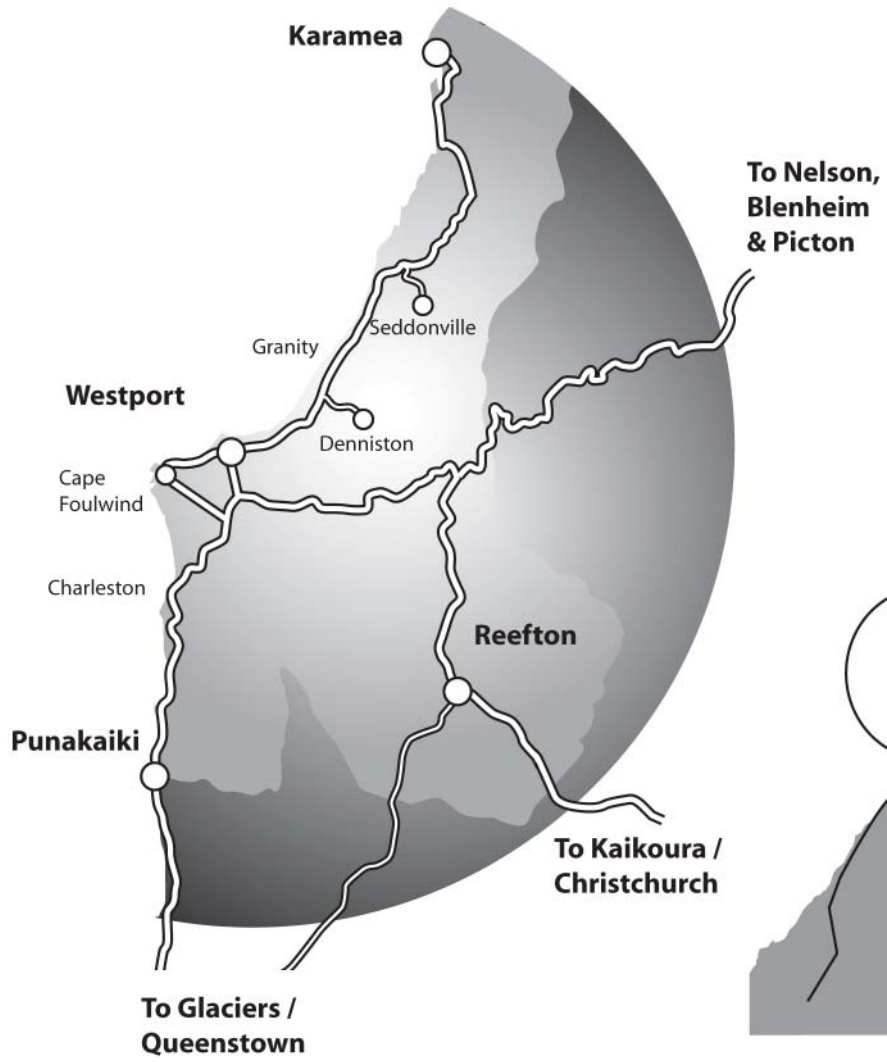
The Buller District Council Annual Plan is based on a number of significant forecasting assumptions. These assumptions include assessments of a number of factors that might impact on Council and the community including a consideration of how the population may change, funding of Council services, and 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
<p>1. Emissions Trading Scheme:</p> <p>Councils assumes that ETS cost will arise.</p> <p>That costs will be higher It has been assumed that ETS cost per tonne will be \$27.50 for a constant tonnage level.</p>	That costs will be higher than forecast	Medium	If costs are higher than forecast then Council may need to increase rates or fees and charges to fund the increase
<p>2. New Zealand Transport Agency Funding:</p> <p>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.</p>	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>
<p>3. Financial Contributions:</p> <p>That Council will receive external lump sum contributions in the Annual Plan towards the capital projects.</p>	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.

Assumption	Description of Risk	Level of Uncertainty	Impact
<p>4. Useful lives of significant assets:</p> <p>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 xx of this document. Council's assets depreciation rates are contained within of the Statement of Accounting Policies.</p>	<p>That the lives of assets are materially different from those contained within the Plan</p>	<p>Low</p>	<p>If the life of the assets are materially different from those contained within the Plan, the asset values stated in the prospective balance sheet and the profit contained in the prospective 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.</p>
<p>5. Significant Asset Condition:</p> <p>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.</p>	<p>That condition information is not a sufficiently accurate representation of the actual condition of assets</p>	<p>Medium</p>	<p>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.</p>
<p>6. Return on Investments:</p> <p>It is assumed that the return on investments, including dividends from Council Controlled Organisations and retained earnings on subsidiaries will continue at current levels.</p>	<p>That returns are lower than expected.</p>	<p>Medium</p>	<p>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.</p>

Assumption	Description of Risk	Level of Uncertainty	Impact
7. Interest Rates - External Borrowings:			
Council has assumed: Interest rate of 5.5%	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.
8. External Borrowings - Renewability:			
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
9. Interest Rates - Term Deposits:			
Interest rates on term deposits: 4.75%	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
10. Rates and Rate Increases:			
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
11. Disasters:			
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 Draft 2012/2013 Annual Plan was authorised for issue by Council on 27 March 2013.

