



West Coast Regional Council

Annual Plan 2016-2017

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THE WEST COAST
REGIONAL COUNCIL

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Chairman's Foreword

I am pleased to present the Council's annual plan for the 2016-2017 financial year.

The flood warning improvements will provide much more accurate forecasting for water levels in the Hokitika River, the Grey River and the Buller River. These three rivers present the greatest risk of flooding our three major towns on the West Coast. This proposal will essentially double the number of rainfall and river flow recorders in these three river catchments, over a seven year roll-out period. This will ultimately enable much more powerful modelling and accurate forecasting of river flood events. This will be of particular assistance for the Westport residents where that town currently has very limited flood protection structures, and yet the Buller River has the largest flood flow of any river in New Zealand.

The Regional Civil Defence team needs to provide for an additional half time resource to address the new Ministry requirements for welfare co-ordination during larger civil defence emergency events. Up until now we have used

staff from other agencies to deliver this work but the new national arrangements now require this to be funded by the Civil Defence Group, which is funded by the regional Council's special rate.

The Council's investment fund and VCS business unit are not currently yielding the returns predicted in the Long Term Plan so the Council may need to lift other income sources, to compensate. We do not need to do this in the 2016-2017 financial year, but may need to in the years following. Councillors wanted to give ratepayers plenty of advance warning that this funding issue is fast approaching on the horizon, so that it does not come as a surprise next year.



Andrew Robb
Chairman
West Coast Regional Council

Introduction to the Annual Plan 2016/17

Under the Local Government Act 2002, the Council is required to produce a long-term plan every third year, covering a 10-year period. The Council is also required to prepare an annual plan for each financial year it does not prepare a long-term plan. The annual plans contain budget, funding and financial statements for the coming year, which should reflect or largely reflect those in the preceding long-term plan.

This Annual Plan reflects year 2 of the Long Term Plan 2015-25 which was adopted in 2015. There are several variations from the Long Term Plan. These are listed under each activity area.

The purpose of the Annual Plan is to:

- Provide details of the annual budgets broken down into the various activity areas, and how that expenditure is to be funded.
- Identify any variation from the financial statements and funding impact statement included in the current Long Term Plan 2015-25.
- Provide integrated decision making and co-ordination of the resources of the Council.
- Contribute to the accountability of the Council to the regional community.
- Extend opportunities for participation by the public in decision-making processes relating to costs and funding undertaken by the Council.

The West Coast Regional Council

The Council has seven Councillors, representing the following constituencies:

Buller Constituency

Neal Clementson

Terry Archer (MBE)

Grey Constituency

Peter Ewen – Council Deputy Chairman

Andrew Robb – Council Chairman

Allan Birchfield

Westland Constituency

Peter McDonnell

Stuart Challenger

West Coast Regional Council Mission Statement

“To work with the people of the West Coast to sustainably manage the environment for the social, cultural and economic well being of present and future generations.”



Left to Right: Terry Archer, Neal Clementson, Stuart Challenger, Andrew Robb, Peter McDonnell, Allan Birchfield, Peter Ewen

Regional Council Functions and Responsibilities

The West Coast Regional Council is an organisation complementary to the District Councils within the West Coast. It does not compete with or duplicate the functions of these Councils.

Regional Councils

- Regional Councils promote the sustainable management of our natural and physical resources for the benefit of present and future generations. Regional Councils monitor our environment and where appropriate, limits or controls the use of our resources. We liaise with our community to develop resource management and pest management plans, construct and maintain sea and flood protection works, and deliver flood warning and pollution mitigation as well as co-ordinating transport, economic development and civil defence regionally.

District Councils

- District Councils manage local roads, local civil defence, provide reticulated water and public amenities, manage waste and sewerage, control land use and subdivisions and building development. District Councils also provide community facilities such as libraries, and recreation/sports grounds.

Collaboration between regional and district councils on the West Coast

- The four councils on the West Coast have been focussing increasingly on collaborative approaches to serving our communities. The Mayors and Chairs forum meets quarterly and oversees collaborative projects. There are many areas where the councils work together already and new ones are being developed every year.

West Coast Regional Council Core Activities

Resource Management Policymaking

- Establishing and implementing objectives, policies and methods to achieve the integrated management of the natural and physical resources of the West Coast, under the Resource Management Act 1991.

Water Quality Management

- Managing and preserving our water by monitoring discharges and other activities where they might affect water quality in streams, rivers, lakes, groundwater and the coastal marine area.

