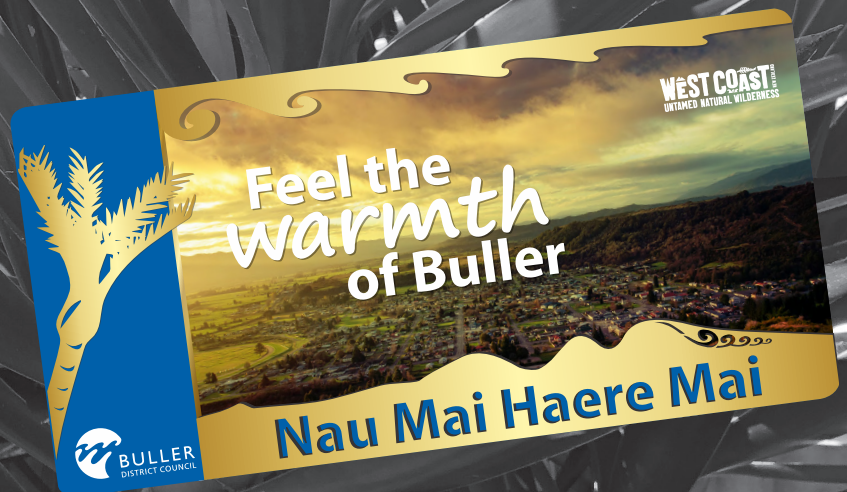




Annual Plan 2020/2021



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Welcome

An introduction to our 2020/2021 Annual Plan

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 2020/2021 Annual Plan which is set out on the following pages.

The Annual Plan includes information for the 2020/2021 year in relation to each group of activities contained in the 2018-2028 Long Term Plan and the reasons that any information in the Annual Plan departs from the 2018-2028 Long Term Plan.

WESTPORT AND LINK TO COUNCIL'S LONG TERM PLAN

The 2020/2021 Annual Plan is the second year after the 2018-2028 Long Term Plan, which was adopted by Council in June 2018. All Councils are required to produce a Long Term Plan every three years and Annual Plan's 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 PLANNING FRAMEWORK

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

This document highlights the activities Council is involved in, the major issues and projects and where there are some variations from our original estimates for 2020/2021. You will find details of what 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 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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Message from the Chief Executive

The 2020/2021 Annual Plan is the third year of the Long Term Plan and continues with the theme **'Fit for Future'** and balancing the need for efficient service delivery, quality infrastructure and amenities with affordable rates.

Council staff have worked hard to control costs and keep rate increases to a minimum, whilst still maintaining the current level of service. Our target in the Long Term Plan was 1.1% and we have achieved 2.3%. This makes our total rates increase one of the lowest in the country.

Prior to COVID-19 the local economy was on the upturn with 2019 showing strong recovery in our key economic indicators. This has been achieved through a shift to service base sources of income such as tourism and hospitality, land based income such as dairy farming and increases in the building and construction environment. Overall Buller offers a favourable standard of living compared to other New Zealand regions. Central government continues to invest in the district via the Provincial Growth Fund with \$2.1m allocated to Council in 2019 to build the airport seawall and \$4.0m allocated in 2020 to upgrade the berthage facilities at Westport Harbour.

Water has been a hot topic for the 2019/2020 year with the successful completion of the Westport water tunnel project at a cost of \$7.6m, challenges for Council maintaining access to the Punaikaki water inlet, and advising of precautionary boiled water notices at various times throughout the District. The three waters reforms led by central government has seen the establishment of a regulatory water authority across New Zealand with an expectation that over time further regulatory changes will occur.

It is important for Council to have strong visibility in the more remote parts of our District. Council will proceed with the intention of investing into these areas as outlined in the Long Term Plan. We have received community feedback on the Reefton swimming pool and the Reefton Water supply, and continue to seek opportunities which may arise to provide a long term solution for the Hector landfill site. Council will continue conversation with the New Zealand Transport Agency about the Karamea Special Purpose Road, which is a vital link in the District.

During 2020/2021 we will continue to build on the District revitalisation plan (economic, social, environmental and Council). Buller District Council will continue working with our West Coast Regional Council partners to address natural hazards in the District through representation on the Westport 2100 group and facilitate ongoing conversations with communities and the West Coast Regional Council on coastal erosion. Council will work with the Ministry for Environment on a climate change adaption project which will describe the challenges faced in the Buller District.

Investment in infrastructure will continue with investment into upgrading Buller water systems and additional funding into roading and pavements. The relationship between Council and WestReef Services Limited continues to evolve and improvements to the integration of systems and processes with WestReef Services have been made to ensure best value for money is achieved and local businesses and contractors have access to opportunities created through our

major infrastructure projects.

The 2020/2021 Chief Executive Key Performance Indicators are built around balancing the need for efficient service delivery, quality infrastructure and amenities with affordable rates - but more importantly the KPI's have a strong focus on customer service and key stakeholder engagement and satisfaction. You can count on the Chief Executive's total commitment to complete public transparency and accountability for performance and that of the entire Buller District Council team. That personal accountability is the cornerstone of strong democracy.

The National Emergency response to the COVID-19 has altered the landscape for Buller in terms of economy, tourism and physical distancing. The Pandemic response has touched all of our lives in some way, there are times the splendid isolation of Buller serves our community well. However that being said we have very quickly turned our minds to economic recovery post pandemic and substantial business cases have been submitted to central government with a focus on creating sustainable jobs in the short, medium and long-term in the Buller District. BDC are working in partnership with Development West Coast and other regional partners with a focus on the West Coast becoming a domestic destination of choice for holidays recognising that there may be longer-term border restrictions in place for international travellers.



Sharon Mason

Sharon Mason
Chief Executive Officer

The Mayor's Foreword

It is my pleasure to present the 2020/2021 Annual Plan, my first as Mayor. This year we continue our focus on ensuring council is following **'Best Practice'** in terms of how we conduct business.

Our District, like all of New Zealand, has suffered significant interruption to usual business as a result of the Covid-19 National Emergency. It is in this context that Council has committed at a governance level to take a strategic approach to resourcing in the areas of policy, assets, infrastructure and wellbeing, as these are critical enablers to economic and social recovery.

Water has long been mentioned in these plans and rightly so given how critical it is to our communities. Council maintains a commitment to safe, reliable drinking water and this year's plan sees on-going work to advance this. Central government reforms of water regulations and legacy issues with our various networks adds to the complexity of delivering on the strategy. This year will see significant investment into the water systems of Reefton and Westport as part of our strategic investment to ensure these assets are fit for the future.

Council is cognisant of the value our outer communities bring to our District. This year will see that commitment continue as we redevelop the Reefton pool, advance aspects of the Punakaiki master plan and work to reduce the risk the old Hector dump poses to northern Buller.

Having completed the Pedestrian Accessibility and Mobility Plan (PAMP) during last year Council is better informed to continue investing to improve footpaths and mobility access and this work will continue to roll out in our urban centres and further afield.

Council is committed to the on-going development of our community spaces District-wide. It is important that this work continue in a staged manner to ensure we are "dressed for success". This enhances lifestyle for locals, encourages visitors to stay and builds confidence to those seeking to relocate here. This type of work also plays a part in our effort to create short term employment opportunities for those seeking alternative employment in the post Covid-19 environment.

As we head into the New Zealand elections it is unclear what provincial investment support may be available as the Provincial Growth Fund (PGF) comes to a close and government deals with the Covid-19 recovery. During the period of the 2020/2021 Annual Plan I expect to see work commence and continue on Buller District's successful PGF applications. Some of these are outside of Council's scope however we will maintain a supporting and facilitation role as appropriate. At a governance level Council has good relationships with our key stakeholders including central government. We will continue to present solutions whereby government can partner with us to enable on-going economic sustainability and will continue to advocate on matters that protect our interests and contribute to our strategy.

I'm confident that we are on track operationally, are being prudent with financial management and are making positive steps towards a "fit for the future" Buller.



A handwritten signature in black ink, appearing to read 'Jamie Cleine', written in a cursive style.

Jamie Cleine
Mayor, Buller District

Values, Purpose & Vision

BULLER DISTRICT VALUES

The following principles guide us in decision and action:

- Community driven...**
... we are committed to making a difference in the community we call home ...
- One team...**
... shared direction, shared effort ...
- Future focused...**
... we seek solutions that are fit for the future ...
- Integrity...**
... open and honest in decisions and action ...
- We care...**
... about people and place ...

CORE PURPOSE

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

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 nature, cultural and historical environment are treasured.

Financial performance and executive summary

KEY HIGHLIGHTS OF THIS ANNUAL PLAN

THIS ANNUAL PLAN APPROACH

This Annual Plan is the second Annual Plan following the 2018-2028 Long Term Plan. Next year Council will review the current Long Term Plan and produce the 2021-2031 Long Term Plan which is a statutory requirement every three years. Council continues to follow the original strategy set out in that document. This means that there should only be minor variations in 2020/2021 and this would generally be things that Council was not aware of in the Long Term Plan and now needs to address. The rollout of projects is expected to continue as consulted with the community in the Long Term Plan.

The new Westport Water Tunnel Pipeline project was recently completed and Council will now turn its attention to delivering reliable, treated water to water Reefton, Waimangaroa, and Punakaiki communities. Council will also be implementing the Government's Three Water Reform requirements which are being overseen by a national regulatory water authority.

Council continues with the planned property rationalisation and district revitalisation projects that were identified in the Long Term Plan as a key priority, including the upgrade of Council's premises, Brougham House, which has been delayed while other options are considered. One option being explored is a joint venture with iwi to construct a new civic centre. In addition, the Reefton Swimming Pool capital upgrade has been included in this plan for completion in 2020/2021.

Further revitalisation over the next year will include the upgrade and construction of additional floating pontoons and facilities at the Port. These developments will provide greater resilience for the fishing industry which is a vital contributor to our district's economy.

The Kawatiri dredge has a number of key projects expected to occur in the 2020/2021 financial year. Every contract the Kawatiri delivers outside of the district generates revenue to Council and eases the rates burden. Council has removed the dredge from sale while it gains a better understanding of opportunities that may eventuate through the port.

There are other key issues that have impacts on ratepayers and our communities that are also considered in this plan including an application for the Reefton toilet upgrade via the Tourist Infrastructure Fund.

Council sees the value of district advocacy to grow our local economies and help develop vibrant communities. Particularly to ensure central government and any relevant agencies are lobbied so that the Buller continues to receive its share of any regional development initiatives.

Council commenced the rates review in 2014 and has worked through a number of models to-date. The review of rates has not been an easy process and Council has consulted the community twice to help shape a new rates system. Council is currently finalising a model which it will then consult with the community on at an appropriate time.

KEY HIGHLIGHTS OF THE 2020/2021 ANNUAL PLAN

Summary Financial Statement	2019/2020 Annual Plan \$'000	2020/2021 Long Term Plan \$'000	2020/2021 Annual Plan \$'000
Operating Revenue	\$26,089	\$24,635	\$27,238
Operating Expenses	\$26,965	\$25,656	\$26,325
Operating Surplus/Deficit	(\$876)	(\$1,021)	\$913

OPERATING RESULT

Council is budgeting for a profit of \$913,000 in the 2020/2021 Annual Plan compared to a loss of \$1.0m proposed for the same year in the 2018-2028 Long Term Plan. The main drivers are higher subsidies and grants for roading projects which were not in the Long Term Plan as well as additional revenue projected for the holding company and increases in Westport Harbour dredging contract fees and leases. This extra revenue is partially offset by higher operating expenditure related to the operation of the Westport harbour and the additional out port dredging contracts, internal reorganisation and insurance costs.

OPERATING REVENUE

Operating revenue is predicted to increase significantly compared to the Long Term Plan (\$27.2m compared to \$24.6m) primarily due to a predicted increase receipts from subsidies and grants. The New Zealand Transport Agency (NZTA) financial assistance for roading is predicted to be higher by \$1.2m compared to the Long Term Plan. This is due to an additional, fully subsidised project on the Karamea Highway and subsidies for increased footpath expenditure which were previously not provided for by NZTA.

Fees and charges are anticipated to be up (\$1.2m) mainly due to increases predicted in harbour income which relates to additional revenue generated by out port dredging and leases. There is also an increase in distributions from Council's holding company of \$200,000 from the Long Term Plan prediction. Investment income is expected to take a hit due to the low interest rates (\$0.2m) but this is offset by decreases in borrowing costs and increases in other income streams.

GENERAL AND TARGETED RATES

The total of General and Targeted Rates budgeted is higher than the Long Term Plan predicted increase of 1.1% with an overall 2020/2021 Annual Plan increase of 2.3%.

Council has been mindful of keeping rates increases low particularly in view of the economic circumstances which the Covid19 pandemic has created.

General rates collected in total are 0.6% more than predicted in the Long Term Plan. Targeted rates are also expected to be higher than predicted in the Long Term Plan (1.8%). This is mainly due to the increase in the cost of the Westport water tunnel solution compared to initial budgets and the flow on effect on associated financing and depreciation costs.

OTHER FACTORS THAT AFFECT THE DISTRIBUTION OF RATES

Although Council can easily quantify how much in total rates that it is collecting from its communities to fund community infrastructure and services from one year to the next, there are two factors that affect what an individual might pay in rates compared to last year. The first is the Quotable Value property valuation that was conducted in September 2019 that occurs every three years, and applies to property values in this annual plan and the other is the change in use of the land previously owned by Holcim.

Firstly, changes in relative property values after a valuation by Quotable Value may affect the amount of rates paid depending on whether a ratepayer's property went up or down in value compared to other property sectors such as residential and rural farm land. For example, residential land values rose whereas rural farming land generally went down in value compared to the last valuation. Therefore, it would be expected that residential properties would pay a greater share of rates increases compared to rural properties.

The other factor affecting rates has been signalled in previous plans, ie, when Holcim shut down and the land changed its use from industrial to another lesser rating category that all ratepayers would need to pick up a greater share of the rates to cover the difference. It is expected that around \$170,000 will need to be picked by all ratepayers in the Buller District. This approach will not collect additional rates, it simply redistributes the existing rates 'pie'.

OPERATING EXPENDITURE

Operating Expenditure is higher in this Annual Plan (\$26.3m) compared to the Long Term Plan prediction of \$25.6m.

Employment costs are predicted to be \$0.9m higher across Council compared to the Long Term Plan prediction. This is due to reallocation of expenses within Westport Harbour and provision for providing staff for a significant amount of income generating out port dredging work in 2020/2021; an internal reorganisation to split the Community Services and Regulatory Department and provide a management resource for each separate area; allocation of a funded economic development resource for Reefton; and building additional capability in-house which will reduce external costs.

Depreciation costs are proposed to be \$0.3m less than the Long Term Plan due to fluctuations in the delivery of capital projects and assumptions around the life of some assets.

Finance costs have decreased by \$0.3m as a result of the decrease in interest rates.

Other expenses are predicted to increase by \$0.5m in the Annual Plan compared to the Long Term Plan. There are additional costs for insurance and for operating Westport Harbour and dredging expenses (that provide additional revenue) which have been offset by operational savings throughout the organisation.

CAPITAL EXPENDITURE

Total Capital expenditure is proposed to be \$10.2m in this Annual Plan. Capital expenditure was predicted to be \$5.9m in the Long Term Plan which is a variance of \$4.3m.

The difference is made up of increased capital expenditure on the Karamea Highway \$900,000 (fully funded by NZTA), additional footpath capital \$420,000, inclusion of expenditure on the Reefton pool of \$200,000, Reefton water \$1.4m, Waimangaroa water \$490,000 and Westport trunkmain \$175,000 and Reefton toilets \$400,000 which were not included in the Long Term Plan. The remainder is mainly variations in capital requirements for Council's building stock.

The district revitalisation projects will continue as set out in the Long Term Plan, but the upgrade of Brougham House is contingent on the outcome of other options under consideration.

Most of the capital associated with replacement of assets is infrastructure related and is intended to maintain Council's assets in an acceptable condition to provide the agreed service levels to its communities.

STATEMENT OF POSITION

Council's term debt is expected to be higher in the 2020/2021 Annual Plan than predicted in the Long Term Plan (\$36.2m versus \$33.0m). The changes to the Westport Water supply capital expenditure program to achieve a viable solution for the tunnel refurbishment is the main reason for this increase.

Investments are predicted to be about the same in the Annual Plan. Significant movements in Council's cash investments are the unrealised dredge sale proceeds as budgeted in the Long Term Plan offset by increased distributions from Council's subsidiaries.

This results in a net debt position which is more than was predicted in the Long Term Plan. Net debt is expected to be \$17.4m in the Annual Plan compared to \$15.6m in the Long Term Plan

OPERATING CASHFLOW







Cash flow from operating activities is predicted to be positive at \$7m.

FINANCIAL PRUDENCE MEASURES



Annual Plan Disclosure Statement for the year ending 30 June 2021.

The purpose of this statement is to disclose the Council’s planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its Annual Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Financial Prudence Benchmarks		Planned	Achieved	
Rates Affordability Benchmarks	- Income	Planned rates income is no more than 65% of total income.	53%	
	- Increases	Planned rates increases are no more than the long run cost local government cost index increase (2.4%).	2.3%	
Debt affordability benchmarks		Planned net debt (debt less term deposits) is less than \$20m.	\$18,732,000	
Balanced budget benchmark		Planned total revenue less excluded items is equal to or greater than operating expenditure less excluded items.	103%	
Essential services benchmark		Planned capital expenditure on network services is equal to or greater than depreciation on network services.	135%	
Debt servicing benchmark		Planned borrowing costs are equal or less than 10% of planned revenue.	3.6%	

- Council is predicted to meet all of its six financial prudence benchmarks in its 2020/2021 Annual Plan.
- Council forecast that it would meet four of the six financial prudence measures in the Long Term Plan.

Achieved	
Not achieved	

RATE INCREASES

	2019/2020 Annual Plan \$000	2020/2021 Long Term Plan \$000	2020/2021 Annual Plan \$000
Total rates	\$14,711,000	\$14,891,000	\$15,050,000
Rateable properties	7,395	7,480	7,400
Average rates	\$1,989	\$1,911	\$2,034
Rate Movements	+3.3%	+1.1%	+2.3%

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 81 and 82. Council has limited total rates collected increases to below its benchmark stipulated in the Long Term Plan, which was the Local Government Cost Index (2.4%).

Key consultation issues

Key consultation issues discussed in this 2020/2021 Annual Plan are:

In this Annual Plan we are not diverting much from the 2018-2028 Long Term Plan, but there are a few key projects and opportunities that we sought community feedback on through our submission process.

REEFTON SWIMMING POOL UPGRADE

The 2018-2028 Long Term Plan did not provide budgets for work on the Reefton swimming pool facility but subsequently vital upgrades to the building and facilities have been identified. The 2019/2020 Annual Plan included \$300,000 for critical upgrades that would preserve the safety and usability of the Reefton swimming pool. Council heard from a number of people in the community about their views for the future of the facility, and agreed to carry out consultation with the community over options for the swimming pool.

Based on that community consultation, plans have been drawn-up that would see the Reefton swimming pool building brought up to a compliant and safe standard and improve the usability of the facility. An additional \$200,000 has been included in the 2020/2021 Annual Plan to have this work completed. The aim of this project is to ensure a solid, safe and compliant structure around the swimming pool, with improved user comfort.

REEFTON PUBLIC TOILET UPGRADE

Council had previously budgeted \$350,000 to upgrade the public toilets on the corner of Broadway and Bridge Street as a district gateway project, however the upgrade was put on hold due to the potential for a commercial project on the site to provide replacement public toilets. That project is no longer going ahead.

A budget of \$400,000 has been included for the 2020/2021 financial year to undertake the upgrade to these public facilities. Council intends to seek external funding of \$200,000 from the Tourism Infrastructure Fund to assist with the cost of this capital project.

REEFTON WATER SUPPLY TREATED WATER PROTECTION

Reefton water supply is on a precautionary boil water notice following advice from the Canterbury District Health Board. In this Annual Plan Council is prioritising capital works to restore full compliance with the Drinking Water Standards. This will include: process improvements to enable chlorination, realignment and replacement of the rising and falling main and securing integrity of the treated water reservoir.

There was \$350,000 budgeted in the Annual Plan for this project.

WAIMANGAROA DRINKING WATER UPGRADE

Council has budgeted \$490,000 in this Annual Plan, in addition to the \$400,000 to be sought in external funding, towards capital works to achieve compliance with the drinking water standards for the Waimangaroa supply.

Consultation between Council and the Waimangaroa Water Board will continue regarding the community's preferred option to upgrade the water supply. Affordability for consumers is a critical consideration in determining the best way to proceed and funding options for building this infrastructure require further development.

A council meeting last year resolved that a connection to the Westport supply was the preferred option. However, consultation with Westport/Carters Beach ratepayers is also required regarding amalgamation and this is to be undertaken before Council can make a final decision.

Changes resulting from the consultation process

Council received 231 submissions on the 2020/2021 draft Annual Plan during a revised consultation program to comply with Covid-19 restrictions on public gatherings and workplace closures.

The Council meeting in April 2020 considered and approved a proposed increase to the capital budget to upgrade Reefton water supply storage, reticulation and treatment infrastructure to ensure a safe, compliant drinking water supply. The supply's 2020/2021 capital budget has been increased by \$1,090,000 to complete the proposed upgrade program.

Maruia landfill expenditure has been increased by \$39,500 for the renewal of the Resource Consent for the activity including associated survey and easement work. The targeted rate for this activity has been increased to spread the cost of this through to the end of the 2021-2031 Long Term Plan.

A budget of \$22,000 has been allocated for roof and door replacements at the Ngakawau Hall. This expenditure is funded from reserves.

Council activities

The work Council undertakes on behalf of its ratepayers includes, but is not limited to, each of the following activities:

REGULATORY SERVICES

- Animal and stock control
- Plans, policies and guidance documents
- Provision of consents
- Building control
- Compliance and enforcement management
- Alcohol licensing
- Emergency management/civil defence
- Environmental health

ROADING AND TRANSPORT

- Sealed and unsealed roads
- Culverts
- Bridges
- Footpaths
- Seats and shelters
- Road signs and markings
- Street lighting
- Urban development

WATER SUPPLIES

- Westport
- Reefton
- Waimangaroa
- Ngakawau-Hector
- Inangahua Junction
- South Granity (tank supply)
- Little Wanganui
- Cape Foulwind
- Punakaiki
- Mokihinui

WASTEWATER/SEWERAGE

- Westport
- Reefton
- Little Wanganui

STORMWATER

- Hector
- Ngakawau
- Seddonville
- Granity
- Waimangaroa
- Westport
- Carters Beach
- Reefton

SOLID WASTE

- Collection, transfer and final disposal of waste materials
- Recycling
- Landfill sites
- Monitors groundwater quality at landfill's
- Waste minimisation

PROFESSIONAL SERVICES BUSINESS UNIT

- Engineering services
- Preparation of contracts
- Monitor contractors performance
- Organise work to be carried out

COMMUNITY SERVICES

- Community grants and funding
- Sports, recreation and cultural facilities and services
- Libraries
- Communications
- Theatre/cinema
- Economic development

GOVERNANCE, REPRESENTATION

- Leadership
- Advocacy
- Accountable stewardship of Council's assets and resources

CUSTOMER SERVICES, SUPPORT SERVICES

- Corporate planning
- Financial and accounting operations
- Rating operations
- Health and safety
- Asset management
- Management functions
- Human resources management

PROPERTY

- Public toilets
- Amenities and reserves
- Property management
- Cemeteries
- Housing for the elderly
- Westport Harbour

COUNCIL CONTROLLED ORGANISATIONS

- Buller Holdings Limited
- WestReef Services Limited
- Buller Recreation Limited

OTHER COUNCIL CONTROLLED ORGANISATIONS

- Buller Health Trust
- Denniston Heritage Trust
- Westport Airport

Regulatory Services

WHAT DO WE DO?

- Animal management and stock control
- Plans, policies and guidance documents
- Provision of consents
- Building control
- Compliance and enforcement management
- Alcohol licensing
- Emergency management and civil defence
- Environmental health

WHY ARE WE INVOLVED IN THESE ACTIVITIES?

Council undertakes these activities to contribute to providing a safe, healthy and sustainable environment:

- The animal and stock management service aims to provide a safer District by reducing dog-related offences through the registration of dogs, the education of their owners and the investigation of complaints.
- The planning service ensures the District is able to promote development to support a prosperous community without compromising rights of residents and the District's physical and natural assets/resources. It achieves this aim by appropriate application of the Resource Management Act, through the review and implementation of the District Plan and its resource consent and monitoring functions.
- Council's building control services ensures that the District's buildings and other associated structures (such as swimming pools) are safe, habitable and meet national legislative requirements.
- Compliance and enforcement management activities focus on working with the community to ensure the District remains a peaceful and attractive place to live and work. By the careful application of Bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping and respond to noise nuisances, as well as encourage residents to maintain tidy sections.
- Alcohol licensing ensures that the statutory requirements and the object of the Sale and Supply of Alcohol Act 2012 are being met, in that the sale and supply of alcohol is undertaken safely and responsibly and any harm caused by excessive or inappropriate consumption is minimised.
- Civil Defence Emergency Management ensures the objectives of the Civil Defence Emergency Management Act 2002 are being met, in that we provide reduction, readiness, response and recovery plans in the event of a significant emergency;
- Environmental Health ensures that operators meet required public health standards.