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 prospective 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 prospective 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 prospectives do not include the consolidated prospectives 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

The prospective financial statements of Buller District Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

These prospective financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities. The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

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

The prospective 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.

There have been no changes in accounting policies during the financial year.

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 prospective financial statements only include prospectives 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 three associates, Tourism West Coast, West Coast Rural Fire Authority and the Denniston Heritage Trust. Council has exempted these entities as in permitted under the Local Government Act (2002). Therefore the prospective financial statements do not include financial information from these associates.

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 prospective 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 prospective 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 prospective 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 prospective 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 prospective 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 prospective 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 prospective 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 prospective 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 prospective 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 is 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 prospective 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 prospective 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:

Council Assets	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
Airport runway:		
• Basecourse	1.3%	75
• Seal	5%	20

Harbour Assets	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 Assets	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 Assets	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 Assets	Depreciation Rate (%)	Useful Life (Years)
Roads:		
• Formation	Not Depreciated	
• Basecourse- unsealed roads	Not Depreciated	
• Basecourse - sealed roads	1% to 2%	50 - 100
• Seal	4% to 12.5%	8 - 25
Footpaths:		
• 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
Water Reticulation:		
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
Stormwater Reticulation:		
• Pipes	1% to 1.54%	65 - 100
Sewerage Reticulation:		
• 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 three 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 prospective surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the prospective surplus or deficit, will be recognised first in the prospective 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 asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of an asset are not primarily dependent on the asset's 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 prospective surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the prospective 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 prospective surplus or deficit, a reversal of the impairment loss is also recognised in the prospective surplus or deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the prospective 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

Entitlements 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 a 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 prospective 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 prospective 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 are 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 minimize 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 modeling are also carried out regularly as part of Council's Asset management planning activities, which gives Council further assurance over its useful

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

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

Changes to Funding Mechanisms

Activity	Current Funding Mechanism		Funding Mechanism Proposed
	1 July 2012		Effective 1 July 2013
Liquor Licensing	Operating 100% Fees		Operating 90% Fees 10% General rates
Economic Development and Marketing	Operating 40% General rates 60% Targeted rate based on capital value.		Operating 36% General rates 3% Fees 61% Targeted rate based on capital value.
Resource Management: Planning	Operating 100% General rates		Operating 94% General rates 6% Fees
Water	Operating 100% Targeted rates Metered water for major users		Operating 100% Targeted rates Metered water for major users
	Capital Financial assistance Targeted rate		Capital Financial assistance Targeted rate Amenities Reserve
Solid Waste	Refuse Recycling	- Current level of service	For the first six months of 2013/2014 Operating Targeted Rates
	Refuse Recycling Residual costs	- New level of service	Effective 1 January 2014 This service will be funded by supplementary charges and a target rate payable by those to whom the collection service is available. Residual costs will be 100% general rates.
Punakaiki Camping Ground	Operating 100% Fees		Operating 74% Fees 21% General rates 5% Reserves
	Capital Loans or Special funds		Capital Loans or Special funds

Alternative funding sources (S(103(2)):

- General rates
- Targeted rates
- Fees and charges
- 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

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013	
						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	
		Community Planning and Consultation	Local Electoral Act 2001 and regulations The need for the Inangahua Community Board is created by the Inangahua Community			Social cohesion and community focus Liaison with central government		Capital No capital spend	
			Governance Structure for effective leadership, advocacy and accountable stewardship of the Council's assets and resources			Equal access for all			
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 Special funds 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 36% General rates 3% Fees 61% Targeted rate based on capital value. Tiered flat rate plus targeted rate aimed at all commercial and industrial plus any tourism operator who advertises or is registered with a tourism organisation \$130 - Tier 1 \$330 - Tier 2 \$630 - Tier 3 All home-based businesses who advertise/registered with tourism organisations - \$180 Capital Loan, Special funds	

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
						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
		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 Fees - user pays 50% General rates 50% Land valuation
		Movie goes			Long Term: - Theatre Venue	Overall public benefit.	Residents who want to watch movies.	Capital Loans Special funds Grants
		Movies	School groups who use the theatre for performances					

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome		Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
				Who are we	Who are we		General Benefits	Private Benefits	
Community Services	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 Special funds	
	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 100% Fees Capital Special funds	
	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	

