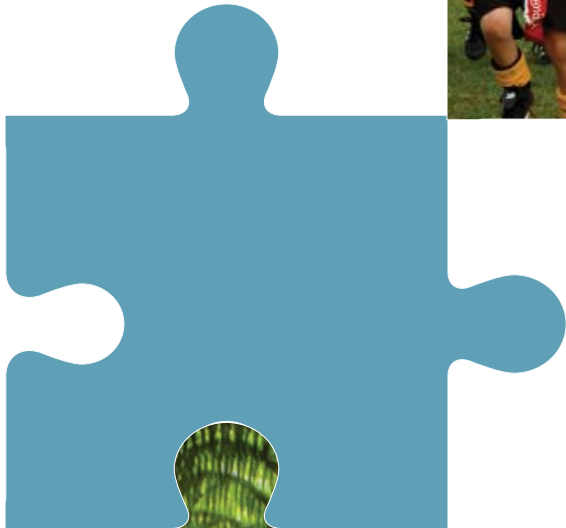
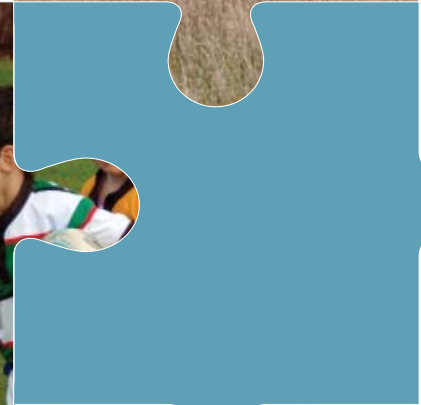
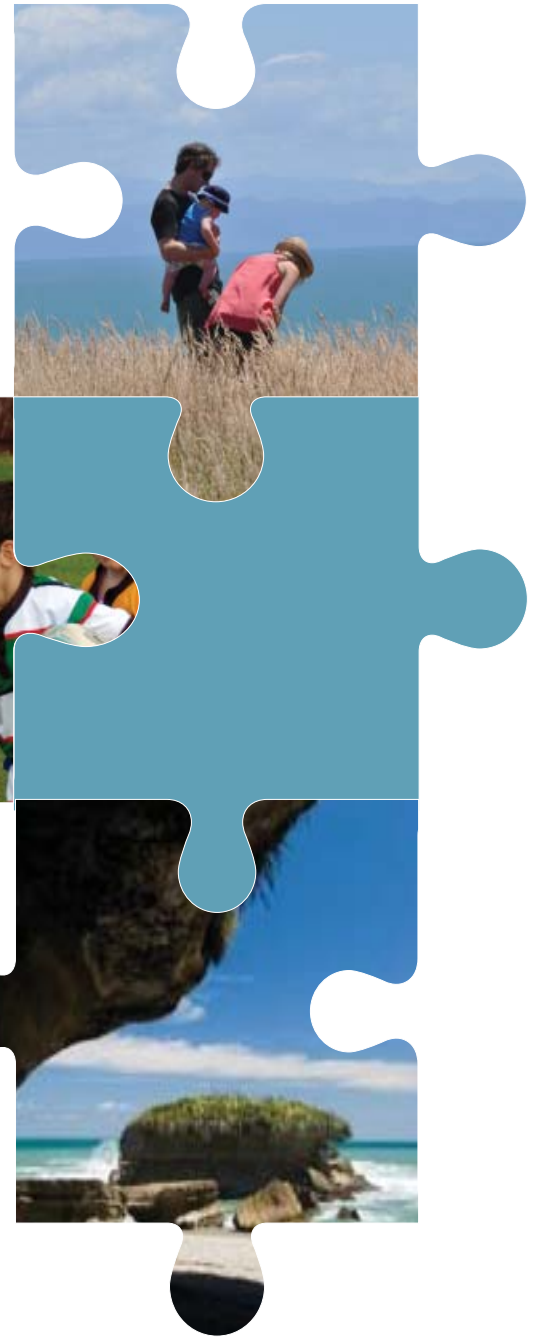




Buller District Council



# Annual Plan

2017-2018

*'What Council is planning to do July 2017 to June 2018'*

[www.bullerdc.govt.nz](http://www.bullerdc.govt.nz)

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# Welcome ~ 2017-2018 Annual Plan

## Introduction

This statement is required to be made by the Local Government Act 2002. It is to be read with the proposal for the Buller District Council's 2017-2018 Annual Plan which is set out in the following pages. The Annual Plan includes information for the 2017-2018 year in relation to each group of activities contained in the 2015-2025 Long Term Plan (LTP) and the reasons that any information in the Annual Plan departs from the 2015-2025 Long Term Plan.

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

The 2017-2018 Annual Plan is the third year of the 2015-2025 Long Term Plan (LTP) which was adopted by the Council in June 2015. All Councils are required to produce a Long Term Plan every three years and Annual Plans in the intervening years.

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

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

## The 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 2017-2018. You will find details of what the Council is planning to spend in the year ahead and how it will be paid for. Specific projects and issues have been highlighted against each of the Council's activities, together with the performance targets that will enable you to monitor progress over time. Detailed financial statements are also provided.

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

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

# Mayor & Councillors

## Mayor

### Garry Howard

First Elected: 2013  
| [03] 788-9684 (office)  
| [027] 4474-371 (mobile)  
garry@bdc.govt.nz



## Westport Ward

### Shayne Barry

First Elected: 2016  
| [03] 789-6966 (home)  
| [03] 788-9003 (business)  
| [022] 694-4592 (mobile)  
shayne.barry@bdc.govt.nz



### Jamie Cleine

First Elected: 2016  
| [03] 789-8060 (home)  
| [027] 415-8614 (mobile)  
jamie.cleine@bdc.govt.nz



### Greg Hart

First Elected: 2013  
| [021] 073-5518 (mobile)  
greg.hart@bdc.govt.nz



### Robyn Nahr

First Elected: 2013  
| [03] 789-8431 (home)  
| [03] 788-9090 (business)  
robyn.nahr@bdc.govt.nz



### Sharon Roche

First Elected: 2013  
| [03] 789-6423 (home)  
| [027] 659-9050 (mobile)  
sharon.roche@bdc.govt.nz



### Phil Rutherford

First Elected: 2013  
| [03] 789-7087 (home)  
phil.rutherford@bdc.govt.nz



## Inangahua Ward

### Dave Hawes

First Elected: 2007  
| [03] 732-8423 (home)  
dave.hawes@bdc.govt.nz



### Graeme Neylon

First Elected: 1992  
| [03] 732-8382 (home)  
| [027] 431-4659 (mobile)  
graeme.neylon@bdc.govt.nz



## Seddon Ward

### Martin Hill

First Elected: 2016  
| [03] 782-8696 (home)  
martin.hill@bdc.govt.nz



### Emily Miazga

First Elected: 2016  
| [03] 782-8999 (home)  
| [027] 274-4370 (mobile)  
emily.miazga@bdc.govt.nz



# Inangahua Community Board

## Board Members

### Susan Barnett

First Elected: 2015  
| [03] 732-8440 (home)  
reefton@clear.net.nz

### Alun Bollinger

First Elected: 2016  
| [03] 732-8123 (home)  
albol@kinect.co.nz

### Simon Burke

First Elected: 2016  
| [03] 732-7011 (home)  
simonariel1@gmail.com

### Ina Lineham

First Elected: 2016  
| [03] 732-8401 (home)  
alineham@clear.net.nz

# Message from the Mayor

2017-2018 will see a number of Local Government / Central Government work streams unfold.

The West Coast Growth Study Action Plan will set out a number of projects to be developed to assist economic viability of the community and a platform for further developments.

The Local Government Commission will decide on how to progress alternative proposals for regional and district Councils. West Coast Councils will work on increased collaboration initiatives and develop an implementation strategy for road transport and resource management services, along with other initiatives currently in progress.

Throughout 2017-2018 Chorus will work with Council on the installation of Ultra-Fast Broadband fibre network for residential Westport and Reefton. Government has scheduled completion by early 2019. In addition, Buller District Council will be looking at how it can facilitate broadband and mobile phone coverage to a number of our smaller communities.

Undoubtedly for Buller District Council, the completion of Ministry of Health Standard water supply upgrades remain a fundamental goal along with reinstatement of the number 1 tunnel that feeds Westport's main water supply.

Reefton's swimming pool, a community facility for Punakaiki (along with infrastructure to improve visitor experience) are on the radar.

2017-2018 will be a period of delivering and physically putting infrastructure in place for the benefit of our communities.



**Garry Howard**  
~ Mayor

## Chief Executive's Report

The 2017-2018 Annual Plan, as the last year of the current Long Term Plan, can be described as a 'steady as you go' plan to take us through to our new Long Term Plan, with no major departures from what was signalled in the Long Term Plan.

You will see that we have introduced our values to the front end of the plan, which were developed with input from our community during 2016. These can be seen as guiding principles to be used as a filter for all decisions and actions taken by Council going forward.

Management have worked very hard to control costs so that we can keep rates increases to a minimum, while still maintaining the current level of service. Our target in the Long Term Plan was 3.7% and we have managed to achieve much better than this at only 2.3%. This makes our increase amongst the lowest in the country which is appropriate given the struggles many of our rate payers are having given the current economic climate. The feeling is that we are through the worst of this and that our economy will continue to bounce back.

Tourism is another key area where we can expect significant growth, with a particular focus on cycle trails and icons such as Punakaiki and Oparara Arches. The Council must balance the needs of ratepayers with the needs of visitors to our District and ensure that ratepayers are getting equal benefit from any spending in this area.

Freedom camping in the District has become a hot topic and prompted a review of the bylaw.

During 2017-2018 we will be working with the other councils on the West Coast to develop a comprehensive strategy which strikes a balance between making our region an attractive place to visit and minimising the impact on our residents and environment.

During the last year of the LTP we need to do some ground work to prepare for the next Long Term Plan. You will see that we have re-budgeted \$60,000 to start the waterfront development project which was originally planned to start in 2014-15. This was deferred mainly due to issues with capacity which has now been addressed and working in with any planned flood control for the Buller River. The focus will be on developing concepts and options along with full costings so that we can fully consult with the community on these options as part of the Long Term Plan.

### Assets and Infrastructure

One of the other key decisions Council needs to make is whether to go ahead with the re-development of the Clocktower as a cultural hub for Westport. This was signaled in our current Long Term Plan, and is a project that will bring vibrancy and culture into our town centre and potentially provide a more cost effective office space option than having to earthquake strengthen our current building. We have allocated \$80,000 in the 2017-2018 plan to develop a business case which will include initial designs and costings as well as a cost benefit analysis and funding strategy. The funding strategy will inform us on how much external funding we are likely to be able to attract to this project to offset the costs. We will not be able to make a decision on whether to proceed without this.

Buller District Council will continue with its program to invest in our infrastructure and facilities so we can avoid the cost of deferred maintenance in the future. Capital expenditure planned for 2017-2018 includes Increasing road resilience, repairs and upgrades to our water systems, including the number 1 tunnel, and the completion of the Waimangaroa water scheme.



**Andy Gowland-Douglas**  
~ Chief Executive

# 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 ...

### 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.

### 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 environmental, as well as the cultural and historical environments.

 Buller District Council

# Financial Performance & Executive Summary

## Key Highlights of this Annual Plan

### Current Economic Context

Buller's economy has historically been built on the primary industries of gold, coal mining, and agriculture supplemented by manufacturing and tourism. Over the past few years the local economy has seen a decline in a number of these primary industries due to fluctuations in commodity prices. As outlined in the 2015-2025 Long Term Plan the economy will need to adjust to this, as well as the closure of the Holcim cement plant which occurred in 2016.

The economic conditions were predicted to be challenging in the short to medium term however Coasters are a resilient group and have taken advantage of a current boom in visitors to our district and the flow on effects that this has in the economy.

### Annual Plan Approach

The approach to this Annual Plan, which is the second Annual Plan following the 2015-2025 Long Term Plan is to consolidate the work of that plan via a '*steady as you go*' approach, by maintaining current service levels, achieving cost efficiencies through efficient allocation and reallocation of resources where possible, focusing on completing the rural water upgrade at Waimangaroa and addressing the Westport Water tunnel piping refurbishment that requires an immediate solution.

Council continues with the planned property and earthquake upgrades that were identified in the LTP as a key priority. Key projects this year include planning for relocation of Council offices to the Clocktower which will involve some rationalisation of Councils building stocks. The project provides an opportunity to minimise ongoing operating expenses and ultimately the cost to the ratepayer.

In 2016 the Kaikoura earthquake resulted in the rerouting of traffic through Springs Junction. Traffic counts on the state highway soared from 2,700 movements per day to over 6,000. With this came the challenge to provide adequate services by Council including additional toilet facilities. This Annual Plan includes the additional cost, in the short term, of the operating cost of these facilities.

Council continues with its planned property maintenance schedule and this Annual Plan recognises the continued need to be adaptable in this area.

The urban streetscape Waterfront project is another example of where Council has needed to be flexible. Stage three of the project was expected to be completed in 2017-2018. However Council has needed to work in with and understand the implications of any flood protection work planned by the Regional Council before it commits any significant expenditure on the waterfront adjacent to Westport. Once the Regional Council has decided on the appropriate flood protection strategy this will enable Council to commit to spending funds on the project.

In addition, 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 receives 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 however Council expects that a model will be available for public consultation in the third quarter of 2017. This would enable any proposed new system to be adopted for the 2018-2019 rating year. Therefore any changes to the way that rates are apportioned will not impact the ratepayer in the 2017-2018 rating year.

### Key Highlights of the 2017-2018 Annual Plan

Summary Financial Statement	2016-2017 Annual Plan \$000	2017-2018 Long Term Plan \$000	2017-2018 Annual Plan \$000
Operating Revenue	22,805	24,013	23,470
Operating Expenses	22,383	23,908	23,084
Operating Surplus/ Deficit	422	105	386
Revaluations	0	11,530	0
Total Comprehensive Revenue & Expenses	422	11,635	386

## Operating Result

Council is budgeting for a surplus of \$364,000 in the 2017-2018 Annual Plan compared to a surplus of \$105,000 proposed for the same year in the 2015-2025 Long Term Plan (LTP). The differences between the Annual Plan and the LTP are discussed in more detail under the headings Operating Revenue and Operating Expense below, however the main drivers are higher subsidies and grants due to the re-budgeting of a subsidy for the Waimangaroa water scheme which was not in the LTP. Another contributor to the difference in surpluses is the 'no movement' anticipated in the Annual Plan for investment properties, whereas a gain was anticipated in the LTP. This is driven by the softening property market in the district.

There are also lower finance costs due to lower interest rates and savings in other expenses resulting from lower than anticipated inflation and cost savings in some activities in the Annual Plan.



# Buller District Council

## Operating Revenue

Operating revenue has dropped significantly compared to the LTP (\$23.4m compared to \$24.0m) particularly in general and targeted rates (\$0.4m). The NZTA financial assistance for roading is slightly down compared to the LTP (\$202,000) due to minor variations in the roading programme. The NZTA programme is based on a 3 year budget whereas Councils budgeting is done on a yearly basis which can lead to minor differences. The NZTA financial assistance rate is expected to increase from 62% to the maximum of 63% in 2017-2018.

Fees and charges are anticipated to be down (\$101,000) due to the continued lower economic activity predicted for the district. This is expected to impact mainly on building and planning areas within Council.

The revaluation gain for Investment Properties predicted in the LTP of \$244,000 is unlikely to eventuate. Council has anticipated that property values will remain at low levels but that no further downward trend is likely for 2017-2018.

Investment income is lower in this Annual Plan by a total of \$160,000. This is due to interest rates remaining at a lower level than what was predicted when the LTP was compiled.

Subsidies and grant income is expected to be higher than the LTP budget, this is due to Waimangaroa water scheme construction being rebudgeted and the subsidy associated with this will now be received in 2017-2018. \$0.2m is expected to be received as a subsidy for an expected public toilet project which was not included in the LTP.

## Targeted Rates are forecasted to decrease by \$377,000 compared to the LTP due to a combination of factors:

- A number of rural water projects that have not been completed in the proposed timeframe as planned including Waimangaroa which is budgeted to be completed in this plan, Karamea, Little Wanganui and South Grivity which did not proceed because of the cost and Ngakawau-Hector due to lack of community support for the project.
- In the LTP for Westport Water it was proposed to replace the trunkmain. The repair option was chosen due to updated advice about the condition of the pipeline which has lowered the cost to the Westport targeted ratepayer considerably.
- In addition there have been some cost savings in other targeted rates due to operational savings in those areas.

## Operating Expenditure

- Operating Expenditure is also lower in this Annual Plan (\$23.1m) compared to the LTP prediction of \$23.9m. Council has achieved lower operating expenditure in a number of areas.
- Depreciation costs are proposed to be \$366,000 lower than the LTP due to the deferral or re-budgeting of some capital projects; particularly some water projects, urban development, as well as the effect of deferring the infrastructure revaluation cycle due to low inflation.
- Finance costs have decreased by \$596,000 as a result of lower external interest costs predicted in the Annual Plan and also as a result of Council moving the majority of its debt to the Local Government Financing Authority in 2015 which has lowered Councils cost of funds.
- Other expenses predicted in the Annual Plan are \$152,000 more than the LTP this is mainly due to a number of one-off expense items and some minor cost savings and less inflation than anticipated in the LTP.

## Capital Expenditure

Total Capital expenditure is proposed to be \$7.2m in this Annual Plan, with \$2.8m targeted level of service improvements and \$4.4m replacing existing assets.

Capital expenditure was predicted to be \$4.4m in the LTP to a variance of \$2.8m. The difference is made up of \$2.4m expenditure on Westport water to complete upgrade of the number 1 water tunnel, \$0.5m for rebudgeting of the Waimangaroa drinking water upgrade and \$0.4m for a number of required additional property upgrades including \$0.2m for a toilet upgrade which is expected to be funded by central government. This is offset by a reduction in the district roading spend of \$134,000 compared to the LTP due to minor differences proposed in the roading programme which is subsidised by LTNZ.

The urban development waterfront project anticipated \$0.4m to be spent in 2017-2018 in the LTP. However Council proposes to spend \$60,000 in 2017-2018 with the remainder of the project budgeted to be completed in the following year. The rest of Councils planned capital expenditure programme for 2017-2018 will continue as proposed in the LTP.

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

## Statement of Position

The differences in the capital expenditure program proposed in the Annual Plan results in \$0.4m more borrowings than predicted in the LTP (\$28.1m versus \$27.7m).

Investments are predicted to be \$1.8m higher in the Annual Plan (\$13.8m) as opposed to the LTP (\$12m). This results in a net debt position which is considerably less than was predicted in the LTP. Net debt is expected to be \$14.3m in the Annual Plan compared to \$15.7m in the LTP a difference of \$1.4m. The difference is mainly as a result of decisions made regarding deferring Westport water trunk main and some rural water projects offset by the additional capital expenditure predicted to complete the Westport water tunnel refurbishment.

- Cash flow from operations is predicted to be positive at \$5.0m.
- Ratepayers equity is \$326m.



## Financial Prudence Measures

### Annual Plan Disclosure Statement for the year ending 30 June 2018:

#### What is the purpose of this statement?

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 from rates.	59.0%	●
	- Increases	Planned rates increases are no more than the long run cost local government cost index increase (3%).	2.3%	●
Debt affordability benchmarks		Planned net debt (debt less term deposits) is less than \$20m.	\$14,347,000	●
Balanced budget benchmark		Planned total revenue less excluded items is equal to or greater than operating expenditure less excluded items.	100.7%	●
Essential services benchmark		Planned capital expenditure on network services is equal to or greater than depreciation on network services.	144.3%	●
Debt servicing benchmark		Planned borrowing costs are equal or less than 10% of planned revenue.	4.8%	●

■ Council has met all six financial prudence benchmarks in its 2017-2018 Annual Plan.

Achieved	●
Not-Achieved	●

## Rate Increases

	2016-2017 Annual Plan	2017-2018 Long Term Plan	2017-2018 Annual Plan
Total Rates	\$13,517,000	\$14,269,000	\$13,831,000
Rateable properties	7,515	7,400	7,515
Average Rates	\$1,799	\$1,928	\$1,840
<b>Rate Movements</b>	<b>+1.5%</b>	<b>+3.7%</b>	<b>+2.3%</b>

#### 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 11 and 12. Council has limited rate increases to below those forecasted in the Long Term Plan.

# Key Issues

## ... Addressed in this Annual Plan

### Westport Drinking Water Upgrade

Council identified completing the Westport Water as a priority in the 2015-2025 Long Term Plan. The option adopted by Council in the LTP was to defer immediate replacement of the Westport trunk main pending further investigation of its condition. An amount of \$100,000 was budgeted to undertake an investigation of the trunk main to Westport to determine the optimum timing and lengths of pipe to be replaced. Replacement was scheduled for 2016-2017. In addition Council decided to pipe tunnel one at a cost of \$1.6m with an anticipated subsidy of \$0.75m in 2015-2016. These options were chosen because they immediately addressed the reliability of the Westport water supply and allowed time to accurately determine the scope of the pipe replacements to be undertaken.

Following on from this Council received a report from Opus International Consultants in March 2016 on the condition of the trunk main and tunnels and the practical options to address their replacement or refurbishment. The report recommended the following actions:

- Defer replacement of the Westport trunk main. The report considered the trunk main would be serviceable in the short term and did not yet require replacement.
- Address the issues in tunnel one by remediating a length of approximately 100 metres of timbered support in the area of the collapse.

Council have again included the trunk main repair option in this Annual Plan as the asset has performed satisfactorily with a minimum number of outages. Council will continue with this option and repair sections as required with the option to revisit the replacement option should the current option prove unsatisfactory to ratepayers and consumers.

- As the registered water supplier for Westport & Carters Beach, Council has identified the No.1 Water Tunnel project as the major capital investment for 2017/2018. It aligns with Council's Long Term Plan (LTP) and our commitment to provide safe, adequate and reliable drinking water for the supplies we are responsible for. This supports the community health and well-being strategic goals and outcomes.
- The reservoirs for the Westport & Carters Beach network are normally supplied through a gravity-flow tunnel system upstream of the treatment plant. The system consists of races and four tunnels (numbered 1 through to 4), which supply the reservoir ponds. The No.1 Tunnel is the longest and closest to the abstraction (intake) point of Giles Creek. After the partial collapse of No.1 Tunnel in 2014, Council commissioned an options study to identify the best alternatives for guaranteed supply. Several options were proposed, including tunnel repair (stabilisation), microtunneling (pipe-jacking) and directional drilling. At the time, the tunnel repair Option 2a was selected on the basis of affordability, whilst acknowledging this was a medium-term solution that would still leave Council with a moderate level of risk.
- Further collapse and obstruction within the No.1 Tunnel then occurred late 2016, resulting in no water flow passing through the No.1 Tunnel since early 2017. Raw water is currently being supplied to the reservoirs from the alternative pumped system which must operate continuously to meet demand. In addition, recent changes to Health & Safety and legislative requirements means that tunnel repairs must satisfy mining and quarrying regulations, causing an escalation in risk control measures and costs.
- As a result, Council resolved to eliminate all tunnel repair (stabilisation) alternatives, and through an Options Workshop process "pipe-jacking" through the existing tunnel was selected. This solution involves driving >1m diameter thick-walled concrete pipes through the worst sections of the 1.2km No.1 Tunnel. The capital costs and project duration are currently being developed in a Feasibility Study. At this stage \$3m is budgeted to address tunnel issues (\$0.7m carried over from 2016/2017, \$2.3m in 2017/2018).
- Pipe-jacking also has the capability, at any time, for further investment and risk control on the remaining length of the No.1 Tunnel, by either pipe-jacking or directional drilling the full tunnel length. Council will consider this potential work in future planning, based on risk and affordability. The remaining tunnels in the system will also need to be assessed as part of the LTP.