HOW DO WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES?

This activity supports the following community outcomes:

Well-being

- Provide essential services to residents and businesses to support a healthy environment.
- Provide and develop safe public places.
- Emergency management is a key function in ensuring the response principles of preservation of life and providing community support are followed in the event of any disaster.

Learning

- Make information easily available about Council, its functions and services.
- Recognise and support education excellence and opportunity in the District.

Who we are

- Provide opportunities for the community to work in partnership with Council.

Sustainable environment

- Develop policies and implement practices that enhance our environmental sustainability and natural diversity.

SIGNIFICANT ISSUES AND THEIR IMPACT

Tai Te o Poutini Plan (formerly the One District Plan)

The Local Government Commission has made a decision to transfer the statutory powers associated with District plan making from the Buller, Grey and Westland District Councils to the West Coast Regional Council. The West Coast Regional Council will be taking the lead on preparing a combined District Plan for the three Districts, to be known as the Tai Poutini Plan (formerly the 'One District Plan).

This transfer is for plan making only and Buller still requires a planning team to process consents and administer the plan.

CAPITAL EXPENDITURE

There is no Capital expenditure planned for 2020/2021.

FUNDING ALLOCATIONS

Activity	Funding mechanism		
	General rate	Fees	Capital spend
Resource management planning	90-95%	5-10%	Depreciation reserves, Loans
Resource consents	5-10%	90-95%	Depreciation reserves, Loans
Building control	10-20%	80-90%	Depreciation reserves, Loans
Animal control - dogs	25%	75%	Nil
Animal control - stock	70-80%	20-30%	Nil
Environmental health - food premises	25-35%	65-75%	Nil
Environmental health - liquor licensing	10-25%	75-90%	Nil
Environmental health - noise	90-95%	5-10%	Nil
Emergency services – civil defence	100%	Nil	Nil

SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan

General rates, Uniform Annual General Charge, rate penalties

- The predicted variance is due to the movement in income and expenses explained below.

Payments to suppliers and staff

- The variance is primarily additional cost for One District Plan and additional Building and Civil Defence costs.

Internal charges and overheads applied

- Predicted increases in costs allocated from other activities in Council.

Capital expenditure

- to replace existing assets

- a planned vehicle replacement has been deferred.

KEY PERFORMANCE INDICATORS

What we plan to do and our levels of service

1. To maintain quality of life through ensuring compliance with building and development regulations.

How we do it	<ul style="list-style-type: none"> Process and grant building consents. Process and grant resource consents. 		
How we measure performance	Ensure quality assurance requirements for building consent authorities are met as required by Regulation 17 of the Building Consent Authorities Regulation 2006.	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
		<p>2018/2019: Next audit is due late 2019. A pre-audit audit has been carried out. System improvements have been identified and are tracking well on target.</p> <p><i>(2017/2018: audits are carried out bi-ennially. Accreditation was maintained from the December 2017 audit with the next audit due in 2019.)</i></p>	Continue to retain accreditation by passing the biannual IANZ Audits.
	Process non-notified resource consents within statutory timelines.	<p>2018/2019: 100% achieved within statutory timeframes.</p> <p><i>(2017/2018: 100% achieved within statutory timeframes.)</i></p>	Continue to achieve 100% within statutory timeframes.

2. To maintain quality of life through ensuring the health and safety of licenced activities.

How we do it	<ul style="list-style-type: none"> Inspect and/or audit registered food premises and health premises. 		
How we measure performance	Inspect all food premises, hairdressers, funeral homes, camping grounds and offensive traders, ensuring they meet the Food Hygiene Regulations 1974 and the new Food Act 2014.	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
		<p>2018/2019: 82 premises have been inspected from a total of 105 – 78% of premises were inspected. Target not met.</p> <p>Existing businesses (registered under the Food Act 1981 or the Food Hygiene Regulations 1974 before 29 February 2016) will move to the new Food Act 2014 between 2016 and 2019.</p> <p><i>(2017/2018: 100% achieved within statutory timeframes.)</i></p>	Continue to achieve 100%.

3. To establish an effective level of preparedness for Civil Defence disasters.

How we do it	<ul style="list-style-type: none"> Monitor and train volunteers. 		
How we measure performance	Maintain three teams of trained volunteers, 30 trained volunteers.	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
		<p>2018/2019: 75 community volunteers throughout the Buller District.</p> <p>10 staff are currently trained for an Emergency Operation Centre (EOC) activation. In total there are 85 volunteers which is made up of 75 community volunteers and 10 staff. Community volunteers and Council staff from throughout Buller are trained to effectively provide response in the event of an emergency.</p> <p><i>(2017/2018: 100 community volunteers.)</i></p>	Maintain three teams of trained volunteers.

FORECAST FUNDING IMPACT STATEMENT - REGULATORY SERVICES

Annual Plan
2019/2020
\$000

Long Term Plan
2020/2021
\$000

Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties		1,107	1,039	1,143
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		864	916	906
Total operating funding	A	1,971	1,955	2,049

Applications of operating funding

Payments to suppliers and staff		1,414	1,448	1,518
Finance costs		2	2	4
Internal charges and overheads applied		511	459	499
Other operating funding applications		0	0	0
Total applications of operating funding	B	1,927	1,908	2,021
Surplus/(deficit) of operating funding	A-B	44	47	28

Capital funding

Sources of capital funding

Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		51	52	52
Increase/(decrease) in debt		(7)	(8)	(8)
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	44	44	44

Capital expenditure

- to meet additional demand		0	0	0
- to improve the level of service		0	0	0
- to replace existing assets		35	31	0
Increase/(decrease) in reserves		53	60	72
Increase/(decrease) in investments		0	0	0
Total applications of capital funding	D	88	91	72
Surplus/(deficit) of capital funding	C-D	(44)	(47)	(28)
Funding balance	((A-B)+(C-D))	0	0	0

Roading and Transport

Roading

WHAT DO WE DO?

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

Council provides, maintains and renews sealed and unsealed roads, bridges and culverts 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.

WHY ARE WE INVOLVED IN THIS ACTIVITY?

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

ASSUMPTIONS

That New Zealand Transport Agency (NZTA) will provide funding for local roads at 66% for 2020/2021. Funding for the Karamea Highway which is a Special Purpose Road is maintained at 100% until 30 June 2021.

Council and the NZTA have been working together on a transition plan to exit Special Purpose Roads by June 2021 in accordance with NZTA requirements.

Council assumes that fuel tax rates remain at the current level and that fuel consumption remains at the current level (as fuel tax received helps to offset the cost of providing roading throughout the District)

NEGATIVE EFFECTS

Roads can disrupt natural drainage patterns, introduce contaminants into the stormwater and change the landscape. The purpose of the road management systems is to minimise these effects, while still providing a safe platform for development. There can be significant negative effects if the roading network is inadequate or under maintained. Inadequately maintained roads are an increased safety risk and they significantly increase travel and renewal costs. This risk is mitigated by ensuring that renewals are undertaken in line with the Roding Asset Management Plan. This plan ensures that road and footpath maintenance is undertaken at the optimum level to maintain the current level of service provided.

COMMUNITY OUTCOMES AND HOW WE CONTRIBUTE TO STRATEGIC GOALS

This activity supports the following community outcomes:

Sustainable environment

- By providing a safe roading system.
- By helping reduce energy consumption in our community.

Prosperity

- By providing everyone easy access to roading network.
- By providing links to sustain rural communities.

Learning

- By providing education programmes.

SIGNIFICANT CAPITAL EXPENDITURE

- Continued to the local road network (\$3.23m) and Karamea Highway (\$1.63m).
- Sealed roads reseal program - \$659,000 with \$509,000 on local roads and \$150,000 on the Karamea Highway.

FUNDING ALLOCATIONS

Activity	Funding mechanism			
	Year	General rate	Financial assistance	Capital spend
Roding	2020/2021	34%	66%	General rates NZTA subsidy Investments Loans

SIGNIFICANT ISSUES

One Network road classification system

This is a joint initiative between the New Zealand Transport Agency (NZTA) and Local Government New Zealand that has introduced a road classification system for all roads in New Zealand.

The classification system aims:

- to deliver similar driving experience across New Zealand.
- to support more consistent asset management across the Country.
- to make collaboration and prioritisation between those organisations responsible for the planning, delivery, operation and maintenance of the nation's roading network simpler, leading to a more efficient and safer network and improved value for money.

This will introduce different levels of service across roads of different classification. This allows the Agency and the Road Controlling Authority better information on which to make better investment decisions.

The Council has undertaken the classification using the criteria developed by the joint initiative. The Council has also collaborated with Westland and Grey District Councils to ensure that there is regional consistency. The Councils have collectively looked at the criteria that are important to the region and they have been used to refine the categories.

Council has assumed that there will be no change in the levels of service currently provided, which in some instances exceed the level of service required by the One Network road classification system and may therefore fall outside of what NZTA will fund. If a change in service levels does eventuate during the term of the Plan, our Council will be faced with two choices:

1. Change the current level of service provided to that set by NZTA.
2. Fund the difference between the current service level and that proposed by NZTA from ratepayer contributions.

Karamea Special Purpose Road

The Karamea Special Purpose Road was previously state highway and following agreement was transferred to Buller District Council management with 100% subsidy from NZTA as a designated Special Purpose Road. This road provides a vital lifeline to the Karamea community, Heaphy Track terminus and it takes significant amounts of daily dairy tanker traffic.

An estimated \$60m of agricultural product passes across the road each year, with tourist traffic providing additional economic value to the area.

The Karamea Special Purpose Road transits very difficult terrain with sheer cliffs, bluffs and drops either side of the road. The known original construction methodology of a tree trunk base 'corduroy' foundation has made the road very susceptible to large slumping and drop outs as the old tree trunks rot and compact.

The issues associated with the management and maintenance of the Karamea Special Purpose Road are known and managed where possible. Due to the original construction and physical terrain, risk mitigation at reasonable cost is determined on a case by case basis.

The long term costs of maintaining and keeping the Karamea Special Purpose Road in operation are unknown, but will be considerable given the nature of the terrain it traverses. Similar roads in New Zealand are State Highway 60 (Motueka to Collingwood) and State Highway 2 (Wairoa to Gisborne). All three roads experience similar terrain induced maintenance

issues, with State Highway 60 and 2 being fully managed and maintained by NZTA and their contractors.

In 2021/2022 it is expected the Karamea Special Purpose Road will lose its special purpose designation.

A draft transition plan has been prepared and is under review by both parties. Whilst there is a good understanding of each other's perspective, there is more work needed on how best to proceed considering fundamental principles of well-being, sustainability and affordability for the communities of Buller. Council's objective from the beginning of the process has been to avoid any additional burden and risk to ratepayers. Whilst the current draft does not present an acceptable option to meet this objective, it is Council's desire to work collaboratively with NZTA to find an agreed way forward. This ongoing effort reflects the significance placed on what is a critical risk for our District.

SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan

General rates, Uniform Annual General Charge, rate penalties

- Reduction is due to a predicted net reduction in costs explained below.

Subsidies and grants for operating purposes

- Predicted reduction is due to a predicted reduction in maintenance costs explained below.

Payments to suppliers and staff

- Minor variations in the NZTA roading maintenance programme to budget .
- The variance from the Long Term Plan is due to the loan funded Rough River bridge upgrade being deferred to 2020/2021.

Subsidies and grants for capital expenditure

- Increase in subsidies expected from NZTA for the additional Capital expenditure in 2020/2021.

Capital expenditure

- to improve the level of service

- Additional safety improvements planned for Karamea highway for 2020/2021.

- to replace existing assets

- Mainly additional footpath capital expenditure which was not included in the Long Term Plan offset by variances in the NZTA capital programme.

MANDATORY PERFORMANCE MEASURES

What we plan to do and our levels of service

1. Provide a safe roading network.

How we do it	<ul style="list-style-type: none"> ■ Provision of a safe sealed roading network. ■ Provision of a sealed roading network that is fit for purpose. ■ Provision of footpaths that are comfortable to walk on. 		
How we measure performance	Mandatory performance measure one: <i>Road safety.</i> The reduction from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
		2018/2019: A total reduction of one fatal and one serious accident (nil fatal and four serious accidents). <i>(2017/2018: one fatality, five serious accidents).</i>	No change or reduction in the quality of the roading network.

2. Provide a comfortable road network.

How we do it	<ul style="list-style-type: none"> ■ Provision of a safe sealed roading network. ■ Provision of a sealed roading network that is fit for purpose. ■ Provision of a well maintained sealed roading network. 		
How we measure performance	Mandatory performance measure two: <i>Condition of the sealed road network.</i> The average quality of ride on a sealed local road network, measured by Smooth Travel Exposure (STE). Traffic counts are not carried out frequently, a program has been set up to address this. Traffic counts form part of the STE formula but the reported STE is correct because it aligns with the state highway counts (which has also not shown any major movement) over the last five years, excluding roads affected by the Kaikoura earthquake.	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
		2018/2019: Current smooth travel exposure (STE) is 95% with the two-year average being 95%. <i>(2017/2018: 95%).</i>	≤ 90 NAASRA count/km road roughness testing (allow for some decrease on low hierarchy roads).
	Mandatory performance measure three: <i>Maintenance of a sealed local road network.</i> The percentage of the sealed local road network that is resurfaced.	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
		2018/2019: 5.4% with the 10-year average being 5.5%. This was not achieved because the latest re-seal programme focused predominantly on urban roads which have a greater width than rural roads therefore lane kilometres sealed are less. <i>(2017/2018: 5.50%).</i>	Continue to achieve ≥ 5% 10 year average (allow for some decrease on low hierarchy roads).
	Unsealed network - metal on unsealed roads lost due to weather, usage and other factors will be replaced.	2018/2019: 3,116m ³ of metal per annum replaced on unsealed roads. <i>(2017/2018: 2,986m³).</i>	2,200m ³ per annum.

MANDATORY PERFORMANCE MEASURES

What we plan to do and our levels of service

3. Provide usable footpaths.

How we do it	■ Provision of footpaths that are comfortable to walk on.		
How we measure performance	Mandatory performance measure four: <i>Maintain the condition of footpaths within the local road network.</i>	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
		2018/2019: 89% of the footpath is ranked as grade 1 and 2 (satisfactory) by MWH. (2017/2018: 82%).	Continue to achieve 75%
	The percentage of footpaths within a territorial authority District that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its Annual Plan, Activity Management Plan, Asset Management Plan, annual works program or Long Term Plan).	2018/2019: 99% of the footpath is ranked as grade 1-3 (satisfactory or deficient) by MWH. (2017/2018: 99%).	Continue to achieve ≥ 95%

4. Provide roads with the minimum environmental impact.

How we do it	■ Provision of roading network with minimal impact to the environment.		
How we measure performance	Ensure compliance of Resource Consent conditions through monitoring records and West Coast Regional Council correspondence.	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
	Ensure no prosecutions take place.	2018/2019: No prosecutions – 100% compliant. (2017/2018: No prosecutions - 100%).	Continue to achieve no prosecutions

5. Customer service satisfaction.

How we do it	■ Provision of customer service request system.		
How we measure performance	Mandatory performance measure five: <i>Road safety.</i>	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
	Ensure that the percentage of customer service requests relating to roads and footpaths to which the territorial authority is responsible is responded to within 15 days.	2018/2019: 73% - 35 service requests out of a total of 48 were responded to within 15 days. Performance achieved was lower than target due to the current system. Service requests are now being overseen by a Customer Services Manager to improve response time. (2017/2018: 64% - the customer service request model was under review to improve the process.)	Achieve 80%

Transport

WHAT DO WE DO?

The transport activity provides for the planning, operations, maintenance, development and improvements to the transport network so that it is affordable, integrated, safe, responsive and sustainable. Although having strong links with Roothing, Transport offers newly established programs of work and budgets. These programs include public transport services, cycle and walkways, signs and wayfinding, parking infrastructure, footpaths and pedestrian access mobility plans (PAMP).

Council provides, maintains and renews 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 transport network to meet changing needs and develops plans to ensure the transport network is able to cater for future growth. Council also provides support for the continued operation of the Westport Taxi services which provide public transport.

Urban development is undertaken to provide a more pleasant environment for our communities by use of plantings, street treatment and decorative measures. This extends to the beautification of main thoroughfares with street flags and hanging floral baskets.

WHY ARE WE INVOLVED IN THIS ACTIVITY?

The transport activity allows the community to travel to employment, services, education and recreation activities. Benefits include a more active and healthy community, encouraging residents and visitors alike to explore and experience our amazing District and generally improve well-being and sense of community.

ASSUMPTIONS

That New Zealand Transport Agency (NZTA) will provide funding for certain transport activities including public transport services, footpath maintenance and resurfacing and some transport planning at 66% of the cost for 2019/2020.

Council assumes land use will remain at current patterns and there will be no large industrial or residential developments outside of the current land areas.

NEGATIVE EFFECTS

Transport infrastructure can disrupt natural drainage patterns, introduce contaminants into the stormwater and change the amenity value of the landscape. The purpose of the transport management systems is to minimise these effects, while still providing a safe platform for development. There can be significant negative effects if the footpath network is inadequate or under maintained. Inadequately maintained footpaths are an increased safety risk and they significantly increase renewal costs. This risk is mitigated by ensuring that renewals are undertaken in line with an Asset Management Plan. This plan ensures that footpath maintenance is undertaken at the optimum level to maintain the current level of service provided.

COMMUNITY OUTCOMES AND HOW WE CONTRIBUTE TO STRATEGIC GOALS

This activity supports the following community outcomes:

Sustainable environment

- By providing a safe footpath system.
- By helping reduce energy consumption in our community.
- By creating relationships within the community that contribute to the overall beautification of our transport spaces and ensure that mobility issues are addressed for all stakeholders.
- By promoting cycleways and walkways, signs and wayfinding and parking infrastructure.

Prosperity

- By providing everyone easy access to the greater roading network by providing links to sustain rural communities.
- By providing assistance with public transport.

Learning

- By providing education programmes.

SIGNIFICANT CAPITAL EXPENDITURE

- Footpaths are progressively renewed/resurface to provide a safe environment (\$663,000).

FUNDING ALLOCATIONS

Activity	Funding mechanism			
	Year	General rate	Financial assistance	Capital spend
Roothing	2020/2021	34%	66%	General rates NZTA subsidy Loans Investments
Urban Development	2020/2021	100%	Nil	General rates Loans Investments

SUBSIDIES AND GRANTS FOR CAPITAL EXPENDITURE

There have been changes to capital expenditure requirements between the Long Term Plan and the NZTA Roothing Programme which affect the capital subsidy for NZTA (footpaths).

FORECAST FUNDING IMPACT STATEMENT - ROADING AND TRANSPORT

Annual Plan
2019/2020
\$000

Long Term Plan
2020/2021
\$000

Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties	1,966	2,017	1,951
Targeted rates	0	0	0
Subsidies and grants for operating purposes	2,225	2,326	2,267
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	154	157	157
Total operating funding	A	4,345	4,500

Applications of operating funding

Payments to suppliers and staff	3,737	2,886	2,834
Finance costs	5	58	4
Internal charges and overheads applied	1,015	881	893
Other operating funding applications	0	0	0
Total applications of operating funding	B	4,757	3,824
Surplus/(deficit) of operating funding	A-B	(412)	644

Capital funding

Sources of capital funding

Subsidies and grants for capital expenditure	2,308	1,138	2,440
Development and financial contributions	0	0	0
Increase/(decrease) in debt	1,068	(21)	(5)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	C	3,376	1,117

Capital expenditure

- to meet additional demand	0	0	0
- to improve the level of service	1,180	257	1,197
- to replace existing assets	1,729	1,502	1,889
Increase/(decrease) in reserves	55	33	(7)
Increase/(decrease) in investments	0	0	0
Total applications of capital funding	D	2,964	1,792
Surplus/(deficit) of capital funding	C-D	412	(644)
Funding balance	((A-B)+(C-D))	0	0

Water Supplies

WHAT DO WE DO?

Council provides the management of water supplies to support the health and well-being of the community.

WHY ARE WE INVOLVED IN THIS ACTIVITY?

Water is an essential need for individuals and commercial operations. Council provides sufficient quantities of potable water for domestic and commercial needs and public amenities. Council water management is required under a number of legal statutes.

ASSUMPTIONS

There will be no significant change to current water demand from any of the Council water supplies.

There will be no major infrastructure failures.

Capital funding assistance will be available through the Ministry of Health to provide Financial assistance to those 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 be approved, there would need to be consultation with the community and the decision to upgrade or not would be based on affordability.

SIGNIFICANT PROJECTS

Westport water supply

Council has resolved to replace an approximate 600-meter section from the top of the terrace to the bottom in 2019/2020 due to ongoing leakage issues. This will provide a renewed trunk main from the Westport Water Treatment Plant to the base of the escarpment. Continued trunk main replacements are scheduled for 2020/21 and are part of a systematic asset replacement program that will see the entire trunk main into Westport replaced. This renewal work will provide resilience to the consumers on the Westport and Carters Beach water supply.

Gravity-flow raw water supply has now been reinstated with the completion of the Tunnel Pipeline project. The alternative pumping station will return to a standby resilience function.

Waimangaroa rural drinking water upgrades

Consultation between Council and the Waimangaroa Water Board will continue regarding the community's preferred option to upgrade the water supply. Affordability for consumers is a critical consideration in determining the best way to proceed. A Council meeting last year resolved that a connection to the Westport supply was the preferred option. Funding options for building this infrastructure require further development. Consultation with Westport/Carters Beach ratepayers is also required regarding amalgamation. This is to be undertaken before Council can make a final decision.

Reefton water supply

Reefton is currently on a precautionary boil water notice (BWN) following advice from the Canterbury District Health Board (CDHB). Council is prioritising capital works for asset renewal and level of service upgrades to restore full compliance with the Drinking Water Standards. In addition to the \$350,000 budgeted in the draft Annual Plan an additional \$1.09m has been allocated to extend the upgrade program to ensure a safe, compliant water supply. This now will include: treatment improvements, construction of a dedicated rising main from the treatment plant to the reservoir, reservoir upgrades, renewal of the existing rising/falling main and construction of a new full pressure water main and associated pressure reduction infrastructure.

Once work is completed and proven to provide suitable protection against treated water recontamination, Council will then lift the BWN.

Punakaiki

There are no significant upgrades proposed for the current Punakaiki water supply. However, through the Greater Punakaiki Master Plan currently underway, various long-term water supply alternatives will be identified and evaluated. Once the business case and funding models are developed and approved, the scoping, planning and consultation phases will commence.

NEGATIVE EFFECTS

There are no negative effects to upgrading water supplies.

HOW DO WE CONTRIBUTE TO STRATEGIC GOALS AND COMMUNITY OUTCOMES

This activity supports the following community outcomes:

Well-being

- By providing reticulated water supply to support a healthy community.
- By providing water for sanitary services.
- By maintaining sufficient water for firefighting purposes.

Environment

- By conserving water and encouraging others to do the same.

Learning

- By providing water conservation education.

Prosperity

- By meeting commercial and community needs at an affordable cost with equal access to water.

CAPITAL EXPENDITURE AND CHANGES IN LEVEL OF SERVICE

- Westport water supply trunkmain replacements (\$427,000).
- Reefton water supply treated water protection (\$1.44m).
- Connection of Waimangaroa water reticulation to Westport water supply. Council share is \$490,000 pending consultation with affected ratepayers and contingent on Ministry of Health subsidy of \$400,000.

LEVELS OF SERVICE

The overall corporate goals and legislative requirements have been translated into a number of more specific target performance standards. These are summarised below:

- To ensure that all supplies have sufficient water at the source, and within the system, to meet the reasonable needs of the consumers.
- To ensure that connections are provided with adequate water pressure under normal use.
- To ensure that fire hydrants provide an adequate firefighting supply.
- To ensure the quality of the water supplies meet the expectations of each community and all legal requirements.
- To maintain the service to the consumer with a minimum of disruption and inconvenience.
- To minimise the quantity of unaccounted water.
- To ensure that supplies are managed in a cost-effective manner.
- To ensure that supplies are managed in an environmentally sensitive manner.
- The corresponding levels of service established as a means of achieving the performance standards, as set out above.

FUNDING ALLOCATIONS

Activity	Funding mechanism	
	Targeted rate	Capital spend
Water Supplies	100% Metered water for major users. Subsidies from Special Funds.	Loan or Targeted rates

SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan:

Targeted rates

- The increase in Targeted rates compared to the Long Term Plan is due to the increase in Capital spend for the Westport raw water tunnel upgrade.

Finance costs

- Additional finance costs that relate to the Capital spend on the Westport raw water tunnel upgrade.

Increase/(decrease) in debt

- Loans for Reefton and Waimangaroa water upgrades which were not in the Long Term Plan.