Activity Group	Activity	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
					General Benefits	Private Benefits	
Community Services	Community Development and Support	<p>Council is looking to help revitalise the town centre environment through the creation of a cultural hub.</p> <p>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.</p>	Prosperity Who we are	Ongoing	<p>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.</p>	<p>Users of facilities Business operators in the town and region</p>	<p>Operating 100% General rates</p> <p>Capital 50% Funded by loan 50% Funded by external contributions</p>
	Area Maintenance	<p>Employment Project: Cleaning up litter in Westport</p>	<p>Keeps Westport tidy from litter and assists with minor employment opportunities.</p>	Wellbeing	Ongoing	<p>Westport residents and visitors to the area, and have a cleaner, litter-free town. Better environment</p>	<p>Provides minor employment opportunities</p>
Regulatory Services	Resource Management Planning	<p>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.</p>	Sustainable environment	Ongoing Long Term: District Plan	<p>Entire district - Regulations Monitoring benefits Contributes to the sustainable management and resources and of benefit to district as a whole</p>	<p>Applicants for Resource Consents</p>	<p>Operating 94% General Rates 6% Fees</p> <p>Capital No capital spend</p>

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
						General Benefits	Private Benefits	
Regulatory Services	Resource Management Resource Consents	Resource Consents	Legislation - RMA	Sustainable environment	Ongoing	Entire district - Regulations Monitoring benefits.	Applicants for Resource Consents	Operating 100% Fees
			Resource Consent Applicants	Wellbeing	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	Capital No capital spend	
			Monitoring enforcement of land use.					
Regulatory Services	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.	Prosperity	Ongoing	Benefit to the entire district of having buildings that comply with regulations.	Individuals who are building	Operating 100% Fees
			To provide high quality safe solutions to the community for their building needs	Wellbeing	Public health and wellbeing	Capital No capital spend		
Regulatory Services	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	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
			Animal control activities promote public welfare and safety		Capital Capital expenditure funded by loans			
Regulatory Services	Animal Control - Stock	Stock control	Legislation below requires territorial authorities to enforce certain statutory functions regarding stock control. - Impounding Act 1955	Wellbeing	Ongoing	Entire district - Complaint service - Public safety	Those with stock cause the problems	Operating 60% General rates 40% Fees
			Stock control activities promote public welfare and safety.		Capital No capital spend			
Environmental Health	Food Premises	Licensing of premises	Legislation - Food Hygiene Regulations 1974 - Health Act 1956	Wellbeing Sustainable Environment	Ongoing	Entire district benefits from health and safety in business meeting standards.	Individuals who require certification of their businesses	Operating 73% Fees 27% General Rates
			The activity ensures the enforcement of safety legislation to protect members of our community from potential risk.		Capital No capital spend			

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
						General Benefits	Private Benefits	
Regulatory Services	Environmental Health - Liquor Licensing	Licensing of Premises	<p>Sale of Liquor Act 1989</p> <p>Gambling Act</p> <p>The activity ensures the enforcement of safety legislation to protect members of our community from potential harm.</p>	Wellbeing	Ongoing	Entire district - Regulated opening times / venues	Individuals who require certification of their businesses	<p>Operating</p> <p>90% Fees</p> <p>10% General rates</p> <p>Capital</p> <p>No capital spend</p>
	Environmental Health - Noise	Noise complaints serviced	<p>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.</p>	Wellbeing	Ongoing	Health benefits from reduced noise levels	<p>Promotion of a pleasant environment for the community.</p> <p>No hazards from excessive noise levels</p>	<p>Operating</p> <p>95% General rates</p> <p>5% Fees</p> <p>Capital</p> <p>No capital spend</p>
	Environmental Services - Rural Fire	<p>Fires attended</p> <p>Training of locals</p> <p>Rural fire fighting capability</p>	<p>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.</p>	Wellbeing	Ongoing	Entire district as fire is contained / prevented	Individuals exposed to fire risk to safety and property	<p>Operating</p> <p>100% General rates</p> <p>Fire attendance on cost recovery</p> <p>Capital</p> <p>Loan</p>
	Emergency Services - Civil Defence	Training of locals	<p>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.</p>	Wellbeing	Ongoing	Provides certainty and assurance to public Council prepared to meet impact of natural disaster	Individuals requiring assistance during an emergency	<p>Operating</p> <p>100% General rates</p> <p>Capital</p> <p>Loans</p> <p>Special funds</p>
		Civil defence preparedness						