### Rural Drinking Water Upgrades

#### Waimangaroa

- As the registered water supplier for Waimangaroa, Council has selected a new bore supply and treatment plant as the long term solution.
- Funding for the previously approved upgrade of the Conns Creek supply has been carried over and re-budgeted with the approval of the Ministry of Health's CAP Facilitator.
- A site has been identified, with construction of the bore and treatment facilities scheduled for completion by December 2017.

#### Ngakawau-Hector

- The Ngakawau-Hector drinking water supply upgrade has been a challenging process due to lack of community support and issues around scheme design and ownership.
- Council initiated a legal review of the ownership of the supply in 2016 and the outcome of that review determined that Council was the ultimate owner of the water supply, as well as the registered supplier.
- Council will continue to work with the community and the Ministry of Health to ensure that a satisfactory outcome is achieved.

### Rates Overhaul

- Council commenced the review of the existing rating system in 2014 and consulted with the community on a model in December 2014 and January 2015. Following consultation, a number of areas were identified for further work and in the 2015-2025 Long Term Plan Council committed to continue to work on this significant project and anticipated that a new rating system would be developed for implementation on 1 July 2016.
- Council has run a number of workshops over the past two years and has exhaustively explored models and options to try to arrive at a rates model and system which was equitable to the majority of ratepayers.
- The project will continue into 2017-2018 with a final model expected to be made available for public consultation late 2017 for implementation in the 2018-2019 rating year.
- In addition to the proposed new rating system Council will be required to redistribute rates from any rating reclassification of the Holcim Cape Foulwind site and potentially the port in Westport. All rating examples in the 2017-2018 Annual Plan are based on the current rating system.

## Rationalising Council Property & Investing in our Towns

### Council Property and Earthquake Strengthening

■ In the Long Term Plan Council decided it needed to be sure that it is getting best value from its significant property assets as well as considering how it will deal with earthquake strengthening requirements.

■ Under the new Better Local Government legislation Council has a statutory requirement to take a 30 year plus asset management approach. Good stewardship and prudent use of ratepayer money would suggest that there is no point in spending money unless the finished building is fit for purpose for at least the next 25 years.

■ Council also has a health and safety obligation to both to staff and community users to ensure that it is taking reasonable steps to address any buildings that do not meet current earthquake safety standards. Accordingly, Council resolved to manage immediate earthquake risks by strengthening unsafe buildings to above 34% of the New Building Standard (NBS).

■ Council has completed earthquake strengthening to minimum building standards on Brougham House and the Reefton Service Centre. If these buildings are to be used long term they will need to be upgraded to 67% of the NBS. WestReef offices and the Victoria Square Complex were strengthened in the first half of the 2016-2017 financial year to 50% and 67% respectively.

### Westport Civic Buildings and Waterfront Development

■ Initially Council considered four options to rationalise and achieve the best use of the existing buildings owned in Westport. The preferred option selected was to modernise and extend the Clocktower to provide a long term solution for Council offices and a Council Meeting Room. This is to be implemented with a staged approach within a timetable that also incorporates the Westport waterfront development and other urban projects.

■ In the 2016-2017 Annual Plan Council allocated a total of \$250,000 to be spent on developing the waterfront area in Westport. This was made up of \$150,000 carried over for the 2015-16 LTP and \$100,000 brought forward from the 2017-2018 year. The project has not progressed as expected due to capacity issues causing delays. In addition there is uncertainty over the West Coast Regional Council flood protection plans and how this may impact on the project. It is counter-productive for Council to commit to significant development work in this area until there is some certainty over where, if any, proposed flood protection work is to be sited by the Regional Council. Therefore it is proposed that to progress the waterfront project \$60,000 should be re-budgeted in 2017-2018 (Council has originally budgeted \$420,000 in 2017-2018 to complete the project) and the funds required to complete the project be redetermined and allocated when Council develops its 10 year budgets in the 2018-2028 Long Term Plan.

■ Because of the success of the Kawatiri River Trail Project, Council has decided to provide a grant of \$30,000 toward developments of this nature around the waterfront (made up of \$10,000 for track maintenance and \$20,000 for new projects), for work to be carried out by the Buller Cycling Club. This initiative recognises the win/win outcomes that can potentially be achieved by supporting Council/Voluntary Community group partnerships.

### Clocktower Council Chambers

■ Council decided in the Long Term Plan as Stage 2 of its Town Heart Project to modernise and extend the Clocktower Building and sell Brougham House to provide a long term solution for Council offices and meeting room. The alternative was to strengthen Brougham House to current earthquake standards to provide a safe working environment for staff and also to strengthen Victoria Square Grandstand which is currently the district Civil Defence Centre.

■ There is \$80,000 included in this Annual Plan to begin preliminary work, which would involve exploring external funding options, evaluating any savings in the ongoing operating costs of rationalising the current multiple building stocks, examining the proposed buildings' suitability for upgrading and continued use and some design work if the project is deemed suitable to proceed with.

### Other Council Properties

■ The Cultural Hub Building that is occupied by Coaltown requires replacement of the roof at budgeted cost of \$80,000. The Peel Street yard has been a challenge for Council. The site could be fully remediated but this would come at a significant cost to the ratepayer. Council proposes to develop a remediation action plan to examine other land use opportunities within existing legislation as well as the option of full remediation. Council is also proposing to pay the cost of a seawall to protect the Punakaiki Camp (\$70,000).

### Public Toilets

■ Council is proposing to construct new public toilets at Fox River at an estimated total cost of \$200,000. The project is expected to be cost neutral to Council as it is proposed to seek funding from central government through the Regional Mid-sized Tourism Facilities Grant (MFF) administered by MBIE. If the funding is not available then the project is unlikely to proceed in its current form.

### 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 takes dairy tanker traffic.

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

■ 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 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.

■ NZTA have indicated to the Buller District Council that it is planned that the Karamea Special Purpose Road may lose its designation and revert from 100% subsidy to the Buller District Council's financial assistance rate of 63%, with a three year phase-in period.

■ 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 to be beyond the financial resources of Buller District Council's ratepayers to fund.

■ At this stage Council has assumed that funding for the Karamea Highway will continue at 100% for the purposes of this Annual Plan. If this does not eventuate Council has assumed that the Karamea Highway will revert to a State Highway.

## One Network Road Classification System

This joint initiative between the New Zealand Transport Agency (NZTA) and Local Government New Zealand 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 enable 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.

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

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

NZTA will be setting levels of service for the different roading classifications at the time of release of the Annual Plan. To-date the technical service levels have not been released. The risk the Council faces is how these levels of service are interpreted into funding investments by NZTA.

Council has assumed that there will be no change in the levels of service currently provided. 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

At this stage the rating effect of this risk cannot be quantified for the 2017-2018 Annual Plan as the proposed levels of service have not been set by NZTA.

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# 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	\$43,000	\$57,000	\$76,000	\$32,000	\$48,000	\$40,000
General Rates	142.06	200.31	267.08	112.46	163.77	136.47
UAGC	421.74	421.74	421.74	421.74	421.74	421.74
Targeted Water Rate	0	194.78	250.43	0	310.43	350.43
Targeted Sewer Disposal Rate	0	630.43	0	0	0	0
Targeted Solid Waste Rate	70.43	70.43	121.74	121.74	121.74	121.74
<b>NET RATES</b>	<b>\$634.23</b>	<b>\$1,517.70</b>	<b>\$1,061.00</b>	<b>\$655.94</b>	<b>\$1,017.68</b>	<b>\$1,030.39</b>
<b>GST</b>	<b>\$95.13</b>	<b>\$227.66</b>	<b>\$159.15</b>	<b>\$98.39</b>	<b>\$152.65</b>	<b>\$154.56</b>
<b>TOTAL RATES</b>	<b>\$729.36</b>	<b>\$1,745.36</b>	<b>\$1,220.15</b>	<b>\$754.33</b>	<b>\$1,170.33</b>	<b>\$1,184.94</b>
Comparison to Previous Year	\$714.94	\$1,692.28	\$1,178.37	\$771.77	\$1,115.26	\$1,173.80
<b>% Change</b>	<b>2.02%</b>	<b>3.14%</b>	<b>3.55%</b>	<b>-2.26%</b>	<b>4.94%</b>	<b>0.95%</b>

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	\$60,000	\$54,000	\$76,000	\$80,000	\$180,000	\$41,000
General Rates	628.52	565.67	506.60	316.61	826.72	135.45
UAGC	421.74	421.74	421.74	421.74	421.74	421.74
Targeted Water Rate	680.00	680.00	680.00	0	760.00	0
Targeted Sewer Disposal Rate	820.00	820.00	820.00	0	0	0
Targeted Solid Waste Rate	121.74	121.74	121.74	121.74	121.74	121.74
<b>NET RATES</b>	<b>\$2,672.00</b>	<b>\$2,609.15</b>	<b>\$2,550.07</b>	<b>\$860.09</b>	<b>\$2,130.20</b>	<b>\$678.93</b>
<b>GST</b>	<b>\$400.80</b>	<b>\$391.37</b>	<b>\$382.51</b>	<b>\$129.01</b>	<b>\$319.53</b>	<b>\$101.84</b>
<b>TOTAL RATES</b>	<b>\$3,072.80</b>	<b>\$3,000.52</b>	<b>\$2,932.58</b>	<b>\$989.10</b>	<b>\$2,449.73</b>	<b>\$780.77</b>
Comparison to Previous Year	\$3,014.84	\$2,991.47	\$2,918.08	\$982.99	\$2,306.85	\$761.94
<b>% Change</b>	<b>1.92%</b>	<b>0.30%</b>	<b>0.50%</b>	<b>0.62%</b>	<b>6.19%</b>	<b>2.47%</b>

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

Refer to pages 83-84 for sector code details.

# Rating Examples

SECTOR Location	Res 115 Reefton	Res 101 Springs Junction	Com 131 Karamea	Com 134 Westport	Com 140 Reefton	Rur 141 Karamea
Land Value	\$29,000	\$35,000	\$90,000	\$180,000	\$78,000	\$810,000
General Rates	213.03	115.63	1,447.94	6,487.03	1,207.45	1580.89
UAGC	421.74	421.74	421.74	421.74	421.74	421.74
Targeted Water Rate	530.43	0	0	680.00	530.43	0
Targeted Sewer Disposal Rate	550.43	0	0	820.00	550.43	0
Targeted Solid Waste Rate	121.74	100.00	70.43	121.74	121.74	70.43
<b>NET RATES</b>	<b>\$1,837.37</b>	<b>\$637.37</b>	<b>\$1,940.11</b>	<b>\$8,530.51</b>	<b>\$2,831.79</b>	<b>\$2,073.06</b>
<b>GST</b>	<b>\$275.61</b>	<b>\$95.60</b>	<b>\$291.02</b>	<b>\$1,279.58</b>	<b>\$424.77</b>	<b>\$310.96</b>
<b>TOTAL RATES</b>	<b>\$2,112.98</b>	<b>\$732.97</b>	<b>\$2,231.13</b>	<b>\$9,810.08</b>	<b>\$3,256.56</b>	<b>\$2,384.02</b>
Comparison to Previous Year	\$2,082.54	\$691.37	\$2,121.45	\$9,493.80	\$2,982.36	\$2,233.84
<b>% Change</b>	<b>1.46%</b>	<b>6.02%</b>	<b>5.17%</b>	<b>3.33%</b>	<b>9.19%</b>	<b>6.72%</b>

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 152 Alma Road
Land Value	\$1,750,000	\$1,870,000	\$118,000	\$106,000	\$136,000	\$155,000
General Rates	2,726.39	3,649.71	465.73	382.29	536.78	559.00
UAGC	421.74	421.74	421.74	421.74	421.74	421.74
Targeted Water Rate	0	0	0	0	0	0
Targeted Sewer Disposal Rate	0	0	0	0	0	0
Targeted Solid Waste Rate	121.74	121.74	70.43	121.74	121.74	121.74
<b>NET RATES</b>	<b>\$3,269.87</b>	<b>\$4,193.19</b>	<b>\$957.91</b>	<b>\$925.76</b>	<b>\$1,080.26</b>	<b>\$1,102.48</b>
<b>GST</b>	<b>\$490.48</b>	<b>\$628.98</b>	<b>\$143.69</b>	<b>\$138.86</b>	<b>\$162.04</b>	<b>\$165.37</b>
<b>TOTAL RATES</b>	<b>\$3,760.35</b>	<b>\$4,822.17</b>	<b>\$1,101.59</b>	<b>\$1,064.63</b>	<b>\$1,242.30</b>	<b>\$1,267.85</b>
Comparison to Previous Year	\$3,399.82	\$4,454.28	\$1,021.50	\$1,024.41	\$1,167.79	\$1,202.35
<b>% Change</b>	<b>10.60%</b>	<b>8.26%</b>	<b>7.84%</b>	<b>3.93%</b>	<b>6.38%</b>	<b>5.45%</b>

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

Refer to pages 83-84 for sector code details.

# 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 Urban Development

- 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 Gracity (tank supply)
- Little Wanganui
- Cape Foulwind
- Punakaiki
- Mokihinui

## Wastewater/Sewerage

- Westport
- Reefton
- Little Wanganui

## Stormwater

- Hector
- Ngakawau
- Seddonville
- Gracity
- 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

## In-house Professional Services

- 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

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

## Support Services

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

## Property Management, Amenities and Reserves

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

## What do we do?

- Animal and Stock Control
- Plans, Policies and Guidance Documents
- Provision of Consents
- Building Control
- Compliance and Enforcement Management
- Alcohol Licensing
- Emergency Management/Civil Defence
- Rural Fire Control
- Environmental Health

## Why are Council involved in these activities?

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

- The animal and stock control 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 minimised.
- Civil Defence Emergency Management ensures that the statutory requirements and the object of the Civil Defence Emergency Management Act 2002 are being met, in that we are prepared to provide planning, response and recovery in the event of an emergency;
- The Emergency Regional Manager position has created a working plan to enhance professional development for all emergency management personnel through training, exercises and workshops. It also strengthens the coordination and cooperation amongst all relevant sectors in planning for responding to an emergency.
- Council participates in the West Coast Rural Fire Committee to provide a fire control service outside the urban fire districts, to deliver a quick response to rural fires. From 1 July 2017 Council will no longer be directly involved in providing this activity.
- The Buller District Council has an Environmental Officer (contractor) for monitoring programmes under many regulations (Food and Hygiene Regulations, Health Act, RMA) also monitoring of air quality, groundwater, surface water hydrology and Industrial Noise.

## Assumptions

- Downward trend in building and resource consents due to challenging economic conditions.

## Negative Effects

- There are no negative effects from this activity.

## How do we contribute to Strategic Goals & Community Outcomes?

*This activity supports the following community outcomes:*

Community Outcomes	How the Council Contributes
Well-Being	<ul style="list-style-type: none"> <li>■ Provide essential services to residents and businesses to support a healthy environment.</li> <li>■ Provide and develop safe public places.</li> <li>■ Emergency management is a key function in ensuring that injury to people is minimised in the event of natural disasters.</li> <li>■ The safety of people and their property is the paramount concern of emergency management plans and processes.</li> </ul>
Learning	<ul style="list-style-type: none"> <li>■ Make information easily available about Council, its functions and services.</li> <li>■ Recognise and support education excellence and opportunity in the district.</li> </ul>
Who we are	<ul style="list-style-type: none"> <li>■ Support and encourage community groups and organisations providing events within the district.</li> <li>■ Provide opportunities for the community to work in partnership with Council.</li> </ul>
Sustainable Environment	<ul style="list-style-type: none"> <li>■ Develop policies and implement practices that enhance our environmental sustainability and natural diversity.</li> <li>■ Recognise and preserve the essential elements of the district's landscape that contributes to Buller's unique identity.</li> </ul>

## Changes in Fees and Charges

- New fees have been introduced for registrations required under the Food Act 2014.



## Significant Projects

### District Plan Review

- Council is carrying out a rolling review of the Buller District Plan (BDP) and has prepared proposed plan changes 133-145 addressing Parts 1-4 of the BDP and the rules relating to electricity utilities.
- These proposed changes were publicly notified on 4 March 2016 and Council held hearings during July 2016.
- We expect the Hearings Committee to notify changes in due course.

### Changes to Rural Fire

- The government has completed an extensive review of how fires services are delivered throughout New Zealand. Council has been involved as it has statutory obligations under the Rural Fire Act.
- From the 1st July 2017 there will be one entity, New Zealand Fire Service. Council will not be required to deliver and monitor rural fire services in the Buller District, and will no longer have to fund for this activity. However, Council will continue to work closely with the New Zealand Fire Service to ensure the community is well served.
- Previously Councils funded the activity through rates. Under the proposed model the cost of Rural Fire will be recovered via a levy on insurance which means that the homeowner and property owners (including Council) can expect to face increases in their insurance premiums to fund the re-organisation of the Fire Service.

## Capital Expenditure

- Motor vehicle replacement (\$39,000).

## Variations: Annual Plan vs Long Term Plan

### General

- General Rates funding has decreased by \$31,000 compared to the 2017-2018 LTP mainly due to a combination of lower income from the building and planning areas and savings in payments to suppliers and staff due to less expected economic activity in these areas. Council is also not required to fund the rural fire activity which has also contributed to the proposed decrease.

### Fees and Charges

- There is a predicted reduction in income of \$199,000 compared to the LTP. This is due to the lower level of economic activity which has affected the building and planning departments.

### Payments to Suppliers and Staff

- Total savings of \$171,000 compared to the LTP. This is primarily from savings made in planning (\$46,000), building (\$67,000) and rural fire (\$95,000) which is no longer funded by Council.

### Internal charges and overheads applied

- Overheads are \$42,000 less than predicted in the LTP due to reductions in other expenditure.

## Funding Allocations

Activity	Funding Mechanism		
	General Rate	Fees	Capital Spend
Resource Management Planning	90%	10%	Depreciation Reserves, Loans
Resource Consents	Nil	100%	Depreciation Reserves, Loans
Building Control	0-15%	85-100%	Depreciation Reserves, Loans
Animal Control - Dogs	15%	85%	Depreciation Reserves, Loans
Animal Control - Stock	70-80%	20-30%	Nil
Environmental Health - Food Premises	20-30%	70-80%	Nil
Environmental Health - Liquor Licensing	10-20%	80-90%	Nil
Environmental Health - Noise	90-95%	5-10%	Nil
Emergency Services - Civil Defence	100%	Nil	Nil
Emergency Services - Rural Fire	No longer Council function	Nil	Nil

## Key Performance Indicators

Outcome	Policies, Strategic Drivers for Objectives	Current Level of Service	Performance Measure	Current Performance 2015-2016 Annual Report	Performance Target 2017-2018
<b>Building</b>					
To maintain quality of life through ensuring compliance with building and development regulations.	Building Act 2004	Ensure quality assurance requirements for building consent authorities are met as required by Regulation 17 of Building Consent Authorities Regulation 2006.	Continue to retain accreditation by passing biennial IANZ Audits.	2015-2016: The next audit is due in December 2017 (2014-2015: IANZ audit was carried out during December 2015 with no corrective actions identified and accreditation as a Building Consent Authority has been continued for a further two years).	Continue to retain accreditation by passing the bi-annual IANZ Audits.
<b>Resource Management</b>					
To maintain quality of life through ensuring compliance with regulations.	Resource Management Act 1991	Process non-notified resource consents within statutory timeframes.	Target 100%.	2015-2016: 100% achieved within statutory timeframes (2014-2015: 100%).	100%
<b>Environmental Health</b>					
To maintain quality of life through ensuring the health and safety of licenced activities.	Food Hygiene Regulations 1974	Inspect all food premises, hairdressers, funeral homes, camping grounds and offensive traders.	Target 100%.	2015-2016: 100%, 104 premises inspected (2014-2015: 100%, 124 premises). No significant findings. These premises met the standards set by the Food Hygiene Regulations 1974.	100%
<b>Emergency Management</b>					
To establish an effective level of preparedness for Civil Defence disasters.	Civil Defence Emergency Management Act 2002	Maintain three teams of trained volunteers.	30 trained volunteers (3 teams).	2015-2016: Granity, Karamea, Westport and Reefton teams consisting of 100 volunteers. Training is on-going and a restructure of their groups is being undertaken (2014-2015: 100 volunteers).	Maintain 3 teams.

<b>Funding Impact Statement</b>		Long Term Plan 2017-2018 \$000	Annual Plan 2016-2017 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>				
General rates, uniform annual general charge, rates penalties		1,015	943	984
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 & other receipts		1,093	940	894
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>2,108</b>	<b>1,883</b>	<b>1,878</b>
<b>Applications of Operating Funding</b>				
Payments to staff and suppliers		1,489	1,304	1,318
Finance costs		9	13	9
Internal charges and overheads applied		577	517	535
Other operating funding applications		13	13	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>2,088</b>	<b>1,847</b>	<b>1,862</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>20</b>	<b>36</b>	<b>16</b>
<b>Sources of Capital Funding</b>				
Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		105	100	105
Increase/(decrease) in debt		(2)	(47)	(23)
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>103</b>	<b>53</b>	<b>82</b>
<b>Application of Capital Expenditure</b>				
- to meet additional demand		0	0	0
- to improve the level of service		0	0	0
- to replace existing assets		54	0	39
Increase/ (decrease) in reserves		69	89	59
Increase/ (decrease) in investments		0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>123</b>	<b>89</b>	<b>98</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(20)</b>	<b>(36)</b>	<b>(16)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>

## What do we do?

- The roading and urban development activity provides for the planning, operations, maintenance, development and improvements to the transport network so that it is affordable, integrated, safe, responsive and sustainable.
- Council provides, maintains and renews sealed and unsealed roads, bridges and culverts, footpaths, seats and shelters to enable people and businesses to move around for employment, recreation, shopping, social activities and business purposes. It also provides road signs, markings and street lighting to ensure that travel is safe and convenient. Council improves the road network to meet changing needs and develops plans to ensure the road network is able to cater for future growth. Council also provides support for the continued operation of the Westport Taxi service.
- Urban Development is undertaken to provide a more pleasant environment for our communities by use of plantings, street treatment and decorative measures.

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

## Assumptions

- That New Zealand Transport Agency will provide funding for local roads at 63%, and that funding for the Karamea Highway, which is a Special Purpose Road, will be maintained at 100% for the 2017-2018 year.
- Council assumes that fuel tax rates remain at the current level and that fuel consumption remains at the current level.

## 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.

## How do we contribute to Strategic Goals & Community Outcomes?

*This activity supports the following community outcomes:*

Community Outcomes	How the Council Contributes
Sustainable Environment	<ul style="list-style-type: none"> <li>■ By providing a safe roading system.</li> <li>■ By helping reduce energy consumption in our community.</li> </ul>
Prosperity	<ul style="list-style-type: none"> <li>■ By providing everyone an easy access to the roading network by providing links to sustain rural communities.</li> </ul>
Learning	<ul style="list-style-type: none"> <li>■ By providing education programmes.</li> </ul>

## Significant Capital Expenditure

- The staged upgrade of Derby Street, Westport, in conjunction with the replacement of services, has been completed - with Disraeli Street to the railway line at the south end of Derby Street being carried out during 2016-2017(\$200,000).
- Sealed roads Reseal programme (\$617,000).
- Footpaths are progressively renewed/resurfaced to provide a safe environment (\$202,000).