Capital expenditure

- to improve the level of service

- Upgrades planned for Reefton, Waimangaroa and the Westport trunk main which were not in the Long Term Plan.

- to replace existing assets

- There is a slight variance in the split of assets which are considered replacements or level of service improvements.

TARGETED RATES (ROUNDED)

(GST exclusive)

Water supplies	2020/2021 Annual Plan
Westport	\$845
Reefton	\$604
Little Wanganui	\$230
Mokihinui	\$270
Ngakawau-Hector (registered to Ngakawau Hector Water Supply Incorporated)	\$310
Waimangaroa	\$420
Punakaiki water	\$910
Inangahua Junction	\$510
South Granity Tank Supply (administered by Buller District Council)	\$250

MANDATORY PERFORMANCE MEASURES

Key service criteria	Target level of service	Measurement	Current performance	Performance target 2018/2019 - 2020/2021
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Mandatory performance measure one:

■ Provide an adequate quality of water (see tables 1 and 2, page 27).

Is the water safe to drink?	Performance measure one (safety of drinking water):	The extent to which Council's water supply complies with: a) Part four of the Drinking Water Standards (bacteria compliance criteria). b) Part five of the Drinking Water Standards (protozoa compliance criteria)	2018/2019	Bacteria Compliance	Protozoa Compliance	Full compliance (100%) Bacteria Protozoa
			Westport	Yes	No	
			Carters Beach	Yes	No	
			Reefton	No	No	
			Punakaiki	Yes	No	
			Ngakawau/Hector	No	No	
			Mokihinui	No	No	
			Little Wanganui	No	No	
			Waimangaroa	No	No	
			Inangahua	Yes	No	
			Bacterial compliance was achieved for Westport and Carters Beach, Punakaiki and Inangahua, but protozoal compliance was not achieved for any water supplies.			
			2017/2018	Bacteria Compliance	Protozoa Compliance	
			Westport	Yes	No	
			Carters Beach	Yes	No	
			Reefton	No	No	
			Punakaiki	No	No	
			Ngakawau/Hector	No	No	
			Mokihinui	No	No	
			Little Wanganui	No	No	
			Waimangaroa	No	No	
			Inangahua	No	No	
			<i>(Bacterial compliance was achieved for Westport and Carters Beach, but protozoal compliance was not achieved for any water supplies.)</i>			
			<i>(This was due to a change in water source for Westport and Carters Beach and a change in monitoring systems for all of the supplies.)</i>			

MANDATORY PERFORMANCE MEASURES

Key service criteria	Target level of service	Measurement	Current performance	Performance target 2018/2019 - 2020/2021
Mandatory performance measure two:				
■ Provide a reliable supply of water (see table 3, page 27).				
Maintenance of reticulation network.	Performance measure two:	The percentage of real water loss from Council's networked reticulation system (including a description of the methodology used to calculate this)	2018/2019: 58% in Westport only. A replacement programme continues to be in place to address areas of significant water loss. Most of the leaks are related to the trunk main, there will be a focus moving forward on a staged replacement of the trunk main which is one of the main contributors to water loss. A Pressure Reduction Valve (PRV) is to be installed in future years will also reduce the amount of water leakage. Refer to page 27 for further details. (2017/2018: 58% in Westport only. A replacement programme is in place to address areas of significant water loss.)	20%

Mandatory performance measure three:

■ Provide a reliable supply of water.

Fault response times	Performance measure three:	Where Council attends to a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:		
		a) Attendance for urgent call outs: from the time that Council receives notification to the time that service personnel reach the site.	2018/2019: There were two urgent requests based on Council's Service Request System, both of which were resolved within two hours. (2017/2018: There were no urgent requests based on Council's service request system.)	2 hours
		b) Resolution of urgent call outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	2018/2019: There were 2 urgent requests based on Council's Service Request System, both of which were resolved within 2 hours. (2017/2018: There were no urgent requests based on Council's service request system.)	5 hours
		c) Attendance for non-urgent call outs: from the time that Council receives notification to the time that service personnel reach the site.	2018/2019: 242 callouts were received in total. Of these 28 callouts were attended within 1 working day, 65 were within 2-4 days of notification. The remaining 149 callouts were responded to within 5 working days with the median resolution time being 1 working day. (2017/2018: 168 call outs were received in total with 6 of these calls out attended to within 1 working day and 22 call outs attended to within 2-4 days of notification. The remaining 140 callouts were responded to within 5 working days with the median resolution time being 3 working days.)	1 working day

MANDATORY PERFORMANCE MEASURES

Key service criteria	Target level of service	Measurement	Current performance	Performance target 2018/2019 - 2020/2021
		d) Resolution of non-urgent call outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	<p>2018/2019: 242 callouts were received in total. Of these 28 callouts were attended within 1 working day, 65 were within 2-4 days of notification. The remaining 149 callouts were responded to within 5 working days with the median resolution time being 5 working days.</p> <p><i>(2017/2018: 168 call outs were received in total. Of these 140 were resolved within 5 working days with the median resolution time being 3 working days. 28 call outs were not resolved within 5 working days - these were very minor leaks and contractors were given extra time to repair due to other commitments.)</i></p>	5 working days

Mandatory performance measure four:

- Provide water with the minimum environmental impact.

Customer satisfaction	Performance measure four:	The total number of complaints received by Council about any of the following:			
			No. of complaints	No. of complaints per 1,000 connections	
		a) Drinking water clarity	2018/2019: 0. <i>(2017/2018: 2.)</i>	2018/2019: 0.0. <i>(2017/2018: 0.5.)</i>	Less than 5 complaints per 1,000 connections.
		b) Drinking water taste	2018/2019: 1. <i>(2017/2018: 2.)</i>	2018/2019: 0.25. <i>(2017/2018: 0.5.)</i>	
		c) Drinking water odour	2018/2019: 0. <i>(2017/2018: nil.)</i>	2018/2019: 0.0. <i>(2017/2018: 0.0.)</i>	
		d) Drinking water pressure	2018/2019: 3. <i>(2017/2018: 4.)</i>	2018/2019: 0.75. <i>(2017/2018: 1.0.)</i>	
		e) Continuity of supply	2018/2019: 2. <i>(2017/2018: 3.)</i>	2018/2019: 0.5. <i>(2017/2018: 0.75.)</i>	
		f) Council's response to any of these issues.	<p>2018/2019: From the six complaints Council received, all have been addressed and resolved.</p> <p><i>(2017/2018: Council received 11 complains which have all been addressed and resolved.)</i></p>	2018/2019: 1.49. <i>(2017/2018: 2.74.)</i>	

Mandatory performance measure five:

- Provide a reliable supply of water - fault response time.

Demand management	Performance measure five:	The average consumption of drinking water per day per resident within the Buller District.	2018/2019: 414 litres per person, per day for the Westport water supply, with 716 litres being used per person, per day for the Reefton water supply. <i>(2017/2018: 380 litres per person per day for the Westport water supply, with 770 litres being used per person, per day for the Reefton water supply.)</i>	700 litres

MANDATORY PERFORMANCE MEASURES

Key service criteria	Target level of service	Measurement	Current performance	Performance target 2018/2019 - 2020/2021
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Other Key Performance Measures:

- Provide a reliable supply of water.

Can you rely on the water supply to be available?	To provide water into the system virtually all of the time.	Proportion of time that water is supplied into the reticulation. Targets: Water supplied 99% of the time	2018/2019: 10 supplies had water available for 100% of the time, with one supply (Waimangaroa) having water available 99.7% of the time. Overall water was supplied at 99.97% of the time. <i>(2017/2018: 10 supplies had water available for 100% of the time, with one supply (Waimangaroa) having water available at 99.8% of the time. Overall water was supplied at 99.98% of the time.)</i>	Water supplied for at least 360 days per year (99% of the time).
Is the use of water restricted?	To permit gardens to be maintained in a healthy state all year.	Number of days that water restrictions are in place. Targets: 100% compliance	2018/2019: 26 days for the Westport water, with 0 days for the other supplies. <i>(2017/2018: target met.)</i>	100% compliance. The target in the 2018-2028 Long Term Plan is not specific.

TABLE 1: DRINKING WATER STANDARD - NZ COMPLIANCE

Water supply	Population (WINZ)	Bacterial compliance		Protozoal compliance (%)	
		Current performance	Target	Current performance	Target
South Granity Tank Supply (administered by Council)	30	No *	Yes	No *	Yes
Hector/Ngakawau (registered to Ngakawau Hector Water Supply Incorporated)	219	No *	No	No *	No
Inangahua Junction	70	Yes	Yes	No **	Yes
Little Wanganui	150	No *	No	No *	No
Mokihinui	100	No *	No	No *	No
Punakaiki	230	Yes	Yes	No ****	Yes
Reefton	951	No **	Yes	No **	Yes
Waimangaroa	300	No *	No	No *	No
Westport (including Carters Beach)	4,974	Yes	Yes	No ***	Yes

* No treatment plant to enable compliance
 ** E.Coli detection in supply
 *** Poor water quality due to 2018 water shortage
 **** Data collection and reporting errors

TABLE 2: DRINKING WATER STANDARD - NZ COMPLIANCE

Water supply	Population (WINZ)	Bacterial compliance	
		Current performance	Target
South Granity Tank Supply (administered by Council)	30	No *	Yes
Hector/Ngakawau (registered to Ngakawau Hector Water Supply Incorporated)	219	No *	No
Inangahua Junction	70	No **	Yes
Little Wanganui	150	No *	No
Mokihinui	100	No *	No
Punakaiki	230	Yes	Yes
Reefton	951	No **	Yes
Waimangaroa	300	No *	No
Westport	4,617	Yes	Yes
Carters Beach	357	Yes	Yes

* No treatment plant to enable compliance
 ** E.Coli detection in supply
 *** Poor water quality due to 2018 water shortage

TABLE 3: WATER LEAKAGE

Water supply	Connections	Actual performance	Target	Method
South Granity Tank Supply (administered by Council)	23	2018/2019: not measured (2017/2018: not measured)	30%	MNF
Hector/Ngakawau (registered to Ngakawau Hector Water Supply Incorporated)	176	2018/2019: not measured (2017/2018: not measured)	30%	MNF
Inangahua Junction	33	2018/2019: 32% (2017/2018: 32%)	30%	MNF
Little Wanganui	78	2018/2019: not measured (2017/2018: not measured)	30%	MNF
Mokihinui	50	2018/2019: not measured (2017/2018: not measured)	30%	MNF
Punakaiki	93	2018/2019: 41% (2017/2018: 41%)	30%	MNF
Reefton	663	2018/2019: 39% (2017/2018: 39%)	30%	MNF
Waimangaroa	137	2018/2019: not measured (2017/2018: not measured)	30%	MNF
Westport	2,694	2018/2019: 58% (2017/2018: 58%)	30%	MNF

MNF = Minimum Night Flow

Water leakage is not measured in some supplies as those supplies have no treatment plant therefore there is no way of determining leakage.

FORECAST FUNDING IMPACT STATEMENT - WATER SUPPLIES

Annual Plan
2019/2020
\$000

Long Term Plan
2020/2021
\$000

Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	2,844	2,879	2,973
Subsidies and grants for operating purposes	0	0	0
Fees and charges	209	214	214
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0

Total operating funding	A	3,053	3,093	3,187
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Applications of operating funding

Payments to suppliers and staff	1,025	1,066	1,105
Finance costs	474	368	337
Internal charges and overheads applied	459	440	457
Other operating funding applications	0	0	0

Total applications of operating funding	B	1,958	1,875	1,899
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Surplus/(deficit) of operating funding	A-B	1,095	1,218	1,288
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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	1,337	(245)	1,659
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0

Total sources of capital funding	C	1,337	(245)	1,659
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Capital expenditure

- to meet additional demand	0	0	0
- to improve the level of service	408	221	2,352
- to replace existing assets	387	684	558
Increase/(decrease) in reserves	1,637	67	37
Increase/(decrease) in investments	0	0	0

Total applications of capital funding	D	2,432	972	2,947
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Surplus/(deficit) of capital funding	C-D	(1,095)	(1,218)	(1,288)
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Funding balance	((A-B)+(C-D))	0	0	0
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Wastewater / Sewerage

WHAT DO WE DO?

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

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

ASSUMPTIONS

It has been assumed that there will be no significant capacity change required for infrastructure to meet demands from industry or population growth.

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

No new legislation for wastewater will be enacted and there will be no major infrastructure failures.

COMMUNITY WASTEWATER AND SEWERAGE SYSTEMS

Council continues a routine sewer mains replacement programme throughout Westport, Carters Beach, Little Wanganui and Reefton, as well as treatment plant upgrades as required.

Sewer modelling will continue for Westport during 2020-21 and at locations aspects of separation will be considered. This will continue to assess the level of stormwater infiltration into the network and allow for planning to reduce the amount of stormwater entering it, therefore improving capacity across the network.

Further camera surveys and water blasting of earthenware mains throughout Reefton to undertake maintenance assessments and remove debris from pipes is planned for Reefton. There will be a continued focus on ensuring network integrity where sewerage pipes and drinking water supply are co-located within close proximity.

SIGNIFICANT NEGATIVE EFFECTS

There is potential for the discharge of the effluent from these sewer systems to result in significant negative effects to public health and the environment. However, effluent discharges are subject to a resource consent process and the effects of each discharge are identified. Where risks exist, there are conditions placed on that discharge to manage the potential effects.

The primary purpose of the sewer system is to reduce the negative effects from wastewater discharges that would otherwise arise from the individual communities.

COMMUNITY OUTCOMES AND HOW WE CONTRIBUTE TO STRATEGIC GOALS

This activity supports the following community outcomes:

Well-being

- Provision of a sanitary wastewater collection and treatment service.

Sustainable environment

- Protection of the environment through the treatment of wastewater.

Learning

- Provision of water conservation programmes.

Prosperity

- By meeting commercial wastewater needs and meeting community needs at an affordable cost.

CHANGES IN LEVEL OF SERVICE

Mains upgrades resulting in increased levels of service:

- Westport (\$112,000)

SIGNIFICANT CAPITAL EXPENDITURE

Mains and plant renewals:

- Westport (\$629,000)
- Reefton (\$145,000)
- Little Wanganui (\$21,000)

FUNDING ALLOCATIONS

Activity	Funding mechanism	
	Operating	Capital
Westport sewerage	Targeted rate	<ul style="list-style-type: none"> ■ Loans ■ Depreciation reserves ■ Investments
Reefton sewerage	Targeted rate	<ul style="list-style-type: none"> ■ Loans ■ Depreciation reserves ■ Investments
Little Wanganui sewerage	Targeted rate	<ul style="list-style-type: none"> ■ Loans ■ Depreciation reserves ■ Investments

TARGETED RATES (ROUNDED)

(GST exclusive)

Sewerage	2019/2020 Annual Plan
Westport	\$900
Reefton	\$600
Little Wanganui	\$640

SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan

There were no significant variances.

MANDATORY PERFORMANCE MEASURES

Sewer Services	Key service criteria	Target level of service	Measurement	Current performance	Performance target
Mandatory performance measure one:					
Provide adequate capacity.	How often does the sewer overflow?	Performance measure one (system and adequacy):	The number of dry weather sewage overflows from Council's sewerage system expressed per 1,000 sewerage connections to Council's system.	2018/2019: 1. (2017/2018: 0).	5
Mandatory performance measure two:					
Provide sewer collection and disposal with minimal environmental impact.	Is the environment being harmed?	Performance measure two (discharge compliance):	Compliance with Council's resource consents for discharge from its sewerage system measured by the number of:		
			a) Abatement notices;	2018/2019: 0 (2017/2018: 0).	<5
			b) Infringement notices;	2018/2019: 0 (2017/2018: 0).	0
			c) Enforcement orders; and	2018/2019: 0 (2017/2018: 0).	0
		d) Convictions received by Council in relation to those resource consents	2018/2019: 0 (2017/2018: 0).	0	
Mandatory performance measure three:					
Provide sewer collection and disposal with minimal environmental impact.	Fault response times	Performance measure three (fault response times):	Where Council attends to sewage overflows resulting from a blockage or other fault in Council's sewerage system, the following median response times are measured:		
			a) Attendance time: from the time that Council receives notification to the time that service personnel reach the site; and	2018/2019: 5 overflows attended within timeframe. Median attendance time was 1 hour. <i>(2017/2018: 6 overflows attended within timeframe. Median attendance time was 1 hour).</i>	2 hours
		b) Resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.	2018/2019: 5 overflows resolved within 1 day with a median resolution time was 1 day. <i>(2017/2018: 6 overflows resolved within 1 day with a median resolution time was 1 day).</i>	1 day	
Mandatory performance measure four:					
Provide sewer collection and disposal with minimal environmental impact.	Customer satisfaction	Performance measure four (customer satisfaction):	The total number of complaints received by Council about any of the following:		
			a) Sewerage odour;	2018/2019: 0. (2017/2018: 0.3).	10 per 1,000 connections
			b) Sewerage system faults;	2018/2019: 0 (2017/2018: 0).	
			c) Sewerage system blockages, and	2018/2019: 1.3 (2017/2018: 0.3).	
d) Council's response to issues with its sewerage system (expressed per 1,000 properties connected to Council's sewerage system).	2018/2019: 0.36. (2017/2018: 0.32).				

FORECAST FUNDING IMPACT STATEMENT - WASTEWATER / SEWERAGE

Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
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Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	2,639	2,720	2,679
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	5	5	5
Total operating funding	A	2,644	2,725

Applications of operating funding

Payments to suppliers and staff	854	930	935
Finance costs	216	198	198
Internal charges and overheads applied	358	352	360
Other operating funding applications	0	0	0
Total applications of operating funding	B	1,428	1,479
Surplus/(deficit) of operating funding	A-B	1,216	1,246

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	(318)	(336)	(336)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	C	(318)	(336)

Capital expenditure

- to meet additional demand	0	0	0
- to improve the level of service	100	21	0
- to replace existing assets	862	873	894
Increase/(decrease) in reserves	(64)	16	(39)
Increase/(decrease) in investments	0	0	0
Total applications of capital funding	D	898	910
Surplus/(deficit) of capital funding	C-D	(1,216)	(1,191)
Funding balance	((A-B)+(C-D))	0	0

Stormwater

WHAT DO WE DO?

Stormwater management systems are a set of procedures and physical assets designed to manage the need to dispose of surface water as a result of rainfall.

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

In Punakaiki, the only public stormwater drain is maintained by NZTA 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 ARE WE INVOLVED IN THIS ACTIVITY?

Council provides stormwater systems to manage surface water runoff in a way that achieves a balance between the level of protection from localised flooding and the cost to the community.

ASSUMPTIONS

It has been assumed that there will not be significant population growth in urban areas requiring stormwater reticulation.

No new major legislation for stormwater will be enacted.

NEGATIVE EFFECTS

Storm and rain events of a severity which exceed design capability may result in short term negative effects such as localised flooding.

There is a potential danger posed by open drains.

COMMUNITY OUTCOMES AND HOW WE CONTRIBUTE TO STRATEGIC GOALS

The most significant outcome supported by the provision of stormwater systems is a healthy community. Uncontrolled stormwater runoff can be destructive and represent an immediate risk to life.

Stormwater systems promote prosperous and sustainable communities, through the minimisation of stormwater damage and the protection of the environment.

Well-being

The service is deemed to provide a public benefit, through the protection of property.

The provision of stormwater systems reduces the risk of death or injury resulting from flooding on private property.

SIGNIFICANT CAPITAL EXPENDITURE

- Main renewals (\$179,000).

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.

LEVELS OF SERVICE

The overall corporate goals and legislative requirements have been translated into a number of more specific target performance standards:

- To ensure that all stormwater systems have sufficient capacity to meet the reasonable needs of the consumers.
- To ensure that stormwater within urbanised areas does not contribute to cross boundary flooding for events up to 10% AEP* (1 in 10 year event).
- To ensure that stormwater within urbanised areas does not enter dwellings for events up to 2% AEP* (1 in 50 year event).
- To ensure that secondary flow paths are identified for events exceeding the capacity of the primary systems.
- To ensure that stormwater systems are maintained at or beyond the minimum capacity required.
- To ensure that stormwater systems are managed in a cost-effective manner.
- To ensure that stormwater discharges are managed in an environmentally sensitive manner.

It can be costly to undertake the necessary investigations to quantify what the capacity of an existing system actually is, and there can be significant costs associated with upgrading that capacity. Therefore, while it is appropriate to apply these performance standards to all new stormwater systems, a more pragmatic approach is taken towards the management of existing stormwater systems.

Specifically, all existing stormwater systems are simply maintained to their original design capacity. Additionally, when all of the following conditions exist, the actual capacity of existing stormwater systems need not be calculated if:

- The system has operated for over 30 years without significant flooding.
- The system has operated for over 30 years without significant damage.
- The system has operated for over 30 years to the satisfaction of the community.
- Site specific investigations are undertaken when the existing capacity is not considered acceptable to the individual community. Any upgrade options are considered based on risk and benefit/cost considerations.

SIGNIFICANT VARIANCE EXPLANATIONS

Annual Plan vs Long Term Plan

There were no significant variances.

MANDATORY PERFORMANCE MEASURES

Stormwater Services	Key service criteria	Target level of service	Measurement	Current performance	Performance target
Mandatory performance measure one:					
Provide adequate stormwater capacity.	Is there adequate stormwater drainage?	Performance measure one (system and adequacy):	a) The number of flooding events that occur in Council's systems.	2018/2019: There were 3 stormwater flooding events recorded from service requests (stormwater ponding within roadways is a regular occurrence because they are secondary flow paths) – target not met. <i>(2017/2018: there was 1 stormwater flooding event recorded from service requests (stormwater ponding within roadways is a regular occurrence because they are secondary flow paths). Target met.)</i>	No target has been established as flooding events are outside of Council's control.
			b) For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to Council's stormwater systems)	2018/2019: No houses inundated – target met. <i>(2017/2018: no houses inundated. Target met.)</i>	No more than 5 houses flooded for each event.
		The system can contain and dispose of stormwater, without ponding or overflow.	All new systems are designed with a minimum 10% AEP capacity, without ponding, and a minimum 2% AEP capacity, without inundation of dwellings.	2018/2019: No deficient designs were found. <i>(2017/2018: No deficient designs were found.)</i>	No deficient designs found in any year.
Mandatory performance measure two:					
Dispose of stormwater with the minimum environmental impact.	Is the environment being harmed?	Performance measure two (discharge compliance):	Compliance with Council's resource consents for discharge from its stormwater system measured by the number of:		
			a) Abatement notices;	2018/2019: Nil <i>(2017/2018: Nil.)</i>	Nil
			b) Infringement notices;	2018/2019: Nil <i>(2017/2018: Nil.)</i>	Nil
			c) Enforcement orders; and	2018/2019: Nil <i>(2017/2018: Nil.)</i>	Nil
		d) Convictions received by Council in relation to those resource consents	2018/2019: Nil <i>(2017/2018: Nil.)</i>	Nil	

MANDATORY PERFORMANCE MEASURES

Stormwater Services	Key service criteria	Target level of service	Measurement	Current performance	Performance target
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Mandatory performance measure three:

Dispose of stormwater with the minimum environmental impact.	Fault Response Times	Performance Measure three (fault response times):	The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.	2018/2019: 3 service requests for flooding events were attended to within 1 hour, with the median response time being 1 hour – target met. <i>(2017/2018: 4 service requests for flooding events were attended to within 1 hour, with the median response time being 1 hour - target met.)</i>	1 hour
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Mandatory performance measure four:

Dispose of stormwater with the minimum environmental impact.	Customer satisfaction	Performance measure four (customer satisfaction):	The total number of complaints received by Council about the performance of the stormwater system, expressed per 1,000 properties connected to Council's stormwater system.	2018/2019: 0.39 complaints were received per 1,000 properties, all regarding surface flooding – target met. <i>(2017/2018: 0.63 complaints per 1,000 properties were received, all regarding surface flooding - target met.)</i>	Less than or equal to 5 complaints per 1,000 properties.
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FORECAST FUNDING IMPACT STATEMENT - STORMWATER

 Annual Plan
2019/2020
\$000

 Long Term Plan
2020/2021
\$000

 Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties		429	531	553
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		5	5	5
Total operating funding	A	434	536	558

Applications of operating funding

Payments to suppliers and staff		125	155	167
Finance costs		27	26	25
Internal charges and overheads applied		113	104	115
Other operating funding applications		0	0	0
Total applications of operating funding	B	265	286	307
Surplus/(deficit) of operating funding	A-B	169	250	251

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		(33)	(34)	(35)
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	(33)	(34)	(35)

Capital expenditure

- to meet additional demand		0	0	0
- to improve the level of service		0	0	0
- to replace existing assets		136	216	216
Increase/(decrease) in reserves		0	0	0
Increase/(decrease) in investments		0	0	0
Total applications of capital funding	D	136	216	216
Surplus/(deficit) of capital funding	C-D	(169)	(250)	(251)
Funding balance	((A-B)+(C-D))	0	0	0

Solid Waste

WHAT DO WE DO?

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

Council provides solid waste collection and recycling services through an environmentally sustainable contractor.