Pollution Control

- Operating a 24-hour pollution hotline throughout the entire West Coast region to respond to any illegal or accidental discharges of contaminants to our land, air and water.

Air Quality Management

- Monitoring ambient air quality, in Reefton, with the aim of enhancing winter air quality.

Floodwarning services and maintaining Flood Protection Works

- Minimising the damage due to flooding by maintaining our rating district works, where communities request our assistance; and managing a responsive flood-warning system for our five key rivers.

Pest Management

- Implementing and reviewing the West Coast Pest Plant Management Strategy.

Regional Land Transport

- Co-ordinating safe, efficient, responsive and sustainable transport systems through the Regional Land Transport Strategy.

Civil Defence and Emergency Management

- Administering the West Coast Civil Defence Emergency Management Group, providing regional co-ordination during civil defence emergencies and exercises and periodically reviewing the Group Plan.

Council and Committee Structure

The West Coast Regional Council sets overall policy direction and oversees the financial policy and performance of the Council. The full Council also considers any matters that fall outside the day-to-day activities, which require policy development or specific resolution. All matters relating to the development of the LTP and Annual Plan, Finances and Assets, Funding Policy and Investment Strategy, are managed by the Full Council. It manages through policy direction, the Council's operations, river, drainage, and coastal protection works; and management of Council quarries. The Council has established a Committee structure to assist with the effective functioning of the Council. The Resource Management Committee is a standing Committee of Council that meets monthly. Its functions are set out below:

- **Resource Management Committee**

All Councillors are members of this Committee plus two Tangata Whenua representatives, one representing Te Rūnanga o Ngāti Waewae and one representing Te Rūnanga o Makaawhio.

The Committee analyses, develops and facilitates consultation on all policies, plans and strategies on resource management, biosecurity and transport matters. The Committee oversees and directs the Council's flood warning, and state of the environment monitoring functions. The Committee also oversees and directs the Council's consents and compliance monitoring functions.

- **Regional Transport Committee**

The Regional Transport Committee oversees the development, implementation and review of the Regional Land Transport Plan. This Committee has two appointees from the Council, plus representatives appointed from District Councils and other agencies involved with land transport as required by transport legislation.

- **Greymouth Floodwalls and Hokitika Seawall Joint Committees**

Council also has three elected members appointed to

each of the Joint Greymouth Floodwalls Committee and the Hokitika Seawall Joint Committee, together with three members of the relevant District Council. These are joint committees of both councils with mandate to jointly manage the relevant protection works.

- **West Coast Civil Defence Emergency Management Group**

Council's chairman is member of the West Coast Civil Defence Emergency Management Group, together with the Mayors of each of the three district councils. This Group is a requirement of the Civil Defence Emergency Management Act. The 4 councils have a MOU that sets out an integrated CDEM structure.

Council Management Structure

Division	Manager	Functions
CEO's Office	Michael Meehan	Civil Defence Emergency Management Transport Planning
Planning & Operations		Planning & State of Environment Monitoring Flood Warning & Natural Hazards Quarry & Rating District Management
Corporate Services	Robert Mallinson	Accounting and Corporate Planning Rating Administration
Consents & Compliance	Gerard McCormack	Resource Consent Processing Compliance Monitoring & Enforcement Environment Complaints & Pollution Response
Information Services	Les Gibbs	Information Technology Communications Technology
VCS Business Unit	Randal Beal	Pest control contract delivery for TB Free & others. Oil spill and biosecurity response teams VCS Environmental assists consent applicants.

Groups of Activities

Council has arranged its business into groups of activities as follows:

- Governance
- Resource Management
- Regional Transport Planning
- Hydrology and Flood Warning Services
- Civil Defence Emergency Management
- River, Drainage and Coastal Protection Work
- Vector Control Services Business Unit

Governance

Activities within this group

Governance covers the costs of operating the democratic function of the Council. Elected Councillors determine policies, and monitor the achievement of these. Council operates in an open, public manner and ensures all relevant information is available to interested members of the public via regular newsletters; and reports and documents posted on the Council's web site.

Rationale for Governance Activities

Governance activities of the Council are carried out under the Local Government Act 2002, the Resource Management Act, Biosecurity and Civil Defence legislation, and the Land Transport Act, among others. The Council conducts eleven monthly meetings of the Council and the Resource Management Committee, and convenes other meetings and workshops as appropriate.