## Significant Issues

### One Network Road Classification System

■ This is a joint initiative between the New Zealand Transport Agency and Local Government New Zealand to introduce 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, 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 access to better information on which to make more informed 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. 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.

■ For the 2017-2018 Annual Plan the impact on rates cannot be quantified as the proposed levels of service have not been developed by NZTA.

### 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 takes daily dairy tanker traffic.

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

■ 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.

■ 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 63%, with a three year phase-in period.

■ 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 to be beyond the financial resources of Buller District Council's ratepayers to fund. Negotiations are currently continuing with NZTA on this particular issue.

## Funding Allocations

Activity	Funding Mechanism		
	General Rate	Fees	Capital Spend
Roading	37%	63%	Depreciation Loans Subsidy from NZTA
Urban Development	100%	Nil	Depreciation Loans Subsidy from NZTA

## Variances: Annual Plan vs Long Term Plan

### Subsidies for Operating Purposes

■ The Annual Plan anticipates \$57,000 more in operating subsidies from NZTA in 2017-2018 compared to the LTP. The general financial assistance rate from NZTA was anticipated to increase from 2015-2016 at 1% per annum until it reaches 63%. This is the rate that is proposed in the 2017-2018 Annual Plan

### Payments to Staff and Suppliers

■ There is less spent on repairs and maintenance of roads (\$172,000) which is spread across a number of areas.

### Subsidies and Grants for Capital Expenditure

■ Subsidies from NZTA for capital expenditure are expected to be \$259,000 less than proposed in the LTP. The capital programme is adjusted accordingly to match proposed funding.

### Capital Expenditure

■ Council is spending \$127,000 less on replacing existing assets which comprises mainly \$113,000 less spent on the road reseals programme.

### General Rates

■ The result of movements in the roading programme and funding provided by NZTA means that there is less required in funds from general rates when compared to the LTP (\$142,000).

## Key Performance Indicators

Roading Services	Key Service Criteria	Level of Service	Measurement	Current Performance 2015-2016 Annual Report	Performance Target 2017-2018
Provide a safe roading network.	<i>Are the roads safe? Are the roads fit for purpose?</i>	Performance measure one (road safety):	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.	2015-2016: 2 (2014-2015: 3) Variance: (1)	No change or a reduction.
	<i>Are the roads safe? Are the footpaths comfortable to walk on? Are the roads fit for purpose?</i>	Performance measure five (response to service requests):	The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within 15 days.	2015-2016: 89% (2014-2015: new measure)	75%
Provide a comfortable road network	<i>Are the roads safe? Are the roads fit for purpose?</i>	The sealed road network is in good condition.	Mandatory Performance measure Two (condition of the sealed road network): The average quality of ride on a sealed local road network, measured by smooth travel exposure.	2015-2016: Current smooth travel exposure is 96%. NAASRA roughness was 87 (2014-2015: NAASRA roughness was 86. NAASRA Roughness Count was previous measure).	≥ 93%
		The sealed network is well maintained.	Performance measure three (maintenance of a sealed local road network): The percentage of the sealed local road network that is resurfaced.	2015-2016: 5.56% (2014-2015: 5.93%).	≥ 5.8%
		The unsealed network is well maintained.	Metal on unsealed roads lost due to weather, usage and other factors will be replaced.	2015-2016: 3,958m3 (2014-2015: 1,648m3)	2,200m3 when averaged over three years.
Provide usable footpaths.	<i>Are the footpaths comfortable to walk on?</i>	The footpath network is well maintained.	Performance measure four (condition of footpaths within the local road network):	2015-2016: 77% of the footpath is ranked as grade 1&2 (satisfactory) by MWH (2014-2015: 72%).	≥ 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).	2015-2016: 97% of the footpath was ranked as grade 1-3 (satisfactory or deficient) by MWH, with 3% as grade 4-5 (unsatisfactory or hazardous) (2014-2015: 97%).	≥ 95%
Provide roads with the minimum environmental impact.	<i>Is the environment being harmed?</i>	Compliance with Resource Consent conditions. No prosecutions.	Monitoring records and West Coast Regional Council correspondence.	2015-2016: No prosecutions – 100% compliance (2014-2015: no prosecutions – 100% compliance).	No prosecutions

<b>Funding Impact Statement</b>		Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>				
General rates, uniform annual general charge, rates penalties		2,151	2,275	2,133
Targeted rates		0	0	0
Subsidies and grants for operating purposes		2,159	2,134	2,191
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		160	181	150
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>4,470</b>	<b>4,590</b>	<b>4,474</b>
<b>Applications of Operating Funding</b>				
Payments to staff and suppliers		3,147	3,328	3,156
Finance costs		7	6	6
Internal charges and overheads applied		636	696	627
Other operating funding applications		0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>3,790</b>	<b>4,030</b>	<b>3,789</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>680</b>	<b>560</b>	<b>685</b>
<b>Sources of Capital Funding</b>				
Subsidies and grants for capital expenditure		1,117	1,414	1,155
Development and financial contributions		0	0	0
Increase/(decrease) in debt		(3)	(3)	(3)
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>1,114</b>	<b>1,411</b>	<b>1,152</b>
<b>Application of Capital Expenditure</b>				
- to meet additional demand		0	0	0
- to improve the level of service		183	192	185
- to replace existing assets		1,611	1,779	1,652
Increase/ (decrease) in reserves		0	0	0
Increase/ (decrease) in investments		0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>1,794</b>	<b>1,971</b>	<b>1,837</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(680)</b>	<b>(560)</b>	<b>(685)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>

## What do we do?

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

## Why are we involved in this activity?

- Water is an essential need for domestic use and commercial operations. As a registered drinking water supplier, Council provides sufficient quantities of safe, potable water through the implementation of its strategic direction and the following 5-Point plan:
  - Responsibility: waterworks owned or under the control of the water supplier
  - Authority: relevant consents and access permissions held by the water supplier
  - Application: protection of waterworks, environment and public safety
  - Coordination: organised management of water supply programs of work
  - Implementation: best-practice processes for delivering water supply projects

## Assumptions

- It has been assumed that there will be no significant change to current water demands from any of the Council water supplies.
- Capital funding may still be available through the Ministry of Health's Drinking Water Capital Assistance Program (CAP) facilitated by the Canterbury District Health Board (CHDB). The CAP provides financial assistance to Council's drinking water supplies where treatment upgrades are required. However, it should be noted that there can be no guarantee regarding approval of CAP subsidies.
- Should a subsidy application be unsuccessful, treatment upgrades may still be required to ensure compliance with legislative requirements.

## Negative Effects

- There are no negative effects.

## How do we contribute to Strategic Goals & Community Outcomes?

*This activity supports the following community outcomes:*

Community Outcomes	How the Council Contributes
Well-being	<ul style="list-style-type: none"> <li>■ Provision of a reticulated water supply to support a healthy community.</li> <li>■ Provision of water for sanitary services.</li> <li>■ Maintaining sufficient water for firefighting purposes.</li> </ul>
Environment	<ul style="list-style-type: none"> <li>■ Conserving water and encouraging others to do the same.</li> </ul>
Learning	<ul style="list-style-type: none"> <li>■ Providing water conservation education.</li> </ul>
Prosperity	<ul style="list-style-type: none"> <li>■ Meeting commercial water needs and meeting community needs at affordable costs and equal access to water.</li> </ul>

## Significant Projects

### Westport Water Supply Upgrade

■ As the registered water supplier for Westport & Carters Beach, Council has identified the No.1 Water Tunnel project as the major capital investment for 2017/2018. It aligns with Council's Long Term Plan (LTP) and our commitment to provide safe, adequate and reliable drinking water for the supplies we are responsible for. This supports the community health and well-being strategic goals and outcomes.

■ The reservoirs for the Westport & Carters Beach network are normally supplied through a gravity-flow tunnel system upstream of the treatment plant. The system consists of races and four tunnels (numbered 1 through to 4), which supply the reservoir ponds. The No.1 Tunnel is the longest and closest to the abstraction (intake) point of Giles Creek. After the partial collapse of No.1 Tunnel in 2014, Council commissioned an options study to identify the best alternatives for guaranteed supply. Several options were proposed, including tunnel repair (stabilisation), microtunneling (pipe-jacking) and directional drilling. At the time, the tunnel repair Option 2a was selected on the basis of affordability, whilst acknowledging this was a medium-term solution that would still leave Council with a moderate level of risk.

■ Further collapse and obstruction within the No.1 Tunnel then occurred late 2016, resulting in no water flow passing through the No.1 Tunnel since early 2017. Raw water is currently being supplied to the reservoirs from the alternative pumped system which must operate continuously to meet demand. In addition, recent changes to Health & Safety and legislative requirements means that tunnel repairs must satisfy mining and quarrying regulations, causing an escalation in risk control measures and costs.

■ As a result, Council resolved to eliminate all tunnel repair (stabilisation) alternatives, and through an Options Workshop process "pipe-jacking" through the existing tunnel was selected. This solution involves driving >1m diameter thick-walled concrete pipes through the worst sections of the 1.2km No.1 Tunnel. The capital costs and project duration are currently being developed in a Feasibility Study. At this stage \$3m is budgeted to address tunnel issues (\$0.7m carried over from 2016/2017, \$2.3m in 2017/2018).

■ Pipe-jacking also has the capability, at any time, for further investment and risk control on the remaining length of the No.1 Tunnel, by either pipe-jacking or directional drilling the full tunnel length. Council will consider this potential work in future planning, based on risk and affordability. The remaining tunnels in the system will also need to be assessed as part of the LTP.

■ Council has also resolved to defer the immediate replacement of the trunk main until the optimal time is reached.

### Rural Drinking Water Upgrades

#### - Waimangaroa

■ As the registered water supplier for Waimangaroa, Council has selected a new bore supply and treatment plant as the long term solution.

■ Funding for the previously approved upgrade of the Conns Creek supply has been carried over and re-budgeted with the approval of the Ministry of Health's CAP Facilitator.

■ A site has been identified, with construction of the bore and treatment facilities scheduled for completion by December 2017.

#### - Ngakawau-Hector

■ The Ngakawau-Hector drinking water supply upgrade has been a challenging process due to lack of community support and issues around scheme design and ownership.

■ Council initiated a legal review of the ownership of the supply in 2016 and the outcome of that review determined that Council was the ultimate owner of the water supply, as well as the registered supplier.

■ Council will continue to work with the community and the Ministry of Health to ensure that a satisfactory outcome is achieved.



## Strategic Direction for Council's Water Supplies

- Including Inangahua Junction, Little Wanganui, Mokihinui, Punakaiki and Reefton

Council accepts its responsibility of taking practicable steps to provide a safe and adequate supply of drinking water. This will be achieved through the new strategic direction and our 5-point plan.

Key parts of the plan include the following for all Council's water supplies:

### Responsibility:

- Water Safety Plans.
- Catchment Risk Assessments.

### Authority:

- Resource Consents.
- Easements & Land Acquisitions.

### Application:

- Water Supply Bylaw.
- Control of the Waterworks.

### Coordination:

- Reorganising the Assets & Infrastructure team.
- Establishment of the Three Waters Portfolio, dedicated to water supply, waste water and stormwater.
- Appointment of Coordinator Three Waters responsible for delivering the water supply programs and projects.

### Implementation:

- Best practice project delivery model to ensure successful project outcomes aligned to the Long Term Plan.

## Variance: Annual Plan vs Long Term Plan

### Targeted Rates

■ Total targeted rates proposed for the Annual Plan are \$202,000 less than budgeted due to the net cost savings explained below.

### Payments to Suppliers and Staff

■ Expenditure is predicted to be higher in the Annual Plan (\$233,000) due to higher repairs and maintenance in Westport. This is related to the cost of pumping water from the alternate water supply over the duration of the Westport water tunnel refurbishment, as well as expenses proposed for catchment risk assessments required for all Council administered water supplies.

### Finance Costs

■ Finance costs are predicted to be \$332,000 lower in the Annual Plan. This is because interest rate levels have remained at a low level which mean Westport water interest costs are less than predicted in the LTP. In addition, capital expenditure for the truckmain replacement has been deferred indefinitely and tunnel piping planned for 2015-2016 LTP has been reassessed and re-budgeted resulting in deferral of the loans and interest payments associated with those projects.

### Subsidies and Grants for Capital Expenditure

■ Drinking water subsidies are planned to be higher in the Annual Plan (\$403,000) due to rebudgeting of the Waimangaroa water scheme that was not in the 2017-2018 LTP.

### Capital Expenditure

■ Total capital expenditure is expected to be \$2.9m greater than anticipated in the LTP. This is mainly due to the inclusion in the Annual Plan of \$2.4m for Westport water tunnel upgrade and re-budgeting of the Waimangaroa water upgrade to 2017-2018 (\$474,000).

### Increase (Decrease) in Debt

■ Debt movements will be \$2.5m higher than predicted in the Long Term Plan as a net result of the capital expenditure variances that are funded by debt less any proposed subsidies, which is explained above.

## Funding Allocations

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

## Targeted Rates per connection (GST exclusive)

Water	2017-2018 Annual Plan \$
Westport	680
Reefton	530
Little Wanganui	195
Mokihinui	250
Ngakawau-Hector	310
Waimangaroa	350
Punakaiki	760
Inangahua Junction	360
South Granity Tank Supply (administered by Council)	240

## Key Performance Indicators

Water Services	Key Service Criteria	Target Level of Service	Measurement	Performance	Action
Provide an adequate quality of water.	<i>Is the water safe to drink?</i>	No potential for illness due to unwholesome water.	E Coli detected within the water supply. <b>Target:</b> ■ No E Coli confirmed by second sample.	Location and number of failures to meet targets in any year.	Westport, Reefton and Punakaiki water is routinely tested for E Coli. Any transgressions are reported to the Ministry of Health and corrective actions are taken.
			Compliance with Drinking Water Standards. <b>Target:</b> ■ All water supplies with community agreement for treatment by 2015.	Council has completed a program of water supply treatment upgrading 2015-2016.	A program is in place to investigate and implement improvements for all water supplies to ensure that compliance with the Drinking Water Standards is achieved within the target timeframe.
Provide an adequate quantity of water.	<i>Is there an adequate flow of water for domestic activities, such as taking a shower?</i>	To be able to fill a 10-litre bucket three times within a minute from mains >100mm diameter.	Flow and pressure readings, taken at dwellings. <b>Target:</b> ■ Residual pressure >200kps at the dwelling while flow testing.	Location and number of failures to meet targets in any year.	Pressure readings are only taken at dwellings following specific customer enquiries/problems. Any test failures are then investigated.
	<i>Is there an adequate flow of water for fire fighting?</i>	All fire hydrants to be operational.	Flow taken at fire hydrants. <b>Target:</b> ■ All existing fire hydrants to remain operative. ■ All new subdivisions within Westport and Reefton to be designed to comply with hydrant requirements SNZ PAS 4509:2008 (New Zealand Standard).	Location and number of failures to meet targets in any year.	All hydrants within Westport and Reefton are checked annually and given a pass/failure grade. Any failures are investigated.  In other water supplies no fire flow capability is guaranteed.
Provide a reliable supply of quality water.	<i>Can you rely on the water supply to be available?</i>	To provide water into the system virtually all of the time.	Proportion of time that water is supplied into the reticulation. <b>Target:</b> ■ Water supplied 99% of the time.	Location of failures to meet targets in any year.  Water was supplied 99.8% of the time.	No specific action required since performance meets target.
		To minimise disruption caused by unplanned shutdowns.	Records of the number, nature and duration of all unplanned shutdowns. <b>Target:</b> ■ No more than 3 shutdowns per km. ■ At least 90% compliance with response times stated in service requests.	Location and number of failures to meet targets in any year.	
	<i>Is the use of water restricted?</i>	To permit gardens to be maintained in a healthy state all year.	Number of days that water restrictions are in place. <b>Target:</b> ■ No more than 5 days per year.	Location and number of failures to meet targets in any year.	No specific action required since performance is reliable.
Provide water with the minimum environmental impact.	<i>Is the environment being harmed?</i>	To comply with resource consent conditions.	Monitoring as specified in the individual consents. <b>Target:</b> ■ 100% compliance.	Location and number of failures to meet targets in any year.	Monitoring is routinely undertaken, in accordance with consent conditions and forwarded to the West Coast Regional Council.

## Mandatory Performance Measures

Water Services	Key Service Criteria	Target Level of Service	Measurement	Current Performance	Performance Target 2015-16/2017-2018	Performance Target 2018-19/2024-25												
Provide an adequate quality of water.	<i>Is the water safe to drink?</i>	Performance Measure One (safety of drinking water):	<b>Mandatory Performance Measure 1: (see table 1: page 26)</b>				Full compliance (100%) Bacteria Protozoa	Full compliance (100%) Bacteria Protozoa										
			<p>The extent to which Council's water supply complies with:</p> <p>a) Part 4 of the Drinking Water Standards (bacteria compliance criteria)</p> <p>b) Part 5 of the Drinking Water Standards (protozoa compliance criteria)</p> <table border="1"> <thead> <tr> <th></th> <th>Bacteria Compliance</th> <th>Protozoa Compliance</th> </tr> </thead> <tbody> <tr> <td>Westport</td> <td>Yes</td> <td>No</td> </tr> <tr> <td>Carters Beach</td> <td>Yes</td> <td>No</td> </tr> <tr> <td>Reefton</td> <td>Yes</td> <td>No</td> </tr> <tr> <td>Punakaiki</td> <td>No</td> <td>No</td> </tr> </tbody> </table>		Bacteria Compliance	Protozoa Compliance			Westport	Yes	No	Carters Beach	Yes	No	Reefton	Yes	No	Punakaiki
	Bacteria Compliance	Protozoa Compliance																
Westport	Yes	No																
Carters Beach	Yes	No																
Reefton	Yes	No																
Punakaiki	No	No																
Provide a reliable supply of water.	<i>Maintenance of reticulation network</i>	Performance Measure Two (maintenance of reticulation network):	<b>Mandatory Performance Measure 2: (see table 2: page 26)</b>				30%	20%										
			<p>The percentage of real water loss from Council's networked reticulation system (including a description of the methodology used to calculate this)</p>	58%														
	<i>Fault response times</i>	Performance Measure Three (fault response times):	<b>Mandatory Performance Measure 3:</b>															
			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 are measured:															
			a) Attendance for urgent call-outs; from the time that Council receives notification to the time that service personnel reach the site; and	Recording system amended in June 2016	2 hours	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.	Recording system amended in June 2016	5 hours	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; and	Recording system amended in June 2016	1 working day	1 working day															
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.	Recording system amended in June 2016	5 working days	5 working days															
Provide water with the minimum environmental impact.	<i>Customer satisfaction</i>	Performance Measure Four (customer satisfaction):	<b>Mandatory Performance Measure 4:</b>				10 per 1,000 connections	5 per 1,000 connections										
			The total number of complaints received by Council about any of the following:															
			a) Drinking water clarity	Nil														
			b) Drinking water taste	Nil														
			c) Drinking water odour	Nil														
			d) Drinking water pressure	Several from Punakaiki October/November 2015														
	e) Continuity of supply	Nil																
f) Council's response to any of these issues	Resolved issue at Punakaiki with pipe issue along the State Highway																	
<i>Demand management</i>	Performance Measure Five (demand management):	<b>Mandatory Performance Measure 5:</b>				1,000 litres	700 litres											
		<p>The average consumption of drinking water per day per resident within the Buller district.</p>	1,081 litres (Westport supply) 1,273 litres (Reefton supply)															

**Table 1: Drinking Water Standard NZ Compliance**

Water Supply	Population (WINZ)	Bacterial Compliance			Protozoal Compliance (%)		
		Current Performance	Target		Current Performance	Target	
			2015-2017	2018-2025		2015-2017	2018-2025
South Granity Tank Supply (administered by Council)	40	No	No	No	No	Part	Yes
Hector/Ngakawau	435	No	Part	Yes	No	Part	Yes
Inangahua Junction	32	No	Part	Yes	No	Part	Yes
Little Wanganui	120	No	No	No	No	Part	Yes
Mokihinui	50	No	No	No	No	Part	Yes
Punakaiki	125	No	Yes	Yes	No	Yes	Yes
Reefton	1044	Yes	Yes	Yes	No	Yes	Yes
Waimangaroa	200	No	Part	Yes	No	Part	Yes
Westport	4974	Yes	Yes	Yes	No	Yes	Yes

**Table 2: Water Leakage**

Water Supply	Connections	Current Performance	Target		Method
			2015-17	2018-25	
South Granity	23	New Measure	30%	20%	MNF
Hector/Ngakawau	176	New Measure	30%	20%	MNF
Inangahua Junction	33	New Measure	30%	20%	MNF
Little Wanganui	78	New Measure	30%	20%	MNF
Mokihinui	50	New Measure	30%	20%	MNF
Punakaiki	93	New Measure	30%	20%	MNF
Reefton	663	New Measure	30%	20%	MNF
Waimangaroa	137	New Measure	30%	20%	MNF
Westport	2,694	New Measure	30%	20%	MNF

MNF = Minimum Night Flow

<b>Funding Impact Statement</b>		Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>				
General rates, uniform annual general charge, rates penalties		0	0	0
Targeted rates		2,401	2,629	2,427
Subsidies and grants for operating purposes		0	0	0
Fees and charges		187	199	204
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		0	0	0
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>2,588</b>	<b>2,828</b>	<b>2,631</b>
<b>Applications of Operating Funding</b>				
Payments to staff and suppliers		885	971	1,204
Finance costs		310	617	285
Internal charges and overheads applied		350	368	393
Other operating funding applications		0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>1,545</b>	<b>1,956</b>	<b>1,882</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>1,043</b>	<b>872</b>	<b>749</b>
<b>Sources of Capital Funding</b>				
Subsidies and grants for capital expenditure		403	0	403
Development and financial contributions		0	0	0
Increase/(decrease) in debt		499	(222)	2,243
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>902</b>	<b>(222)</b>	<b>2,646</b>
<b>Application of Capital Expenditure</b>				
- to meet additional demand		0	0	0
- to improve the level of service		780	159	2,386
- to replace existing assets		581	379	1,006
Increase/ (decrease) in reserves		584	112	173
Increase/ (decrease) in investments		0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>1,945</b>	<b>650</b>	<b>3,395</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(1,043)</b>	<b>(872)</b>	<b>(749)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>

## What do we do?

- Council provides these activities to support the health and well-being 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.

- It has been assumed that there will be no significant capacity change required for infrastructure to meet demands.
- Resource consent to discharge primary treated and untreated sewage effluent to Buller River during storm overflow events was for 20 years from the date of issue July 2003.

## 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.

## Funding Allocations

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

## How do we contribute to Strategic Goals & Community Outcomes?

*This activity supports the following community outcomes:*

Community Outcomes	How the Council Contributes
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.