Council entered into a 10-year contract with Smart Environmental Ltd to provide this service from 1 February 2014. This includes the collection and disposal of residual refuse and recycling, the management of the transfer stations and the transportation of residual waste to a landfill. The bag and wheelie bin and crate system are a more environmentally sustainable waste system for Zone 1 residents who benefit from many recycling materials being accepted as part of the kerbside collection service.

Council also operates two active landfills at Karamea and Maruia.

Council provides the aftercare of Council's closed landfill sites (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 ARE WE INVOLVED IN THIS ACTIVITY?

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

ASSUMPTIONS

Smart Environmental Ltd continue to provide the service that they tendered for in accordance with the contract provisions.

Legislation will not change significantly over the term of the plan.

Consumer patterns of consumption and product packaging will remain at the current levels, therefore similar amounts of waste will be produced by the District.

Inability for certain recycling streams to have a financial value due to the impact of China's National Sword Policy will remain.

The Government Landfill Waste Levy will come in place as of 1 July 2020.

NEGATIVE EFFECTS

Refuse is trucked to Nelson from Westport and Reefton and this adds to both road usage and vehicle pollution. All loads are fully secured and covered to minimise the opportunity for spillage. Road usage will be independently managed by the contractor.

Contaminants from closed landfills leaching into surrounding land and/or water posing a threat to the environment and general well-being of the public. This risk is minimised by compliance with resource consents and the monitoring of waterways in the vicinity of landfills.

COMMUNITY OUTCOMES AND HOW WE CONTRIBUTE TO STRATEGIC GOALS

This activity supports the following community outcomes:

Well-being

- The District has a means of safely disposing of its refuse.

Environment

- Refuse is collected and disposed of in a safe, efficient and sustainable manner.
- The solid waste disposal minimises risk of waste being inappropriately or dangerously disposed of.
- By providing safe collection and disposal of refuse by encouraging waste minimisation.

Learning

- Provide programmes to schools and the community on waste care and reduction.
- Continued public education around composting, food waste reduction strategies and recycling opportunities.

Prosperity

- By meeting commercial needs for dealing with waste.

CHANGES IN LEVEL OF SERVICE PROVIDED

- There are no changes in the level of service provided.

SIGNIFICANT ISSUES AND THEIR IMPACT

- Additional landfill levy costs from Central Government.
- Renewal of Maruia landfill resource consent increase to operating expenditure (\$39,500).

SIGNIFICANT CAPITAL EXPENDITURE

- Punakaiki public recycling container station (\$44,000).

FUNDING ALLOCATIONS

Funding allocations are as per the Revenue and Finance Policy.

Activity	Funding mechanism	
	Operating	Capital
Provision of waste management and waste minimisation in Zone 1, 2 and 3	100% Targeted rates	<ul style="list-style-type: none"> ■ Loans ■ Depreciation reserves ■ Investments
Residual costs associated with landfill monitoring	100% General rates	<ul style="list-style-type: none"> ■ Loans ■ Depreciation reserves ■ Investments

CHANGES IN FEES AND CHARGES

Fees & charges for Zone 1 are set by the contractor.

TARGETED RATES (ROUNDED)

(GST exclusive)

Solid Waste	2019/2020 Annual Plan
Zone 1	\$130
Maruia	\$121
Karamea	\$85

SIGNIFICANT VARIANCE EXPLANATIONS

Annual Plan vs Long Term Plan

Targeted rates

- The increase in Targeted rates is due to the increase in the cost of recycling and waste disposal and resource consent renewal, which was not predicted in the Long Term Plan.

Payments to suppliers and staff

- Due to an increase in the cost of recycling and waste disposal which was not predicted in the Long Term Plan.

Capital expenditure

- to replace existing assets

- additional recycling infrastructure planned for Punakaiki area due to the increase in tourist volume.

FORECAST FUNDING IMPACT STATEMENT - SOLID WASTE

 Annual Plan
2019/2020
\$000

 Long Term Plan
2020/2021
\$000

 Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties		288	268	293
Targeted rates		591	654	712
Subsidies and grants for operating purposes		43	44	44
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		97	99	99
Total operating funding	A	1,019	1,064	1,148

Applications of operating funding

Payments to suppliers and staff		824	815	926
Finance costs		60	53	53
Internal charges and overheads applied		125	123	133
Other operating funding applications		0	0	0
Total applications of operating funding	B	1,009	991	1,112
Surplus/(deficit) of operating funding	A-B	10	73	36

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
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	(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		33	8	55
Increase/(decrease) in reserves		(93)	(9)	(93)
Increase/(decrease) in investments		0	0	0
Total applications of capital funding	D	(60)	(1)	(38)
Surplus/(deficit) of capital funding	C-D	(10)	(73)	(36)
Funding balance	((A-B)+(C-D))	0	0	0

Professional Services Business Unit

WHAT DO WE DO?

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

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

WHY ARE WE INVOLVED IN THIS ACTIVITY?

An in-house professional services business 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 including water, wastewater and solid waste.

ASSUMPTIONS

Staffing and engineering requirements remain at present level.

NEGATIVE EFFECTS

There are no negative effects

COMMUNITY OUTCOMES AND HOW WE CONTRIBUTE TO STRATEGIC GOALS

This activity supports the following community outcomes:

Well-being

- By monitoring the conditions of Council assets and issuing requests for maintenance in time.

Sustainable Environment

- By monitoring landfills and wastewater treatment plants.

Prosperity

- By requesting necessary maintenance in time.

CHANGES IN LEVEL OF SERVICE PROVIDED

No anticipated changes in level of service.

SIGNIFICANT ISSUES AND THEIR IMPACT

No significant issues

SIGNIFICANT CAPITAL EXPENDITURE

- There is no capital expenditure planned for 2020/2021.

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 activities and departments.	Nil	Loans Depreciation reserves

SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan

Internal charges and overheads recovered

- The variance is related to movements in the costs explained below.

Payments to suppliers and staff

- There is a reduction in budgeted salary costs compared to the Long Term Plan .

KEY PERFORMANCE INDICATORS

What we plan to do and our levels of service

Key Performance Measure one:

- Provide engineering advice to Council and administer contracts.

How we do it	<ul style="list-style-type: none"> Provision of Asset Management Plans. 		
How we measure performance	Provide monthly reports on annual work programmes, monitor contract works. Prepare monthly contract progress. Prepare annual work programmes.	Performance 2018/2019: Programme reports were provided to the Chief Executive Officer and all delays and overruns have been explained. <i>(2017/2018: Monthly reports were provided through Work Programme Plans - target met.)</i>	Target Continue to provide programme reports to the Chief Executive Officer and explain all delays and overruns.

FORECAST FUNDING IMPACT STATEMENT - PROFESSIONAL SERVICES BUSINESS UNIT

Annual Plan
2019/2020
\$000

Long Term Plan
2020/2021
\$000

Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties		0	0	0
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		838	949	859
Local authorities fuel tax, fines, infringements fees and other receipts		0	0	0
Total operating funding	A	838	949	859

Applications of operating funding

Payments to suppliers and staff		624	762	654
Finance costs		0	0	0
Internal charges and overheads applied		146	159	147
Other operating funding applications		0	0	0
Total applications of operating funding	B	770	921	801
Surplus/(deficit) of operating funding	A-B	68	27	58

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
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	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		36	5	0
Increase/(decrease) in reserves		32	22	58
Increase/(decrease) in investments		0	0	0
Total applications of capital funding	D	68	27	58
Surplus/(deficit) of capital funding	C-D	(68)	(27)	(58)
Funding balance	((A-B)+(C-D))	0	0	0

Community Services

WHAT DO WE DO?

Community grants and funding

Council provides contestable grant funding for individuals, groups and community organisations through the Community Grants Fund, Community-Led Revitalisation Fund, Events Support Fund, Facilities Hire Fund and National Representation Grants, as well as managing the distribution of various government funding for arts, sporting and youth initiatives.

Sports, recreation & cultural facilities & services

Council transferred ownership of the (then) Solid Energy Centre to Buller Recreation Ltd on 01 July 2009 for improved commercial focus. Council continues to contribute towards the provision of recreation and aquatic services in Buller at facilities operated in both Westport and Reefton. The Westport sport and recreation facility is now named the Pulse Energy Recreation Centre after obtaining a ten year sponsorship agreement during 2017.

Libraries

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 available to help users to find the information they seek. Westport library operates 6 days a week and Reefton 5 days a week. Free internet access is provided through Aotearoa People's Network while downloadable audio books and eBooks are available via a library consortium.

NBS Theatre

NBS Theatre complex provides a 350 seater auditorium and double cinema community facility (main cinema provides 55 seats; the smaller cinema provides seating for 20). The theatre is open 7 days a week with multiple movie screenings and the auditorium provides a venue for live performances of all genres. The first 7 Day Makeover was completed outside the NBS Theatre which has helped to promote the theatre and encourage good use of the public space outside the theatre.

Reefton Cinema

Reefton Cinema is part of the Reefton Community Centre. Digital technology allows the cinema to screen a range of movies.

Communications

Council's website is regularly updated to provide information, and Facebook is also used for up to date communications. Information is proactively released through a variety of communications channels.

District economic development

One of the key areas of the Long Term Plan strategy is Council facilitating the diversification of our economy and working toward making Buller 'Fit for Future'. This will make the District more resilient to the decline in extractive industries and help to stabilise Buller's population. Council sees its role as a facilitator, helping to create links and foster relationships between the parties that can deliver economic development for Buller. A Strategic Economic Development Plan has been prepared, in the form of a mind map that tracks key opportunities for the District and how they are developing. This is a 'live' document that is kept up to date, and is reported

on bi-monthly.

District promotion and tourism support

Council currently provides funding for i-Sites and information centres throughout the District, and funds museums at Blacks Point, Granity, Karamea and Westport.

WHY ARE WE INVOLVED IN THESE ACTIVITIES?

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.

ASSUMPTIONS

No changes to funding from central government and national organisations.

NEGATIVE EFFECTS

There are no negative effects.

COMMUNITY OUTCOMES AND HOW WE CONTRIBUTE TO STRATEGIC GOALS

This activity supports the following community outcomes:

Well-being

- By providing facilities that allow people to play sport and achieve their fitness and recreational goals. Providing grants, facilities and spaces that assist in developing the community cohesion that supports mental and social well-being.

Learning

- Assisting in the development of lifelong learning and literacy through the Library network. Providing performance space for use in artistic and cultural performance. Working with educational institutions on collaborative projects.
- Recognise and support education excellence and opportunity in the District.

Prosperity

- Providing high quality community facilities to attract people to live and work in the Buller. Provide opportunities and funding that assist with tourism development and District promotion.

Who we are

- Provision of community grants to support community organisations.
- Provision of high quality community spaces and facilities.
- Support and encourage community groups and organisations providing events within the District.

Sustainable environment

- By providing an environment that reflects the lifestyle that is required and expected by residents and visitors.

SIGNIFICANT CAPITAL EXPENDITURE

Reefton Swimming Pool

- Additional funds to complete the upgrade (200,000).

NBS Theatre

- Roof replacement required (\$104,000).
- Cinema equipment replacement (\$70,000).

Reefton Community Centre

- Backstage/changing rooms upgrade (\$16,000).

Sue Thomson Casey Memorial Library

- Books and furniture (\$61,000).

Reefton Library

- Books and furniture (\$19,000).

REEFTON SWIMMING POOL

The 2019/2020 Annual Plan included \$300,000 for critical upgrades that would preserve the safety and usability of the Reefton Swimming Pool. Council heard from a number of people in the community about their views for the future of the facility, and agreed to carry out consultation with the community over options for the swimming pool.

Based on that feedback, plans have been drawn that would see the Reefton Swimming Pool building brought up to a compliant and safe standard, and improve the usability of the facility (e.g. by addressing temperature issues inside the building). Budget has been included in the 2020/2021 Annual Plan to have this work completed. The aim of this first stage is to ensure a solid, safe and compliant structure around the swimming pools, with improved user comfort.

Consultation has been carried out with the Reefton community on these plans, and on the future of the swimming pool. This has included conversations about the pools themselves and their operation. Consultation on a second stage for the Reefton Swimming Pool will continue, with an aim to look to the 2021-2031 Long Term Plan alongside other potential funding options to carry out any work decided on through this consultation.

FUNDING ALLOCATIONS

Activity	Funding mechanism		
	General rate	Fees	Capital spend
Tourism and promotion: <ul style="list-style-type: none"> ■ Economic development ■ Tourism ■ Museum funding 	100%		<ul style="list-style-type: none"> ■ Loans ■ Depreciation reserves <i>(for Tourism and Promotion)</i>
Libraries	90%	10%	<ul style="list-style-type: none"> ■ Loans ■ Investments ■ Depreciation reserves ■ Grants
Recreation facilities	100%	Nil *	<ul style="list-style-type: none"> ■ Loans ■ Investments ■ Depreciation reserves
Theatre	55-70%	30-45%	<ul style="list-style-type: none"> ■ Loans ■ Depreciation reserves ■ Grants ■ Investments
Community development & support	100%	Nil	Nil

* Fees charged at facilities accrue to Buller Recreation Ltd.

SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan

General rates, Uniform Annual General Charge, rate penalties

- Reduction is due to a predicted net reduction in costs explained below.

Subsidies and grants for operating purposes

- Additional subsidy for economic development officer in Reefton funded by OceanaGold.

Local authorities fuel tax, fines, infringements fees and other receipts

- primarily less income predicted from theatre and library activities than predicted in the Long Term Plan.

Payments to suppliers and staff

- Primarily additional economic development officer for Reefton fully funded by an external party.

Finance costs

- Savings in interest costs due to reductions in interest rates that were not predicted in the Long Term Plan.

Internal charges and overheads applied

- The variance is due to predicted increased expenses in other areas that allocate overheads to this activity.

Other operating funding applications

- Council has not provided a grant for Tourism West Coast in this Plan. It was provided for in the Long Term Plan.

Increase/(decrease) in debt

- The variance is related to additional debt required to fund the Reefton swimming pool upgrade.

Capital expenditure

- to replace existing assets

- The variance is primarily additional funds budgeted to complete the Reefton swimming pool upgrade.

KEY PERFORMANCE INDICATORS

What we plan to do and our levels of service

1. To provide services and facilities that meet information, learning, recreational and cultural needs.

How we do it	<ul style="list-style-type: none"> ■ Provision of sport and recreation facilities. ■ Provision of library facilities. ■ Provision of theatre and cinema facilities. 		
How we measure performance	Provide sport and recreation facilities through the Pulse Energy Recreation Centre and the Reefton swimming pool.	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
		2018/2019: Statements of Intent received annually for Council approval by statutory deadlines (draft in February with the final received in June). <i>(2017/2018: Statements of Intent were submitted and approved by Council.)</i>	Continue to submit Statements of Intent annually for Council approval.
	Provide library facilities through the Sue Thompson-Casey Memorial Library in Westport and the Reefton Library.	2018/2019: 2,603 active members (a decrease of 0.95%). <i>(2017/2018: 2,628 active members, a decrease of 0.3%.)</i>	Continue to achieve active library members by maintaining or increasing by 0-4% per annum,
		2018/2019: 97% of respondents to the Library survey are 'satisfied' or 'very satisfied' with library services. <i>(2017/2018: 96.23%.)</i>	Continue to achieve at least 80% respondents are 'satisfied' or 'very satisfied' with the library services.
	Provide theatre and cinema facilities through the NBS Theatre in Westport and the Reefton Cinema and Community Centre.	2018/2019: 40 screenings per week on average – target met. <i>(2017/2018: 29 screenings on average per week.)</i>	Continue to provide performing arts events, exhibitions, shows and cinema screenings.
		2018/2019: 45 days were hired out during the year – target met). <i>(2017/2018: 30 days.)</i>	Continue to hire out the auditorium for shows and performances for more than 30 days per year.

2. To keep the community informed.

How we do it	<ul style="list-style-type: none"> ■ Provision of information to the community. 		
How we measure performance	Continue to engage with the community and keep them informed through the distribution of communications as required.	Performance	Year 1 - 3 target: 2018/2019 - 2020/2021
		2018/2019: Printed newsletters are distributed to every Buller household every two months and are available on Council's website. Media releases are distributed as required. Information and public notices are actively posted to Council's Facebook page. A proactive communication approach has been taken on the Westport Water Tunnel project with monthly newsletters being produced. There will be a consistent approach for all major Council projects going forward. <i>(2017/2018: Printed newsletters are distributed to every Buller household every two months and are available on Council's website. Media releases are distributed as required.)</i>	Continue to engage with the community through the distribution of newsletters, emails and media releases as required.

FORECAST FUNDING IMPACT STATEMENT - COMMUNITY SERVICES

 Annual Plan
2019/2020
\$000

 Long Term Plan
2020/2021
\$000

 Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties		3,955	3,891	3,712
Targeted rates		0	0	0
Subsidies and grants for operating purposes		31	21	80
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		297	360	300
Total operating funding	A	4,283	4,272	4,092

Applications of operating funding

Payments to suppliers and staff		1,999	2,030	2,073
Finance costs		835	828	695
Internal charges and overheads applied		547	543	574
Other operating funding applications		616	585	480
Total applications of operating funding	B	3,997	3,986	3,822
Surplus/(deficit) of operating funding	A-B	286	286	270

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		168	(128)	63
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		435	435	435
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	603	306	498

Capital expenditure

- to meet additional demand		0	0	0
- to improve the level of service		0	0	0
- to replace existing assets		403	226	469
Increase/(decrease) in reserves		486	367	299
Increase/(decrease) in investments		0	0	0
Total applications of capital funding	D	889	593	768
Surplus/(deficit) of capital funding	C-D	(286)	(286)	(270)
Funding balance	((A-B)+(C-D))	0	0	0

Governance, Representation

WHAT DO WE DO?

Council is an elected body that provides a governance structure for effective leadership, advocacy and accountable stewardship of the Council's assets and resources.

Council is made up of 11 elected members including 10 Councillors and one Mayor who are elected to serve a three-year term of office which coincides with the local authority elections. Two Councillors represent Inangahua Ward, two represent Seddon Ward and six represent Westport Ward. The Mayor chairs Council. The Inangahua Community Board comprises of four elected members plus two Inangahua Ward Councillors. Governance are supported by a Chief Executive and staff.

WHY ARE WE INVOLVED IN THIS ACTIVITY?

The Local Government Act 2002 requires Council and elected members to lead and represent their community. This Act requires Council to meet current and future needs of community in terms of good quality infrastructure and services as well as provide quality regulatory functions, all in a cost effective way. As well as this, Council is well placed to provide advocacy and leadership on other local matters that are outside those core functions.

Council and Community Boards provide:

- Advocacy for community issues
- Monitoring of performance
- Strategy setting to decide the level of services and activities to be provided to the District's communities
- A way for our community to have it's views heard
- A way to promote social, economic, environmental and cultural wellbeing for the Buller District

ASSUMPTIONS AND NEGATIVE EFFECTS

We have assumed there will be no significant legislation changes that may affect this activity. There are no negative effects.

SIGNIFICANT ISSUES AND THEIR IMPACT

Council has a major role as a facilitator and as an advocate for the district. It should provide reliable, affordable services and infrastructure that meet the community's needs, help develop attractive towns and a district that people will want to visit and reside in. This is important to provide the springboard for economic growth and a transition to a diversified, resilient and sustainable economy which is a key aspect of Councils strategy.

Council has advocated successfully recently including being instrumental in the success of a number of central government Provincial Growth Fund applications which will have important implications for the districts future growth. The very near future looks positive for the district and Council is expecting a period of economic growth for the district with a number of exciting proposals on the horizon!

Protecting communities from some of the effects of climate change are important given some of the recent weather events, therefore working closely with the West Coast Regional Council is high on Councils list of priorities for this plan.

It is also important that Council considers affordability issues in our communities. Rates affordability is important. Council is committed to improving the current rates system to make it fairer for all. In addition Council has been work closely with its holding company to look at opportunities to increase income from this area which would help to ease Council's reliance on rates income.

RATES OVERHAUL

Council noted in the 2012-2022 Long Term Plan that a Rating Review was long overdue. The existing system has been heavily modified over time and it has evolved into a complex set of rating categories which are all uniquely rated. The historical reasons for charging some ratepayers less or more than other rating categories are no longer appropriate or equitable.

Since 2013 Council has spent considerable time analysing the issues and considering the possibilities for change. Preliminary consultation was undertaken during 2014 and a second phase of consultation was completed in 2018. After the second phase of consultation it was agreed that land value would be used for the valuation base to set general rates and the complicated rating system would be simplified by a review of the differentials.

Since January 2018 work has continued on the rating review, and Council is now finalising a model that may be available for consultation in upcoming Annual Plans or the Long Term Plan. While any new rating system may alter the way rates are assessed for individual ratepayers, this has no effect on the total amount of rates to be collected and therefore makes no impact on any figures in this Annual Plan compared to the Long Term Plan.

FUNDING ALLOCATIONS

Activity	Funding mechanism		
	General rate	Fees	Capital spend
Democracy	100%	Recoveries from triennial elections	Nil

SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan

General rates, Uniform Annual General Charge, rate penalties

- The variance is due to the effect of additional costs detailed below.

Payments to suppliers and staff

- This is made up primarily of the statutory increase to elected member salaries and additional governance assistant position offset by predicted savings in other expenses.

Internal charges and overheads applied

- Increases from the Long Term Plan due to reorganisation of the management structure in 2019/20 including splitting community services and regulatory activities with the addition of a new manager which allocates additional costs.

KEY PERFORMANCE INDICATORS

What we plan to do and our levels of service

1. To co-ordinate annual budgeting and financial planning processes.

How we do it	■ Provide annual budgeting and financial planning processes.		
How we measure performance	Ensure annual budgeting and financial planning processes are adhered to in preparation of Long Term Plans, Annual Plans and Annual Reports within statutory timeframes with an unqualified audit opinion being gained.	Performance 2018/2019: Council met required statutory deadlines for the adoption of the 2019/2020 Annual Plan, before 30 June 2019. (2017/2018: Council met required statutory deadlines for the adoption of the 2018-2028 Long Term Plan.)	Target: 2020/2021 Continue to meet statutory deadlines for adoption of Council's Long Term Plan and Annual Plan.

2. To maintain customer satisfaction.

How we do it	■ Provide a satisfactory level of customer service.		
How we measure performance	Ensure at least 85% of residents are satisfied with the information they receive from Council	Performance 2018/2019: Council conducted a customer satisfaction survey in June 2019. This KPI was not directly measured by 32% of respondents related their satisfaction with Council's customer service overall at 9 or 10, out of 10, and 27% rated it between 6 and 8, out of 10. (2017/2018: A customer satisfaction survey was carried out in December 2017 with 75% of residents satisfied with the information they receive from Council.)	Target: 2020/2021 Continue to ensure at least 85% of residents are satisfied with the information Council distributes.

3. To maintain transparency, accountability and accessibility to the public.

How we do it	■ Provide Council remain accountable through transparency and accessibility.		
How we measure performance	Ensure each Council meeting allows the opportunity for public participation through speaking rights and public forum, providing accountability, transparency and public accessibility to information provided.	Performance 2018/2019: Public forum participation is advertised in advance of each monthly Council meeting – target met. (2017/2018: Public forum participation is advertised in advance of each monthly Council meeting.)	Target: 2020/2021 Continue to provide a full opportunity for public participation in Council meetings through availability of speaking rights and the public forum.
	Ensure at least 90% of Council business is conducted in open forum.	2018/2019: 82.89% of Council's agenda items were discussed in the public arena. (2017/2018: 92% of Council's agenda items were discussed in the public arena.)	Continue to conduct at least 90% of Council business in open forum.
	Ensure at least 90% of residents are satisfied that Council consults with them on important issues.	2018/2019: Council conducted a customer satisfaction survey in June 2019. This KPI was not directly measured but 32% of respondents related their satisfaction with Council's customer service overall at 9 or 10, out of 10, and 27% rated it between 6 and 8, out of 10. (2017/2018: 67% of residents are satisfied that Council consults with them on important issues.)	Continue to ensure at least 90% of residents are satisfied that Council consults with them on important issues.

4. To co-operate with other agencies.

How we do it	■ Participate in shared services.		
How we measure performance	Ensure full participation in the Mayors, Chairs and CEO meetings with the other West Coast Council's.	Performance 2018/2019: 100% - four meetings were held during the year. (2017/2018: 100% - four meetings were attended during the year.)	Target: 2020/2021 Continue to attend 100% of West Coast Mayors, Chairs and CEO meetings.

FORECAST FUNDING IMPACT STATEMENT - GOVERNANCE, REPRESENTATION

Annual Plan
2019/2020
\$000

Long Term Plan
2020/2021
\$000

Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties		1,481	1,364	1,625
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		30	0	0
Total operating funding	A	1,511	1,364	1,625

Applications of operating funding

Payments to suppliers and staff		536	585	633
Finance costs		0	0	0
Internal charges and overheads applied		975	779	992
Other operating funding applications		0	0	0
Total applications of operating funding	B	1,511	1,364	1,625
Surplus/(deficit) of operating funding	A-B	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
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	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	D	0	0	0
Surplus/(deficit) of capital funding	C-D	0	0	0
Funding balance	((A-B)+(C-D))	0	0	0

Customer Services, Support Services

WHAT DO WE DO?