Individual Councillors attend other Committee and working group meetings as representatives of the whole Council, such as the Land Transport Committee, the Civil Defence Emergency Management Group, and the Regional Animal Health Committee. Councillors also act as commissioners

from time to time on resource consent and Strategy and Plan hearings.

Under the Local Government Act the Council must consider ways in which it may foster the development of Maori capacity to contribute to the decision-making processes of the Council. Council has invited appointment of a member of each of the two local Runanga to attend the Resource Management Committee. The two Runanga have also assisted with developing Iwi sections of some regional plans, and have also participated in making submissions on consent applications and proposed plans. Council sends resource consent application information to the Runanga regularly, and has assisted both Runanga in developing Iwi management plans.

The consultation process of this Annual Plan is one way that other Maori not affiliated to the Ngati Waewae or Makaawhio Runanga can communicate their views to the Council.

Key Changes from 2015-25 Long Term Plan: Nil

Governance Performance Targets

Levels of Service	Measure	Performance Target
Maintain a Council of elected representatives in accordance with statutory requirements and in a manner that promotes effective decision-making, transparency, and accountability to the West Coast regional community	Number of public meetings held and individual Councillor attendance	Conduct eleven monthly meetings of Council and the Resource Management Committee, plus other scheduled meetings and scheduled workshops during the year with at least 80% attendance by all Councillors.
	Compliance with statutory timeframes	Prepare and notify the Council's Annual Plan Statement of Proposal by 31 May each year, and the Annual Report by 31 October, in accordance with the procedures outlined in the Local Government Act 2002.
	Timing and number of newsletters, and internet website based information related to public consultation processes.	Publish an informative Council newsletter twice a year to be circulated to all ratepayers, with their rate demand, in March and September and ensure required information is posted on the Council website when Council invites submissions on a new or revised policy document.
Continue to support the contribution our two West Coast Runanga make to Council's decision-making processes; and continue to seek contributions from other Maori	Attendance of Iwi appointees at Resource Management Committee meetings	Continue to invite attendance of Makaawhio and Ngati Waewae representatives as appointees to the Council's resource management committee, to enable Maori participation in resource management decision-making.

Resource Management Activities

Activities within this group

- Planning, Policies and Strategies.
- Monitoring the State of the Environment
- Resource Consent Enquiries and Processing
- Compliance Monitoring and Enforcement
- Hazardous Substance Spill Response

Rationale for Resource Management

The Resource Management Act 1991 (RMA) enables regional councils to have certain RMA Plans to provide certainty to resource users on when consents are required.

The plans enable activities with no more than minor adverse effects to be carried out without needing resource consent, and also provide policy guidance on assessing activities with greater potential effects. The Council also has a Pest Plant Strategy to take a strategic and prioritised approach to managing pest plants in the region. All Plans are required to be reviewed within the ten year period by law, by inviting public submissions.

The Council also makes submissions and responds to other resource management documents or proposed government policies or standards where these may affect the West Coast. This is in order to advocate for the interest of the West Coast communities.

Council monitors the state of our environment to detect trends in environmental quality and to detect emerging issues. This information is fundamental for assessing the effectiveness of resource management policies and plans.

It assists Council to make decisions based on sound factual and up to date information.

Resource consents allow activities that are otherwise restricted by the RMA. Our Consents team used to process around 500 individual resource consents each year, on average. This level of demand has declined recently and this year the number is likely to be around half of the previous amount.

Compliance monitoring and enforcement involves monitoring the exercise of resource consents, permitted activity dairy farms and mining permits. Where non-compliance is detected the Council's Enforcement Policy guides decisions around enforcement actions. This is a critical element of resource management that underpins the integrity of the regional plans and consents issued under them.

Under the Maritime Transport Act 1994 the Regional Council is responsible for responding to marine oil spills within the territorial waters of the West Coast.

RMA Staff are also trained to respond to terrestrial hazardous substance spills, assisting the responsible party to clean up spills in order to minimise environmental impacts.