## Targeted Rates (GST exclusive)

Wastewater/Sewerage	2017-2018 Annual Plan \$
Westport	820
Reefton	550
Little Wanganui	630

## Significant Capital Expenditure

- Westport (\$407,000), including \$100,000 repairs to upgrading of Derby Street from Bentham Street to the Railway Line.
- Reefton (\$161,000).
- Little Wanganui (\$39,000).

## Variations: Annual Plan vs Long Term Plan

### Targeted Rates

- Targeted rates are \$137,000 less in this Annual Plan than the LTP due to cumulative savings made through cost control and lower inflation than predicted.

### Capital Expenditure

- Capital expenditure on replacing existing assets is lower in the Annual Plan (\$37,000) mainly due to minor capital expenditure provided for in the LTP for the Westport plant which was not required.

## Key Performance Indicators

Wastewater Services	Key Service Criteria	Target Level of Service	Measurement	Performance	Action
Provide safe facilities for both the community and operators.	<i>Are the facilities safe?</i>	No accidents, injuries or public contact with sewage.	Evidence of public intrusion into pump station or treatment facilities. <b>Target:</b> ■ No intrusions.	Number of intrusions in any year.	Pump stations are locked and treatment facilities are fenced with locked gates while unattended.
			Operator injury. <b>Target:</b> ■ No workplace injuries.	Number of injuries in any year.	Council engaged operators are required to have operational health and safety plans.
			Public exposure to sewage. <b>Target:</b> ■ All overflows within private property cleaned and disinfected. ■ All polluted waterways to be signposted.	Number of reported illnesses attributed to sewage contact in any year.	Existing response systems minimise public exposure to harm.
Provide adequate capacity.	<i>How often does the sewer overflow?</i>	Maintain capacity of existing combined systems	Recorded system overflows. <b>Target:</b> ■ No more than 10 overflows.	Location and number of overflows. 2015-2016: 12 overflows as a result of blocked property pipes (laterals) (2014-2015: 9 overflows).	Initiate separation of stormwater from sewer where overflows are recorded or systems are inoperable because of capacity issues.
		Design all new systems to NZS4404 (to cope with a one-in-10 year event).	Review new designs. <b>Target:</b> ■ All new sewers to be designed to cope with a one-in-10 year event.	Number of deficient designs found in any year.	New designs need to demonstrate their ability to meet design standards, prior to construction authorisation.
Provide a reliable sewer system.	<i>Can you rely on the sewer system to operate?</i>	To accept sewage from properties virtually all of the time.	Record of blockages. <b>Target:</b> ■ No more than 1 blockage per km of pipe. ■ No more than 40 lateral blockages.	Location and number of blockages in any year: ■ Blockages per km ■ Number of lateral blockages	Blockages are typically caused by tree roots or fat build up.
			Records of the response to reported blockages. <b>Target:</b> ■ At least 90% compliance with response times stated in service request.	Number of failures to meet response times in any year.	Often the operators are not aware of the problem until an overflow is observed or properties struggle to clear wastewater. Swift action is therefore required.
Provide sewer collection and disposal with minimal environmental impact.	<i>Is the environment being harmed?</i>	To comply with resource consent conditions.	Monitoring as specified in the individual consents. <b>Target:</b> 100% compliance.	Number of non-compliance orders in any year.	Monitoring is routinely undertaken, in accordance with consent conditions and forwarded to the West Coast Regional Council.

## Mandatory Performance Indicators

Sewer Services	Key Service Criteria	Target Level of Service	Measurement	Current Performance	Performance Target 2017-2018
Provide adequate capacity.	<i>How often does the sewer overflow?</i>	Performance measure one (system and adequacy):	<b>Mandatory Performance Measure 1:</b>		
			The number of dry weather sewage overflows from Council's sewerage system expressed per 1,000 sewerage connections to Council's system.	0	<5
Provide sewer collection and disposal with minimal environmental impact.	<i>Is the environment being harmed?</i>	Performance measure two (discharge compliance):	<b>Mandatory Performance Measure 2:</b>		
			Compliance with Council's resource consents for discharge from its sewerage system measured by the number of:		
			a) Abatement notices;	0	<5
			b) Infringement notices;	0	0
			c) Enforcement orders; and	0	0
d) Convictions received by Council in relation to those resource consents	0	0			
	<i>Fault Response Times</i>	Performance Measure three (fault response times):	<b>Mandatory Performance Measure 3:</b>		
			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	3 overflows attended within timeframe.	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.	3 overflows attended within timeframe.	1 day	
	<i>Customer satisfaction</i>	Performance measure four (customer satisfaction):	<b>Mandatory Performance Measure 4:</b>		
			The total number of complaints received by Council about any of the following:		
		a) Sewerage odour;	0	10	
		b) Sewerage system faults;	7		
		c) Sewerage system blockages, and	3		
		d) Council's response to issues with its sewerage system (expressed per 1,000 properties connected to Council's sewerage system).	2.2		



<b>Funding Impact Statement</b>	<b>Annual Plan 2016-2017 \$000</b>	<b>Long Term Plan 2017-2018 \$000</b>	<b>Annual Plan 2017-2018 \$000</b>
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	2,436	2,573	2,436
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
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>2,441</b>	<b>2,578</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	911	946	916
Finance costs	264	249	249
Internal charges and overheads applied	321	343	323
Other operating funding applications	0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>1,496</b>	<b>1,538</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>945</b>	<b>1,040</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(decrease) in debt	(270)	(285)	(285)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>(270)</b>	<b>(285)</b>
<b>Application of Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	310	168	167
- to replace existing assets	327	485	448
Increase/ (decrease) in reserves	38	102	53
Increase/ (decrease) in investments	0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>675</b>	<b>755</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(945)</b>	<b>(1,040)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>

## What do we do?

- Stormwater management systems are an integrated set of procedures and physical assets designed to manage the surface runoff from urbanised catchments.
- Council manages open drain stormwater systems in Hector, Ngakawau, Seddonville, Granity, Waimangaroa, Westport, Carters Beach and Reefton. In addition there is a piped stormwater system in Westport.
- Sections of the Westport piped sewer system and all of the Reefton piped sewer system also convey stormwater.
- In Punakaiki, the only public stormwater drain is maintained by 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 from urbanised catchments in a way that achieves a balance between the level of protection and the cost to the community.

## Assumptions

- It has been assumed that there will be no significant growth in the urbanised area requiring stormwater reticulation.

## Negative Effects

- The previously programmed Brougham Street pump-station has been reviewed because of the high construction cost. Council agreed not to install this pump-station which may result in streets in the Brougham Street catchment continuing to hold water during heavy rainfall events and one or two properties being susceptible to flooding.

## How we contribute to Strategic Goals & Community Outcomes

- 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.

Community Outcomes	How the Council Contributes
Well-being	<ul style="list-style-type: none"> <li>■ The service is deemed to provide a public benefit through the protection of property.</li> <li>■ The provision of stormwater systems reduces the risk of death or injury resulting from flooding on private property.</li> </ul>

## Significant Issues and their Impact

- It was agreed not to proceed with the Brougham Street pump-station. This may result in streets in the Brougham Street catchment continuing to hold water during heavy rainfall events with properties being susceptible to flooding.
- Budget provisions have been made to allow CCTV cameras and mains cleaning.

## Significant Capital Expenditure

- Mains renewals (\$170,000) which includes Derby Street upgrade between Bentham Street and the Railway Line.

## 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.

## Level of Service provided

- There have been no changes in the level of service provided.

## Assumptions

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

## Variations: Annual Plan vs Long Term Plan

- There are no significant variances compared to the Long Term Plan.

## Mandatory Performance Measures

Stormwater Services	Key Service Criteria	Target Level of Service	Measurement	Current Performance 2015-2016 Annual Report	Performance Target 2017-2018
Provide adequate stormwater capacity.	Is there adequate stormwater drainage?	Performance Measure One (system and adequacy):	<b>Mandatory Performance Measure 1:</b>		
			a) The number of flooding events that occur in Council's systems.	2015-2016: Stormwater ponding within roadways is a regular occurrence because they are the secondary flow paths (2014-2015: new target, not measured).	No target.
		b) For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to Council's stormwater systems).	2015-2016: Nil (2014-2015: no change).	5 per 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.	Number of deficient designs found in any year.	Nil
Dispose of stormwater with the minimal environmental impact.	Is the environment being harmed?	Performance Measure Two (discharge compliance):	<b>Mandatory Performance Measure 2:</b>		
			Compliance with Council's resource consents for discharge from its stormwater system measured by the number of:		
			a) Abatement notices;	2015-2016: Nil (2014-2015: Nil).	Nil
			b) Infringement notices;	2015-2016: Nil (2014-2015: Nil).	Nil
c) Enforcement orders; and	2015-2016: Nil (2014-2015: Nil).	Nil			
d) Convictions received by Council in relation to those resource consents.	2015-2016: Nil (2014-2015: Nil).	Nil			
Fault response times	Performance Measure Three (fault response times):	<b>Mandatory Performance Measure 3:</b>			
		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.	2015-2016: No service requests to attend flooding events (2014-2015: new target, not measured).	1 hour	
Customer satisfaction	Performance Measure Four (customer satisfaction):	<b>Mandatory Performance Measure 4:</b>			
		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.	2015-2016: 4 complaints received, all regarding surface flooding (2014-2015: new target, not measured).	5 complaints	

<b>Funding Impact Statement</b>		Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>				
General rates, uniform annual general charge, rates penalties		521	483	498
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
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>526</b>	<b>488</b>	<b>503</b>
<b>Applications of Operating Funding</b>				
Payments to staff and suppliers		128	131	152
Finance costs		26	25	25
Internal charges and overheads applied		91	97	97
Other operating funding applications		0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>245</b>	<b>253</b>	<b>274</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>281</b>	<b>235</b>	<b>229</b>
<b>Sources of Capital Funding</b>				
Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		0	0	0
Increase/(decrease) in debt		(23)	(24)	(24)
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>(23)</b>	<b>(24)</b>	<b>(24)</b>
<b>Application of Capital Expenditure</b>				
- to meet additional demand		0	0	0
- to improve the level of service		42	0	0
- to replace existing assets		216	211	205
Increase/ (decrease) in reserves		0	0	0
Increase/ (decrease) in investments		0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>258</b>	<b>211</b>	<b>205</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(281)</b>	<b>(235)</b>	<b>(229)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 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 entered into a 10 year contract with Smart Environmental Ltd (SEL) to provide Solid Waste services. These include 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 contract provides for wheelie bins encouraging recycling and thereby reducing residual refuse. The bag and wheelie bin and crate system are a more environmentally sustainable waste system for Zone 1 residents.
- Council also contracted out the operation of the transfer stations and recovery parks in Westport and Reefton to SEL. These sites are used by all District residents and businesses for the disposal of separated recyclable materials, household waste and garden waste.
- Council also operates two active landfills at Karamea and 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.

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

## Changes in Fees and Charges

- Fees and charges are set by Smart Environmental Ltd.

## Significant Capital Expenditure

- Litter bins (\$7,900).
- Large recycling and refuse bins for rural areas with high numbers of visitors (\$130,000)

## Assumptions

- It has been assumed that Smart Environmental Ltd continue to provide the service that they tendered for in accordance with the contract provisions.

## 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 a 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.

## How do we contribute to Strategic Goals & Community Outcomes?

This activity supports the following community outcomes:

Community Outcomes	How the Council Contributes
Well-being	■ By facilitating the collection and disposal of refuse.
Environment	■ By facilitating collecting and disposing of refuse in a safe, efficient and sustainable manner that maintains district natural and aesthetic values.
	■ The solid waste disposal minimises risk of waste being inappropriately or dangerously disposed of.
	■ By providing safe collection and disposal of refuse and by encouraging waste minimisation.
Learning	■ Provide programmes to schools and the community on waste care and reduction.
Prosperity	■ By meeting commercial needs for dealing with waste.

## Changes in Level of Service provided

- There have been no changes in the level of service since 2015-2016.

## Significant Issues and their Impact

- The increase in visitor numbers to our region has highlighted a number of issues with the disposal of recycling and refuse. To help address this issue Council intends to invest in large recycling/ refuse bins to be utilised in areas that have been identified as having litter issues.

## 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	Depreciation Reserves Loans Investments
Residual costs associated with landfill monitoring	100% General Rates	Depreciation Reserves Loans Investments

## Targeted Rates (GST exclusive)

Solid Waste	2017-2018 Annual Plan \$
Zone 1	122
Maruia	100
Karamea	70

## Significant Variance Explanations in comparison to the Long Term Plan (LTP)

### Capital expenditure

- Capital expenditure on existing assets is higher in this Annual Plan than in the LTP (\$130,000) mainly due to solid waste bins to address litter in areas that have high visitor numbers which have been funded from waste minimisation contributions.

### General and Targeted Rates

- General rates and targeted rates are lower in this Annual Plan compared to the LTP due to savings made in operating expenses in this activity.

### Payments to Suppliers and staff

- Expenditure is expected to be lower in the Annual Plan (\$29,000) due to a number of operating efficiencies planned in this area as well as lower that predicted inflation than was expected in the LTP.

<b>Funding Impact Statement</b>	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charge, rates penalties	296	350	337
Targeted rates	677	693	654
Subsidies and grants for operating purposes	36	37	37
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	88	90	89
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>1,097</b>	<b>1,170</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	792	840	811
Finance costs	81	79	79
Internal charges and overheads applied	133	162	143
Other operating funding applications	0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>1,006</b>	<b>1,081</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>91</b>	<b>89</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(decrease) in debt	(61)	(65)	(65)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>(61)</b>	<b>(65)</b>
<b>Application of Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	22	8	138
Increase/ (decrease) in reserves	8	16	(119)
Increase/ (decrease) in investments	0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>30</b>	<b>24</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(91)</b>	<b>(84)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>

# In-house Professional Services

## What do we do?

- The Professional Services Unit provides engineering services to support the maintenance and development of Council infrastructure.
- This includes the preparation of contracts for roading, water, wastewater, solid waste and property, amenities and reserves. They monitor the performance of contractors and issue instructions for work found necessary as a result of requests for service and comments from ratepayers.

## Why are we involved in this activity?

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

## Changes in Fees and Charges

- No changes.

## Assumptions

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

## Negative Effects

- There are no negative effects.

## How do we contribute to Strategic Goals & Community Outcomes?

This activity supports the following community outcomes:

Community Outcomes	How the Council Contributes
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.

## Key Performance Indicators

Outcome	Policies/Strategic Drivers of Object	Current Level of Service	Performance Measure	Current Performance 2015-2016 Annual Report	Performance Target 2017-2018
To provide engineering advice to Council and administer contracts.	Asset Management Plans	Provide monthly reports on annual work programmes, monitor contract works and prepare monthly contract progress reports.	Prepare annual work programmes and monthly progress report.	2015-2016: Monthly reports were presented to the Group Manager Infrastructure and Assets on Work Programme progress (2014-2015: no change).	Continue to provide programme reports to the Chief Executive Officer and explain all delays and overruns.

## Changes in the level of service provided

- No anticipated changes in level of service.

## Significant Issues and their Impact

- A key project for 2017-2018 is the reorganisation of the Assets & Infrastructure team to reflect core responsibilities of asset ownership, program management and in-house professional services.
- From an organisational context the three key functions are Utilities and Services, Infrastructure Strategy and Project Delivery. Beneath the key functions, programs of work from the Annual Plan will be grouped according to the following portfolios; transport, roading, three waters, waste management, property assets, asset planning and capital works. This reorganisation will provide clarity of scope and drive improved value-for money services for the community. There are no additional resources planned, but the reorganisation project highlights the resource constraints that many councils face in their day to day delivery of services.
- The new functional model is expected to be adopted and operational for this 2017-2018 plan.

## Funding Allocations

Funding allocations are as per the Revenue and Finance Policy.

Activity	Funding Mechanism		
	Operating	Fees	Capital Spend
Professional Services	Overheads reallocated to other departments.	Nil	Loans Special Funds

## Significant Capital Expenditure

- \$5,000 proposed for engineering software.

## Variance: Annual Plan vs Long Term Plan

- There are no significant variances from the LTP.

<b>Funding Impact Statement</b>		Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>				
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		778	832	807
Local authorities fuel tax, fines, infringements fees and other receipts		0	0	0
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>778</b>	<b>832</b>	<b>807</b>
<b>Applications of Operating Funding</b>				
Payments to staff and suppliers		587	598	626
Finance costs		1	0	0
Internal charges and overheads applied		130	144	142
Other operating funding applications		0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>718</b>	<b>742</b>	<b>768</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>60</b>	<b>90</b>	<b>39</b>
<b>Sources of Capital Funding</b>				
Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		0	0	0
Increase/(decrease) in debt		(10)	(4)	(4)
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>(10)</b>	<b>(4)</b>	<b>(4)</b>
<b>Application of Capital Expenditure</b>				
- to meet additional demand		0	0	0
- to improve the level of service		0	0	0
- to replace existing assets		5	0	5
Increase/ (decrease) in reserves		45	86	30
Increase/ (decrease) in investments		0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>50</b>	<b>86</b>	<b>35</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(60)</b>	<b>(90)</b>	<b>(39)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>



## What do we do?

### Community Grants and Funding

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

### Sports, recreation & cultural facilities & services

■ Council transferred ownership of the Solid Energy Centre to Buller Recreation Ltd on 01 July 2009 for improved commercial focus. Council continues to contribute towards the provision of recreation and aquatic facilities for Buller.

### 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.

■ Services are provided to the community including delivery of reading material to housebound community members, book groups, literacy services for children and provision of digital literacy classes in collaboration with Stepping Up.

### Reefton Cinema

■ Reefton Cinema converted its screenings to digital format in April 2014. This has provided the Reefton Community with newer releases and 3D options.

■ The Reefton Cinema currently screens up to 4 times per week and has increased its patronage from previous years.

■ Earthquake strengthening and a major upgrade of the Reefton Community Centre was completed in November 2016.

### Communications

■ Council produces a bi-monthly newsletter that is delivered to all households in the Buller. The website is regularly updated to provide the most up-to-date information for our customers.

■ Continuation of the e-newsletter 'Council Community Info' has provided more regular communication about Council's activities to subscribed users.

### NBS Theatre

■ The NBS Theatre complex provides a 350 seat auditorium and double cinema community facility. The Bill Moffit Cinema has 55 seats and the Fred Gregory Screen Room can seat up to 22. The theatre is open seven days a week with multiple movie screenings and the auditorium provides a great venue for local and visiting live performances of all genres. Capital of \$70,000 has been budgeted to upgrade the cinema equipment in the Fred Gregory Screen Room. This will result in reduced operational spending.

■ The venue is licensed and from time to time is used for meetings, weddings and funerals. A number of rooms are hired out to visiting specialists; including podiatrist, chiropractor and hearing specialists from Greymouth holding regular clinics; and it is the weekly venue for a local church group.

■ The NBS Theatre also fulfils an important role in facilitating fundraising for local community groups, individuals and schools.

## 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.

## Changes in Fees and Charges

■ No changes from 2016-2017.

## Assumptions

■ No changes to funding from central government and national organisations.

## Negative Effects

■ Expectations from community groups of ongoing financial and resource support.

## How do we contribute to Strategic Goals & Community Outcomes?

This activity supports the following community outcomes:

Community Outcomes	How the Council Contributes
Well-being	<ul style="list-style-type: none"> <li>■ Facilities allow people to play sport and achieve their fitness and recreational goals.</li> <li>■ Developing the community cohesion which supports mental and social well being.</li> </ul>
Learnings	<ul style="list-style-type: none"> <li>■ Libraries assist with the development of lifelong learning and literacy.</li> <li>■ By providing performance space for use in artistic and cultural performance.</li> <li>■ By working with educational institutions on collaborative projects.</li> </ul>
Prosperity	<ul style="list-style-type: none"> <li>■ By providing high quality community facilities to attract people to live and work in the Buller.</li> <li>■ By providing opportunities and funding that assist with tourism development and district promotion.</li> </ul>
Who we are	<ul style="list-style-type: none"> <li>■ By the provision of community grants to support community organisations.</li> </ul>
Sustainable Environment	<ul style="list-style-type: none"> <li>■ By providing an environment that reflects the lifestyle that is expected by residents, visitors and Central Government.</li> </ul>

## Funding Allocations

Activity	Funding Mechanism		
	General Rate	Fees	Capital Spend
Tourism and Promotion: - Economic Development - Tourism - Museum Funding	100%		Reserves (for Tourism & Promotion)
Libraries	90%	10%	Loans, Special Funds, Grants
Recreation Facilities	100%	Nil *	Loans, Special Funds, Grants, Reserves
Theatre	50%	50%	Loans, Special Funds, Grants
Community Development and Support	100%	Nil	Nil

\* Fees charged at facilities accrue to Buller Recreation Ltd.

## Significant Capital Expenditure

### Reefton Community Centre

■ The work to undertake earthquake strengthening and to upgrade facilities in the Reefton Community Centre was completed in November 2016.

### Vision 2010 Projects

#### - Karamea Swimming Pool

■ Funding for the Karamea Swimming Pool of \$85,000 rebudgeted in the 2016-2017 Annual Plan from the original V2010 funding to enable this project to be completed. The Karamea group managing this project intended to raise external funding along with the proposed funding from Council to enable the project to be completed.

### Westport Urban Design and Beautification – Waterfront Project

■ Council is proposing to make our district a better place to live and visit in conjunction with its promotion and development strategy therefore there will be a focus on making our 'district shop front' as attractive and practical as possible.

■ In the 2016-2017 Annual Plan Council allocated a total of \$250,000 to be spent on developing the waterfront area in Westport. This was made up of \$150,000 carried over for the 15/16 LTP and \$100,000 brought forward from the 2016-2017 year as well. The project has not progressed as expected due to constraints. In addition there is uncertainty over the West Coast Regional Council flood protection plans and how this may impact on delivery of the project. It is counter productive for Council to commit to significant development work in this area until there is some certainty over where, if any, proposed flood protection work are to be sited by the Regional Council. Therefore it is proposed that to progress the waterfront project \$60,000 should be re-budgeted in 2017-2018 (Council has originally budgeted \$420,000 in 2017-2018 to complete the project) and the funds required to complete the project be redetermined and allocated when Council develops its 10 year budgets in the 2018/2028 Long Term Plan.

■ In addition Council has decided, because of the success of the Kawatiri River Trail Project, to provide a grant of \$30,000 (\$10,000 for track maintenance and \$20,000 for future projects) toward developments of this nature around the waterfront, to be carried out by the Buller Cycling Club. This initiative recognises the win/win outcomes that can potentially be achieved by supporting Council/Voluntary Community group partnerships.

## Significant Issues and their Impact

### General Economic Development Support and Advocacy

■ In the 2015-2025 Long Term Plan (LTP) Council committed to support for existing economic activity and diversification into new forms of economic enterprise. Total 2017-2018 funding of \$478,000 was targeted to three main areas in the LTP:

- Economic Development
- Tourism Grant
- Museum Support

### The Approach for the 2017-2018 Annual Plan

■ In this Annual Plan Council has reinforced its commitment to economic development and is considering options on how to get the best 'bang for our buck' in tangible if not measurable results for its economic development and promotional spend. This approach will be working in tandem with a concerted advocacy strategy with central government and relevant agencies, supported by our neighbouring local authorities, to help mitigate the effects on the district of the slowdown in the primary commodity industries.