Customer Services and Support Services provides numerous functions for Customers and all of Council including:

- Service Centres for customer use in Westport and Reefton
- Corporate planning and support to Governance
- Financial and accounting operations
- Production of Annual Plans, Long Term Plans and Annual Reports
- Rating operations and rates overhaul project
- Human Resources management
- Information Technology management
- General administration
- Health and safety compliance
- Monitoring and compliance of all Council Controlled organisations
- Guidance and monitoring of Holding Company performance
- Asset management
- Management functions

WHY ARE WE INVOLVED IN THIS ACTIVITY?

- The activity supports the functioning of all Council's activities and service provision.

ASSUMPTIONS AND NEGATIVE EFFECTS

- The current plan and rating is based on the current rating model.

CONTRIBUTES TO WHAT COMMUNITY OUTCOMES?

- Customer Services covers all the community outcomes as it provides the front-of-house means for the community to interact with Council.
- Support Services covers all the community outcomes as it provides the administrative and operational capacity to achieve them.

FUNDING ALLOCATIONS

Activity	Funding mechanism		
	General rate	Fees	Capital spend
Support Services	Overheads reallocated to other departments	Nil	Nil Special Funds

SIGNIFICANT ISSUES AND THEIR IMPACT

- Council recently had a practice review around official information provision to the community and other Local Government Official Information and Meetings Act 1987 (LGOIMA) functions. This identified, as is the case with many local authorities, that information management was of vital importance to the organisation and is one of the key risks that an organisation, particularly a public organisation faces. Council will continue to implement information management improvements in 2020/2021.

SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan

Internal charges and overheads recovered

- The variance is due to additional costs in the activity that are recovered from the cost centres that utilise or benefit from the support activity. The Long Term Plan comparative for this activity was not correct therefore the variance will differ. The correct amount in the Long Term Plan should be \$4,225,000 giving a movement of \$407,000.

Payments to suppliers and staff

- The variance is due to an additional manager and resources introduced in the 2019/2020 Annual Plan \$235,000. In addition in 2020/2021 additional human resources and governance assistant, asset management role (offset in PSBU) and a part time fixed term finance role that were not provided for in the Long Term Plan.

KEY PERFORMANCE INDICATORS

What we plan to do and our levels of service

1. To prioritise and manage operating expenditure and capital expenditure.

How we do it	<ul style="list-style-type: none"> Provide timely and accurate information. 		
How we measure performance	<p>Ensure accountability to provide sound governance and financial management.</p> <p>Compliance with stated strategies in Annual Plan and Long Term Plan.</p>	Performance	Target: 2020/2021
		<p>2018/2019: 100% monthly reports were provided to the Finance, Risk and Audit Committee and the Senior Leadership Team in a timely and accurate manner – target met.</p> <p><i>(2017/2018: monthly reports are provided in a timely and accurate manner.)</i></p>	<p>Continue to provide timely and accurate reports to the Finance and Audit Committee on all key financial operations for further action, and to monitor and proactively address variances.</p>

2. To reduce the incidence of work-related accidents and to ensure that Council complies with Health and Safety legislation.

How we do it	<ul style="list-style-type: none"> Provide a satisfactory level of health and safety advice and support. 		
How we measure performance	<p>Ensure Council has systems, procedures and policies in place to comply with Health and Safety polices and legislation:</p> <ul style="list-style-type: none"> Safety and Health in Employment Act 1992 Safety and Health in Employment Legislation 1995 Employment Relations Act 2000 	Performance	Target: 2020/2021
		<p>2018/2019: Software system 'Vault' now utilized for reporting accidents, incidents and observations. Regular Health & Safety Committee meetings are being held. A staff workshop was held covering bullying and harassment.</p> <p><i>(2017/2018: policies and management systems reviewed and updated, new software system 'Vault' introduced for reporting accidents, incidents and observations under Health and Safety Legislation.)</i></p>	<p>Continue to update systems, procedures and policies to comply with legislation.</p>

FORECAST FUNDING IMPACT STATEMENT - CUSTOMER SERVICES, SUPPORT SERVICES

Annual Plan
2019/2020
\$000

Long Term Plan
2020/2021
\$000

Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties		294	285	285
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		4,630	3,822	4,631
Local authorities fuel tax, fines, infringements fees and other receipts		68	70	70
Total operating funding	A	4,992	4,177	4,986

Applications of operating funding

Payments to suppliers and staff		3,690	3,244	3,808
Finance costs		133	134	95
Internal charges and overheads applied		974	984	939
Other operating funding applications		0	0	0
Total applications of operating funding	B	4,797	4,362	4,842
Surplus/(deficit) of operating funding	A-B	195	(185)	144

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
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	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		153	80	84
Increase/(decrease) in reserves		42	(265)	60
Increase/(decrease) in investments		0	0	0
Total applications of capital funding	D	195	(185)	144
Surplus/(deficit) of capital funding	C-D	(195)	185	(144)
Funding balance	((A-B)+(C-D))	0	0	0

Property

WHAT DO WE DO?

Buildings and structures

Provision of public buildings and structures.

Cultural and community facilities

Provision of community halls, theatres, aquatic centres, sporting facilities, meeting facilities.

Commercial property

Assist with property transfers and acquisitions along with Council property licences, leases and legal agreements pertaining to property.

Amenities, parks, domains, reserves and public spaces

Council provides and maintains active and passive recreational land and facilities in the Buller District to meet community and environmental needs. These areas may be managed by Council, or in conjunction with local reserve or hall sub-committees. This includes the provision of gardens, sports grounds, green areas, playgrounds and parks.

Public toilets

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

Property management

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

Cemeteries

Council operates the following cemeteries:

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

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

Housing for the elderly

Council provides affordable housing for the elderly. There are 46 housing units provided.

- 4 in Karamea
- 16 in Reefton
- 26 in Westport

Fleet management

Fleet supervision for all Council vehicles is managed under the property portfolio.

Urban renewals and revitalisation

In conjunction with the "roading and transport activity", property assists with urban revitalisation which provides a more pleasant environment for our communities by improving urban spaces. Urban revitalisation and renewal shapes and articulates space by giving form, shape and character to buildings, neighbourhoods and towns.

Urban development in the "roading and transport activity" includes the use of plantings, street treatments and decorative measures with a focus on the beautification of main thoroughfares with street flags and hanging floral baskets.

Events Facilitation

Supporting events associated with the various aspects of the property portfolio.

Why are we involved in these activities?

- The provision and maintenance of amenities and reserves creates a pleasant environment in which to live, work and play, which is an important part of the vision for the District. Amenities and reserve areas provide for social interaction and promote sport and recreation.
- Council owned buildings allows for cost effective provision of essential property facilities for community use.
- The provision of public toilet facilities assists with promoting the health and well-being of the community and environment and enhances visitor experience.
- Jointly funding facilities with other agencies allows the public access to facilities at an acceptable cost.
- Housing for the elderly assists ratepayers to remain in the District close to public facilities.

ASSUMPTIONS

It is assumed that:

- The current levels of service are maintained for parks and reserves maintenance.
- Unused and abandoned grounds will be rationalised and depending on legal limitations, options and opportunities will be considered to reduce maintenance costs.
- Council will not construct any new pensioner units in Westport, Karamea and Reefton.
- The Urban Revitalisation project will offer opportunities to rationalise the Council building and property portfolio with a view to achieve long term benefits for the District and also achieve integration with progressive community makeover projects.

NEGATIVE EFFECTS

There are no negative effects.

RESERVE CONTRIBUTIONS

Council collects financial contributions for the provision of open space, public recreation or other reserves (commonly referred to as 'Reserve Contributions') as a condition of resource consents for subdivision. These contributions are taken under the Buller District Plan, which also specifies how they can be used. It says that the money can only be used to upgrade public recreational space and other reserves with facilities for public recreation and enjoyment, or for the protection of conservation values on reserves.

Reserve contributions can only be spent on land that meets the District Plan's definition of 'reserve'.

The community may have suitable projects for these reserves and are welcome to make a submission in this Annual Plan.

COMMUNITY OUTCOMES AND HOW WE CONTRIBUTE TO STRATEGIC GOALS

This activity supports the following community outcomes:

Well-being

- By ensuring our parks and reserves are healthy and safe.
- By providing areas for people to engage in healthy activities.

Environment

- By offering opportunities for people to contribute to projects that improve our District’s environment.

Learning

- By providing the opportunity to learn through social interaction and recreation.

Prosperity

- By contributing to the District’s image and attracting businesses, skills and tourism.

RENTAL CHARGES

Housing for the elderly

Housing for the elderly	(per week)
Single	\$137
Couple	\$180

WINZ accommodation supplements are available for tenants who meet certain income and asset criteria.

FUNDING ALLOCATIONS

Funding allocations are as per the Revenue and Finance Policy.

Activity	Funding mechanism		
	General rate	Fees	Capital spend
Reserves	100%	Nil	<ul style="list-style-type: none"> ■ Special Funds ■ Loans
Public Toilets	100%	Nil	
Cemeteries	75%	25%	
Housing for the Elderly	Nil	100%	
Property – community	95%	5%	
Property – private	Nil	100%	

SIGNIFICANT ISSUES AND THEIR IMPACT

Westport Harbour

The Westport Harbour is a key part of the District infrastructure and contributes to economic output of the region and is important for District resilience. The port recently secured a successful Provincial Growth Fund application to upgrade the berthage facilities for the fishing fleet. Council sees key relationships with stakeholders as being important in securing and improving the ports future.

The Kawatiri dredge has a number of key projects expected to occur in the 2020/2021 financial year. Every contract the Kawatiri delivers outside of the district generates revenue to Council and eases the rates burden. Council has removed the dredge from sale while it gains a better understanding of opportunities that may eventuate through the port.

Reefton public toilets

Council had previously budgeted \$350,000 to upgrade the public toilets on the corner of Broadway and Bridge Street, however the upgrade was put on hold due to the potential for a commercial project on the site to provide replacement public toilets. That project is no longer going ahead. A budget of \$400,000 has been included for the 2020/2021 financial year to complete the toilet upgrade. It is intended to seek \$200,000 of this from the Tourism Infrastructure Fund.

SIGNIFICANT CAPITAL EXPENDITURE

In this Annual Plan, Council expects to spend the following:

- Parks, playgrounds and green spaces for increased level of service (65,000).
- Ngakawau Hall re-roofing and fire doors (\$22,000).
- Orowaiti Cemetery development (\$66,000).
- Peel Street yard power supply reinstatement (\$35,000).
- Housing for the Elderly: \$52,000 mainly for re-roofing and heating upgrades.
- Reefton Public toilet upgrade: \$400,000 contingent on Tourism Infrastructure Fund contribution of \$200,000.
- Victoria Square Complex: \$168,000 for Civil Defence HQ earthquake strengthening and \$100,000 for playing field resurfacing.
- Brougham House: \$978,000 for upgrade of office facilities.
- Urban Revitalisation: \$150,000 for district-wide volunteer projects and \$260,000 for district-wide revitalisation.
- Punikaiki Camping Ground facilities (\$52,000).
- Westport Harbour, Kawatiri dredge replacement equipment (\$78,000).

SIGNIFICANT VARIANCES

Annual Plan vs Long Term Plan

Local authorities fuel tax, fines, infringements fees and other receipts

- The variance to the Long Term Plan is primarily due to additional income predicted for the harbour and additional dredging revenue.

Payments to suppliers and staff

- The variance to the Long Term Plan is primarily due to additional expenditure predicted for dredging activities as well as increases in insurance cost that relate to buildings.

Finance costs

- Predicted saving in debt servicing costs due to lower interest rates.

Internal charges and overheads applied

- Predicted increases in costs allocated from other activities in council

Subsidies and grants for capital expenditure

- Budgeted subsidy for Reefton toilet which was not included in the Long Term Plan.

Capital expenditure

- to replace existing assets

- Additional requirements to the Long Term Plan include Reefton toilet, Victoria Square playing field upgrade and improvements related to the Kawatiri dredge.

KEY PERFORMANCE INDICATORS

What we plan to do and our levels of service

1. To provide and manage parks and reserves.

How we do it	<ul style="list-style-type: none"> Provide parks and reserves that meet the community and environmental needs. 		
How we measure performance	Ensure checks on contractor's standard of maintenance on active recreation areas are carried out.	Performance 2018/2019: 100% checks were undertaken on the maintenance contracts and defects were notified to and/or by the contractor and re-mediated. <i>(2017/2018: 100%.)</i>	Target: 2020/2021 Checks are undertaken on the maintenance contract for the whole period.
	Conduct weekly safety and maintenance inspections on playground equipment.	2018/2019: 100% safety checks were completed on all playground equipment and defects notified to and/or by the contractor and re-mediated. The contractor provided a record of weekly checks. <i>(2017/2018: 100%.)</i>	Weekly safety checks are undertaken by the maintenance contractor for the whole period.

2. To provide and manage housing for the elderly.

How we do it	<ul style="list-style-type: none"> Provide affordable and well maintained elderly housing. 		
How we measure performance	Ensure at least 90% occupancy of elderly persons housing.	Performance 2018/2019: 98% occupancy. <i>(2017/2018: 98.5%.)</i>	Target: 2020/2021 Occupancy rate of elderly persons housing to be 90% or greater.
	Ensure at least 80% satisfaction on elderly housing provided.	2018/2019: 37 questionnaires were received from 45 units, with a satisfaction rate of 82%. <i>(2017/2018: 37 questionnaires were received from 45 units, with a satisfaction rate of 83.5%.)</i>	Satisfaction rate of elderly housing provided to be at least 80%.

3. To provide and manage cemeteries.

How we do it	<ul style="list-style-type: none"> Provide and manage cemeteries that meet community needs. Provide adequate plots and land to meet the Districts burial needs. 		
How we measure performance	Ensure provision and management of cemeteries to provide for community health. Maintain cemetery facilities to the appropriate national standard, with public records available on request.	Performance 2018/2019: Cemetery facilities have been maintained to the appropriate national standard and public records are available on request. <i>(2017/2018: Cemetery facilities have been maintained to the appropriate national standard and public records are available on request. A new eco burial site was established at the Orowaiti Cemetery, Westport.)</i>	Target: 2020/2021 Continue to provide and maintain cemetery facilities to the appropriate national standard, with public records available on request.
	Ensure sufficient burial plots are available in all wards to meet current and future demands.	2018/2019: No extensions were required to meet the target. <i>(2017/2018: no extensions were required. Council is investigating options for a new eco burial site in Karamea.)</i>	Continue to provide adequate plots and land to meet the District's burial needs.

KEY PERFORMANCE INDICATORS

What we plan to do and our levels of service

4. To provide and manage sufficient public toilets to meet the needs.

How we do it	<ul style="list-style-type: none"> Provision of public toilets has health and economic benefits supporting local communities, businesses and visitor destinations. 		
How we measure performance	Ensure facilities are cleaned, inspected and maintained to a serviceable standard.	<p>Performance</p> <p>2018/2019: Facilities were inspected, cleaned and maintained to a safe and acceptable standard. Contracts are in place for appropriate monitoring, cleaning and servicing of all Council toilet facilities throughout the Buller District.</p> <p><i>(2017/2018: Target met. New facilities were established at North Beach, Westport and Fox River.)</i></p>	<p>Target: 2020/2021</p> <p>Continue to clean, inspect and maintain toilet facilities to a serviceable standard.</p>

5. To provide and manage Council's properties.

How we do it	<ul style="list-style-type: none"> Provide property management of Council's properties to enable service delivery and safety for its users. 		
How we measure performance	Ensure Council's properties are maintained and safe by responding to service requests 100% of the time in 10 working days or less.	<p>Performance</p> <p>2018/2019: 58% of service requests were completed within 10 working days. 42% of service requests were not completed within 10 working days but may have been responded to within the 10 working day target, however this target is not measured. As the target of responding to requests within 10 working days was not measured this target cannot be met.</p> <p><i>(2017/2018: 100% of service requests were responded to within 10 working days. Council properties providing public services are managed to ensure compliance and safety for the users.)</i></p>	<p>Target: 2020/2021</p> <p>Continue to maintain Council's properties and respond to 100% of service requests within 10 working days.</p>

FORECAST FUNDING IMPACT STATEMENT - PROPERTY

 Annual Plan
2019/2020
\$000

 Long Term Plan
2020/2021
\$000

 Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties		1,999	1,761	1,628
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		457	464	421
Local authorities fuel tax, fines, infringements fees and other receipts		1,863	1,504	2,677
Total operating funding	A	4,319	3,729	4,726

Applications of operating funding

Payments to suppliers and staff		3,016	2,496	3,516
Finance costs		106	155	80
Internal charges and overheads applied		570	465	582
Other operating funding applications		0	0	0
Total applications of operating funding	B	3,692	3,117	4,178
Surplus/(deficit) of operating funding	A-B	627	612	548

Capital funding

Sources of capital funding

Subsidies and grants for capital expenditure		0	0	200
Development and financial contributions		0	0	0
Increase/(decrease) in debt		670	842	861
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	670	842	1,061

Capital expenditure

- to meet additional demand		0	0	0
- to improve the level of service		583	547	545
- to replace existing assets		1,375	1,262	1,929
Increase/(decrease) in reserves		(661)	(356)	(865)
Increase/(decrease) in investments		0	0	0
Total applications of capital funding	D	1,297	1,453	1,609
Surplus/(deficit) of capital funding	C-D	(627)	(612)	(548)
Funding balance	((A-B)+(C-D))	0	0	0

Council Controlled 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
- Vehicle workshop repairs
- Response to road and civil defence emergencies
- Roadside vegetation control
- Property maintenance
- Septic waste disposal

BULLER RECREATION LIMITED

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

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

2. Significant policies and objectives

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

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

FINANCIAL PERFORMANCE

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

SERVICE

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

EMPLOYEE RELATIONS

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

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

SAFETY AND ENVIRONMENT

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

3. Key Performance targets

BULLER HOLDINGS LIMITED

Objective	Performance Measure	2020/2021 Targets
Financial Performance	a) Achieving budget revenue and expenditure.	Operate within budgets.
	b) Delivery of unaudited quarterly reports by 16 November, 23 February and 16 May.	Provision of quarterly reports to Council by due dates.
	c) Delivery of an annual report and audited financial statements in respect to the financial year.	Provision of annual report and audited financial statements due date.
	d) The Directors shall provide a Statement of Intent by 1 March for approval by Council.	Provision of Statement of Intent by due date.
	e) Financial performance will be measured against the forecasts and KPIs in the approved Statement of Intent.	Annual review of financial performance.
Operational	a) The Board of Directors will meet with the Buller District Council, CCTO Committee at least three times per year on a formal basis.	Meet at least three times per year on a formal basis.
	b) The Buller Holdings Chief Executive will provide a formal and/or informal report to Council as requested.	Provide a formal and/or informal report to Council as requested.
	c) The Chief Executive of Buller Holdings will meet with the Chief Executive of Buller District Council when requested.	Meet with Chief Executive of Buller District Council as requested.
Health and Safety	a) Medical Treatment Injuries.	Nil medically treated injuries.
	b) Serious Harm Accidents.	Nil serious harm incidents.
	c) Lost Time Incidents .	Nil lost time incidents.

WESTREEF SERVICES LIMITED

Objective	Performance Measure	2020/2021 Targets
Financial Performance	a) To achieve a pre-tax operating profit of at least 13% on gross revenue (before subvention).	13% pre-tax operating profit.
	b) To grow revenue from competitively procured work.	Target 45% of gross revenue.
	c) Maintain a ratio of 60% of shareholders' funds to total assets.	Target of 60% shareholder funds to total assets to be maintained.
Environmental	a) Receive no enforcement notices.	Achieve nil enforcement notices.
Service Performance	a) To renew its TQS1 certification as required.	Achieve renewal.
	b) Meet with major clients to obtain feedback on contract performance.	Minimum of 12 meetings per year.
	c) Support activities involved with the social and environmental development in the community.	Support a minimum of 15 community activities.
Employee Leadership, Development and Retention	Hold staff meetings to ensure effective communication with all staff.	Weekly department staff meetings.
	Undertake staff satisfaction survey (2 yearly).	Conduct survey during 2020/2021.
	Meet employee turnover targets excluding retirement, redundancy and internal transfers.	Turnover within the range of +/- 5% of national benchmark.
Health and Safety	a) Medical Treatment Injuries.	Nil medically treated injuries.
	b) Serious Harm Accidents.	Nil serious harm incidents.
	c) Lost Time Incidents.	Nil lost time incidents.
	d) ISO 45001 accreditation.	Maintain ISO 45001 accreditation.

BULLER RECREATION LIMITED

Objective	Performance Measure	2020/2021 Targets
Financial Performance	Achieve budget revenue and expenditure.	Operate within budget.
Service Performance	Average fitness centre membership and retention rate per annum.	Achieve membership of 600. Achieve retention rate > 75%.
	Average patronage per month over 12 months.	Average 4,080 visits per month.
	Achieve target number of swimming students over four swimming terms.	150 swimming students.
	Undertake client satisfaction survey (2 yearly)	Complete next survey as it falls due.
Health and Safety	a) Medical Treatment Injuries.	Nil medically treated injuries.
	b) Serious Harm Accidents.	Nil serious harm incidents.
	c) Lost Time Incidents.	Nil lost time incidents.
Employee Leadership, Development and Retention	Hold staff meetings to ensure effective communication with all staff.	All of staff meetings every 4 months.
	Review the succession plan for key positions and identify training needs and actions for the next 12-months.	Update succession plans and training programs.
	Undertake a staff satisfaction survey (2 yearly).	Conduct survey during 2020/2021.
Asset Management Plan (AMP)	Complete review of the Asset Replacement Schedule (AMP) annually.	Complete annual review of AMP.
	Complete maintenance and replacement in accordance with AMP (monitor monthly).	Complete planned maintenance and replacement program.

Other Council Controlled Organisations

BULLER HEALTH TRUST

- 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 has owned the Westport Dental Clinic since November 2005 and purchased Coast Medical Centre from Dr Martin Smith in April 2020 to retain this GP practice for the benefit of the community.
- Significant policies and objectives**
 - The Mayor and Chief Executive are appointed as Trustees.
 - The objective of the trust is to support the provision of medical services in the Buller District.
 - The Buller District Council provides funding to the Trust by way of loans.
- Key Performance targets**
 - To support the provision of appropriate medical services to the Buller community.
 - To operate on a breakeven basis.
- Significant variances: Annual Plan vs Long Term Plan**
 - There are no significant variances compared to the Long Term Plan.

DENNISTON HERITAGE TRUST

- Nature and scope of activities to be provided**

The Denniston Heritage Charitable Trust was established in July 2007. The purpose of the Trust is the preservation, enhancement and interpretation of Denniston's natural, social, industrial and geological history. The Trust's current activities include maintaining historical installations at Denniston to allow visitors to experience the richness of the historic and natural heritage, supported by facilities and information and interpretation panels at Denniston.
- Significant policies and objectives**
 - The Board of the Denniston Heritage Trust comprises of at least seven Trustees, of which one is appointed by the Buller District Council.
 - The objective of the Trust is to maintain the historical features of Denniston and to encourage visitors, while at the same time managing unwanted visitor impacts on the local community, natural environment and heritage site.
 - The Buller District Council does not provide funding to the Trust.
- Key Performance targets**
 - To meet the objectives of the Trust as well as assist in coordinating developments associated with the Denniston Experience Mine Tours.
 - To promote Denniston as a premium visitor location rich in natural and historic heritage.
- Significant variances: Annual Plan vs Long Term Plan**
 - There are no significant variances compared to the Long Term Plan.

WESTPORT AIRPORT

- 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.
- 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.
- 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.
- Significant variances: Annual Plan vs Long Term Plan**
 - Predicted increase in employment cost to the Long Term Plan due to Airport reorganisation.

Payments to Suppliers and staff

- Predicted increase in employment cost to the Long Term Plan due to Airport reorganisation.