Key Changes from 2015-25 Long Term Plan: Nil

Resource Management Performance Targets

Levels of Service	Measure	Performance Target
To maintain or enhance water quality in the West Coast's rivers	State of the Environment Monitoring: Ammoniacal nitrogen, periphyton, clarity, turbidity and faecal coliforms are measured quarterly at 38 river sites. These parameters characterise the water quality of West Coast rivers and have been measured since 1996.	Improvement of these parameters, when compared with a baseline of 1996 data on water quality.
	Compliance Monitoring for Discharges: The number of compliant or non-compliant point source discharges to water, or discharges likely to enter water; and council's response to any non-compliance.	All significant consented discharges ¹ are monitored at least annually, and all dairy sheds at least every second year depending on individual compliance record. All non-compliances publicly reported to the Resource Management Committee and responded to using Council's Enforcement Policy.
To maintain or enhance the water quality in Lake Brunner	The trophic state of Lake Brunner is measured by the Trophic Level Index (TLI) which combines clarity, nutrient and algal measures. The rolling 5-year mean is compared with a 2002-2006 baseline mean.	The annual (rolling 5-year mean) TLI of Lake Brunner is less than the 2002-2006 TLI baseline mean of 2.79.
Complete current regional plans to operative stage, and review them to maintain their community acceptability.	Statutory requirements for review	Compliance with statutory requirements for the review of Council's plans and strategies.
Advocate for the West Coast interests when external environmental policymaking may affect the West Coast.	Number of submissions made and number of successful advocacy outcomes.	Submit on all central or local government discussion documents, draft strategies, policies or Bills that may impact on West Coast interests, within required timeframes.
To maintain or enhance the life supporting capacity and amenity value of the West Coast's rivers	Stream ecosystem health: Instream macroinvertebrate community health (SQMCI) scores are measured at 29 river sites. The values for each site are calculated using five year rolling means and comparing them to baseline means calculated from data from 2005-2009.	Macroinvertebrate health index ² (SQMCI) mean is higher, or no more than 20% lower, than the baseline mean.
	Bathing beach sampling: 16 swimming sites are sampled, ten times per summer season (fortnightly) for E coli (moderate-high risk > 550) or Enterococci (moderate-high risk > 280).	Scheduled swimming sites do not exceed the moderate-high risk threshold on more than 10% of sampling occasions.
To maintain or enhance the life supporting capacity and amenity value of the West Coast's rivers	Stream ecosystem health: Instream macroinvertebrate community health (SQMCI) scores are measured at 29 river sites. The values for each site are calculated using five year rolling means and comparing them to baseline means calculated from data from 2005-2009.	Macroinvertebrate health index ² (SQMCI) mean is higher, or no more than 20% lower, than the baseline mean.
	Bathing beach sampling: 16 swimming sites are sampled, ten times per summer season (fortnightly) for E coli (moderate-high risk > 550) or Enterococci (moderate-high risk > 280).	Scheduled swimming sites do not exceed the moderate-high risk threshold on more than 10% of sampling occasions.

Levels of Service	Measure	Performance Target
To protect human health from adverse impacts of poor groundwater quality.	28 Wells are monitored at least twice annually, 24 of which are used for human consumption. The guideline of 11.3mg/L of nitrate is used to protect human health, particularly for babies. The data from the year is averaged before comparing against the 11.3mg guideline.	In wells used for human consumption, nitrate levels remain below the health guideline of 11.3 mg/L.
To protect human health from any adverse impacts of poor air quality in Reefton.	Reefton's air is monitored in accordance with the National Environmental Standard (NES) for air quality by measuring PM10 (airborne particles smaller than ten micrometers, which affect human respiration). The threshold is a 24hr mean PM10 of 50 micrograms/m3.	NES Requirement: 24hr PM10 values do not exceed the NES threshold more than three times in one year, between 2016 & 2020; whereas after 2020 only 1 exceedance per year is allowed.
Respond to all genuine incident complaints received by the Council and take enforcement action where needed.	Number of complaints received and number of enforcement actions resulting from these.	Operate a 24-hour complaints service, assess and respond to all genuine complaints within 24 hours where necessary.
Compliance with the consent processing timeframes in the RMA and mining legislation.	Compliance with discounting regulations and mining timeframes	Process all resource consent applications without incurring any cost to Council due to the RMA discounting regulations; and process at least 95% of mining work programmes ³ within 20 working days of receipt.
Respond to marine oil spills in coastal waters in accordance with the Tier 2 Oil Spill Response Plan and maintain readiness for spill response.	Timing of responses & number of trained staff	Respond within 4 hours to all spills, using Council or MNZ spill equipment to contain spills; plus ensure at least 25 staff are trained responders.