■ A concerted effort to get this strategy and funding model right is a logical step to leverage off the increase in the level of activity of visitors to our district. After a comprehensive review of its spending during the 2016-2017 Annual Plan process, Council proposes to increase its funding of Tourism Support by increasing its funding to Tourism West Coast to \$100,000 for this period. This increase recognises the results and hard work that this organisation has done to increase visitor numbers to our region. In tandem with other West Coast Councils who have increased their funding to TWC (subject to increased KPI's), the increase recognises that there has not been an increase in resources provided for at least 10 years. Key aspects are seen as essential to successfully help stimulate activity and obtain results in this area.

## Variance Explanations

### General Rates

■ There is a saving to the general ratepayer when compared to the LTP of \$335,000. This is mainly due to savings in finance costs offset by other costs as explained below.

### Payments to Suppliers and Staff

■ This is \$93,000 more than anticipated in the LTP and is made up mainly of increases in predicted operating costs at the airport and higher management payment for the Solid Energy Centre (the payment in the LTP was not correct).

### Finance Costs

■ Finance costs are \$347,000 less than predicted in the LTP as a result of lower external interest costs as a result of Council moving the majority of its debt to the Local Government Financing Authority which has lowered Council's cost of funds compared to Long Term Plan budgets. Funding of a portion of the holding company debt for the Solid Energy Centre is carried out through this activity. In addition the waterfront project has not progressed as planned therefore interest costs associated with this project have not been recognised in this plan.

### Other operating funding applications

■ This area is predicted to be \$98,000 more than provided for in the LTP due to \$44,000 more funds provided for Tourism support and a Council decision to allocate an extra \$20,000 to the contestible grant pool.

■ In addition a grant of \$30,000 (\$20,000 for new projects, \$10,000 for track maintenance) is proposed for waterfront development to be provided to the Westport Cycle Club to project manage following their success in developing and completing the Kawatiri River Trail project.

### Capital Expenditure

■ To improve the level of service: Capital expenditure is \$361,000 less than predicted in the LTP. The LTP assumed the waterfront project would be completed in 2017-2018 with an allocation of \$421,000. Council has decided to rebudget \$60,000 in 2017-2018 with the balance of funds required to complete the project to be allocated in the following year.

### Increase (Decrease) in Debt

■ Debt is \$417,000 lower than projected due mainly to stages of the Waterfront project not being completed as planned.

## Key Performance Indicators

Outcome	Current Level of Service	Performance Measure	Current Performance Annual Report 2014-2015	Target 2018	2017-
<b>Community Services and Facilities</b>					
<b>To provide services and facilities that meet information, learning, recreational and cultural needs.</b>	<b>Solid Energy Centre:</b>				
	Provision of sport and recreation via the Solid Energy Centre and Reefton swimming pool.	Statements of Intent are submitted annually and approved by Council.	2015-2016: Statements of Intent were submitted and approved by Council (2014-2015: no change).	Continue to do the same.	
	<b>Library:</b>				
	Number of active members of libraries	Maintain or increase (0-4%)	2014-2015: 2,781 active members (2014-2015: no statistics were provided due to system inaccuracies).	Maintain or increase 0-4% per annum.	
	<b>NBS Theatre:</b>				
Number of performing arts events, exhibitions and shows per year	Number of cinema screenings per week - 26 on average.	2015-2016: 28 on average per week (2014-2015: 26 per week).	Continue to provide at least 26 cinema screenings per week.		
	Number of performances/shows in auditorium – 30 days per year.	2015-2016: 33 days (2014-2015: 35 days).	30 performances/shows per year.		
<b>Communications</b>					
<b>To keep the community informed.</b>	Community engagement - provision of information to community	Distribution of communications as required	2015-2016: Fortnightly distribution of electronic newsletter to subscribed users. Printed newsletter distributed to every household in Buller every two months and media releases as required (2014-2015: no change).	Continue distribution of newsletter, emails and media releases.	

<b>Funding Impact Statement</b>		Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>				
General rates, uniform annual general charge, rates penalties		3,657	3,929	3,594
Targeted rates		0	0	0
Subsidies and grants for operating purposes		21	21	21
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		431	450	551
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>4,109</b>	<b>4,400</b>	<b>4,166</b>
<b>Applications of Operating Funding</b>				
Payments to staff and suppliers		1,865	1,892	1,985
Finance costs		938	1,185	838
Internal charges and overheads applied		491	532	521
Other operating funding applications		502	469	569
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>3,796</b>	<b>4,078</b>	<b>3,911</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>313</b>	<b>322</b>	<b>255</b>
<b>Sources of Capital Funding</b>				
Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		0	0	0
Increase/(decrease) in debt		856	377	(40)
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		535	400	435
Other dedicated capital funding		0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>1,391</b>	<b>777</b>	<b>395</b>
<b>Application of Capital Expenditure</b>				
- to meet additional demand		0	0	0
- to improve the level of service		389	421	60
- to replace existing assets		687	166	162
Increase/ (decrease) in reserves		628	512	428
Increase/ (decrease) in investments		0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>1,704</b>	<b>1,099</b>	<b>650</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(313)</b>	<b>(322)</b>	<b>(255)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 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 10 elected Councillors, the Mayor and the Inangahua Community Board. They are supported by a Chief Executive and staff.

## Why are we involved in this activity?

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

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

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

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

*Council develops strategies and policies which set the direction for the future of the Buller District Council by including the democratic and decision making processes of Council such as informing the public, generating feedback and involving people in the decision making process.*

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

## Funding Allocations

Activity	Funding Mechanism		
	GeneralRate	Fees	CapitalSpend
Democracy	100%	Recoveries from triennial elections	Nil

## Significant Issues and their Impact

### Long Term Plan

■ In the 2015-25 Long Term Plan, Council identified its role as positioning Buller for steady recovery from the current economic contraction as the district begins the process of diversification towards a sustainable local economy. There are already signs that this is starting to happen. Council will continue to invest in economic development and advocacy for the district including working with the other West Coast Councils and Development West Coast to progress the actions that have come out of the regional growth study. We will also continue to advocate for the proposed northern link road as an essential transport route for the District and South Island as a whole.

■ In 2017-2018 we will be developing our next Long Term Plan to take us through to 2028. In preparation for this we need to make some key decisions to prepare for how we will go forward. We will be working closely with the community and key stakeholders to re confirm our vision, community outcomes and strategic direction. This follows on from the project to discover our values that was started in 2016. We have budgeted for extensive community engagement to ensure we get maximum participation in this process.

### Local Government

■ Over this past year BDC has been working with the other West Coast Councils and the Local Government Commission to achieve better alignment between the Councils in order to make working across the region more streamlined for business, and to explore more shared service options in order to provide for more regionally consistent service delivery.

■ While this has been partly in response to a reorganisation application that was submitted to the Local Government Commission, shared services were already being explored prior to this.

■ In March 2017 the West Coast Councils jointly made a submission to the Local Government Commission, proposing a shared service model that will build on the work that has already started. This is being put forward as an alternative to the creation of a single unitary authority, which was the basis of the reorganisation application. One of the aspirations of the shared services model is that we move towards a single district (regional) plan with the aim of achieving this within 5-10 years. This model is about providing a better level of service to our ratepayers with the funds available and is not necessarily focussed on cost savings. We would still maintain local governance and staffing to a similar level, but each council would have the ability to become more 'specialised' and this expertise would then be shared across the region.

## Significant Variances to LTP

### Payments to suppliers and staff

■ There is a variance between the LTP and Annual Plan due to an item of internal cost which was inadvertently categorised as an expense in this category in the LTP (\$72,000).

## Key Performance Indicators

Outcome	Policies/Strategic Drivers of Objective	Current Level of Service	Performance Measure	Current Performance (2015-2016 Annual Report)	Target 2017-2018
<b>Co-ordination of annual budgeting and financial planning processes and preparation of Long Term Plan and Annual Plan.</b>	Statutory compliance.	Adoption of Long Term Plan and Annual Plan within statutory timeframes with an unqualified audit opinion being gained.	Meet required statutory deadlines for adoption of required reports.	2015-2016: Council met required statutory deadlines for adoption of required reports (2014-2015: no change).	Continue to meet the statutory deadlines for adoption of Council Annual Plan.
<b>Customer satisfaction.</b>		85%	% of residents are satisfied with the information they receive from Council.	2015-2016: no customer satisfaction measures carried out (2014-2015: new measure).	85%
<b>Transparency, accountability and accessibility to the public.</b>		Provide opportunities for public forum at each Council meeting.	Full opportunity for public participation in Council meetings through availability of speaking rights and public forum.	2015-2016: achieved (2014-2015: achieved).	Achieved
		90%.	Minimum % of Council business conducted in open forum.	2015-2016: 87% (2014-2015: 90%).	90%
		90%.	% of residents are satisfied that Council consults with them on important issues.	2015-2016: no measure carried out (2014-2015: 90%).	90%
<b>Co-operation with other agencies.</b>		100%.	Full participation in the West Coast Mayors/ Chairs and CEO meetings.	2015-2016: 100% (2014-2015: new measure).	100%

<b>Funding Impact Statement</b>		Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>				
General rates, uniform annual general charge, rates penalties		1,185	1,273	1,238
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		34	0	0
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>1,219</b>	<b>1,273</b>	<b>1,238</b>
<b>Applications of Operating Funding</b>				
Payments to staff and suppliers		619	606	534
Finance costs		0	0	0
Internal charges and overheads applied		600	667	704
Other operating funding applications		0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>1,219</b>	<b>1,273</b>	<b>1,238</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources of Capital Funding</b>				
Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		0	0	0
Increase/(decrease) in debt		0	0	0
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application of Capital Expenditure</b>				
- to meet additional demand		0	0	0
- to improve the level of service		0	0	0
- to replace existing assets		0	0	0
Increase/ (decrease) in reserves		0	0	0
Increase/ (decrease) in investments		0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>

## What do we do?

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

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

## Why are we involved in these activities?

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

## How do we contribute to Strategic Goals & Community Outcomes?

- Support Services covers all the community outcomes as it provides the administrative and operational capacity to achieve them.

## Key Performance Indicators

Outcome	Policies/Strategic Drivers of Objectives	Current Level of Service	Performance Measure	Current Performance 2015-2016 Annual Report	Target 2018	2017-
Prioritise and manage operating expenditure and capital expenditure	Accountability to provide sound governance and financial management. Compliance with stated strategies in Annual Plan and Long Term Plan.	Provision of timely and accurate information to the Finance and Audit Committee on all key financial operations for further action.	Monthly reports to the Finance and Audit Committee to monitor and proactively address variances.	Reports provided in a timely and accurate manner.	Continue to provide.	
To reduce the incidence of work related accidents and to ensure that Council complied with Health and Safety legislation.	Compliance with Health and Safety policies and legislation: - Safety and Health in Employment Act 1992 - Safety and Health in Employment Legislation 1995 - Employment Relations Act 2000	Health and Safety.	Setup systems, procedures and policies to comply with legislation.	2015-2016: In-house training on new H&S Legislation provided for Staff and Councillors (2014-2015: Review of policies and procedures, incident logging and hazard identification.)  Staff working toward an ACC Accreditation Audit of the Workplace Safety Management Practices (WSMP) Programme.	Continue to do the same.  Maintain accreditation.	

## Significant Projects

### Rates Overhaul

■ 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 however Council expects that a model will be available for public consultation in the third quarter of 2017. This would enable any proposed new system to be adopted for the 2018/2019 rating year.

■ All rating examples in the 2017-2018 Annual Plan are based on the current system.

### Rating Impact on the closure of Holcim

■ The closure of Holcim and the flow on effect on Westport Harbour's customer base may result in reclassifications of both Holcim's Cape Foulwind site and the port in Westport. The loss of any rating income from these sectors will ultimately be redistributed across all other rating sectors in Buller but Council does not anticipate this occurring in the 2017-2018 financial year.

## Assumptions

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

## Variance: Annual Plan vs Long Term Plan

### Internal Charges & Overheads Recovered

■ Lower operational costs in Support Services compared to the LTP have resulted in lower overheads required to be recovered (\$238,000).

### Payments to Suppliers and Staff

■ The Annual Plan is \$75,000 lower than the LTP principally due to savings in employment cost, and lower inflation expectations for some expenses.



<b>Funding Impact Statement</b>		Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>				
General rates, uniform annual general charge, rates penalties		220	221	299
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		3,992	4,401	4,163
Local authorities fuel tax, fines, infringements fees and other receipts		72	87	74
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>4,284</b>	<b>4,709</b>	<b>4,536</b>
<b>Applications of Operating Funding</b>				
Payments to staff and suppliers		3,064	3,308	3,233
Finance costs		126	147	135
Internal charges and overheads applied		903	981	962
Other operating funding applications		0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>4,093</b>	<b>4,436</b>	<b>4,330</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>191</b>	<b>273</b>	<b>206</b>
<b>Sources of Capital Funding</b>				
Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		0	0	0
Increase/(decrease) in debt		(43)	(45)	(39)
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>(43)</b>	<b>(45)</b>	<b>(39)</b>
<b>Application of Capital Expenditure</b>				
- to meet additional demand		0	0	0
- to improve the level of service		0	0	0
- to replace existing assets		164	139	167
Increase/ (decrease) in reserves		(16)	89	0
Increase/ (decrease) in investments		0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>148</b>	<b>228</b>	<b>167</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(191)</b>	<b>(273)</b>	<b>(206)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Property Management, Amenities & Reserves

## What do we do?

### Amenities and Reserves

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

### Public Toilets

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

### Property Management

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

### Cemeteries

Council operates the following cemeteries:

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

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

### Punakaiki Beach Camp

- The Punakaiki Beach Camp is located in a picturesque setting on the beach, and adjoins the Paparoa National Park. The camp provides various sized cabins, 20 powered sites and 30 tent sites. The camp has now been leased to a private operator for a term of twenty years.

### Pensioner Housing

Council provides 46 housing units for the elderly:

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

## Why are we involved in these activities?

- The provision and maintenance of parks and reserves create a pleasant environment in which to live, work and play, which is an important part of the vision for the district.
- Ownership of other Council buildings allows for cost effective provision of essential property.
- The provision of public toilet facilities assists with promoting the health and well-being of the district and environment.
- 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.

## Changes to Fees and Charges

No increases will be carried out in Elderly Housing rentals during 2017-2018. Rents remain as:

	2017-2018
Single unit	\$134.00
Double unit	\$176.00
Garage	\$8.00

## Assumptions

- That current levels of service are maintained for sports ground maintenance.
- That Kilkenny Park, part of Crampton Road, Brougham Street Domain and Raynor Park will be leased out for grazing or community use removing the need for Council to maintain.
- Council will delay the construction of replacement or new pensioner units at Westport and Reefton.

## Negative Effects

- There are no negative effects

## How we contribute to Strategic Goals and Community Outcomes

This activity supports the following community outcomes:

Community Outcomes	How the Council Contributes
Well-being	<ul style="list-style-type: none"> <li>■ By ensuring our parks and reserves are healthy and safe.</li> <li>■ By providing areas for people to engage in healthy activities.</li> </ul>
Environment	<ul style="list-style-type: none"> <li>■ By offering opportunities for people to contribute to projects that improve our district's environment.</li> </ul>
Learning	<ul style="list-style-type: none"> <li>■ By providing the opportunity to learn through social interaction and recreation.</li> </ul>
Prosperity	<ul style="list-style-type: none"> <li>■ By contributing to the district's image and attracting businesses, skills and tourism.</li> </ul>

## Capital Expenditure

- Punakaiki Camp seawall (\$70,000).
- Cultural hub re-roof (\$80,000) - (Coaltown building).
- Peel Street Yard re-development (\$60,000).
- Public toilets at Fox River (\$200,000), fully funded by central government.
- Clocktower office developments - preliminary investigations (\$80,000).

## Significant Projects

Council has a large investment in property in both Westport and Reefton:

- Carnegie Library
- Sue Thompson Casey Memorial Library
- Clocktower Council Chambers
- Brougham House
- Reefton Service Centre
- Reefton Community Centre
- NBS Theatre

Council needs to be sure that it is getting best value from these significant assets. At present the utilisation of different buildings is patchy with some struggling to cope while others sit empty. For some time there has been a recognition that “lazy” assets need to be made to work or to be realised, if they are not being held for some future purpose. Council also needs to consider how it will deal with earthquake strengthening requirements. Council has an obligation both to its staff and to its community users to ensure that it is taking reasonable steps to address any buildings that do not meet current earthquake safety standards.

Under the new Better Local Government legislation Council has a statutory requirement to take a 30 year plus asset management approach. Good stewardship and prudent use of ratepayer money would suggest that there is no point in spending money unless the finished building is fit for purpose for at least the next 25 years. Overall there would also appear to be an opportunity to rationalise the building stock and to release some capital tied up in buildings that may not be required in the future.

There is also a need for urgency. Due to public health and staff safety, Council is required to deal with earthquake risks. The value of any earthquake expenditure can be significantly enhanced if it is undertaken with a renovation and rationalisation programme.

### **Punakaiki Community Facility**

- \$100,000 was budgeted for this facility in the 2016-2017 Annual Plan.
- Preliminary work has commenced on this project and the remaining balance has been carried forward to the 2017-2018 where it is envisaged the project will be completed.

### **Clocktower Council Chamber**

- Council decided in the Long Term Plan as Stage 2 of its Town Heart Project to modernise and extend the Clocktower Building and sell Brougham House to provide a long term solution for Council offices and meeting room. The alternative was to strengthen Brougham House to current earthquake standards to provide a safe working environment for staff and also to strengthen Victoria Square Grandstand which is currently the district Civil Defence Centre. There is \$80,000 included in this Annual Plan to begin preliminary work, which would involve exploring external funding options, evaluating any savings in the ongoing operating costs of rationalising the current multiple building stocks, examining the proposed buildings' suitability for upgrading and continued use and some design work if the project is deemed suitable to proceed with.

### **Other Council Properties**

- The Cultural Hub Building that is occupied by Coaltown requires replacement of the roof at budgeted cost of \$80,000.
- The Peel Street yard has been a challenge for Council. The site could be fully remediated but this would come at a significant cost to the ratepayer. Council proposes to develop a remediation action plan to examine other land use opportunities within existing legislation as well as the option of full remediation.
- Council has made a provisional allowance for a seawall to protect the Punakaiki Camp (\$70,000).

### **Public Toilets**

- Council is proposing to construct new public toilets at Fox River at an estimated total cost of \$200,000. The project is expected to be cost neutral to Council as it is proposed to seek funding from central government through the Regional Mid-sized Tourism Facilities Grant (MFF) administered by MBIE. If the funding is not available then the project is unlikely to proceed in its current form.

## Variations: Annual Plan vs Long Term Plan

### **General rates**

- Estimated funds required from general rates is higher than budgeted in the LTP (\$28,000) due to movements in expenses explained below.

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

- Estimated income from other receipts is higher than budgeted in the LTP (\$48,000) due to income from a number of leases being more favourable than anticipated.

### **Payments to Suppliers and Staff**

- Expenses in this area are proposed to be higher than predicted in the LTP (\$64,000). This is due to one off costs including unbudgeted ongoing cost of Council providing toilet facilities at Springs Junction to service the only arterial route through the South Island after the Kaikoura earthquake. Painting of the Victoria Square grandstand was also required.

### **Subsidies and Grants for Capital Expenditure**

The subsidy proposed of \$200,000 for the new toilets were not included in the LTP.

### **Capital Expenditure**

- Total Capital expenditure is \$354,000 more in the Annual Plan compared to the LTP. This is mainly made up of the following projects which were not in the LTP: Fox River toilets \$200,000, Peel Street yard \$60,000, Punakaiki seawall \$70,000, Clocktower stairway \$30,000.

## Key Performance Indicators

Outcome	Policies/Strategic Drivers of Objective	Current Level of Service	Performance Measure	Current Performance Annual Report 2015-2016	Target 2017-2018
<b>Parks and Reserves</b>					
<b>To provide parks and reserves that meets community and environmental needs.</b>	Resource Management Act 1991. Reserves Act 1977.	% checks on contractors standard of maintenance on active recreation areas.	95%	2015-2016: 100%, checks were undertaken on the maintenance contractor. Any defects were notified to the contractor who then remediated (2014-2015: 100%).	100% of checks to be undertaken on the maintenance contractor.
		Weekly safety and maintenance inspections of playground equipment.	100%	2015-2016: 100%, the contractor completed weekly safety checks on all playground equipment (2014-2015: 100%).	
<b>Housing for the Elderly</b>					
<b>Provide affordable, well maintained elderly housing.</b>	Tenancy Act.	% of occupancy of elderly persons housing.	90%	2015-2016: 99% (2014-2015: 96%).	Occupancy rate of elderly persons housing is to be 90% or greater.
		% customer satisfaction on provision of elderly housing.	80%	2015-2016: 33 questionnaires were returned with a satisfaction rate of 82.5% (2014-2015: 42 questionnaires, 82.4%).	Satisfaction rate of housing provided to elderly persons to be at least 80%.
<b>Cemeteries</b>					
<b>Provide and manage cemeteries that meet community needs.</b>	Burial and Cremation Act 1964.	Providing and managing cemeteries to provide for community health.	Maintain cemetery facilities to the appropriate national standard with public records available on request.	2015-2016: Maintained cemetery facilities to the appropriate national standard with public records available on request (2014-2015: no change).	Continue to do the same.
		To have sufficient plots available in all wards to meet current and future demands.	Providing adequate plots and land to meet the district's burial needs.	2015-2016: No extensions required in other cemeteries. (2014-2015: extension of the Mokihinui cemetery was completed to cater for 100 additional plots. No immediate extensions required in other areas).	
<b>Public Toilets</b>					
<b>Provision of public toilets has health and economic benefits supporting local communities, businesses and visitor destinations.</b>	Public health and safety.	Provide sufficient toilet facilities to meet the districts' needs.	Facilities are cleaned, inspected and maintained to serviceable standard.	2015-2016: Facilities were inspected, cleaned and maintained to an acceptable standard. The main toilets were inspected and cleaned daily, the other toilets and inspected and cleaned 2 or 3 times a week, depending on season and usage (2014-2015: no change).	Continue to clean, inspect and maintain toilet facilities to a serviceable standard.
<b>Council Properties</b>					
<b>Managing Council property to enable service delivery and safety for its users.</b>		Maintain and administer Council properties for its users.	100% of service requests responded to in 10 working days.	2015-2016: 100% (2014-2015: 100%).	Continue to do the same.