FORECAST FUNDING IMPACT STATEMENT

- WESTPORT AIRPORT

 Annual Plan
2019/2020
\$000

 Long Term Plan
2020/2021
\$000

 Annual Plan
2020/2021
\$000

Operating funding

Sources of operating funding

General rates, uniform annual general charge, rates penalties		79	81	97
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		116	104	106
Total operating funding	A	195	186	203

Applications of operating funding

Payments to suppliers and staff		124	117	147
Finance costs		0	0	0
Internal charges and overheads applied		14	14	24
Other operating funding applications		0	0	0
Total applications of operating funding	B	138	131	171
Surplus/(deficit) of operating funding	A-B	57	54	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		0	0	0
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	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		5	5	11
Increase/(decrease) in reserves		52	49	21
Increase/(decrease) in investments		0	0	0
Total applications of capital funding	D	57	54	32
Surplus/(deficit) of capital funding	C-D	(57)	(54)	(32)
Funding balance	((A-B)+(C-D))	0	0	0

Financial Statements

Includes the following financial reports:

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FORECAST STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

		Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Operating revenue				
	Notes:			
General rates	1	8,638	8,638	8,686
Targeted rates	2	6,073	6,253	6,364
Rates penalties		160	160	160
Metered water charges		209	214	214
Subsidies and grants	3	5,041	3,964	5,466
Fees and charges	4	3,499	3,219	4,325
Development contributions		51	52	52
Vested assets		52	52	52
Revaluation of investment properties		163	166	37
Holding company distribution		1,400	1,100	1,300
Investment income	5	804	819	582
Total operating revenue		26,089	24,635	27,238
Operating expenditure				
Employee benefit expenses		5,290	4,929	5,828
Depreciation and amortisation	6	6,652	6,625	6,268
Finance costs	7	1,319	1,319	983
Other expenses		13,178	12,258	12,774
Write-off of assets		527	525	472
Total operating expenditure	8	26,965	25,656	26,325
Net surplus (deficit) before taxation		(876)	(1,021)	913
Income tax expense		0	0	0
Net surplus (deficit) after taxation		(876)	(1,021)	913
Comprehensive revenue and expense				
Increase in infrastructure revaluation reserve		0	0	4,793
Total comprehensive revenue and expense		(876)	(1,021)	5,706

FORECAST MOVEMENTS IN EQUITY

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Equity as at 1 July	334,337	339,235	375,833
Total comprehensive revenue and expenses	(876)	(1,021)	5,706
Total equity at end of year	333,461	338,213	381,539
Components of equity			
Accumulated funds	170,673	166,641	171,489
Reserves	5,405	5,385	4,319
Assets revaluation reserve	157,383	166,187	205,731
Total equity at end of year	333,461	338,213	381,539

FORECAST STATEMENT OF FINANCIAL POSITION

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Current assets			
Cash and bank	1,078	1,402	837
Trade and other receivable	5,401	5,099	5,638
Inventories	15	14	16
Other current assets	35	35	35
Short term investments	17,501	17,404	17,501
Total current assets	24,030	23,954	24,027
Non current assets			
Investment in Council Controlled Organisations	20,378	20,360	20,541
Investment properties	8,333	8,449	8,317
Infrastructural assets	297,852	301,587	347,501
Other non current assets	24,738	23,824	25,723
Intangible assets	271	113	273
Total non current assets	351,572	354,334	402,355
Total assets	375,602	378,288	426,382
Current liabilities			
Trade and other payables	4,652	4,426	4,543
Derivative financial instruments	65	62	0
Employee benefits	527	502	515
Current portion of term debt	120	227	5,000
Total current liabilities	5,364	5,217	10,058
Non current liabilities			
Derivative financial instruments	940	700	2,122
Environmental provisions	1,247	1,209	1,208
Bond deposits	82	82	82
Employee entitlement	140	140	140
Term debt	34,368	32,727	31,233
Total non current liabilities	36,777	34,858	34,785
Equity			
Accumulated funds	170,673	166,641	171,489
Reserves	5,405	5,385	4,319
Asset revaluation reserve	157,383	166,187	205,731
Total equity	333,461	338,213	381,539
Total equity and liabilities	375,602	378,288	426,382

FORECAST STATEMENT OF CASHFLOW

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Cashflows from operating activities:			
Cash will be provided from:			
Rates	14,871	15,050	15,210
Other income	8,540	7,183	9,790
Interest received	804	819	848
Dividend income and subvention payments received	1,660	1,366	1,300
	25,875	24,417	27,149
Cash will be applied to:			
Payments to suppliers and employees	18,793	17,459	19,162
Interest paid	1,319	1,319	983
	20,112	18,778	20,145
Net cash from operating activities	5,763	5,640	7,004
Cashflows from investing activities:			
Cash will be provided from:			
Investments realised	0	0	0
Sale of fixed assets	0	0	0
Sale of investment property	52	52	53
	52	52	53
Cash will be provided from:			
Purchase of fixed assets	7,423	5,938	10,198
Purchase of equity investments	255	131	163
Purchase of investments	3,300	0	0
	10,978	6,069	10,361
Net cash from investing activities	(10,926)	(6,017)	(10,308)
Cashflows from financing activities:			
Cash will be provided from:			
Loans raised	3,527	977	2,907
	3,527	977	2,907
Cash will be applied to:			
Payments of loans	120	227	205
	120	227	205
Net cash from financing activities	3,407	750	2,702
Net increase (decrease) in cash	(1,756)	372	(602)
Opening cash as at 1 July	2,834	1,030	1,439
Closing cash as at 30 June	1,078	1,402	837

NOTE 1: REQUIRED FROM GENERAL RATES

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Democracy	1,481	1,364	1,625
Support	294	285	285
Community services	3,955	3,891	3,712
Regulatory services	1,107	1,039	1,143
Property management, amenities and reserves	1,999	1,761	1,628
Roading and urban development	1,966	2,017	1,950
Water	0	0	0
Solid waste	288	268	293
Wastewater	0	0	0
In-house professional services	(58)	(17)	(49)
Airport	79	81	98
Stormwater	429	531	553
	11,540	11,220	11,238
Less:			
Investment income	(1,342)	(1,322)	(1,092)
Other income - dividends	(1,400)	(1,100)	(1,300)
	(2,742)	(2,422)	(2,392)
Rates penalties	(160)	(160)	(160)
Total general rates requirement	8,638	8,638	8,686

NOTE 2: TARGETED RATES

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Water	2,844	2,879	2,973
Solid waste	591	654	712
Wastewater	2,638	2,720	2,679
Total targeted rates	6,073	6,253	6,364

NOTE 3: SUBSIDIES AND GRANTS

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Amenities and reserves	0	0	200
Community services	465	456	515
Roading and urban development	4,533	3,464	4,707
Solid waste	43	44	44
Total subsidies and grants	5,041	3,964	5,466

NOTE 4: FEES AND CHARGES

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Democracy	30	0	0
Community services	297	360	300
Regulatory services	865	916	906
Property management, amenities and reserves	1,863	1,504	2,677
Roading and urban development	153	157	157
Water	0	0	0
Solid waste	97	99	99
Wastewater	5	5	5
Support activities	68	70	70
In-house professional services	0	0	0
Stormwater	5	5	5
Airport	116	104	106
Total fees and charges	3,499	3,219	4,325

NOTE 5: INVESTMENT INCOME

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Interest	1,342	1,322	1,092
LESS: internal interest	(538)	(503)	(510)
Total investment income	804	819	582

NOTE 6: DEPRECIATION

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Community services	246	232	225
Regulatory services	29	19	20
Property management, amenities and reserves	706	624	537
Roading and urban development	3,156	3,180	3,178
Water	1,028	1,016	928
Solid waste	82	81	76
Wastewater	908	924	873
Support services	170	220	114
In-house professional services	10	10	8
Airport	57	54	33
Stormwater	260	264	276
Total depreciation	6,652	6,625	6,268

NOTE 7: FINANCE COSTS

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Interest expenses	1,857	1,822	1,493
LESS: internal interest	(538)	(503)	(510)
Total finance costs	1,319	1,319	983

NOTE 8: OPERATING EXPENDITURE PER ACTIVITY

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Democracy	1,511	1,364	1,625
Community services	4,242	4,218	4,050
Regulatory services	1,956	1,928	2,042
Property management, amenities and reserves	4,398	3,741	4,715
Roading and urban development	7,912	7,005	6,907
Water	2,986	2,891	2,826
Solid waste	1,092	1,072	1,189
Wastewater	2,337	2,403	2,367
Support services	4,967	4,582	4,957
In-house professional services	780	932	809
Airport	195	186	203
Stormwater	525	550	584
	32,901	30,869	32,274
Less:			
PLUS: write-off of assets	527	525	472
LESS: internal interest	(538)	(503)	(510)
LESS: internal recoveries	(5,925)	(5,235)	(5,911)
Total operating expenditure	26,965	25,656	26,325

NOTE 9: INTERNAL RECOVERIES

	Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Amenities and reserves	457	464	421
Support	4,630	3,822	4,631
In-house professional services	838	949	859
Total internal recoveries	5,925	5,235	5,911

FORECAST FUNDING IMPACT STATEMENT

BULLER DISTRICT COUNCIL

Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
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Operating funding

Sources of operating funding				
General rates, uniform annual general charge, rates penalties		8,638	8,638	8,686
Targeted rates		6,073	6,253	6,364
Subsidies and grants for operating purposes		2,299	2,391	2,391
Fees and charges		209	214	214
Internal charges and overheads recovered		2,204	1,919	1,881
Local authorities fuel tax, fines, infringements fees and other receipts		3,659	3,379	4,485
Total operating funding	A	23,082	22,793	24,021
Applications of operating funding				
Payments to suppliers and staff		17,852	16,602	18,119
Finance costs		1,319	1,319	983
Other operating funding applications		616	585	480
Total applications of operating funding	B	19,787	18,506	19,582
Surplus/(deficit) of operating funding	A-B	3,295	4,287	4,439

Capital funding

Sources of capital funding				
Subsidies and grants for capital expenditure		2,308	1,138	2,640
Development and financial contributions		51	52	52
Increase/(decrease) in debt		3,256	750	2,702
Gross proceeds from sale of assets		52	52	53
Lump sum contributions		435	435	435
Other dedicated capital funding		0	0	0
Total Sources of capital funding	C	6,102	2,426	5,882
Capital expenditure				
- to meet additional demand		0	0	0
- to improve the level of service		2,270	1,046	4,094
- to replace existing assets		5,153	4,892	6,104
Increase/(decrease) in reserves		1,773	723	(93)
Increase/(decrease) in investments		201	52	216
Total applications of capital funding	D	9,397	6,713	10,321
Surplus/(deficit) of capital funding	C-D	(3,295)	(4,287)	(4,439)
Funding balance	((A-B)+(C-D))	0	0	0

FORECAST STATEMENT OF CAPITAL EXPENDITURE

		Annual Plan 2019/2020 \$000	Long Term Plan 2020/2021 \$000	Annual Plan 2020/2021 \$000
Support services	Information technology, vehicle replacement	152	80	83
Regulatory services	Vehicle replacement	35	31	0
Community services	Urban Streetscape Vision 2010 Projects	0	0	0
	Theatres, recreation facilities and libraries	403	226	469
	Promotion and development	0	0	0
Amenties and reserves	Reserves, playgrounds and camping grounds	268	117	139
	Cemeteries	9	66	70
	Council properties and buildings, public toilets	1,549	1,575	2,213
	Housing for the elderly	132	52	52
Roothing	Roothing	2,861	1,532	3,038
	Footpaths, security cameras, street banners	48	227	48
Solid waste	Contracted refuse (litter bins and transfer station)	33	8	55
Sewerage	Westport sewer	778	699	699
	Reefton sewer	157	173	173
	Little Wanganui sewer	27	22	22
Water	Westport water	644	687	810
	Reefton water	131	163	1,521
	District water supplies	19	56	579
Stormwater	Stormwater upgrades and replacements	136	216	216
PSBU	Vehicle replacement	36	5	0
Airport	Minor asset replacement	5	5	11
Total capital expenditure		7,423	5,938	10,198

Forecast funding impact statement

1. GENERAL RATES

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

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

1.1 General (Differential) Land Rate

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

The definition of the differential categories is set out in this Funding Impact Statement, under Part 5.

General Rates (exclusive of GST)

Table 1 – Differentials

General Rate differential categories	Percentage of General Rate	General Rate (cents per \$ land value)
Residential 101	0.979%	0.32091
Residential 102	0.170%	0.23429
Residential 103	0.665%	0.36474
Residential 104	0.835%	0.37590
Residential 105	0.368%	0.46704
Residential 106	19.324%	0.96554
Residential 107	1.480%	0.75597
Residential 108	1.160%	0.63828
Residential 109	0.635%	0.55464
Residential 110	0.510%	0.58265
Residential 111	0.221%	0.21572
Residential 112	0.573%	0.40512
Residential 113	0.404%	0.41942
Residential 114	1.069%	0.48129
Residential 115	2.636%	0.63187
Multi Residential 121	0.030%	1.03723
Multi Residential 122	0.008%	0.64505
Multi Residential 123	1.581%	2.07500
Multi Residential 124	0.064%	1.98441
Multi Residential 125	0.226%	1.21603
Multi Residential 126	0.130%	1.53039
Commercial 131	0.874%	1.70675
Commercial 132	0.219%	1.18614
Commercial 133	1.785%	2.66930
Commercial 134	10.237%	3.85590
Commercial 135	0.128%	1.66024
Commercial 136	0.312%	0.93532
Commercial 138	0.019%	0.14988
Commercial 139	1.221%	1.03782
Commercial 140	0.976%	1.58222
Rural 141	19.065%	0.24986

General Rate differential categories	Percentage of General Rate	General Rate (cents per \$ land value)
Rural 142	1.247%	0.24479
Rural 143	3.865%	0.18924
Rural Residential 151	4.360%	0.37636
Rural Residential 152	3.176%	0.37126
Rural Small Holding 161	1.564%	0.25491
Rural Small Holding 162	0.113%	0.20405
Rural Small Holding 163	0.218%	0.26326
Rural Small Holding 164	0.060%	0.09263
Industrial 171		
Industrial 172	9.991%	5.25491
Industrial 173	5.339%	2.09555
Industrial 174	2.162%	12.96217
	100.00%	

1.2 Uniform Annual General Charge (UAGC)

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

The Uniform Annual General Charge will be \$434.78 (exclusive of GST) per rating unit.

Expected Yield (Collect)

The expected collect from the general (differential) rate is calculated to be \$5,846,709 (excluding GST), and the expected collect from the uniform annual general charge is calculated to be \$2,841,304 (excluding GST), a total of \$8,688,013.

2. WATER

Targeted water supply charges and rates are set for each connection within a rating unit, or any rating unit able to be connected within certain scheme areas.

A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is connected to the water supply in any scheme area, whether the connection is from the main supply line, or from any other line that is connected to the main supply.

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

For the Westport, Reefton, Mokihinui, Ngakawau/Hector, Granity South, and Waimangaroa water supplies, only connected properties are rated (there is no set rate or charge for serviceable properties).

Refer to the definition of the differential categories set out in Part 5 of this Funding Impact Statement.

Table 2 – Unit rates

Water Supply Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST excl)
Westport - Multi-residential only			
	1-2	1.00	\$845.00
	3	1.70	\$1,436.50
	4	2.30	\$1,943.50
	5	2.80	\$2,366.00
	6	3.20	\$2,704.00
	7	3.60	\$3,042.00
	8	4.00	\$3,380.00
	9	4.40	\$3,718.00
	10	4.80	\$4,056.00
	11	5.20	\$4,394.00
	12	5.60	\$4,732.00
Westport - all other rating sectors			
	1	1.00	\$845.00
	2	1.70	\$1,436.50
	3	2.30	\$1,943.50
	4	2.80	\$2,366.00
	5	3.20	\$2,704.00
	6	3.60	\$3,042.00
	7	4.00	\$3,380.00
	8	4.40	\$3,718.00
	9	4.80	\$4,056.00
	10	5.20	\$4,394.00
	11	5.60	\$4,732.00
	12	6.00	\$5,070.00
Reefton - Multi-residential only			
	1-2	1.00	\$590.43
	3	1.70	\$1,003.73
	4	2.30	\$1,357.99
	5	2.80	\$1,653.20
	6	3.20	\$1,889.38
	7	3.60	\$2,125.55
	8	4.00	\$2,361.72
	9	4.40	\$2,597.89
	10	4.80	\$2,834.06
	11	5.20	\$3,070.24
	12	5.60	\$3,306.41
Reefton - all other rating sectors			
	1	1.00	\$590.43
	2	1.70	\$1,003.73
	3	2.30	\$1,357.99
	4	2.80	\$1,653.20
	5	3.20	\$1,889.38
	6	3.60	\$2,125.55
	7	4.00	\$2,361.72
	8	4.40	\$2,597.89
	9	4.80	\$2,834.06

Water Supply Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST excl)
	10	5.20	\$3,070.24
	11	5.60	\$3,306.41
	12	6.00	\$3,542.58
Reefton - major users			
1905006101	1+	2.00	\$1,180.86
1905044200	1+	2.00	\$1,180.86
1905050000	1+	2.00	\$1,180.86
1905036800	1+	40.00	\$23,617.20
Mokihinui			
Connected (excluding major users)	1	1.00	\$270.43
Major users*	1+	8.00	\$2,163.44
Ngakawau / Hector			
Connected (excluding major users)	1	1.00	\$310.43
Major users*	1+	20.00	\$6,208.60
Waimangaroa			
Connected (excluding major users)	1	1.00	\$420.00
Major users*	1+	3.00	\$1,260.00
Punakaiki			
Connected	1	1.00	\$910.43
Serviceable	1	0.50	\$455.22
Little Wanganui			
Connected (excluding major users)	1	1.00	\$230.43
Serviceable	1	0.50	\$115.22
Major users*	1+	15.00	\$3,456.45
Inangahua Junction			
Connected (excluding major users)	1	1.00	\$510.43
Serviceable	1	0.50	\$255.22
Major users*	1+	3.00	\$1,531.29
Granity South			
Connected	1	1.00	\$250.43

* Definition of major users' differential categories (for other than Reefton)

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

2.1 Metered Water Supplies

2.1.1 Cape Foulwind Rural Water Supply

A targeted rate is set to fund the Cape Foulwind Rural Water Supply. Each farm connection is charged for consumption at a rate of \$0.55 (exclusive of GST) per cubic metre (m³).

2.1.2 Westport Metered Water Supply

The Council sets two rates for Westport Metered Water Supply.

A targeted rate is set for each connection to the Westport water supply through a meter. The rate is set as a fixed amount for each connection at \$845.00 (exclusive of GST). Note that consumers on the metered supply may opt to pay for more targeted rates than the number of connections to a property and be charged accordingly, with the annual allowance also being calculated accordingly.

Each metered supply is then charged at a rate of \$2.20 (exclusive of GST) per cubic metre (m³) for consumption over the allowance of 400m³ for each targeted rate paid per annum.

2.1.3 Reefton Metered Water Supplies

Council is considering options to introduce metered water supply for extraordinary users.

2.2 Punakaiki Water Supply

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

The rate is set on a differential basis, based on use of the rating unit. The rate for differential factor 1.0 is \$910.43 per connection (excluding GST).

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

Differential category	Differential factor	Targeted Rate (GST exclusive)
(A) Section Only	0.5	\$455.22
(B) Single Residential Dwelling	1.0	\$910.43
(C) Department Of Conservation Depot	1.0	\$910.43
(D) Two Residential Dwellings or One Residential Dwelling & a Lodge On One Rating Unit	2.0	\$1,820.86
(E) Motel complex of more than 4 units	2.0	\$1,820.86
(F) Hostel (backpackers)	4.0	\$3,641.72
(G) Tavern, motel complex, and dwelling	6.0	\$5,462.58
(H) Camping ground	11.0	\$10,014.73

Table 2.2B – Categorisation of each property

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

Category	Valuation reference(s)
A	1886029000, 1886029001, 1886029003, 1886029007, 1886029013, 1886029015, 1886029019, 1886029029, 1886029030
B	1886016900, 1886016901, 1886017000, 1886017100, 1886017101, 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, 1886029014, 1886029017, 1886029018, 1886029020, 1886029025, 1886029026, 1886029031, 1886029033, 1886029034, 1886029035, 1886029036, 1886031601, 1886031602, 1886031604, 1886031607, 1886031609, 1886031610, 1886031611, 1886031614, 1886031615
C	1886018001
D	1886029021, 1886029023, 1886029028
E	1886019000
F	1886018100
G	1886031616
H	1886031200

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

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

Expected Yield (Collect)

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

Water Supply Area	Collect
Little Wanganui Subdivision	\$17,513
Mokihinui	\$12,710
Ngakawau-Hector	\$54,016
South Granity	\$5,510
Waimangaroa	\$58,800
Westport	\$2,320,122
Reefton	\$396,772
Punakaiki	\$82,850
Inangahua Junction	\$16,334
Cape Foulwind	\$55,000

3. Sewage Disposal

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

The rates are set on the number of connections, with a differential applied for each rate based on the use of the rating unit.

A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is

connected to the disposal line in any scheme area, whether the connection is to the main disposal line, or from any other line that is connected to the main disposal line.

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

For the Westport and Reefton, only connected properties are rated (there is no differential for serviceable properties) with the exception of those properties able to be connected to the Orowaiti sewerage upgrade to the Westport Scheme. Those properties (within that upgrade area) which are serviceable but not connected shall pay the full service charge(s) applicable to that scheme.

Refer to the definition of the differential categories set out in Part 5 of this Funding Impact Statement.

Table 3 – Unit rates

Sewage Disposal Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST excl)
Westport - Multi-residential only			
	1-2	1.00	\$900.00
	3	1.70	\$1,530.00
	4	2.30	\$2,070.00
	5	2.80	\$2,520.00
	6	3.20	\$2,880.00
	7	3.60	\$3,240.00
	8	4.00	\$3,600.00
	9	4.40	\$3,960.00
	10	4.80	\$4,320.00
	11	5.20	\$4,680.00
	12	5.60	\$5,040.00
Westport - all other rating sectors			
	1	1.00	\$900.00
	2	1.70	\$1,530.00
	3	2.30	\$2,070.00
	4	2.80	\$2,520.00
	5	3.20	\$2,880.00
	6	3.60	\$3,240.00
	7	4.00	\$3,600.00
	8	4.40	\$3,960.00
	9	4.80	\$4,320.00
	10	5.20	\$4,680.00
	11	5.60	\$5,040.00
	12	6.00	\$5,400.00
Reefton - Multi-residential only			
	1-2	1.00	\$600.00
	3	1.70	\$1,020.00
	4	2.30	\$1,380.00
	5	2.80	\$1,680.00
	6	3.20	\$1,920.00
	7	3.60	\$2,160.00
	8	4.00	\$2,400.00

Sewage Disposal Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST excl)
	9	4.40	\$2,640.00
	10	4.80	\$2,880.00
	11	5.20	\$3,120.00
	12	5.60	\$3,360.00
Reefton - all other rating sectors			
	1	1.00	\$600.00
	2	1.70	\$1,020.00
	3	2.30	\$1,380.00
	4	2.80	\$1,680.00
	5	3.20	\$1,920.00
	6	3.60	\$2,160.00
	7	4.00	\$2,400.00
	8	4.40	\$2,640.00
	9	4.80	\$2,880.00
	10	5.20	\$3,120.00
	11	5.60	\$3,360.00
	12	6.00	\$3,600.00
Little Wanganui			
Connected	1	1.00	\$640.00
Serviceable	1	0.50	\$320.00

Expected Yield (Collect)

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

Sewerage Scheme Area	Collect
Little Wanganui Subdivision	\$38,848
Westport	\$2,268,000
Reefton	\$349,200

4. WASTE MANAGEMENT

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

The localities of these zones are:

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

The levels of service for each are:

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

4.1 Waste Management - Zone 1

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

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

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

The annual targeted waste management rate for Zone 1 will be \$130.00 per set of two bins (excluding GST).

4.2 Waste Management - Zone 2

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

The annual targeted waste management rate for Zone 2 will be \$85.22 per rating unit (excluding GST).

4.3 Waste Management - Zone 3

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

The annual targeted waste management rate for Zone 3 will be \$90.00 per rating unit (excluding GST).

Expected Yield (Collect)

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

Solid Waste Area	Collect
Zone 1	\$652,043
Zone 2	\$48,659
Zone 3	\$10,490

Lump sum contributions

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

5. DIFFERENTIAL CATEGORIES

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

Also note that subject to the rights of objection to the rating information database set out in Section 29 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories applied to a rating unit.

Residential Categories

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

Residential 101

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

Residential 102

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

Residential 103

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

Residential 104

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

Residential 105

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

Residential 106

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

Residential 107

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

Residential 108

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

Residential 109

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

Residential 110

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

Residential 111

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

Residential 112

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

Residential 113

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

Residential 114

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

Residential 115

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

Multi Residential

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

Multi Residential 121

- includes those rating units under valuation references 1878011803, 1878018300BB, and 1908009900.

Multi Residential 122

- includes the rating unit under valuation reference 1878037247.

Multi Residential 123

- includes the multi-residential rating units within the valuation rolls numbered 18840); 18950; 18960; and 18970.

Multi Residential 124

- includes those rating units within the valuation roll numbered 18860.

Multi Residential 125

- includes those multi-residential rating units within the valuation roll numbered 18850.

Multi Residential 126

- includes those multi-residential rating units within the valuation roll numbered 19050.

Commercial

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

Commercial 131

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

Commercial 132

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

Commercial 133

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

Commercial 134

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

Commercial 135

- includes the rating unit under valuation references 1885002400BB and 1885022400.

Commercial 136

- includes commercial rating units, or parts of rating units, within the valuation roll numbered 18850 (excluding

1885002400BB and 1885022400).

Commercial 138

- includes commercial rating units within the valuation roll 18860, north of the Fox River.