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome		Period of benefit		Benefit		Funding Mechanism Effective: 01 July 2013
				Wellbeing	Who we are	Ongoing	Long Term:	General Benefits	Private Benefits	
Property Management, Amenities & Reserves	Parks	Provides the community with recreation facilities and relaxation areas	Create a pleasant environment for the community	Wellbeing	Who we are	Ongoing	Use of parks is public	Users of parks and reserves facilities	Operating 100% General rates	
	Sports grounds	The provision of toilet facilities promotes the health and wellbeing of the district and environment.				Long Term: - Land - Playground equipment	Promotion of a pleasant environment for the community			Benefit for family of person interment
	Reserves					Beauty and image of Buller district is enhanced	Capital Reserve contributions Loans Special funds			
	Playgrounds					Enhanced health and wellbeing				
	Beach areas					Public - non-exclusivity				
Public Toilets	Toilet facilities	The provision of toilet facilities promotes the health and wellbeing of the district and environment.	Wellbeing	Ongoing	Health and wellbeing of community	Individuals using facilities	Operating 100% General rates			
Cemeteries	Interment facilities	Burial and Cremation Act 1974	Wellbeing	Ongoing	Community as a whole benefits from availability of interment facilities	Benefit for family of person interment	Operating 75% General Rrtes 25% Fees			
	Cemetery reserve	Records enquiry service	Wellbeing	Long Term: - land	Availability of heritage records	Capital Loans or Special funds				
	Records enquiry service									

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
						General Benefits	Private Benefits	
Property Management, Amenities & Reserves	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	Groups using halls	Operating 95% General rates 5% Fees Capital Loans Special runds
	Elderly Persons Housing	Pensioner housing	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 or Special runds
	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 or Special runds
	Punakaiki Camping Ground	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 or Special funds

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
						General Benefits	Private Benefits	
Roading & Urban Development	Roading	Roads	Local Government Act 2002 Road Controlling Authority	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% Subsidy Capital General rates Loans
		Street lighting	This activity ensures property access and freedom of travel and supports the sustainability of the community.					
		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
		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 Financial assistance General rates

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
						General Benefits	Private Benefits	
Solid Waste	Transfer Station , Litter, Landfill Operation and Development	Disposal of rubbish	Necessary for the health and quality of life in the community	Wellbeing	Ongoing	Community facilities for rubbish disposal Better environment	Residents able to dispose of unwanted rubbish	From 1 July 2013 to 31 December 2013: Operating 50% General rates 50% Fees Effective 1 January 2014 This activity will be managed by an independent contractor and the activity will be partially funded by a targeted rate by the ratepayer to whom the service is available. Capital Loans Special funds
		Landfill Development	Ensure that capacity exists should residual waste and recycling cannot be disposed at Nelson.	Wellbeing	Long Term - Buildings - Land		Operating 100% General rates Capital Loans Special funds Effective 1 January 2014 This activity will be managed by an independent contractor - the residual costs of undertaking this activity will be funded from General rates	
		Close landfills, monitor and rehabilitate	Ensure that refuse is managed and disposed of in an efficient and sustainable manner that maintains the districts natural and aesthetic values	Wellbeing	Long Term - Buildings - Land		Operating 100% General rates	
		Litter collection	Necessary for health and quality of life in community and disposed of in an efficient manner	Wellbeing	On-going		From 1 July 2013 to 31 December 2013: Operating 100% General rates Effective 1 January 2014 This activity will be managed by an independent contractor - the residual costs of undertaking this activity will be funded from General Rates	

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
						General Benefits	Private Benefits	
Solid Waste	Refuse Collection	Collect household waste	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.	Wellbeing	Ongoing	Better environment Public health	Those using collection service	From 1 July 2013 to 31 December 2013: Operating 100% Targeted rates 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 by ratepayers to whom the service is available Capital No capital spend
		Control disposal of waste by recycling	Recycling is a key component of modern waste management. Promotes sustainability of the environment by producing a fresh supply of the same material.	Wellbeing	Ongoing Long Term - Buildings - Land	Sustainability of the environment. Enhances social responsibility. Future generations will benefit.	Residents wanting to partake in recycling	From 1 July 2013 to 31 December 2013: Operating 100% Targeted rates Effective 1 July 2013 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. Capital Targeted rates Loans
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 Maintains sanitation	Residents able to be connected to sewer Those disposing of trade water	Operating 100% Targeted rates Trade waste Fees Capital Targeted rates Loans
		Disposal of trade waste	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 Special Funds
	Stormwater	Collect and transport land drainage from property						

Activity Group	Activity	ACTIVITY: What is the Community getting	Rationale for service	Community Outcome	Period of benefit	Benefit		Funding Mechanism Effective: 01 July 2013
						General Benefits	Private Benefits	
Support Services	Corporate Services	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.
	Information Systems	Computer systems Tele-communication networks	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 General rates
	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

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 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 Prospective Funding impact Statement (page 197).

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.



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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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