<b>Funding Impact Statement</b>	<b>Annual Plan 2016-2017 \$000</b>	<b>Long Term Plan 2017-2018 \$000</b>	<b>Annual Plan 2017-2018 \$000</b>
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charge, rates penalties	1,319	1,427	1,455
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	370	401	373
Local authorities fuel tax, fines, infringements fees and other receipts	1,125	1,181	1,229
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>2,814</b>	<b>3,009</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,931	1,986	2,050
Finance costs	78	76	74
Internal charges and overheads applied	363	391	379
Other operating funding applications	0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>2,372</b>	<b>2,453</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>442</b>	<b>556</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	200
Development and financial contributions	0	0	0
Increase/(decrease) in debt	(74)	1	1
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>(74)</b>	<b>201</b>
<b>Application of Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	120	63	0
- to replace existing assets	227	183	600
Increase/ (decrease) in reserves	21	311	155
Increase/ (decrease) in investments	0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>368</b>	<b>755</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(442)</b>	<b>(554)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>

# 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
- 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

### **Westport Harbour Limited**

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

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

### **Buller Recreation Limited**

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

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

## 2. Significant Policies and Objectives

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

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

### **Financial Performance:**

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

### **Service:**

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

### **Employee Relations:**

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

### **Safety and Environment**

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

### 3. Key Performance Targets

#### Buller Holdings Limited

Objective	Performance Measure	Targets
Financial Performance	a) Delivery of quarterly reports by 16 November, 16 February and 16 May an unaudited report consisting of a revenue statement, statement of position, cashflows and KPI's. Commentary on the results will also be provided.	Provision of quarterly reports to Council
	b) The Directors shall provide a draft Statement of Intent by 1 March for comment by Council. The Directors shall deliver to Council a completed Statement of Intent by 31 May.	Statement of Intent approved by Buller District Council
	c) Financial performance of the Group will be measured against the forecasts and KPI's in the approved Statements of Intent.	Annual review
Service Performance	a) The Board of Directors will meet with the Buller District Council CCTO Committee on a formal basis.	Three times a year and at any other time by request.
	b) The Chief Executive Officer of BHL will meet with the Buller District Council Chief Executive Officer on a formal basis.	As requested.
	c) The Buller Holdings Chief Executive Officer will provide a formal or informal report to Council as requested.	As requested.

#### Buller Recreation Limited

Objective	Performance Measure	Targets
Financial Performance	a) Achieving budget revenue and expenditure as set out in financial forecasts	Operate within budget
Service Performance	a) Achieve fitness centre membership of at least 450 per annum with a retention rate of more than 75%	Membership of 455 per annum Retention rate of more than 75%
	b) Achieve regular patronage of aquatic services to a 12-month average of 4,000 visits per month	Average 4,040 visits per month
	c) Achieve swimming lesson students in programmes of 150 students (averaged over 4 swimming terms)	150 swimming students
	d) Ensuring compliance with legislation and industry best practice in health and safety management	Nil serious harm accidents to customers or staff 100% compliance with health and safety procedures Less than 5% lost time incidents (of total hours)
Work Environment	a) Undertake a staff satisfaction survey carried out every second year	Staff survey undertaken
	b) Hold four-monthly meetings with all staff	Four-monthly staff meetings
	c) Review succession plans for key positions and undertake training in the next 12 months	Update succession plans
	d) Complete annual review process with all staff	Staff reviews undertaken
Asset Management	a) Maintain a comprehensive asset management plan for the facility, plant and equipment	Asset management plan developed
	b) Complete maintenance and replacement in accordance with asset management plan	Monthly report on asset management

## Westreef Services Limited

Objective	Performance Measure	Targets
Financial Performance	a) To achieve a pre-tax operating profit of at least 13% on gross revenue (before any subvention payment) .	13% pre tax operating profit
	b) To grow revenue from competitively procured work.	Target 40% of gross revenue
Service Performance	a) To maintain its TQS1 certification as required.	Achieve renewal
	b) Meeting with major client, BDC engineers and stakeholders to obtain feedback on specific contract performance.	Monthly meetings, with a minimum of 12 meetings per annum
	c) Support activities involved with the social and environmental development in the community.	Support 15 activities
Employee Leadership, Development and Retention	a) Continue to assist in developing and retaining staff, including seeking opportunities for training schemes and apprenticeships as a means to up-skilling employees.	Undertake staff satisfaction survey every bi-yearly.
	b) Ensure succession plans are put in place for all senior management positions.	Succession plans in place
	c) Hold staff meetings to ensure effective communication with all staff.	Meetings to be held weekly with minutes kept
	d) Maintain a zero tolerance to loss time incidents.	Nil

## Westport Harbour Limited

Objective	Performance Measure	Targets
Financial Performance	a) To achieve financial targets agreed in the Statement of Intent (SOI).	Annual review
	b) Pursue all opportunities for growth in business with existing and new customers	Turnover growth
Service Performance	a) To safely maintain by dredging:	
	- a bar depth greater than 2.0 metres at chart datum	Bar depth 2.0+ metres
	- maintain sufficient depth for vessel requirements at all wharves and jetties within the harbour	Achieve sufficient depths
	b) To consistently deliver services to customers in accordance with contractual agreements.	Compliance with contract terms
Employee Relations	a) Maintain competency levels required for all employees to deliver high quality performance in their duties	Ensure all employees maintain competency levels
Safety and Environment	a) To maintain a comprehensive system of health and safety procedures involving all employees in identifying risks and hazards and striving to eliminate or mitigate these.	Compliance with legislation and Deed of Navigational Safety
	b) Promote a safety first - zero harm culture.	LTI target is zero
	c) Incidents leading to pollution of Harbour.	Nil
	d) Oil spill response - maintain MNZ stock.	Achieve



# Other Council Controlled Organisations

## Buller Health Trust

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

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

### 2. Significant Policies and Objectives

The Mayor and Chief Executive are appointed as Trustees. The objective of the Trust is to support the provision of the medical services in the Buller District.

### 3. Key Performance Targets

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

## West Coast Rural Fire Authority

■ The government has completed an extensive review of how fires services are delivered throughout New Zealand. Council has been involved as it has statutory obligations under the Rural Fire Act.

■ From the 1st July 2017 there will be one entity, New Zealand Fire Service. Council will not be required to deliver and monitor rural fire services in the Buller District, and will no longer have to fund for this activity. However, Council will continue to work closely with the New Zealand Fire Service to ensure the community is well served.

■ Previously Councils funded the activity through rates. Under the proposed model the cost of Rural Fire will be recovered via a levy on insurance which means that the homeowner and property owners (including Council) can expect to face increases in their insurance premiums to fund the re-organisation of the Fire Service.

## Tourism West Coast

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

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

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

### 2. Significant Policies and Objectives

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

### 3. Key Performance Targets

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

## Westport Airport

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

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

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

### 2. Significant Policies and Objectives

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

### 3. Key Performance Targets

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

### 4. Significant Projects

- There are no significant projects planned.

### 5. Variances: Annual Plan vs Long Term Plan

- The deviation from the Long Term Plan estimates reflect the new management structure which was adopted following a change in scheduled operator in May 2015.
- At this time staff were employed to provide ground handling services and maintenance tasks which had previously been outsourced.

<b>Funding Impact Statement ~ Westport Airport</b>	<b>Annual Plan 2016-2017 \$000</b>	<b>Long Term Plan 2017-2018 \$000</b>	<b>Annual Plan 2017-2018 \$000</b>
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charge, rates penalties	64	57	84
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	96	100	94
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>160</b>	<b>157</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	87	88	106
Finance costs	0	0	0
Internal charges and overheads applied	14	15	15
Other operating funding applications	0	0	0
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>101</b>	<b>103</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>59</b>	<b>54</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>0</b>	<b>0</b>
<b>Application of Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	10	0	5
Increase/ (decrease) in reserves	49	54	52
Increase/ (decrease) in investments	0	0	0
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>59</b>	<b>54</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>(59)</b>	<b>(54)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>

# Financial Statements

- 
- Contains:**
- Forecast Statement of Comprehensive Revenue and Expense
  - Forecast Statement of Changes in Equity
  - Forecast Statement of Financial Position
  - Forecast Statement of Cashflows
  - Notes to the Financial Statements
  - Capital Expenditure Projects
  - Forecast Statement of Reserve Funds
  - Assumptions
  - Statement of Accounting Policies
  - Forecast Council's Funding Impact Statement
- 



# Forecast Statement of Comprehensive Revenue & Expenses

	Note	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>OPERATING REVENUE</b>				
General Rates	1	8,006	8,374	8,314
Targeted Rates	2	5,514	5,894	5,517
Rates Penalties		150	175	150
Metered Water Charges		187	199	204
Subsidies & Grants	3	4,271	4,006	4,442
Fees & Charges	4	2,954	3,192	3,091
Development Contributions		100	105	105
Vested Assets		100	107	101
Revaluation of Investment Properties		0	244	0
Holding Company Distribution		910	921	910
Investment Income	7	613	796	636
<b>TOTAL Operating Revenue</b>		<b>22,805</b>	<b>24,013</b>	<b>23,470</b>
<b>OPERATING EXPENDITURE</b>				
Employee Benefit Expenses		4,502	4,657	4,658
Depreciation and Amortisation	9	5,401	5,828	5,462
Finance Costs	8	1,219	1,711	1,115
Other Expenses		10,746	11,347	11,499
Write off of Assets		350	365	350
Revaluation of Investment Properties		165	0	0
<b>TOTAL Operating Expenditure</b>	6	<b>22,383</b>	<b>23,908</b>	<b>23,084</b>
<b>NET Surplus (Deficit) Before Taxation</b>	5	<b>422</b>	<b>105</b>	<b>386</b>
Income Tax Expense	6	0	0	0
<b>NET Surplus (Deficit) After Taxation</b>		<b>422</b>	<b>105</b>	<b>386</b>
<b>OTHER COMPREHENSIVE REVENUE &amp; EXPENSE</b>				
Increase/(decrease) in Infrastructure Revaluation Reserves		10,068	11,530	0
<b>TOTAL Comprehensive Revenue &amp; Expense</b>		<b>\$10,490</b>	<b>\$11,635</b>	<b>\$386</b>

# Forecast Movements in Equity

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>EQUITY as at 1 July</b>	<b>316,756</b>	<b>329,427</b>	<b>325,979</b>
Total Comprehensive Revenue & Expenditure	10,490	11,635	386
<b>TOTAL Operating Revenue</b>	<b>327,246</b>	<b>341,062</b>	<b>326,365</b>
<b>COMPONENTS OF EQUITY</b>			
Accumulated Funds	168,062	172,876	166,725
Reserves	4,949	5,330	5,385
Asset Revaluation Reserve	154,255	162,856	154,255
<b>TOTAL EQUITY at End of Year</b>	<b>\$327,246</b>	<b>\$341,062</b>	<b>\$326,365</b>

# Forecast Statement of Financial Position

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>CURRENT ASSETS</b>			
Cash and Bank	1,364	1,037	1,030
Trade and Other Receivable	4,687	4,971	4,858
Inventories	13	14	13
Other Current Assets	21	21	35
Short Term Investments	12,284	12,000	13,784
<b>TOTAL Current Assets</b>	<b>18,369</b>	<b>18,043</b>	<b>19,720</b>
<b>NON CURRENT ASSETS</b>			
Investment In Council Controlled Organisations	20,253	19,967	20,035
Investment Properties	8,068	10,506	7,568
Infrastructural Assets	293,215	307,034	294,822
Other Non Current Assets	20,199	19,593	19,595
Intangible Assets	265	249	50
<b>TOTAL Non Current Assets</b>	<b>342,000</b>	<b>357,349</b>	<b>342,070</b>
<b>TOTAL ASSETS</b>	<b>\$360,369</b>	<b>\$375,392</b>	<b>\$361,790</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	3,833	4,124	3,982
Derivative Financial Instruments	54	58	55
Employee Benefits	433	467	451
Current Portion of Term Debt	77	132	107
<b>TOTAL Current Liabilities</b>	<b>4,397</b>	<b>4,781</b>	<b>4,595</b>
<b>NON CURRENT LIABILITIES</b>			
Derivative Financial Instruments	850	250	1,100
Environmental Provisions	1,313	1,356	1,483
Bond Deposits	82	82	82
Employee Entitlement	280	280	140
Term Debt	26,201	27,581	28,025
<b>TOTAL Non Current Liabilities</b>	<b>28,726</b>	<b>29,549</b>	<b>30,830</b>
<b>EQUITY</b>			
Accumulated Funds	168,042	172,876	166,725
Reserves	4,949	5,330	5,385
Asset Revaluation Reserve	154,255	162,856	154,255
<b>TOTAL Equity</b>	<b>327,246</b>	<b>341,062</b>	<b>326,365</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>\$360,369</b>	<b>\$375,392</b>	<b>\$361,790</b>

# Forecast Statement of Cashflows

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash will be provided from:</i>			
Rates	13,670	14,444	13,981
Other Income	7,225	7,197	7,532
Interest Received	613	796	636
Dividend Income & Subvention Payments Received	1,197	1,225	1,220
	<b>22,705</b>	<b>23,662</b>	<b>23,369</b>
<i>Cash will be applied to:</i>			
Payments to Suppliers and Employees	15,148	15,798	17,227
Interest Paid	1,219	1,711	1,115
	<b>16,367</b>	<b>17,509</b>	<b>18,342</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$6,338</b>	<b>\$6,153</b>	<b>\$5,027</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
<i>Cash will be provided from:</i>			
Investments Realised	0	0	0
Sale of Fixed Assets	0	0	0
Sale of Investment Property	100	168	100
	<b>100</b>	<b>168</b>	<b>100</b>
<i>Cash will be applied to:</i>			
Purchase of Fixed Assets	5,673	4,406	7,225
Purchase of Equity Investments	42	36	35
Purchase of Investments	0	2,000	500
	<b>5,715</b>	<b>6,442</b>	<b>7,760</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>\$(5,615)</b>	<b>\$(6,274)</b>	<b>\$(7,660)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>			
<i>Cash will be provided from:</i>			
Loans Raised	1,618	639	2,585
	<b>1,618</b>	<b>639</b>	<b>2,585</b>
<i>Cash will be applied to:</i>			
Loans repaid	77	132	107
	<b>77</b>	<b>132</b>	<b>107</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>\$1,541</b>	<b>\$507</b>	<b>\$2,478</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>\$2,263</b>	<b>\$386</b>	<b>\$(155)</b>
<b>OPENING CASH AS AT 1 JULY</b>	<b>\$(899)</b>	<b>\$651</b>	<b>\$1,185</b>
<b>CLOSING CASH AS AT 30 JUNE</b>	<b>\$1,364</b>	<b>\$1,037</b>	<b>\$1,030</b>

# Notes to the Financial Statements

## NOTE 1: Required from General Rates

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
Democracy	1,185	1,273	1,238
Support	220	221	299
Community Services	3,657	3,929	3,594
Regulatory Services	943	1,015	984
Property Management, Amenities & Reserves	1,319	1,427	1,455
Roading & Urban Development	2,151	2,276	2,133
Water	0	0	0
Solid Waste	297	350	337
Wastewater	0	0	0
In House Professional Services	(51)	(83)	(28)
Airport	64	57	84
Stormwater	521	483	498
	<b>10,305</b>	<b>10,948</b>	<b>10,594</b>
<i>Less:</i>			
Investment Income	(1,239)	(1,478)	(1,220)
Other Income - Dividends	(910)	(921)	(910)
	<b>(2,149)</b>	<b>(2,399)</b>	<b>(2,130)</b>
Rates Penalties	(150)	(175)	(150)
<b>TOTAL General Rates Requirement</b>	<b>\$8,006</b>	<b>\$8,374</b>	<b>\$8,314</b>

## NOTE 2: Targeted Rates

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
Water	2,401	2,629	2,427
Solid Waste	677	693	654
Wastewater	2,436	2,572	2,436
Community Services	0	0	0
<b>TOTAL Targeted Rates</b>	<b>\$5,514</b>	<b>\$5,894</b>	<b>\$5,517</b>

## NOTE 3: Subsidies & Grants

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
Amenities & Reserves	0	421	200
Community Services	556	3,548	456
Roading & Urban Development	3,276	0	3,346
Water	403	37	403
Solid Waste	36	0	37
<b>TOTAL Subsidies &amp; Grants</b>	<b>\$4,271</b>	<b>\$4,006</b>	<b>\$4,442</b>



**NOTE 4:  
Fees & Charges**

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
Democracy	34	0	0
Community Services	431	450	551
Regulatory Services	940	1,093	894
Property Management, Amenities & Reserves	1,123	1,181	1,229
Roading & Urban Development	160	181	150
Water	88	90	0
Solid Waste	5	5	89
Wastewater	72	87	5
Support Activities	5	0	74
In House Professional Services	96	5	0
Stormwater	98	100	5
Airport	0	0	94
<b>TOTAL Fees &amp; Charges</b>	<b>\$2,954</b>	<b>\$3,192</b>	<b>\$3,091</b>

**NOTE 5:  
Internal Recoveries**

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
Community Services	0	0	0
Regulatory Services	0	0	0
Amenities and Reserves	370	401	373
Support	3,992	4,401	4,163
In House Professional Services	778	832	807
<b>TOTAL Internal Recoveries</b>	<b>\$5,140</b>	<b>\$5,634</b>	<b>\$5,343</b>

**NOTE 6:  
Operating Expenditure as per Activity**

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
Democracy	1,219	1,273	1,238
Community Services	4,103	4,384	4,231
Regulatory Services	1,930	2,142	1,888
Property Management, Amenities & Reserves	2,966	3,099	3,071
Roading & Urban Development	6,345	6,628	6,441
Water	2,217	2,855	2,508
Solid Waste	1,087	1,173	1,115
Wastewater	2,160	2,231	2,193
Support Services	4,275	4,700	4,535
In House Professional Services	727	748	779
Airport	159	157	178
Stormwater	446	469	484
	<b>27,634</b>	<b>29,859</b>	<b>28,661</b>
Plus: Investment Property revaluations	165	0	0
Plus: Writeoff of Assets	350	365	350
Less: Internal Interest	(626)	(682)	(584)
Less: Internal Recoveries	(5,140)	(5,634)	(5,343)
<b>TOTAL Operating Expenditure as per Activity</b>	<b>\$22,383</b>	<b>\$23,908</b>	<b>\$23,084</b>

**NOTE 7:  
Investment Income**

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
Interest, Dividends & Subventions	1,239	1,478	1,220
less Internal Interest	(626)	(682)	(584)
<b>TOTAL Investment Income</b>	<b>\$613</b>	<b>\$796</b>	<b>\$636</b>

**NOTE 8:  
Finance Costs**

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
Interest Expenses	1,845	2,393	1,699
Less Internal Interest	(626)	(682)	(584)
<b>TOTAL Finance Costs</b>	<b>\$1,219</b>	<b>\$1,711</b>	<b>\$1,115</b>

**NOTE 9:  
Depreciation**

	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
Democracy	0	0	0
Community Services	307	307	320
Regulatory Services	82	53	26
Property Management, Amenities & Reserves	594	645	568
Roading & Urban Development	2,555	2,598	2,652
Water	672	899	626
Solid Waste	79	92	82
Wastewater	664	694	705
Support Services	182	263	205
In House Professional Services	8	7	11
Airport	57	54	57
Stormwater	201	216	210
<b>TOTAL Depreciation</b>	<b>\$5,401</b>	<b>\$5,828</b>	<b>\$5,462</b>

# Capital Expenditure Projects

		Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Support Services</b>	Information Technology	164	139	167
<b>Regulatory Services</b>	Vehicle upgrades	0	54	39
<b>Community Services</b>	Urban Streetscape Vision 2010 Projects	389	421	60
	Theatres, recreation facilities and libraries	662	166	162
	Promotion and development	25	0	0
<b>Amenities and Reserves</b>	Reserves, Playgrounds and Camping Grounds	167	63	133
	Cemeteries	20	8	8
	Council properties and buildings, public toilets	85	81	456
	Housing for the elderly	76	94	3
<b>Roading</b>	Roading	1,578	1,750	1,616
	Footpaths, security cameras, street banners	216	221	221
<b>Solid Waste</b>	Contracted refuse (litter bins and transfer station)	22	8	138
<b>Sewerage</b>	Westport sewer	484	445	416
	Reefton sewer	152	169	161
	Little Wanganui sewer	1	38	38
<b>Water</b>	Westport water	1,196	398	2,761
	Reefton water	110	132	143
	District water supplies	54	8	488
<b>Stormwater</b>	Stormwater upgrades and replacements	258	211	205
<b>PSBU</b>	Vehicle radios	5	0	5
<b>Airport</b>	Security cameras, lighting and gate	10	0	5
<b>TOTAL Capital Expenditure</b>		<b>\$5,674</b>	<b>\$4,406</b>	<b>\$7,225</b>

# Forecast Statement of Reserve Funds

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

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

Reserves	Activity that the Reserve relates to	Purpose of the Reserve	Projected	Transfers	Transfers	Balance
			Opening Balance 2016-2017	to Reserves	from Reserves	2017-2018
			\$'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	3,409	5,402	5,232	3,579
Reserve Contributions	Regulatory	Proceeds from subdivision for public reserve upgrades	1,248	105	63	1,290
Mayor's Relief Fund	Democracy	Funds for providing grants for relief at the discretion of the Mayor	5	0	0	5
Boiler Replacement Fund	Property Management, Amenities & Reserves	Funds set aside to go toward replacement of boiler at Brougham Street offices	7	0	0	7
Development Contributions	Regulatory	Proceeds from commercial 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
<b>Total Reserves Only</b>			<b>\$5,173</b>	<b>\$5,507</b>	<b>\$5,295</b>	<b>\$5,385</b>
Karamea Solid Waste	Solid Waste	Separates all funding and expenditure and surpluses or deficits for each solid waste activity	19	50	49	20
Maruia Solid Waste	Solid Waste	Separates all funding and expenditure and surpluses or deficits for each solid waste activity	6	12	12	6
Contracted Refuse/Recycling Operations	Solid Waste	Separates all funding and expenditure and surpluses or deficits for each solid waste activity	60	663	662	61
Westport Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(803)	2,013	1,931	(721)
Reefton Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	9	355	388	(24)
Little Wanganui Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	53	17	32	38
Mokihinui Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	50	16	19	47
Ngakawau Hector Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	302	77	71	308
Waimangaroa Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(13)	451	465	(27)

Reserves	Activity that the Reserve relates to	Purpose of the Reserve	Projected	Transfers	Transfers	Balance
			Opening Balance 2016-2017	to Reserves	from Reserves	2017-2018
			\$000	\$000	\$000	\$000
Cape Foulwind Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	540	83	94	529
Punakaiki Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(50)	72	79	(57)
Inangahua Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	14	13	19	8
South Grantly Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	6	6	2	10
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	(926)	2,084	1,975	(817)
Reefton Sewerage	Wastewater/Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	434	319	347	407
Little Wanganui Sewerage	Wastewater/Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	55	10	39	26
Punakaiki Camp	Property Management, Amenities & Reserves	Separates all funding and expenditure and surpluses or deficits for the Punakaiki Camp Activity	(226)	0	0	(226)
Pensioner Housing	Property Management, Amenities & Reserves	Separates all funding and expenditure and surpluses or deficits for Pensioner Housing	68	315	295	88
Dog Control	Regulatory	Separates all funding and expenditure and surpluses or deficits for the dog control activity	(175)	183	232	(225)
<b>Total Separate Balances Only</b>			<b>\$(597)</b>	<b>\$6,739</b>	<b>\$6,711</b>	<b>\$(569)</b>
<b>Total Reserves &amp; Separate Balances</b>			<b>\$4,576</b>	<b>\$12,246</b>	<b>\$12,006</b>	<b>\$4,816</b>

**Please note:**

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

# Assumptions

Buller District Council's 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 over-arching assumptions relating to Council's activities. In addition to these assumptions, activity specific assumptions are found within each of the activity sections.