Commercial 139

- includes commercial rating units within the valuation roll 18860, south of the Fox River.

Commercial 140

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

Rural

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

Rural 141

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

Rural 142

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

Rural 143

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

Rural Residential:

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

Rural Residential 151

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

Rural Residential 152

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

Rural Small Holding:

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

Rural Small Holding 161

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

Rural Small Holding 162

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

Rural Small Holding 163

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

Rural Small Holding 164

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

Industrial Coal

Properties used primarily in the extraction, storage, and/or distribution of coal.

Industrial 172

- includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Coal above.

Industrial Other

Properties used primarily in the following, as well as all associated land and buildings related to:

- storage sites (except those associated with the three other industrial categories); or
- transport (road, rail, sea), excepting those properties defined as Industrial Harbour; or
- utility services (communications, electricity, gas, water, sanitation); or
- the manufacture of food, drink, and tobacco; or
- the processing of textiles, leather, and fur; or
- the processing of timber products, including manufacturing and storage sites (ie sawmills and timber yards, wooden articles of manufacture such as furniture); or
- all other types of mining, not included in the sectors defined as Industrial Coal; or
- engineering, metalwork appliances, and machinery works; or
- chemicals, plastics, rubber, and paper manufacture; or
- other manufacturing industries not defined above; or
- depots and yards of contractors, central and local government; or
- demolition, and fumigation and pest control firms; or
- vacant land designated for the primary purpose of industrial use.

Industrial 173

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

Industrial Harbour

Properties used for harbour and associated activities.

Industrial 174

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

6. SUIP (SEPARATELY USED OR INHABITED PART) OF A RATING UNIT – DEFINITION

A separately used or inhabited part of a rating unit includes:

- any part or parts of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement, or
- any part or parts of a rating unit that is/are used or occupied by the ratepayer for more than one single use.

Examples of separately used or inhabited parts of a rating unit include:

- A residential property that contains two or more separately occupiable units, flats or houses, each of which is separately inhabited or is capable of separate inhabitation.
- A commercial, or other non-residential property containing separate residential accommodation in addition to its commercial, farming or other primary use.
- A commercial premise that contains separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.

Council recognises that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations. These specific instances are:

- Where a business, farm, orchard, vineyard or horticultural operation contains accommodation on a rent-free basis for the owner, staff or share-milkers associated with the enterprise's productive operation.
- Where a residential property contains not more than one additional separately inhabited part, or where members of the owners family inhabit the separate part on a rent-free basis.
- Where an orchard, vineyard or horticultural operation contains a stall for the sale of goods produced solely by the operation.

Rating examples

SECTOR Location	Res 101 Karamea	Res 103 Little Wanganui	Res 103 Mokihinui	Res 103 Seddonville	Res 104 Hector	Res 104 Waimangaroa
Land value	\$50,000	\$63,000	\$57,000	\$37,000	\$48,000	\$40,000
Capital value	\$235,000	\$144,000	\$165,000	\$97,000	\$147,000	\$112,000
General rates	160.45	229.79	207.90	134.95	180.43	150.36
UAGC	434.78	434.78	434.78	434.78	434.78	434.78
Targeted water rate	0	230.43	270.43	0	310.43	420.00
Targeted sewer disposal rate	0	640.00	0	0	0	0
Targeted solid waste rate	85.22	85.22	130.43	130.43	130.43	130.43
Net rates	\$680.45	\$1,620.22	\$1,043.55	\$700.17	\$1,056.08	\$1,135.58
GST	102.07	243.03	156.53	105.03	158.41	170.34
TOTAL RATES	\$782.52	\$1,863.25	\$1,200.09	\$805.20	\$1,214.50	\$1,305.91
Comparison to previous year	\$767.25	\$1,826.65	\$1,252.20	\$756.98	\$1,175.11	\$1,268.59
% change	1.99%	2.00%	(4.16%)	6.37%	3.35%	2.94%

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

SECTOR Location	Res 106 Westport (Brougham)	Res 106 Westport (Russell)	Res 108 Carters Beach	Res 113 Charleston	Res 114 Punakaiki	Res 101 Ikamatua
Land value	\$58,000	\$80,000	\$85,000	\$80,000	\$170,000	\$33,000
Capital value	\$140,000	\$270,000	\$315,000	\$230,000	\$345,000	\$100,000
General rates	560.01	772.43	542.54	335.54	818.19	105.90
UAGC	434.78	434.78	434.78	434.78	434.78	434.78
Targeted water rate	845.22	845.22	845.22	0	910.43	0
Targeted sewer disposal rate	900.00	900.00	900.00	0	0	0
Targeted solid waste rate	130.43	130.43	130.43	130.43	130.43	130.43
Net rates	\$2,870.45	\$3,082.86	\$2,852.97	\$900.75	\$2,293.84	\$671.12
GST	430.57	462.43	427.95	135.11	344.08	100.67
TOTAL RATES	\$3,301.01	\$3,545.29	\$3,280.92	\$1,035.87	\$2,637.92	\$771.78
Comparison to previous year	\$3,228.40	\$3,365.70	\$3,170.56	\$1,000.21	\$2,654.96	\$784.37
% change	2.25%	5.34%	3.48%	3.56%	(0.64%)	(1.60%)

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

Refer to pages 78-80 for sector code details.

SECTOR Location	Res 115 Reefton	Res 101 Springs Junction	Com 131 Karamea	Com 134 Westport	Com 140 Reefton	Rur 141 Karamea
Land value	\$36,000	\$38,000	\$95,000	\$180,000	\$78,000	\$690,000
Capital value	\$175,000	\$142,000	\$850,000	\$440,000	\$150,000	\$740,000
General rates	227.47	121.95	1,621.42	6,940.62	1,234.13	1,724.05
UAGC	434.78	434.78	434.78	434.78	434.78	434.78
Targeted water rate	590.43	0	0	845.22	590.43	0
Targeted sewer disposal rate	600.00	0	0	900.00	600.00	0
Targeted solid waste rate	130.43	90.43	85.22	130.43	130.43	85.22
Net rates	\$1,983.13	\$647.16	\$2,141.42	\$9,251.06	\$2,989.78	\$2,244.05
GST	297.47	97.07	321.21	1,387.66	448.47	336.61
TOTAL RATES	\$2,280.60	\$744.24	\$2,462.63	\$10,638.71	\$3,438.25	\$2,580.65
Comparison to previous year	\$2,222.80	\$735.76	\$2,323.07	\$10,295.64	\$3,407.55	\$2,481.47
% change	2.60%	1.15%	6.01%	3.33%	0.90%	4.00%

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

SECTOR Location	Rur 143 Cape Foulwind	Rur 141 Grey Valley	RR 151 Karamea	RR 152 Granity	RR 151 Fairdown	RR 162 Alma Road
Land value	\$1,490,000	\$1,500,000	\$125,000	\$90,000	\$155,000	\$190,000
Capital value	\$2,260,000	\$1,875,000	\$340,000	\$135,000	\$500,000	\$700,000
General rates	2,819.69	3,747.93	470.45	334.13	583.36	\$705.39
UAGC	434.78	434.78	434.78	434.78	434.78	434.78
Targeted water rate	0	0	0	0	0	0
Targeted sewer disposal rate	0	0	0	0	0	0
Targeted solid waste rate	391.30	130.43	85.22	130.43	130.43	0
Net rates	\$3,645.78	\$4,313.14	\$990.45	\$899.35	\$1,148.58	\$1,140.17
GST	546.87	646.97	148.57	134.90	172.29	171.03
TOTAL RATES	\$4,192.64	\$4,960.11	\$1,139.02	\$1,034.25	\$1,320.87	\$1,311.20
Comparison to previous year	\$4,321.30	\$4,971.26	\$1,152.87	\$1,078.46	\$1,262.52	\$1,166.00
% change	(2.98%)	(0.22%)	(1.20%)	(4.10%)	4.62%	12.45%

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

Refer to pages 78-80 for sector code details.

Assumptions

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 over the medium term, 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
1. Population growth:			
<p>In the Long Term Plan for 2018-2028, the Council assumed that the normally resident population as at 1 July 2015 would in the region of 10,000 persons and that there will be further declines in population to a base level of about 9,500 persons post the Holcim closure. It was expected that the normal resident population would stabilise and start to rise as coal prices begin to recover as the Districts economic diversity slowly expands. By the end of the 10 years covered by this plan population levels were expected to have recovered to about 10,500 persons.</p> <p>The March 2013 census recorded a total of 10,473 persons as being normally resident in the District.</p> <p>For the purposes of this Annual Plan we have assumed that the normally resident population as at 1 July 2020 is in the region of 10,000 persons.</p>	<p>The recovery in population may take longer dependent on economic activity within the District.</p>	<p>Medium</p>	<p>Council will need to reassess the growth rates and whether its projects need to be brought forward or delayed as part of each year's Annual Plan or Long Term Plan</p>
2. Inflation/price changes:			
<p>In preparing the Annual Plan Council may have utilised the inflation factors as provided by Business and Economic Research Limited (BERL) to be the inflation factors uses to escalate expenses.</p>	<p>That inflation is higher or lower than predicted.</p>	<p>Medium to low</p>	<p>There is likely to be some variation in the actual rates of inflation from those assumed and this will impact on the financial results of Council.</p> <p>If the variances are significant, Council may need to consider either increasing or decreasing rates and charges or the levels of services for activities. For example if Council plans to spend \$260m in operating expenditure and \$50m in capital over the term of the 2018-2028 Long Term Plan. A 1% movement in inflation could increase or decrease costs by an average of approximately \$310,000. There would also be an impact on debt levels.</p> <p>Escalation may have been undertaken using the BERL indices.</p>

Assumption	Description of risk	Level of uncertainty	Impact
3. New Zealand Transport Agency funding:			
<p>The New Zealand Transport Agency (NZTA) Financial assistance rate provided to Councils roading programmes is currently 66% for Local Roads and 100% for assistance for the Karamea Special Purpose Road (SPR).</p> <p>At the same time the NZTA review requires all Financial assistance for roading programmes to be judged in terms of the new One Network classifications.</p> <p>This Annual Plan assumes that the local roads Financial assistance rate will be 66% throughout 2020/2021. A similar assumption is made regarding the Special Purpose Road. The 100% Financial assistance rate will continue throughout 2020/2021 year. The Annual Plan also assumes that the present levels of service applied to the District's roads will not be materially different from any new levels established by the One Network classifications. The consequence of these assumptions is that (before inflation) the cost of roading to the ratepayer will be fairly stable.</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 from the Long Term Plan 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>
4. Karamea Special Purpose Road (SPR)			
<p>NZTA have indicated to the Buller District Council that it is proposed that the Karamea Special Purpose Road will lose its designation and revert from 100% subsidy to the Buller District Council's Financial assistance rate of 66%, with a three year phase-in period.</p> <p>In examining the unquantifiable risk associated with the long term maintenance of the Karamea Special Purpose Road, the financial risks associated with this proposal are considered be to beyond the financial resources of Buller District Council's ratepayers to fund.</p> <p>At this stage we have assumed that the Karamea Highway revert back to State Highway status from 2021/2022.</p>	Financial assistance rate may reduce	High	If the Karamea Highway does not revert back to a State Highway then the ratepayer may be required to fund a greater portion of maintenance and capital costs which could increase rates (estimated at \$300,000 in 2021/22).
5. One network roading classification			
<p>A joint initiative between the New Zealand Transport Agency and Local Government New Zealand has introduced a road classification system for all roads in New Zealand. The classification system aims:</p> <ul style="list-style-type: none"> ■ to deliver similar driving experience across New Zealand. ■ to support more consistent asset management across the Country. ■ to make collaboration and prioritisation between those organisations responsible for the planning, delivery, operation and maintenance of the nation's roading network, leading to a more efficient and safer network and improved value for money. <p>This will introduce different levels of service across roads of different classification.</p> <p>Council has assumed that there will be no change in the levels of service currently provided.</p>	Financial assistance rate may reduce depending on the levels of funding agreed to be provided by NZTA.	Medium	<p>Council will be faced with two choices:</p> <ol style="list-style-type: none"> 1. Change the current level of service provided to that set by NZTA. 2. Fund the difference between the current service level and that proposed by NZTA from ratepayer contributions.

Assumption	Description of risk	Level of uncertainty	Impact
6. Useful lives of significant assets:			
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 Policies included in this document. Council's assets depreciation rates are contained within of the Statement of Accounting Policies.	That the lives of assets are materially different from those contained within the Plan	Low	If the life of the assets are materially different from those contained within the Plan, the asset values stated in the 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.
7. Significant asset condition:			
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 probable replacement periods. However, further more detailed information is desirable to further reduce the risk that actual condition varies from the assumed condition.	That condition information is not a sufficiently accurate representation of the actual condition of assets	Medium	If the asset condition is substantially worse than expectations then there is an increased risk of unexpected asset failure and the increased costs of repairing assets would need to be funded. These costs are not in the Long Term Plan and Council would need to consider how they should be funded - higher rates, use of cash reserves or debt would be options.
8. Vested assets:			
Council will receive \$50,000 vested assets per annum (escalated with BERL inflation indices). Vested assets are engineering assets such as roads, sewers and water mains paid for by developers and vested to Council in completion of the subdivision.	That Vested Assets may vary from budget.	Medium	Vested assets must be maintained by Council, so if growth is higher than forecast Council will need to increase its budget to maintain those assets. The impact of higher or lower growth is not considered significant.
9. Return on investments:			
It is assumed that the return on investments, including dividends from Council Controlled Organisations and retained earnings on subsidiaries will continue at current level for Buller Recreation and WestReef Services Limited. Westport Harbour Limited was disestablished prior to this Annual Plan.	That return on investment decreases.	Low	Higher or lower returns will impact on rates as the income will need to be raised from other sources.
10. Interest rates - external borrowings:			
Council assumed an interest rate of 4-6% across the 10 years of the 2018-2028 Long Term Plan. The 2020/2021 Annual Plan has reduced interest rate assumptions to reflect current market expectations that rates will remain lower than those anticipated in the 2018-2028 Long Term Plan.	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 fixed interest swaps programme developed within the limits of Council's Treasury Management Policy.

Assumption	Description of risk	Level of uncertainty	Impact
11. External borrowings - renewability:			
It has been assumed that Council will be able to renew the existing external loan facility.	Higher interest rates or delay of capital projects	Medium	If the loan could not be renegotiated with the current debt providers, a change in provider could alter finance costs
12. Interest rates - term deposits:			
Council has assumed an interest rate range of 3 to 4.5% across the 10 years of the 2018-2028 Long Term Plan. The 2020/2021 Annual Plan has reduced interest rate assumptions to reflect current market expectations that rates will remain lower than those anticipated in the 2018-2028 Long Term Plan.	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
13. Rates and rate increases:			
Limits on rates and rate increases, as required by the Local Government Act 2002, are set. This plan assumes that Council will remain within these limits.	That rate increases are above the limits set by Council	Low	Annual Plan budgets may differ from Long Term Plan estimates and rates will change but this will not happen without consultation as required by the Local Government Act
14. Disasters:			
It is assumed that there will be limited events during the year 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 has 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.
15. Climate change:			
Council uses the Ministry for the Environment (MFE) guidelines set out in "Coastal Hazards and Climate Change 2017" for estimating Sea Level Rise (SLR).	The potential impacts of climate change might lead to increased costs for Council in both responding to events and building greater resilience into infrastructure	Medium	Climate change is likely to increase the magnitude of some natural hazards in the medium to long term. Therefore it is important to incorporate risk management in the design of infrastructure supporting new developments to maintain the same level of service throughout the design lifetime. The design of infrastructure for land development and subdivision needs to provide for the potential impact of sea level rise and the increased frequency of extreme weather events. Council has budgeted for protection of infrastructure in this plan.
16. Resource consents:			
It is assumed that Resource Consents held by Council will not be significantly altered and any due for renewal during the life of the Plan can be renewed accordingly.	That conditions of Resource Consents are significantly altered and there are accordingly significant new compliance costs or consents cannot be renewed	Low	Budgets are in place for renewal of resource consents. Any increased compliance costs will be managed through the Annual Plan process. If Resource Consents are not renewed then Council will need to consider how it delivers these services. These costs could be significant, for example if water extraction rights are not approved.

Assumption	Description of risk	Level of uncertainty	Impact
17. Potential impact of societal changes:			
Council assumes population will decline, given the decline in economic activity especially in mining. There will be an aging population. The proportion of the population over 65 years is assumed to increase from 19% to 29% over the next 25 years.	Most significant is an increase in the age of the population, increasing demand for houses over the long term.	Medium	The Plan has assumed a population decline followed by a gradual recovery. Council has allowed for further development of the Town Heart Plan and District Plan Review to assist with the creation of a vibrant civic hub. The plan assumed that the demand for housing for the elderly is adequate and can be met through surplus rentals at modest prices.
18. External assumptions - Government legislation:			
It is assumed that there will be no material changes to existing legislation or additional activity or compliance requirements imposed by Central Government, which has not already been allowed for in this document.	That Central Government requires Council to undertake further activities, without corresponding funding or imposes additional compliance costs on Local Government.	Medium	If changes in legislation require Council to provide further services, or significantly increases, levels of compliance or operating costs then this will need to be offset by increases in fees and charges, and/or in increases in rates. It is unlikely that Government will reduce compliance or legislative costs incurred by Council, but if there was a reduction this would enable Council to reduce rates or fees and charges.
19. Repayment of loans:			
It has been assumed that the loan from Council to Buller Holdings Limited will not be repaid over the term of the Plan.	Inability to service the loan	Low	Debt will be rolled over on an annual basis.
20. Water upgrades:			
The drinking water standard upgrades to rural drinking water supplies is based on an assumption that the Ministry of Health subsidy will be available to be claimed.	There is a risk that the project may not proceed if funding is not received	Low	Provision of safe, clean water may not eventuate if a subsidy is not received. Water schemes may be unaffordable for some communities.
21. Capital projects:			
Capital projects are based on an assumption that they will occur when they have been identified in the Annual Plan and for the costs have been identified. However, this assumption has a high level of uncertainty as projects may cost more or less due to more or less work needing to be done and/or a project may need to be delayed.	There is a risk of deferral of projects to later years of the Annual Plan.	High	This will lower Capital expenditure, loans and finance costs. Depreciation would be lower than rated for.
22. One District Plan:			
Local Government Commission has made a decision to transfer the statutory powers associated with District plan making to the regional council. The District Plan making is governed by a joint committee of elected members from all the councils with support from staff across the region. This transfer is for plan making only and Buller would still require a planning team to process consents and administer the plan and would more than likely still be involved in developing the plan therefore we have maintained status quo in terms of planning resourcing	<ul style="list-style-type: none"> - potential loss of local control over key decisions relating to District planning - potential legal challenge to plan 	Medium	Buller not having a plan that aligns or reflects the direction we wish to head Higher costs than we currently expend on this activity due to legal challenges

Price Adjustments for Inflation

The Council is required to provide a 10 Year Plan adjusted for inflation. The figures within the plan have been adjusted for price movements. The price adjustors used have been derived from those recommended to Local Government from Business and Economic Research Limited (BERL).

The following adjustors have been applied at an activity level based on the nature of the input costs for that activity:

BERL Adjustors: % per annum change

Year ending	June 2020	June 2021
Expense Type		
Roading	1.022	1.022
Community activities	1.020	1.021
Water	1.025	1.023
Energy (Local Government Admin)	1.020	1.020
Staff	1.016	1.017
Other (Local Government Admin)	1.020	1.020
Earthmoving	1.023	1.024
Pipelines	1.027	1.025
Private sector wages	1.019	1.018
Average	1.021	1.021

Source: Business and Economic Research Limited

BERL Adjustors: cumulative % change from June 2019

Year ending	June 2019	June 2021
Expense type:		
Roading	1.000	1.044
Community activities	1.000	1.041
Water	1.000	1.049
Energy (Local Government Admin)	1.000	1.040
Staff	1.000	1.033
Other (Local Government Admin)	1.000	1.040
Earthmoving	1.000	1.048
Pipelines	1.000	1.053
Private sector wages	1.000	1.037

Source: Business and Economic Research Limited

Forecast Statement of Reserve Funds

Reserve	Activity that the reserve relates to:	Purpose of reserve	Projected opening balance	Transfer to reserves	Transfer from reserves	Closing balance 2020/2021
			\$000	\$000	\$000	\$000
Amenities reserve	Various not specified	Proceeds from general ratepayer to fund various infrastructure where there was no government subsidy available	365	0	0	365
Community development - other	Various not specified	Funds from depreciation used for the upgrade and construction of replacement Council assets	3,558	6,220	7,110	2,669
Reserve Contributions	Regulatory	Proceeds from subdivision for public reserve upgrades	1,153	52	87	1,118
Isdell Trust	Various not specified	Funds bequested towards the relief of poverty, improvement of public reserves, parks and Crown Land, erection of public or school gymnasiums, educational purposes, and recreational pursuits in promotion of public welfare.	14	0	0	14
Mayor's relief fund	Democracy	Funds for providing grants for relief at the discretion of the Mayor	8	0	0	8
Boiler replacement fund	Property management, amenities and reserves	Funds set aside to go toward replacement of boiler at Brougham Street offices	7	0	0	7
Development contributions	Regulatory	Proceeds form commercial and industrial development to provide for social and recreation need of the area	118	0	0	118
Sale of gifted property	Various not specified	Funds set aside from the sale of property gifted to Council	11	0	0	11
Infrastructure contributions	Regulatory	Funds set aside for upgrading infrastructure where appropriate	10	0	0	10
Total reserves only			5,244	6,272	7,198	4,319
Karamea solid waste	Solid waste	Separates all funding and expenditure and surpluses or deficits for each solid waste activity	47	66	68	45
Maruia solid waste	Solid waste	Separates all funding and expenditure and surpluses or deficits for each solid waste activity	11	15	58	(32)
Contracted refuse/ recycling operations	Solid waste	Separates all funding and expenditure and surpluses or deficits for each solid waste activity	(23)	715	709	(17)
Westport water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	691	2,477	2,474	694
Reefton water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(198)	406	3,249	(3,041)
Little Wanganui water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	48	17	34	31
Mokihinui water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	39	16	12	43
Ngakawau Hector water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	395	68	42	421
Waimangaroa water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	39	75	72	42
Cape Foulwind water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	543	97	71	569
Punakaiki water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(309)	83	110	(336)

Reserve	Activity that the reserve relates to:	Purpose of reserve	Projected opening balance	Transfer to reserves	Transfer from reserves	Closing balance 2020/2021
			\$000	\$000	\$000	\$000
Inangahua water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(113)	20	40	(133)
South Granity water (administered by Council)	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	19	6	2	23
Karamea water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(20)	0	0	(20)
Westport sewerage	Wastewater/ sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	206	2,297	2,286	217
Reefton sewerage	Wastewater/ sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	291	349	387	253
Little Wanganui sewerage	Wastewater/ sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	6	38	50	(6)
Punakaiki Camp	Property management, amenities and reserves	Separates all funding and expenditure and surpluses or deficits for the Punakaiki Camp Activity	(356)	46	90	(400)
Pensioner housing	Property management, amenities and reserves	Separates all funding and expenditure and surpluses or deficits for pensioner housing	(253)	162	158	(249)
Dog control	Regulatory	Separates all funding and expenditure and surpluses or deficits for the dog control activity	(147)	332	328	(143)
Total separate balances only			916	7,285	10,240	(2,037)
Total reserves and separate balances			6,160	13,557	17,437	2,280

Please note:

Reserves and separate balances are not disclosed separately within the financial statements. The Reserves total in this note reconciles to the reserve component of equity in the financial statements. The separate balances total in this note is not included in reserves within equity but is included within the accumulated funds component of equity in the financial statements.

Statement of Accounting Policies

Statement of responsibility and cautionary note

The 2020/2021 Annual Plan was authorised for issue by Council 29 April 2020.

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. There are no actual financial results incorporated into these prospective financial statements.

The prospective financial statements comply with Tier 1 Public Benefit Entity (PBE) Accounting Standards (including PBE FRS 42 – Prospective Financial Statements). The prospective financial statements have been prepared using the best information available at the time they were prepared.

Reporting entity

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

The Buller District Council provides local infrastructure, local public services and provides regulatory functions to the community. The Council does not operate to make a financial return. Accordingly, Buller District Council has designated itself as a Public Benefit Entity for financial reporting purposes.

The prospective financial statements of Buller District Council are for the year ended 30 June 2021.

Basis of preparation

The prospective financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period there and have been no changes in accounting policies during the financial year. The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain infrastructural assets, investment property and financial instruments.

Statement of compliance

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 93 and Part 1 of schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The prospective financial statements have been prepared in accordance with Tier 1 PBE accounting standards. These prospective financial statements are presented and comply with PBE accounting standards.

Presentation currency and rounding

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.

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, Buller Recreation Limited and the Buller Health Trust.

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, revenue and expenses on a line by line basis. All significant intra-group balances, transactions, revenue 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 one the Denniston Heritage Trust. There is no equity investment and therefore no results are equity accounted for in these prospective financial statements.

Joint ventures

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

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

Buller District Council recognises in its prospective financial statements the assets it controls, the liability and expenses it incurs, and the share of revenue 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

The following policies for rates have been applied:

- General rates, Targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Rates collected on behalf of the West Coast Regional Council (WCRC) are not recognised in the prospective financial statements, as the Council is acting as an agent for the WCRC.

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 water 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 revenue is recognised on a straight line basis.

Interest revenue is recognised using the effective interest method.

Distributions 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 charged or credited 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 and 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 and 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. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Inventories

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

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

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

Non-current assets held for sale

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

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

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

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

Financial assets

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

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

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 de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred, Buller District Council having transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Buller District Council uses a variety of methods and makes assumptions that are based on market conditions existing at balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

Financial assets at fair value through surplus or deficit

This category has two sub-categories:

- Financial assets held for trading
- Those designated at fair value through surplus or deficit at inception.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit.

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

Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Buller District Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

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

Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and receivables" and "short 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 revenue and expenses

Financial assets at fair value through other prospective comprehensive revenue and expenses 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 prospective comprehensive revenue and expenses except for impairment losses, which are recognised in the surplus or deficit.

Investments in this category include shares in other companies.

Impairment of financial assets

At each balance sheet date Buller District Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

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

- Term deposits, loans to subsidiaries and associates, and community loans (loans and receivables)

Impairment is established when there is evidence that the Council and group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

- Listed and unlisted shares, listed bonds (fair value through other comprehensive revenue and expense)

For shares, a significant or prolonged decline in the fair value of the shares below its cost is considered to be objective evidence of impairment. For listed bonds, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payment is considered to be objective evidence of impairment.

Derivative financial instruments

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

do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date.

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

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

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

Property, plant and equipment**Property, plant and equipment consist of:**

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

Infrastructure assets – These include roads, footpaths, traffic facilities, street lights, bridges, culverts, water reticulation, storm water reticulation, sewerage reticulation and landfill.

Westport 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.

Work in progress is recognized at cost less impairments and is not depreciated.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or loss as they are incurred.

Disposals

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

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or

service potential associated with the item will flow to Buller District Council and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment, other than land or erosion protection assets, 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 - 10
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

Westport 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

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	1% to 2%	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

Infrastructure assets	Depreciation rate (%)	Useful life (Years)
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 with preparation or peer review 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 BECA and the valuation is effective as at 30 June 2019. All infrastructural asset classes carried at valuation were valued. The total value of infrastructural assets valued/peer reviewed by BECA on 30 June 2019 was \$320,371,044.

Accounting for revaluation

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

The results of revaluing are credited or debited to an asset revaluation reserve. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus or deficit, will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve.

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows: Computer software 3 to 5 years 20 to 33.3%

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 Quotable Valuations with an effective date as at 30 June 2019.

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

Property, plant and equipment assets, measured at fair value are not required to be reviewed and tested for impairment. The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the asset class is revalued.

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

Property, plant and equipment, and intangible assets subsequently measured at cost that have a finite useful life are reviewed each balance date for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible assets subsequently measured at cost that have an indefinite useful life, and goodwill, are not subject to amortisation and are tested annually for impairment.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

Value in use for non-cash generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cashflows.

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 1.9%, and a inflation factor of 3.9% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long term increase in remuneration for employees.

Superannuation schemes**- Defined contributions schemes**

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

Provisions

Buller District Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Payables

Short-term creditors and other payables are recorded at their face value.

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

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (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 Cash Flows.

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 and 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.

Classification of property

The Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

Landfill aftercare provision

The Landfill Aftercare Provision Note (if applicable) 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 modelling are also carried out regularly as part of Council's Asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers prepare Council's roading asset revaluations and perform peer review of the three waters revaluations. The last roading revaluation was prepared by BECA on 30 June 2019. The last three waters revaluation was prepared in-house and peer reviewed by BECA on 30 June 2019.

Fees and Charges

LIBRARY

Archives:

Initial research (for search conducted by library staff)	\$20.00 first 15 minutes
Search fee (for search conducted by library staff)	\$80.00 per hour

Rentals:

Books - large print	\$0.50
Books - rental titles other than best-seller collection	\$1.00
Books - best-seller collection (two week loan only)	\$3.00
Magazines (first issue year)	\$0.50
Jigsaws	\$1.00
DVD	\$3.00

Late returns (per item):

Adult (18+).....	\$0.30 per day to a cap of \$9.90
Youth (15-18).....	\$0.20 per day when more than 8 days overdue, to a cap of \$5.20
Child (under 15)	\$0.10 per day when more than 8 days overdue, to a cap of \$2.60
Bestsellers	\$0.80 per day to a cap of \$9.60

Items recovery charge:

Lost/damaged	Replacement cost plus \$6.00 processing fee
Item recovery charge	\$15.00

(This charge applies to any overdue accounts referred to Council and followed up with a debt collection agency)

Requests:

Interloan (reciprocal libraries).....	\$8.00
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.....	\$8.00
Internet printing (from People's Network):	
A4 mono	\$0.20 per side
A4 colour	\$1.00 per side
Charging of mobile devices.....	\$2.00 per device
Re-surfacing of DVD's	\$8.00 per DVD

Photocopying:

A4 mono	\$0.20 per sheet
A4 mono double-sided	\$0.40 per sheet
A4 colour	\$1.00 per sheet
A3 mono	\$0.40 per sheet
A3 Mono double-sided	\$0.80 per sheet
A3 colour	\$2.00 per sheet

Laminating Costs:

A4	\$2.00 each
A3	\$4.00 each

Hire of Meeting Room

Commercial / business / government department	\$138.00 per day
Commercial / business / government department	\$69.00 per half day
Non profit / community group.....	\$50.00 per day
Non profit / community group.....	\$25.00 per half day

Housebound service

Annual charge\$20.00

Non resident subscription:

Holiday card (valid up to one month)\$15.00

Subscription membership card (valid six months)\$50.00

Fax services:

Fax - outwards (within New Zealand) \$2.50

Fax - outwards (outside New Zealand) \$5.00

Fax - inward \$1.00

CLOCKTOWER

(excluding tenanted areas, Council Chambers and the Mayor's room)

Commercial/business/government department *(longer term rates by negotiation)* \$200.00 per day

Non profit/community group \$50.00 per day, up to a maximum of \$400.00 per event

NBS THEATRE

Movie admission:

Adults\$15.00

Student (with ID)\$11.00

Children (primary) \$8.50

Senior citizens (60+)\$10.00

Family ticket (two adults and two children)\$42.50

3-D glasses\$2.50 per pair

Theatre hire:

Variable at discretion of Theatre Manager, plus other direct costs - wages, heating\$40.00 per hour

Daily Theatre hire rate:

Professional\$1,000.00

Local \$450.00

Arts Council and public meetings \$400.00

Two day hire\$1,000.00

Green Room hire rate:

Per hour\$45.00

Daily rate \$150.00

Fred Gregory Screen Room hire rate:

Per hour\$45.00

Daily 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

Usher, front of house\$27.00 per hour per person

Laptop, projector and screen\$30.00 per day

Hire of tablecloths \$2.00

Hire of chairs \$4.00

Hire of trestles \$2.00

Staff technician\$35.00 per hour

Additional chargesAt the discretion of Theatre Manager

REEFTON CINEMA

Movie admission:

Adults.....	\$15.00
Students (with ID).....	\$11.00
Children (under 16).....	\$8.50
Seniors 60+	\$10.00
Family ticket (two adults and two children)	\$42.50
3-D glasses.....	\$2.50 per pair

Cinema hire:

Local daily hire	\$450.00
Cinema hire	\$40.00 per hour
Cinema hire - Arts Council and public meetings	\$400.00 per day

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 plunket Building /Community room:

Commercial/business/government department	\$138.00 per day
Commercial/business/government department	\$69.00 per half day
Commercial/business/government department	\$20.00 per hour
Non profit/community group.....	\$50 per day
Non profit/community group.....	\$25 per half day
Non profit/community group.....	\$10 per hour

RESERVES

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

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
Westport Contract Bridge Club	\$84.00 per year

Kilkenny Park:

Buller Board Riders	\$167.00 per year
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Raynor Park:

White Star Rugby Club	\$84.00 per year
Fire and Emergency NZ.....	\$84.00 per year

North Beach:

Westport Pony Club.....	\$84.00 per year
Kawatiri Riding for the Disabled	\$84.00 per year
Sunset Speedway Club.....	\$84.00 per year

Hall and reserve hire fees:

Fees and charges are set by the relevant sub-committee

WESTPORT & REEFTON CEMETERIES

Burial:

Adult interment (opening fee)	\$629.00
Adult eco-burial/natural burial (opening fee) – Westport Orowaiti Cemetery only	\$629.00
Child aged 12 years or over interment (opening fee)	\$629.00
Child eco-burial/natural burial (opening fee) – Westport Orowaiti Cemetery only	\$629.00
Child aged under 12 years interment in area specially provided (opening fee)	\$162.00
Stillborn child (buried in area provided or in previously purchased existing plot).....	\$58.00
Extra depth, over 1.8m	\$115.50
Interments taking place on Saturdays or on a Monday or day following a public holiday before 11:00am an additional fee of.....	\$262.50
Excavation of a grave on a Saturday, Sunday or Public Holiday an additional fee of	\$332.00
Interment of ashes	\$115.50 for one / \$155.40 for two
Disinterment	\$629.00
Re interment	\$629.00

Other Cemetery Fees:

Purchase of right of burial in perpetuity each single plot.....	\$370.00
• includes adult and child aged 12 years or under	
• excludes stillborn child in area provided	
Pre-purchase of ashes plot.....	\$64.00
Perpetual maintenance of each single lawn plot	\$663.00
Perpetual maintenance (child under 12) in special area provided	\$174.00
Perpetual maintenance (ashes berm).....	\$77.00
Plaque permit on berm (grave).....	\$134.00
Plaque permit on berm (ashes).....	\$67.00
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	\$48.00
Cemetery burial records search exceeding 10 minutes of staff time	\$41.00

RUBBISH

Solid waste fees will be charged by the contractors, Smart Environmental Ltd.

ADVERTISING

Advertising on Palmerston Street rubbish bins Cost to be provided upon application
(One panel on each of the 11 bins. The advertiser is to meet the costs of producing the advertising material.)

Advertising on Council-owned State Highway billboards\$800.00 per month, per site (plus GST)
(The advertiser is to meet the costs of producing the advertising material, installation and removal.)

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	\$137.00 (GST exempt) per week
Double unit.....	\$180.00 (GST exempt) per week
Garage (if available).....	\$8.00 (GST exempt) per week

ROOM RENTAL

For other rooms not listed, rental rates will be provided on application.

LICENCE TO OCCUPY

Application for licence to occupy.....	\$150.00
Licence to occupy documentation fee.....	\$150.00
Annual licence fee.....	For dwellings on unformed legal road, as per Council policy (All other licences by negotiation)

ROAD STOPPING

Application fee	\$300.00
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(if application is approved all costs including staff time are payable in advance, in addition to the application fee)

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.

ADDITIONAL TRADE WASTE CHARGES AS PER SCHEDULE 1C OF THE TRADE WASTE BYLAW

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.

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, of Council's Trade Waste Bylaw. This charge will be made on the basis of multiples of domestic dwelling equivalents.

The Domestic Dwelling Equivalent (DDE) varies depending on the activity. To calculate the total trade waste cost charging groups based on DDE are as follows:

Charging group	Domestic Dwelling Equivalent (DDE) Band	Trade waste fee
A	<2 DDE	\$0
B	2 - <5 DDE	\$39.00
C	5 - <10 DDE	\$91.00
D	10 - <20 DDE	\$195.00
E	20 - <30 DDE	\$325.00
F	30 - <70 DDE	Determination required
G	<70 DDE	Determination required

A4 Trade waste consent application fee

This is payable with each Trade Waste Consent Application.

A5 Compliance or extraordinary application processing costs

Time and disbursement costs, as incurred on at a rate identified in the Long Term Plan. Extraordinary application processing or compliance costs will subsequently apply.

Schedule 1D of the Trade Waste Bylaw - 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 - no additional charges
2 - <5	B	3 - additional trade waste charges
5 - <10	C	7 - additional trade waste charges
10 - <20	D	15 - additional trade waste charges
20 - 30	E	25 - additional trade waste charges
>30	F	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 Infrastructure Services 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.

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) Remission 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.

(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 the charges

Pursuant to Section 36AA of the RMA the Council will give discounts on administrative 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 Resource Management (discount on administrative charges) Regulations 2010.

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. Travel for Consultants will be charged at cost.
- (c) Staff travel time will be capped at one hour, plus applicable mileage.
- (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.

Application administration fee.....	\$100.00
Monitoring administration fee	\$100.00

Category A - Land Use Consents

Description of service	Minimum deposit/fixed charge
Non notified (other than below).....	\$800.00 deposit with full cost recovery
Non notified	\$500.00 deposit with full cost recovery
• Electric line installation	
• Minor bulk, height and location matters	
• Signs	
Non-notified relocation of an existing powerpole.....	\$500.00 flat fee
Notified	\$1,200.00 deposit with full cost recovery (eg hearings and joint hearings with the Regional Council)
Permitted boundary activities – section 87BA of the Resource Management Act 1991	
.....	\$450.00 deposit with full cost recovery
Deemed permitted activities – section 87BB of the Resource Management Act 1991	
.....	\$450.00 deposit with full cost recovery

Category B - Subdivision Consents

Non notified	\$800.00 deposit 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 and Related Subdivision Processing

Section 223 sealing of plan.....	\$200.00 minimum with full cost recovery
Signing under section 224(c) where no conditions are imposed	\$100.00 minimum with full cost recovery
Signing under section 224(c) where conditions are imposed	\$200.00 minimum with full cost recovery
Section 226 Certificates	\$150.00 minimum with full cost recovery
Right of way and easement amendments (section 348 of LGA 1974)	\$450.00 minimum with full cost recovery
Resolution for no frontage access to a lot (section 321 of LGA 1974).....	\$300.00 minimum with full cost recovery
Authenticated copy of section 321 resolution	\$130.00 minimum with full cost recovery
Easements and encumbrances including lifting building line restrictions.....	\$255.00 minimum with full cost recovery
Other services (eg building, engineering advice)	At Cost

Category D - General Consent Processing and Monitoring

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
Compliance monitoring of Resource Consent conditions, including Compliance Certificate for completion of conditions	At cost, invoiced on completion of investigations
Objection on decision - section 357-357A.....	\$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 - section 128.....	Full cost recovery
Maintenance bond administration.....	\$100.00 per condition to be bonded
Performance bond administration.....	\$200.00 per condition to be bonded
Bond preparation by Council Solicitor.....	At cost
Legal costs associated with consent application.....	At cost

- Where one or more submitters make a request under Section 100A of the RMA to have a resource consent application heard by one or more hearing commissioners who are not members of the Council, the applicant will pay the amount that the Council estimates it would cost for the application to be heard had the request not been made, and the submitter(s) who made the request will pay, in equal shares, the cost of the application being heard that exceeds that amount payable by the applicant.
- Where the applicant requests to have a resource consent application heard by one or more hear commissioners who are not members of the Council, under Section 100A of the RMA, the applicant will pay the full costs.

Category E - Other RMA Functions

Existing use rights - section 10.....	\$650.00 deposit with full cost recovery
Certificate of Compliance - section 139.....	\$450.00 deposit with full cost recovery

Requirement for Designation - Sections 168-173 (Heritage Order Sections 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 - section 176(a).....	\$200.00 deposit with full cost recovery
Waiver of outline plan - section 176.....	\$100.00 flat fee

Requirement for alteration of a designation - Sec 181:

Non-notified.....	\$500.00 deposit with full cost recovery
Notified.....	\$800.00 deposit with full cost recovery
Application to determine that a designation should not lapse - Sections 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, excluding 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
Information requests that take longer than 30 minutes to answer.....	At Cost
Computer freehold register search (or first instrument).....	\$40.00
Plus: per additional document.....	\$10.00
Consultants miscellaneous fees (ie, printing costs).....	At Cost

Category G - District Plans

Buller District Plan folder.....	\$200.00 flat fee
Buller District Plan CD.....	\$30.00 flat fee
Buller District Plan maps.....	\$300.00 flat fee

Category H – Charge-out rates (including rates, mining privileges)

The following are charge-out rates that will be used to assess actual costs:

Chief Executive.....	\$200.00 per hour
All divisional managers.....	\$180.00 per hour
Processing officer (including consultants undertaking processing and monitoring of applications)	\$145.00 - \$200.00 per hour
Assets and infrastructure and building officers.....	\$115.00 - \$200.00 per hour
Planning assistant.....	\$115.00 per hour
Other staff.....	Hourly rate set by Manager of the respective department
Cost of commissioners attending hearings.....	Actual costs
Consultants and contractors (eg, noise reports, legal advice, does not include processing and monitoring 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 30 minutes will be charged for.

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).....	\$150.00 with full cost recovery
Spaceheater - freestanding.....	\$450.00 set fee
Spaceheater - inbuilt.....	\$550.00 set fee
Minor alterations (<\$20,000) eg remove internal wall, install shower.....	\$380.00 deposit with full cost recovery
Minor work (<\$20,000) eg garage/shed/carport/conservatory/re-pile.....	\$480.00 deposit with full cost recovery
New work/alterations (>\$20,000) but not major construction and multi-proof consents.....	\$700.00 deposit with full cost recovery
New major construction.....	\$2,500.00 deposit with full cost recovery

Applications:

Administration fee - All.....	\$120.00
Inspection fee (per inspection).....	\$150.00
(The current inspection fee will apply for any inspections carried out more than two years after the consent was issued regardless of whether an extension of time has previously been granted. If inspections have been prepaid the balance between the fee paid and the current fee will apply).	
Processing and vetting of consent applications.....	\$150.00 per hour
Code compliance certificate.....	\$150.00
Compliance schedule - where required.....	\$150.00
Exempt building work.....	\$250.00 deposit with full cost recovery
Waiver request form.....	\$150.00

Building levies (fees are payable on consent of a value in excess of \$20,000)

Ministry of Building Innovation and Employment (as set by statutory requirements and payable on consent value over \$20,444).....	\$2.01 per \$1,000.00 or part thereof
BRANZ (as set by statutory requirements and payable on consent value over \$20,000).....	\$1.00 per \$1,000.00 or part thereof

Alpha One (BDC Agent) Levy

All projects except spaceheater installations.....	\$86.25
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Building Consent Authority (BCA) Levy

<\$10,000.....	\$50.00
\$10,000-\$20,000	\$125.00
\$20,000-\$49,999	\$225.00
\$50,000-\$99,999	\$425.00
\$100,000-\$199,999	\$850.00
\$200,000-\$349,999	\$1,250.00
\$350,000-\$499,999	\$1,750.00
\$500,000-\$1,000,000	\$2,250.00
> \$1,000,000.....	\$2,250.00 plus \$1.00 per \$1,000 or part thereof on consent value over \$1,000,000

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 alcohol).....	Flat fee of \$50.00
Inspection and reports on unauthorised work	\$150.00 per hour
Swimming pool fence inspections fee	\$150.00 per inspection
Field/service/site inspection	\$150.00 per hour
Building information	\$150.00 per hour
Notices to fix	\$150.00 per hour
Annual administration fee for compliance schedule (includes audit if required)	\$150.00
Design or peer review plus specific inspections by specialist external contractors	Full cost recovery
Certificates for public use.....	\$30.00 administration fee
.....	\$150.00 per hour processing fee
Amendment of consents.....	\$30.00 administration fee
.....	\$150.00 per hour processing fee plus Alpha One levy \$86.25
Building consent - extension of time fee.....	\$25.00
Building consent - document copying.....	\$0.20 per page

Registration Costs Section 73, 77 and 83 of the Building Act:

Administration/preparation of signed certificate	\$66.50
Plus: registration costs to DLR as set by Land Information New Zealand	

HEALTH INSPECTION FEES

Premises Licence Fees:

Food premises - no kitchen	\$220.50
Food premises - all other premises.....	\$441.00
Additional visits if required.....	\$126.00 per hour (includes mileage)
Food vending machines	\$39.00
Hairdressers.....	\$220.50
Mortuary licence.....	\$276.00
Offensive trades	\$276.00
Camping grounds	\$276.00
Transfer fee of health registrations	\$34.00
Others - itinerant traders	\$276.00
Hawkers	\$25.00
Trading in public places licence (street stalls):	
- up to and including a maximum of three (3) days over any seven (7) day period.....	\$26.25
- for more than three (3) days up to seven (7) days over any seven (7) day period.....	\$42.00
- mobile or travelling shops.....	\$166.00
Licence to Occupy footpaths for dining purposes - temporary structures.....	\$126.00

If a business is required to be registered under the Food Act 2014, the following charges apply:

Food control plan - national programme (initial)	\$200.00
Food control plan - national programme (renewal of registration).....	\$200.00
Printed food control plan	\$30.00
Printed food control diary	\$10.00
Verification visits (per audit)	\$250.00
Amendment to food control plans based on a change in circumstances	\$50.00
Additional visits to check compliance	EHO hourly rate
Compliance and monitoring (investigation of complaint resulting in the issue of an improvement notice by Food Safety Officer	EHO hourly rate

Environmental Health Officer

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

SALE OF ALCOHOL LICENSING

refer to Sale and Supply of Alcohol (Fees) Regulations 2013

- On-licence or off-licence or club licence - new or renewal applications
- On-licence endorsed BYO - new or renewal applications
- Conveyance licence - new or renewal applications
- Special licence - new or renewal applications
- Manager's certificate - new or renewal applications
- Extract from registrar
- Temporary authority per licence
- Temporary licence

Providing alcohol information.....	\$125.00 per hour
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GAMBLING VENUE APPLICATIONS

Application for class 4 gambling venues.....	\$250.00 deposit with full cost recovery
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AMUSEMENT DEVICES

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	\$87.50
Approved dog owners - de-sexed dogs.....	\$67.50

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

Entire dogs.....	\$152.50
De-sexed dogs.....	\$132.50

Other fees related to dog registration:

Dogs not registered after due date - per dog	Additional 50%
Duplicate registration tags	\$2.50
Microchipping of dogs	\$40.00
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.....	\$10.00
Dogs impounded after normal working hours, owner to pay an additional fee	\$50.00
Finders fee (first offence, registered, able to be identified, able to be received)	\$50.00
Dog Euthanasia.....	Full cost recovery

Ranging and impounding of animals

Stock impounding	Actual cost
Every horse, above 12 months of age.....	\$60.00
Every horse, under 12 months of age	\$60.00
Every mule or ass.....	\$60.00
Every bull over the age of 9 months.....	\$60.00
Every ox, cow, steer, heifer or calf.....	\$60.00
Every ewe, wether or lamb	\$50.00
Every hind or stag	\$60.00
Every goat	\$50.00
Every boar, sow or pig	\$50.00

Impounding and sustenance:

The owner of any stock impounded shall pay, in addition to the above impounding fee, a similar amount per day or part day thereof for sustenance, and actual and reasonable charges incurred in impounding the stock on the following basis:

- The actual costs on wages plus 140% (plus GST)
- Vehicle expenses at \$1.00 per kilometre plus GST for external charging
- The actual freight costs incurred

Administration costs:

Travel costs	vehicle expenses at \$1.00 per kilometre plus GST for external charging
Dogs impounded after normal working hours, owner to pay an additional fee	\$50.00
Finders Fee (first offence, registered, able to be identified, able to be received)	\$31.00

INFORMATION SERVICES

Where written information is sought or staff are employed to provide information other than that in relation to normal inspectoral or by-law requirements, an hourly rate of	\$71.50 per hour
Photography costs.....	\$2.00 per photo

Other services:

All other services rendered by staff which is outside of the services normally provided for in the other fees and charges

\$71.50 per hour.

ALL DEPARTMENTS

Staff time:

For chargeable services the staff hourly rate is:

\$80.00 per hour

Photocopying:

A4 Mono	\$0.20 per copy
A4 Colour.....	\$1.00 per copy
A3 Mono	\$0.40 per copy
A3 Colour.....	\$2.00 per copy

Aerial photos or maps:

GIS preparation and printing:.....

\$10.00 per item

- Photocopying charges apply as above for multiple copies
- Complex enquiries may incur specialist staff time charges

Electronic imaging:

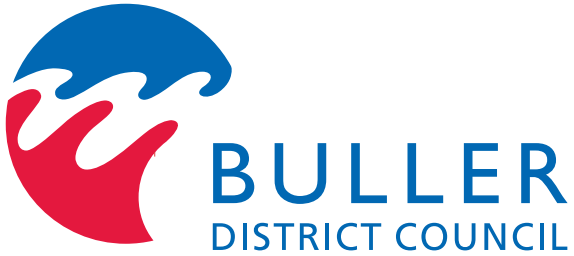
CD or DVD

\$5.00 per job

WESTPORT AIRPORT AUTHORITY

Parking charges:

Daytime (more than 1 hour, but less than 24 hours).....	\$5.00 per day
Overnight (24 hour period, plus)	\$10.00 per 24 hour period



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