Assumptions	Description of Risk	Level of Uncertainty	Impact
<b>1. Population growth:</b>			
<p>The March 2013 census recorded a total of 10,473 people as being normally resident in the district. Anecdotally the District's population climbed above 11,000 persons during the peaks of economic activity experienced prior to the census date. With the loss of a number of jobs the District has now lost population.</p> <p>For the purposes of this Annual Plan we have assumed that the normally resident population as at 1 July 2015 was 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. We then expect the normally resident population to 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 Councils Long Term Plan we expect population levels to have recovered to about 10,500 people.</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 years Annual Plan or Long Term Plan</p>
<b>2. Inflation/Price Changes:</b>			
<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. This would be considered through the Annual Plan process. For example if Council plans to spend \$259 million in operating expenditure and \$62.2 million in capital over the term of a Long Term Plan. A 1% movement in inflation could increase or decrease costs by an average of approximately \$321,000pa. There would also be an impact on debt levels.</p> <p>Escalation may be undertaken using the BERL indices.</p>
<b>3. New Zealand Transport Agency Funding:</b>			
<p>The New Zealand Land Transit Authority has recently completed a review of its financial assistance rate provide to Councils roading programmes. Prior to the review the general rate of assistance was 58% with 100% assistance for the Karamea Highway which is a Special Purpose Road (SPR). The review has established a new general financial assistance rate of 61% for the 2015-2016 year and this rate will increase by 1% each year thereafter until it reaches 63%. The SPR 100% assistance rate is guaranteed for the 2015-2016, 2016-2017 and 2017-2018 years only. At the same time the 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 once the 63% general financial assistance rate is reached it will continue at that rate. A similar assumption is made that the Special Purpose Road 100% financial assistance rate will continue or that the road will revert to be part of the State Highway network. 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 was marginally predicted to decrease during the first three years of Councils 2015-2025 Long Term Plan before stabilising.</p>	<p>That the Government will reduce the subsidy available to Councils.</p>	<p>Medium</p>	<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 Annual 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>

Assumptions	Description of Risk	Level of Uncertainty	Impact
<b>4. Karamea Special Purpose Road:</b>			
<p>NZTA recently indicated to Council that it was proposing to revert the Karamea Special Purpose Road from a 100% subsidy, to the Buller District Council's financial assistance rate of 63%, 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 to be beyond the financial resources of Buller District Council's ratepayers to fund.</p> <p>At this stage we have assumed that funding for the Karamea Highway will continue at 100%. If this does not eventuate Council has assumed that the Karamea Highway will revert to a State Highway.</p>	<p>That condition information is not a sufficiently accurate representation of the actual condition of assets.</p>	<p>Medium</p>	<p>If the asset condition is substantially worse than expectations then there is an increased risk of unexpected asset failure and the increased costs of repairing assets would need to be funded. These costs are not in the Annual Plan and Council would need to consider how they should be funded - higher rates, use of cash reserves or debt would be options.</p>
<b>5. One Network Roading Classification:</b>			
<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"> <li>■ to deliver similar driving experience across New Zealand.</li> <li>■ to support more consistent asset management across the Country.</li> <li>■ 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.</li> </ul> <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>	<p>Financial assistance rate may reduce depending on the levels of funding agreed to be provided by NZTA.</p>	<p>Medium</p>	<p>Council will be faced with two choices:</p> <ol style="list-style-type: none"> <li>1. Change the current level of service provided to that set by NZTA.</li> <li>2. Fund the difference between the current service level and that proposed by NZTA from ratepayer contributions.</li> </ol>
<b>6. Useful lives of significant assets:</b>			
<p>Council has made a number of assumptions about the useful life of its assets. These assumptions affect the depreciation charge contained within the Plan. The detail for each asset category is reflected in the Statement of Accounting Policies on pages 73-78 of this document. Council's assets depreciation rates are contained within of the Statement of Accounting Policies.</p>	<p>That the lives of assets are materially different from those contained within the Plan.</p>	<p>Low</p>	<p>If the life of the assets are materially different from those contained within the Plan, the asset values stated in the prospective balance sheet and the profit contained in the Forecast Statement of Comprehensive Revenue and Expense would be affected. If the life was shorter than expected then Council might need to replace the asset sooner than planned and this would need to be funded. Council has a long history of managing assets and has asset management practices in place which reduce the likelihood of assets being very different to projections.</p>
<b>7. Significant Asset Condition:</b>			
<p>Council understanding of condition of its assets underpins the renewal forecasts in the 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.</p>	<p>That condition information is not a sufficiently accurate representation of the actual condition of assets.</p>	<p>Medium</p>	<p>If the asset condition is substantially worse than expectations then there is an increased risk of unexpected asset failure and the increased costs of repairing assets would need to be funded. These costs are not in the Annual Plan and Council would need to consider how they should be funded - higher rates, use of cash reserves or debt would be options.</p>
<b>8. Vested Assets:</b>			
<p>Council will receive \$100,000 vested assets per annum (escalated with BERL inflation indices if appropriate). 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.</p>	<p>That Vested Assets may vary from budget.</p>	<p>Medium</p>	<p>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.</p>

Assumptions	Description of Risk	Level of Uncertainty	Impact
<b>9. Insurance Costs:</b>			
Council has combined with other Councils to reduce insurance premiums.	That premiums may decrease as a result of a shared service approach undertaken by Council.	High	Any decrease in premiums will have an impact on rates or the level of cover that Council adopts. If insurance costs decrease by 10% then this would translate into a 0.2% decrease in rates.
<b>10. Return on Investments:</b>			
It is assumed that the return on investments, including dividends from Council Controlled Organisations and retained earnings on subsidiaries will continue at current level for Buller Recreation and WestReef Services Limited. Given the impending withdrawal of Holcim from the port operations and the loss of the ports major customer, Council agreed to retain the vessels and although there will be a reduction in operating activity, Westport Harbour management will continue to pursue other dredging opportunities.	The Harbour may continue operating but in a downsized capacity or there may be a future for an dredging venture at other ports.	Low	Higher or lower returns will impact on rates as the income will need to be raised from other sources.
<b>11. Interest Rates - External Borrowings:</b>			
Council has assumed an interest rate of 4.3% in the Annual 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 hedging programme developed within the limits of Council's Treasury Management Policy.
<b>12. External Borrowings - Renewability:</b>			
It has been assumed that Council will be able to renew existing external loan facility.	Higher interest rates or delay of capital projects.	Medium	If the loan could not be renegotiated with the current bank, a change in provider could alter finance costs
<b>13. Interest Rates - Term Deposits:</b>			
Council has assumed an interest rate of 3.75% in the Annual 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.
<b>14. Rates and Rate Increases:</b>			
Limits on rates and rate increases, as required by the Local Government Act 2002, are set out in the Financial Performance and Executive Summary on pages 5-7. This plan assumes that Council will remain within these limits.	That rate increases are above the limits set by Council.	Low	Annual Plan - reality check and rates will change but this will not happen without consultation as required by the Local Government Act.
<b>15. Disasters:</b>			
It is assumed that there will be limited events during the term of this Plan, but that these events will not be significant.	That there is a significant natural disaster in the district, such as flooding, earthquake or fire.	Low	Council had adequate insurance to cover natural disasters. However, in the event of a significant event Council will need to re-evaluate its work programme and implement disaster recovery plans.
<b>16. Climate Change:</b>			
Council uses the Ministry for the Environment (MFE) guidelines set out in "Preparing for Climate Change, March 2009" for estimating Sea Level Rise (SLR).	Climatic events 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 hazards, 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 impact of sea level rise and the increased frequency of extreme weather events.  Council has not made any provision for climate change in this plan.



Assumptions	Description of Risk	Level of Uncertainty	Impact
<p><b>17. Resource Consents:</b></p> <p>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.</p>	<p>That conditions of Resource Consents are significantly altered and there are accordingly significant new compliance costs or consents cannot be renewed.</p>	<p>Low</p>	<p>Budgets are in place for renewal of resource consents. Any increased compliance costs will be managed through the Annual Plan process.</p> <p>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.</p>
<p><b>18. Potential Impact of Social Changes:</b></p> <p>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 18% to 28% over the next 30 years.</p>	<p>Most significant is an increase in the age of the population, increasing demand for houses over the long term.</p>	<p>Medium</p>	<p>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.</p> <p>The plan assumed that the demand for housing for the elderly is adequate and can be met through surplus rentals at modest prices.</p> <p>Revenue has also decreased to allow for depressed economic activity.</p>
<p><b>19. External Assumptions - Government Legislation:</b></p> <p>It is assumed that there will be no material changes to existing legislation or additional activity or compliance requirements imposed by Central Government that has not already been allowed for in this document.</p>	<p>That Central Government requires Council to undertake further activities, without corresponding funding or imposes additional compliance costs on Local Government.</p>	<p>Medium</p>	<p>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.</p> <p>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.</p>
<p><b>20. Repayment of Loans:</b></p> <p>It has been assumed that the loan from Council to Buller Holdings Limited will not be repaid over the term of the Plan.</p>	<p>Inability to service the loan.</p>	<p>Low</p>	<p>Debt will be rolled over on an annual basis.</p>
<p><b>21. Capital Projects</b></p> <p>Capital projects are based on an assumption that they will occur when they have been identified in the Long Term 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.</p>	<p>There is a risk of deferral of projects to later years of the Long Term Plan.</p>	<p>High</p>	<p>This will lower capital expenditure, loans and finance costs. Depreciation would be lower than rated for.</p>

# Statement of Accounting Policies

## 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 (PBE) for financial reporting purposes.

The prospective financial statements of Buller District Council are for the year ended 30 June 2018. The 2017-2018 Annual Plan was authorised for issue by Council on 28 June 2017.

## 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 98 and Part 3 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. The prospective financial statements comply with PBE Standards.

These prospective financial statements are the third set of prospective financial statements presented in accordance with the new PBE accounting standards. Any material adjustments arising on transition to the new PBE standards (if applicable) are explained in the notes to the accounts.

## 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.

## Standards issued and not yet effective and not early adopted

In May 2013, the External Reporting Board issued a new suite of PBE accounting standards for application by public sector entities for reporting periods beginning on or after 1 July 2014. Buller District Council has applied these standards in preparing the 30 June 2018 prospective financial statements.

In October 2014, the PBE suite of accounting standards was updated to incorporate requirements and guidance for the not for profit sector. These updated standards apply to PBE's with reporting periods beginning on or after 1 April 2015. The Buller District Council will apply these standards in preparing its 30 June 2017 financial statements. Council expects there will be minimal or no change in applying these updated accounting standards.

## Subsidiaries

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

The subsidiaries of Buller District Council are Buller Holdings Limited, WestReef Services Limited, Westport Harbour Limited, Buller Recreation Limited 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 two associates, Tourism West Coast and 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 sewerage schemes. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure are fulfilled.

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

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in Buller District Council are recognised as revenue when control over the asset is obtained.

- Rental 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. 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 and long term investments in the Prospective Statement of Financial Position.

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

## Fair Value through Other Comprehensive Revenue & 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.

### Derivative Financial Instruments

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

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

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

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

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

### Property, Plant and Equipment

Property, plant and equipment consist of:

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

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

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

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

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

Property, plant and equipment 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.

### 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:

#### Assets:

Council	DepreciationRate (%)	UsefulLife (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
<b>Airport runway:</b>		
■ Basecourse	1.3%	75
■ Seal	5%	20

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

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

Buller Health Trust	DepreciationRate (%)	UsefulLife (Years)
Plant and Equipment	10% to 50%	2 - 10
Furniture and Fittings	7% to 13.5%	7.4 - 14.3
Furniture and Fittings (accommodation)	16.2% to 48%	2.1 - 6.2

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

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

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

## Revaluation

Those asset classes that are revalued are valued on a basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

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

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

**Infrastructural Assets** - The infrastructural assets are valued on a three yearly valuation cycle at fair value determined on a depreciated replacement cost basis by an independent valuer. At balance date Buller District Council assesses the carrying values of its infrastructural assets to ensure that they do not differ materially from the assets fair value. The most recent valuation was performed by GHD Limited and the valuation is effective as at 30 June 2014. All infrastructural asset classes carried at valuation were valued. The total value of infrastructural assets valued by GHD Limited on 30 June 2014 was \$253,270,000.

## Accounting for Revaluation

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

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

## Intangible Assets

### Goodwill

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

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

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

## Investment Property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at cost, including transaction costs.

After initial recognition, Buller District Council measures all investment property at fair value as determined annually by an independent valuer. The most recent valuation of investment property was carried out by Quotable Valuations with an effective date as at 30 June 2016.

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.

Property, plant and equipment, and intangible assets subsequently measured at cost that have a finite useful life are reviewed 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 4.4%, and an inflation factor of 2.9% 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.

## 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.

## 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 infrastructural asset revaluations. The last valuation was prepared by GHD Limited on 30 June 2014.

# 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.

General Rates (exclusive of GST).

**Table 1 – Differentials**

General Rate Differential Categories	Percentage of General Rate	General Rate (Cents per \$ Land Value)
Residential 101	0.921%	0.33036
Residential 102	0.174%	0.25949
Residential 103	0.646%	0.35143
Residential 104	0.806%	0.34118
Residential 105	0.351%	0.23943
Residential 106	18.845%	1.04754
Residential 107	1.418%	0.83928
Residential 108	1.122%	0.66657
Residential 109	0.626%	0.57870
Residential 110	0.463%	0.61512
Residential 111	0.210%	0.20389
Residential 112	0.554%	0.41251
Residential 113	0.391%	0.39576
Residential 114	1.018%	0.45929
Residential 115	2.545%	0.73457
Multi Residential 121	0.016%	1.04075
Multi Residential 122	0.008%	0.66470
Multi Residential 123	1.466%	2.31519
Multi Residential 124	0.062%	2.26947
Multi Residential 125	0.107%	1.21549
Multi Residential 126	0.142%	1.78655
Commercial 131	0.897%	1.60882
Commercial 132	0.249%	0.95268
Commercial 133	1.838%	2.61418
Commercial 134	9.811%	3.60391
Commercial 135	0.125%	1.65417
Commercial 136	0.322%	0.76926
Commercial 138	0.019%	0.13907
Commercial 139	1.199%	0.97106
Commercial 140	0.949%	1.54801
Rural 141	18.574%	0.19517
Rural 142	1.215%	0.18936
Rural 143	3.780%	0.15579
Rural Residential 151	4.190%	0.39469
Rural Residential 152	3.062%	0.36065
Rural Small Holding 161	1.489%	0.27221
Rural Small Holding 162	0.110%	0.16267
Rural Small Holding 163	0.218%	0.20611
Rural Small Holding 164	0.054%	0.09349
Industrial 171	2.963%	6.59164
Industrial 172	9.788%	5.86112
Industrial 173	5.154%	1.65059
Industrial 174	2.103%	12.33128
	<b>100.0%</b>	

### 1.2 Uniform Annual General Charge (UAGC)

The Council will set and assess a Uniform Annual General Charge (UAGC) as a fixed amount per Separately Used or Inhabited Part (SUIP) of a rating unit.

The UAGC will be \$421.74 (exclusive of GST) per SUIP of a rating unit.

#### Expected Yield (Collect)

The expected collect from the General Rates (both the general (differential) rate and the uniform annual general charge) is calculated to be \$8,313,828 (excluding GST).

## 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, 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 this Funding Impact Statement.



**Table 2 – Unit rates**

Water Supply Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST excl)
<b>Westport - Multi-residential only</b>			
	1-2	1.00	\$680.00
	3	1.70	\$1,156.00
	4	2.30	\$1,564.00
	5	2.80	\$1,904.00
	6	3.20	\$2,176.00
	7	3.60	\$2,448.00
	8	4.00	\$2,720.00
	9	4.40	\$2,992.00
	10	4.80	\$3,264.00
	11	5.20	\$3,536.00
	12	5.60	\$3,808.00
<b>Westport - all other rating sectors</b>			
	1	1.00	\$680.00
	2	1.70	\$1,156.00
	3	2.30	\$1,564.00
	4	2.80	\$1,904.00
	5	3.20	\$2,176.00
	6	3.60	\$2,448.00
	7	4.00	\$2,720.00
	8	4.40	\$2,992.00
	9	4.80	\$3,264.00
	10	5.20	\$3,536.00
	11	5.60	\$3,808.00
	12	6.00	\$4,080.00
<b>Reefton - Multi-residential only</b>			
	1-2	1.00	\$530.43
	3	1.70	\$901.73
	4	2.30	\$1,219.99
	5	2.80	\$1,485.20
	6	3.20	\$1,697.38
	7	3.60	\$1,909.55
	8	4.00	\$2,121.72
	9	4.40	\$2,333.89
	10	4.80	\$2,546.06
	11	5.20	\$2,758.24
	12	5.60	\$2,970.41
<b>Reefton - all other rating sectors</b>			
	1	1.00	\$530.43
	2	1.70	\$901.73
	3	2.30	\$1,219.99
	4	2.80	\$1,485.20
	5	3.20	\$1,697.38
	6	3.60	\$1,909.55
	7	4.00	\$2,121.72
	8	4.40	\$2,333.89
	9	4.80	\$2,546.06
	10	5.20	\$2,758.24
	11	5.60	\$2,970.41
	12	6.00	\$3,182.58
<b>Reefton - major users</b>			
1905006101	1+	2.00	\$1,060.86
1905023800	1+	2.00	\$1,060.86
1905043500	1+	2.00	\$1,060.86
1905044200	1+	2.00	\$1,060.86
1905050000	1+	2.00	\$1,060.86
1905036800	1+	40.00	\$21,217.20

Water Supply Scheme Rates	Differential category (refers to use by number of connections)	Differential Factor	Targeted Rate (GST excl)
<b>Mokihinui</b>			
Connected (excluding major users)	1	1.00	\$250.43
Major users*	1+	8.00	\$2,003.44
<b>Ngakawau Hector</b>			
Connected (excluding major users)	1	1.00	\$310.43
Major users*	1+	20.00	\$6,208.60
<b>Waimangaroa</b>			
Connected (excluding major users)	1	1.00	\$350.43
Major users*	1+	3.00	\$1,051.29
<b>Punakaiki</b>			
Connected	1	1.00	\$760.00
Serviceable	1	0.50	\$380.00
<b>Little Wanganui</b>			
Connected (excluding major users)	1	1.00	\$194.78
Serviceable	1	0.50	\$97.39
Major users*	1+	15.00	\$2,921.70
<b>Inangahua Junction</b>			
Connected (excluding major users)	1	1.00	\$360.00
Serviceable	1	0.50	\$180.00
Major users*	1+	3.00	\$1,080.00
<b>Granity South Tank Supply (administered by Council)</b>			
Connected	1	1.00	\$240.00

\* **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 m<sup>3</sup>.

### 2.1.2 Westport Metered Water Supply

■ The Council sets two rates for Westport Metered Water Supply.

■ A targeted rate is set for each connection to the Westport water supply through a meter. The rate is set as a fixed amount per connection of \$680.00 (exclusive of GST).

■ Each metered supply is then charged at a rate of \$1.70 (exclusive of GST) per cubic metre (m<sup>3</sup>) for consumption over 400m<sup>3</sup> per connection per annum.

### 2.1.3 Reefton Metered Water Supplies

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

## 2.2 Punakaiki Water Supply

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

■ The rate is set on a differential basis, based on use of the rating unit. The rate for differential factor 1.0 is \$760.00 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	\$380.00
(B) Single Residential Dwelling (Including A Home-Based Business)	1.0	\$760.00
(C) Department Of Conservation Depot	1.0	\$760.00
(D) Two Residential Dwellings On One Rating Unit	2.0	\$1,520.00
(E) Motel complex of more than 4 units	2.0	\$1,520.00
(F) Three residential dwellings on one rating unit	3.0	\$2,280.00
(G) Hostel (backpackers)	4.0	\$3,040.00
(H) Tavern, motel complex, and dwelling	6.0	\$4,560.00
(I) Camping ground and dwelling	12.0	\$9,120.00

**Table 2.2B – Categorisation of each property**

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

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

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

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

### Expected Yield (Collect)

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

Water Supply Area	Collect
Little Wanganui Subdivision	\$15,015
Mokihinui	\$12,250
Ngakawau-Hector	\$53,940
South Granity	\$5,520
Waimangaroa	\$48,650
Westport	\$1,863,200
Reefton	\$355,100
Punakaiki	\$61,560
Inangahua Junction	\$11,520

### 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. These properties, although serviceable, shall pay the full service charge(s) applicable to that scheme.

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

**Table 3 – Unit rates**

Sewerage Scheme Rates	Differential category (refers to use by number of connections)	Differential factor	Targeted Rate (GST excl)
Westport and Carters Beach - multi-residential only			
	1-2	1.00	\$820.00
	3	1.70	\$1,394.00
	4	2.30	\$1,886.00
	5	2.80	\$2,296.00
	6	3.20	\$2,624.00
	7	3.60	\$2,952.00
	8	4.00	\$3,280.00
	9	4.40	\$3,608.00
	10	4.80	\$3,936.00
	11	5.20	\$4,264.00
	12	5.60	\$4,592.00

Sewerage Scheme Rates	Differential category (refers to use by number of connections)	Differential factor	Targeted Rate (GST excl)
<b>Westport and Carters Beach - all other rating sectors</b>			
	1	1.00	\$820.00
	2	1.70	\$1,394.00
	3	2.30	\$1,886.00
	4	2.80	\$2,296.00
	5	3.20	\$2,624.00
	6	3.60	\$2,952.00
	7	4.00	\$3,280.00
	8	4.40	\$3,608.00
	9	4.80	\$3,936.00
	10	5.20	\$4,264.00
	11	5.60	\$4,592.00
	12	6.00	\$4,920.00
<b>Reefton - multi-residential only</b>			
	1-2	1.00	\$550.43
	3	1.70	\$935.73
	4	2.30	\$1,265.99
	5	2.80	\$1,541.20
	6	3.20	\$1,761.38
	7	3.60	\$1,981.55
	8	4.00	\$2,201.72
	9	4.40	\$2,421.89
	10	4.80	\$2,642.06
	11	5.20	\$2,862.24
	12	5.60	\$3,082.41
<b>Reefton - all other rating sectors</b>			
	1	1.00	\$550.43
	2	1.70	\$935.73
	3	2.30	\$1,265.99
	4	2.80	\$1,541.20
	5	3.20	\$1,761.38
	6	3.60	\$1,981.55
	7	4.00	\$2,201.72
	8	4.40	\$2,421.89
	9	4.80	\$2,642.06
	10	5.20	\$2,862.24
	11	5.60	\$3,082.41
	12	6.00	\$3,302.58
<b>Little Wanganui</b>			
Connected	1	1.00	\$630.43
Serviceable	1	0.50	\$315.22

#### Expected Yield (Collect)

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

Sewerage Area	Collect
Little Wanganui Subdivision	\$38,430
Westport	\$2,056,560
Reefton	\$319,000

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

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

*The localities of these zones are:*

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

*The levels of service for each are:*

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

### 4.1 Waste Management - Zone 1

The cost of providing recycling and refuse collection is recovered from those properties that receive the service, in the form of a targeted annual waste management charge of a fixed amount per set of two bins (one wheelie bin and one basket) delivered to those properties within the Zone 1 area. Thus, any property that has been delivered more than one set of bins, is deemed to be receiving the service for each of those sets of bins, and shall be liable for the fixed amount for each set of bins delivered to the property.

The bins are used for the fortnightly recycling collection, while bags are available for purchase at various district outlets for the use of weekly refuse collection. The annual waste management charge for Zone 1 will be \$121.74 per set of two bins (excluding GST).

### 4.2 Waste Management - Zone 2

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

The annual waste management charge for Zone 2 will be \$70.43 per rating unit (excluding GST).

### 4.3 Waste Management - Zone 3

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

The annual waste management charge for Zone 3 will be \$100.00 per rating unit (excluding GST).

#### Expected Yield (Collect)

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

Waste Management Area	Collect
Zone 1	\$604,754
Zone 2	\$38,360
Zone 3	\$10,900

#### 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 28 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories applied to a rating unit.

### Residential Categories:

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

#### Residential 101

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

#### Residential 102

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

#### Residential 103

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

#### Residential 104

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

#### Residential 105

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

#### Residential 106

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

#### Residential 107

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

#### Residential 108

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

#### Residential 109

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

#### Residential 110

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

#### Residential 113

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

#### Residential 114

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

#### Residential 115

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

### Multi Residential:

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

#### Multi Residential 121

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

#### Multi Residential 122

includes the rating unit under valuation reference 1878037247.

#### Multi Residential 123

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

#### Multi Residential 124

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

#### Multi Residential 125

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

#### Multi Residential 126

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

### Commercial:

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

#### Commercial 131

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

#### Commercial 132

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

#### Commercial 133

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

#### Commercial 134

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

#### Commercial 135

- includes the rating unit under valuation references 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 137

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

#### 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:

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

### Industrial 171

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

### Industrial Coal:

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

### Industrial 172

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

## Industrial Other:

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

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

### Industrial 173

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

## Industrial Harbour:

Properties owned or occupied by Westport Harbour Limited and used for harbour and associated activities.

### Industrial 174

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

## SUIP (Separately Used or Inhabited Part) of a Rating Unit - Definition

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

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

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

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

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

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

<b>Funding Impact Statement ~ Council</b>	Annual Plan 2016-2017 \$000	Long Term Plan 2017-2018 \$000	Annual Plan 2017-2018 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charge, rates penalties	8,006	8,374	8,314
Targeted rates	5,514	5,894	5,517
Subsidies and grants for operating purposes	2,216	2,192	2,249
Fees and charges	187	199	204
Interest and dividends from investments	1,523	1,717	1,546
Local authorities fuel tax, fines, infringements fees and other receipts	3,105	3,367	3,241
<b>TOTAL Operating Funding</b>	<b>A</b>	<b>20,551</b>	<b>21,743</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	14,733	15,522	15,590
Finance costs	1,219	1,711	1,115
Other operating funding applications	515	482	567
<b>TOTAL applications of Operating Funding</b>	<b>B</b>	<b>16,467</b>	<b>17,272</b>
<b>SURPLUS/(Deficit) of Operating Funding</b>	<b>A-B</b>	<b>4,084</b>	<b>4,028</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	1,520	1,414	1,758
Development and financial contributions	100	105	105
Increase/(decrease) in debt	1,546	506	2,478
Gross proceeds from sale of assets	100	168	100
Lump sum contributions	535	400	435
Other dedicated capital funding	0	0	0
<b>TOTAL Sources of Capital Funding</b>	<b>C</b>	<b>3,801</b>	<b>2,593</b>
<b>Application of Capital Expenditure</b>			
- to meet additional demand	0	0	0
- to improve the level of service	1,823	1,002	2,798
- to replace existing assets	3,850	3,404	4,427
Increase/ (decrease) in reserves	2,070	2,012	1,315
Increase/ (decrease) in investments	142	203	135
<b>TOTAL Applications of Capital Funding</b>	<b>D</b>	<b>\$7,885</b>	<b>\$6,621</b>
<b>SURPLUS/(Deficit) of Capital Funding</b>	<b>C-D</b>	<b>\$(4,084)</b>	<b>\$(4,028)</b>
<b>FUNDING BALANCE</b>	<b>((A-B)+(C-D))</b>	<b>\$0</b>	<b>\$0</b>

# 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	\$43,000	\$57,000	\$76,000	\$32,000	\$48,000	\$40,000
General Rates	142.06	200.31	267.08	112.46	163.77	136.47
UAGC	421.74	421.74	421.74	421.74	421.74	421.74
Targeted Water Rate	0	194.78	250.43	0	310.43	350.43
Targeted Sewer Disposal Rate	0	630.43	0	0	0	0
Targeted Solid Waste Rate	70.43	70.43	121.74	121.74	121.74	121.74
<b>NET RATES</b>	<b>\$634.23</b>	<b>\$1,517.70</b>	<b>\$1,061.00</b>	<b>\$655.94</b>	<b>\$1,017.68</b>	<b>\$1,030.39</b>
<b>GST</b>	<b>\$95.13</b>	<b>\$227.66</b>	<b>\$159.15</b>	<b>\$98.39</b>	<b>\$152.65</b>	<b>\$154.56</b>
<b>TOTAL RATES</b>	<b>\$729.36</b>	<b>\$1,745.36</b>	<b>\$1,220.15</b>	<b>\$754.33</b>	<b>\$1,170.33</b>	<b>\$1,184.94</b>
Comparison to Previous Year	\$714.94	\$1,692.28	\$1,178.37	\$771.77	\$1,115.26	\$1,173.80
<b>% Change</b>	<b>2.02%</b>	<b>3.14%</b>	<b>3.55%</b>	<b>-2.26%</b>	<b>4.94%</b>	<b>0.95%</b>

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	\$60,000	\$54,000	\$76,000	\$80,000	\$180,000	\$41,000
General Rates	628.52	565.67	506.60	316.61	826.72	135.45
UAGC	421.74	421.74	421.74	421.74	421.74	421.74
Targeted Water Rate	680.00	680.00	680.00	0	760.00	0
Targeted Sewer Disposal Rate	820.00	820.00	820.00	0	0	0
Targeted Solid Waste Rate	121.74	121.74	121.74	121.74	121.74	121.74
<b>NET RATES</b>	<b>\$2,672.00</b>	<b>\$2,609.15</b>	<b>\$2,550.07</b>	<b>\$860.09</b>	<b>\$2,130.20</b>	<b>\$678.93</b>
<b>GST</b>	<b>\$400.80</b>	<b>\$391.37</b>	<b>\$382.51</b>	<b>\$129.01</b>	<b>\$319.53</b>	<b>\$101.84</b>
<b>TOTAL RATES</b>	<b>\$3,072.80</b>	<b>\$3,000.52</b>	<b>\$2,932.58</b>	<b>\$989.10</b>	<b>\$2,449.73</b>	<b>\$780.77</b>
Comparison to Previous Year	\$3,014.84	\$2,991.47	\$2,918.08	\$982.99	\$2,306.85	\$761.94
<b>% Change</b>	<b>1.92%</b>	<b>0.30%</b>	<b>0.50%</b>	<b>0.62%</b>	<b>6.19%</b>	<b>2.47%</b>

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

Refer to pages 83-84 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	\$29,000	\$35,000	\$90,000	\$180,000	\$78,000	\$810,000
General Rates	213.03	115.63	1,447.94	6,487.03	1,207.45	1580.89
UAGC	421.74	421.74	421.74	421.74	421.74	421.74
Targeted Water Rate	530.43	0	0	680.00	530.43	0
Targeted Sewer Disposal Rate	550.43	0	0	820.00	550.43	0
Targeted Solid Waste Rate	121.74	100.00	70.43	121.74	121.74	70.43
<b>NET RATES</b>	<b>\$1,837.37</b>	<b>\$637.37</b>	<b>\$1,940.11</b>	<b>\$8,530.51</b>	<b>\$2,831.79</b>	<b>\$2,073.06</b>
<b>GST</b>	<b>\$275.61</b>	<b>\$95.60</b>	<b>\$291.02</b>	<b>\$1,279.58</b>	<b>\$424.77</b>	<b>\$310.96</b>
<b>TOTAL RATES</b>	<b>\$2,112.98</b>	<b>\$732.97</b>	<b>\$2,231.13</b>	<b>\$9,810.08</b>	<b>\$3,256.56</b>	<b>\$2,384.02</b>
Comparison to Previous Year	\$2,082.54	\$691.37	\$2,121.45	\$9,493.80	\$2,982.36	\$2,233.84
<b>% Change</b>	<b>1.46%</b>	<b>6.02%</b>	<b>5.17%</b>	<b>3.33%</b>	<b>9.19%</b>	<b>6.72%</b>

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 152 Alma Road
Land Value	\$1,750,000	\$1,870,000	\$118,000	\$106,000	\$136,000	\$155,000
General Rates	2,726.39	3,649.71	465.73	382.29	536.78	559.00
UAGC	421.74	421.74	421.74	421.74	421.74	421.74
Targeted Water Rate	0	0	0	0	0	0
Targeted Sewer Disposal Rate	0	0	0	0	0	0
Targeted Solid Waste Rate	121.74	121.74	70.43	121.74	121.74	121.74
<b>NET RATES</b>	<b>\$3,269.87</b>	<b>\$4,193.19</b>	<b>\$957.91</b>	<b>\$925.76</b>	<b>\$1,080.26</b>	<b>\$1,102.48</b>
<b>GST</b>	<b>\$490.48</b>	<b>\$628.98</b>	<b>\$143.69</b>	<b>\$138.86</b>	<b>\$162.04</b>	<b>\$165.37</b>
<b>TOTAL RATES</b>	<b>\$3,760.35</b>	<b>\$4,822.17</b>	<b>\$1,101.59</b>	<b>\$1,064.63</b>	<b>\$1,242.30</b>	<b>\$1,267.85</b>
Comparison to Previous Year	\$3,399.82	\$4,454.28	\$1,021.50	\$1,024.41	\$1,167.79	\$1,202.35
<b>% Change</b>	<b>10.60%</b>	<b>8.26%</b>	<b>7.84%</b>	<b>3.93%</b>	<b>6.38%</b>	<b>5.45%</b>

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

Refer to pages 83-84 for sector code details.



# Fees & 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).....	\$7.00
Interloan (non-reciprocal libraries) .....	\$20.00
Reserves Own Collection Per Book (free for online customer services) .....	\$1.00
Replacement Cards .....	\$5.00

### Sales:

Books.....	From \$1.00 - \$5.00
Book Covering.....	\$7.00
Internet Printing (from People's Network).....	\$0.30
Charging of Mobile Devices.....	\$2.00 per device
Re-surfacing of DVD's.....	\$7.00 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.....	\$0.50 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 .....	\$126.50 per day
Commercial / Business / Government Department .....	\$69.00 per half day
Non profit / Community Group .....	\$50.00 per day
Non profit / Community Group .....	\$25.00 per half day

### Housebound Service

Annual Charge.....	\$20.00
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All Fees & Charges inclusive of 15% GST unless otherwise stated

## 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

## NBS Theatre

### Movie Admission:

Adults.....	\$14.00
Student (with ID).....	\$11.00
Children (primary).....	\$8.50
Senior Citizens (60+).....	\$9.00
Family Ticket (Two Adults and Two Children).....	\$40.00
3-D Glasses.....	\$2.00 per pair

### Theatre Hire:

Variable at discretion of Theatre Manager, plus other direct costs - wages, heating.....	\$40.00 per hour
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### Daily Theatre Hire Rate:

Professional.....	\$700.00
Local.....	\$430.00
Arts Council and Public Meetings.....	\$380.00
Two day hire.....	\$1,000.00

### Green Room Hire Rate:

Per hour.....	\$45.00
Per four hours.....	\$150.00

### Fred Gregory Screen Room Hire Rate:

Per hour.....	\$45.00
Daily rate.....	\$150.00

### Equipment Usage Charges

Lights.....	\$16.00 per day
Dimmer Packs.....	\$27.00 per day
Speakers.....	\$27.00 per day
Microphones, Stands, Light Trees, Tape Deck, CD Player.....	\$11.00 per day
Staff Technician, Usher, Front of House.....	\$27.00 per hour per person
Laptop, Projector/Screen.....	\$30.00 per day
Additional Charges.....	At the discretion of Theatre Manager

## Reefton Cinema

### Movie Admission:

Adults.....	\$14.00
Students (with ID).....	\$11.00
Children (Under 16).....	\$8.50
Seniors 60+.....	\$9.00
Family Ticket (Two Adults and Two Children).....	\$40.00
3-D Glasses.....	\$2.00 per pair

## Reefton Community Hall

### Hire Rate:

Hire rate to 4:00pm weekdays.....	\$11.00 per hour
Hire rate, nights, weekends, statutory holidays.....	\$22.00 per hour
(Variable at discretion of Staff, plus other direct costs - wages, heating)	

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

## 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

### Auditorium:

Visiting Shows 3:00pm to 1:00am.....	\$550.00
Others 3.00pm to 1.00am .....	\$415.00
Rehearsals.....	\$15.00 per hour

### Victoria Square:

Buller Cricket Association .....	\$220.00 per year
Buller Rugby Union.....	\$75.00 + 6% gate per year
Rangimarie Croquet Club.....	\$84.00 per year
White Star Rugby Club.....	\$84.00 per year

### Kilkenny Park:

Buller Board Riders .....	\$167.00 per year
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### Raynor Park:

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

### North Beach:

Westport Pony Club .....	\$84.00 per year
Sunset Speedway Club.....	\$84.00 per year

## Westport & Reefton Cemeteries

### Burial:

Adult interment (opening fee).....	\$629.00
Child aged 12 years or over interment (opening fee).....	\$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.

## 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.

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

## Housing for the Elderly

Single Unit.....	\$134.00 (GST Exempt) per week
Double Unit.....	\$176.00 (GST Exempt) per week
Garage (if available) .....	\$8.00 (GST Exempt) per week

## Room Rental

The Operations Division will provide rental rates upon application.

## Grazing of Legal Road Reserve

Rental or lease ..... 4.5% of the valuation or a minimum of \$60.00 (\$53.33 GST exclusive).

## Vehicle Crossings

Vehicle crossings are required to be installed to Council Specifications and the installation must be undertaken by an Approved Contractor following the application being approved by Council.

## 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.

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

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 50m<sup>3</sup>/day, a formal Trade Waste Consent Application shall be required to be submitted by the consumer.

For further information regarding the Trade Waste Bylaw contact the Operations Department.

## Environmental Services - Resource Management

### Basis of Charges

The Buller District Council has adopted a user pays policy for all resource consent applications and functions that the Council carries out under the Resource Management Act 1991. The purpose of the charges is to recover the actual and reasonable costs incurred by the Council.

In setting these charges, the Council has had regard to the criteria set down in Section 36 of the Resource Management Act (RMA).

### Timing of Payments:

Most of the charges and amounts specified in this schedule (unless otherwise specified) are payable in advance of any action being undertaken by the Council. Pursuant to Section 36(7) of the RMA the Council need not perform the action to which the charge relates until the charge has been paid in full.

### Deposits:

Deposits are initial charges payable at the time an application is submitted to Council for processing. Notwithstanding that a deposit may be paid, the Council will commence processing the application only when it is satisfied that the information received with the application is adequate.

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.
- (c) Site visits involving more than an hour total travelling time will be charged at a flat rate of one hour of staff time in addition to charges under (b) above.
- (d) Advertising, materials and laboratory costs will be charged at cost.
- (e) Costs for Hearing Commissioners and their disbursements will be recovered at actual rates.
- (f) Legal charges / peer reviews will be recovered at actual rates.

### List of Charges:

A charge shall be made for each type of application or action listed. All charges unless otherwise specified in this table are a deposit and are inclusive of GST. All references are to the Resource Management Act 1991 and any subsequent amendments unless specified otherwise.

Where work is required to be undertaken by a specialist consultant in an advisory capacity or for the purpose of processing a consent, (eg, noise reports, planning consultant reports, legal advice), the direct cost of engaging the consultant will be passed onto the applicant.

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)

### 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) .....	\$300.00 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

Compliance monitoring on a Resource Consent where a breach of consent condition or conditions are identified - Sec 35(2)(d) .....	At cost invoiced on completion of investigations
Random compliance monitoring of Resource Consent conditions, including Compliance Certificate for completion of conditions.....	At cost, invoiced on completion of investigations
Objection on Decision - Sec 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 - Sec 128.....	Full cost recovery
Performance bond administration .....	\$100.00 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 - Sec 10.....	\$650.00 deposit with full cost recovery
Certificate of Compliance - Sec 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 - Sec 176(a).....	\$200.00 deposit with full cost recovery
Waiver of Outline Plan - Sec 176.....	\$100.00 flat fee
Requirement for alteration of a designation - Sec 181 .....	Non-notified \$500.00 deposit with full cost recovery Notified \$800.00 deposit with full cost recovery
Application to determine that a designation should not lapse - 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

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

## Category F - Miscellaneous

Preparation of any documents for the purposes of the Overseas Investment Commission.....	At Cost
Information requests under the Local Government Official Information and Meetings Act 1987:	
Requests that take longer than 30 minutes to answer.....	At Cost
Application for Class 4 Gambling Venues.....	\$250.00 deposit with full cost recovery
Computer Freehold Register Search (or first instrument) .....	\$40.00 per Register
Plus: Per additional document.....	\$10.00

## Category G - District Plans

Buller District Plan Folder .....	\$200.00 flat fee
Buller District Plan CD .....	\$30.00 flat fee
Buller District Plan Maps.....	\$300.00 flat fee

## Category H - Charge Out Rates

The following are chargeout rates that will be used to assess actual costs:

Chief Executive.....	\$200.00 per hour
All Divisional Managers.....	\$180.00 per hour
Processing and Engineering Officers .....	\$110.00 - \$200.00 per hour
Planning Assistant.....	\$105.00 per hour
Other Staff.....	Hourly rate set by Manager of the respective department
Cost of Commissioners attending Hearings.....	Actual Costs
Consultants and Contractors.....	Actual Costs

## Category I - Charge Out Rates Mining Privileges

Chief Executive.....	\$200.00 per hour
All Divisional Managers.....	\$180.00 per hour
Processing Officer .....	\$110.00 - \$200.00 per hour
Planning Assistant.....	\$105.00 per hour
Other Staff.....	Hourly rate set by Manager of the respective department
Consultants and Contractors.....	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.
5. These charges shall come into effect on 1 July 2016 and remain in effect until rescinded by Council.
6. All charges are inclusive of the GST rate effective 1 July 2016. Changes in the rate could mean that ratepayers would have to pay the rate legislated by Government.

## Building Consent Fees

Building Consent Fees shall be paid by way of deposit up front followed by settlement of any additional cost before uplifting a consent. Fees are as listed below:

Property Information Memorandums (PIM's).....	\$125.00 with full cost recovery
Marquee/temporary building/demolition .....	\$200.00 set fee
Spaceheater - Freestanding .....	\$400.00 set fee
Spaceheater - Inbuilt.....	\$500.00 set fee
Minor Alterations (<\$20,000) eg remove internal wall, install shower.....	Deposit \$380.00 with full cost recovery
Minor Work (<\$20,000) eg Garage/Shed/Carport/Conservatory/re-pile.....	Deposit \$480.00 with full cost recovery
New work/Alterations (>\$20,000) but not major construction and multi-proof consents.....	Deposit \$700.00 with full cost recovery
New Major Construction .....	Deposit \$2,500.00 with full cost recovery

### Applications:

Administration Fee - All .....	\$120.00
Inspection Fee (per inspection).....	\$125.00
(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 of Consent Applications .....	\$125.00 per hour

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

Code Compliance Certificate .....	\$120.00
Compliance Schedule - where required .....	\$120.00
Exempt Building Work.....	\$150.00 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)**

Department of Building and Housing (as set by statutory requirements).....	Currently Fees are \$2.01 per \$1,000.00 or part thereof
BRANZ (as set by statutory requirements).....	Currently Fees are \$1.00 per \$1,000.00 or part thereof

BCA Levy	
<\$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	\$2,750.00

**Other Fees**

Land Information Memorandum (LIM) minimum fee of:.....	\$250.00
Certificate of Acceptance - The full cost of processing a Certificate of Acceptance based on inspection and processing fees plus the full fee, charges and/or levies that would have been payable had the owner or the owners predecessor in title applied for a building consent before carrying out the building work (refer Section 97 Building Act 2004)	
Building Compliance Certificate (Sale of Liquor).....	Flat Fee of \$50.00
Inspection and reports on unauthorised work.....	\$125.00 per hour
Swimming Pool Fence Inspections Fee (first free, subsequent inspections charged) .....	\$125.00 per inspection
Field/Service/Site Inspection.....	\$125.00 per hour
Building Information.....	\$125.00 per hour
Notices to Fix.....	\$125.00 per hour
Annual Administration Fee for Compliance Schedule (includes Audit if required) .....	\$120.00
Design or Peer Review plus specific inspections by Specialist External Contractors .....	Full cost recovery
Certificates for Public Use.....	\$30.00 administration fee
.....	\$125.00 per hour processing fee
Amendment of Consents .....	\$30.00 administration fee
.....	\$125.00 per hour processing fee
Building Consent - Extension of time fee.....	\$25.00
Building consent document copying .....	\$0.20 per

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

Administration/Preparation of Signed Certificate.....	\$66.50
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Plus: Registration Costs to DLR as set by Land Information New Zealand

**Fire Permits:**

Issuing of Fire Permits .....	\$28.75
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**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 .....	\$34.00
Others - Itinerant Traders.....	\$276.00
Mobile or Travelling Shops .....	\$166.00
Hawkers.....	\$25.00
Street Stalls.....	\$26.25 up to and including a maximum of three (3) days over any seven (7) day period

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



.....	\$42.00 for more than three (3) days up to seven (7) days over any seven (7) day period
Licence to Occupy Footpaths for dining purposes - temporary structures.....	\$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 Liquor 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

**Amusement Devices (set by regulation)**

For one device, for the first seven days of proposed operation or part days thereof.....	\$11.25
For each additional device, for the first seven days of proposed operation of part days thereof.....	\$2.25
For each device, for each further period of seven days or part thereof .....	\$1.12

**Dog Registration Fees**

For the purposes of determining Annual Dog Registration Fees, there will be two categories of dog owner - those considered to demonstrate competent dog ownership known as responsible dog owners (RDO) and those who have not. To demonstrate competence a dog owner must not have had any substantiated complaints in the previous twelve month period. Animal Control Officers will be responsible for investigating and recording complaints made about dogs.

**Responsible Dog Owners will be charged the following registration fees:**

Approved Dog Owners - Entire Dogs.....	\$85.00
Approved Dog Owners - De-sexed Dogs .....	\$65.00

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

Entire Dogs.....	\$150.00
De-sexed Dogs.....	\$130.00

**Other Fees related to Dog Registration:**

Dogs not registered after due date - per dog.....	Additional 50%
Duplicate Registration Tags .....	\$2.50
Collars.....	From \$7.50 - \$10.50
Microchipping of Dogs .....	\$40.00
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 thereof.....	\$20.00

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

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.
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### All Departments

#### Staff time:

For chargeable services the staff hourly rate is:.....	\$80.00 per hour
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#### Photocopying:

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

#### Aerial Photos or Maps:

GIS preparation and printing:.....	\$10.00 per item
■ Photocopying charges apply as above for multiple copies	
■ Complex enquiries may incur specialist staff time charges	

#### Electronic Imaging:

CD or DVD .....	\$5.00 per job
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### 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

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





## Buller District Council

### **Westport Office**

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Fax 64 3 788-8041

### **Reefton Office & Library**

66 Broadway  
PO Box 75  
Reefton 7851  
New Zealand  
Freephone 0800-808-821  
Ph 64 3 732-8821  
Fax 64 3 732-8822

### **Sue Thomson-Casey Memorial Library**

87-89 Palmerston Street  
Westport 7825  
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**WEST COAST** NEW ZEALAND  
**UNTAMED NATURAL WILDERNESS**