Other Resource Management Targets

1. Hold hearings and make and release decisions on submissions on the proposed RPS and the proposed Regional Coastal Plan.
2. Hold hearings and make and release decisions on submissions on the Plan Change to the Land and Water Plan.
3. Release a new proposed Pest Management Plan for public submissions.
4. Assess farm compliance in the Lake Brunner catchment at least annually, to ensure full compliance in this sensitive catchment.
5. Inspect new consents that involve major construction works; and monitor any other major consented activity, when necessary, based on their environmental risk.
6. Ensure S42A reports for notified applications are with the applicant within ten working days of receipt of all required information.
7. Release all bonds within 4 months of the surrender, forfeiture or expiry of the mining licence or permit, provided rehabilitation is complete.
8. Inspect all consents for whitebait stands on the Little Wanganui, Taramakau, Hokitika, Wanganui, Paringa, and Waiatoto Rivers annually and on other rivers at least every third year.
9. Complete the Lake Brunner annual monitoring programme and report the cumulative results on the Council website by December each year.
10. Report the monthly contact recreation sampling results from swimming rivers to the media, and complete follow up studies of incongruous results.
11. Prepare state of the environment reports for surface water quality and groundwater, every third year.
12. Provide monthly reports during wintertime on Reefton PM₁₀ monitoring, compliant with the Air Quality NES & posted on Council's website.

Regional Transport Planning

Rationale for Regional Transport Planning

The Council primarily has a co-ordinator and administrator role in relation to transport issues so that funding can be effectively accessed from the New Zealand Transport Agency. In order to obtain that funding the Council must adhere to the Land Transport Act 1998 and the Land Transport Management Act 2003.

Council must appoint a Regional Transport Committee, with membership to include local authorities, and other funding agencies who then prepare a Regional Land Transport Plan. The Committee also prepare a Passenger

Transport Plan.

Section 35 of the Land Transport Management Act 2003 requires that the needs of persons who are transport disadvantaged be considered in land transport programmes. To implement this function, Council administers subsidies for transport for those with limited mobility through the Total Mobility Programme. The Regional Council also participates on the regional Road Safety Committee as an organisation with transport interests and oversees the Road Safety Co-ordinator.

Key Changes from 2015-25 Long Term Plan: Nil

Performance Targets

Level of Service	Measure	Performance Target
Maintain a Regional Land Transport Plan in compliance with relevant legislation and acceptable to our West Coast community.	An Operative Regional Land Transport Plan	Compliance with statutory requirements for the preparation, review and implementation of the Regional Transport Plan and Passenger Transport Plan.

Hydrology and Flood Warning Services

Rationale for Hydrology and Flood warning

Section 35 of the RMA requires councils to monitor the state of the environment. Hydrology monitoring records trends in water levels in key rivers and can also detect emerging issues. This information assists Council to make decisions based on sound factual and up to date information.

Flood warning provides information to civil defence, police and local communities that enables them to assess risk of flood events, so appropriate action can be taken.

How Council manages changes in demand

There is sometimes demand for new rivers to be added to our flood warning service, and our ability to meet demand such depends on the resources available balanced against

the river's proximity to a major population centre and the risk profile. Any decision to invest in new assets would take into account factors such as need (risk), cost, accessibility, and whether there are clear communications to the site.

Key Changes from 2015-25 Long Term Plan

The key change in this annual plan is the strengthening of the flood warning capability of the council's flood warning networks, particularly in the Buller, Grey and Hokitika River catchments, as set out in the report adopted at Council's September 2015 meeting.

This requires additional funding from general rates and the impact of this additional cost is outlined in the Chairman's foreword at the beginning of this annual plan.

Performance Targets

Level of Service	Measure	Performance Targets
Continue to provide flood warning to assist communities to assess risk of impending floods, for the six rivers (Karamea, Mokihinui, Buller, Grey, Hokitika, and Waiho).	Availability of information about high flow events and the staff response to those.	Provide a continuous flood monitoring service for the six rivers monitored and respond in accordance with the flood-warning manual, ensuring data on river levels is available on the Council website (updated 12 hourly; or 3 hourly during floods).
	Installation and operation of new recorder sites.	Install a new flood warning and low flow sites as per the approved and funded plans.

Civil Defence Emergency Management

Rationale for Emergency Management

The Council is part of the Civil Defence Emergency Management (CDEM) Group, along with the region's District Councils. The Group is made up of the Council Mayors and Regional Council Chair; while the Coordinating Executive Group (CEG) is the main working group of civil defence in the region. CEG is made up of the CEOs of the Councils plus emergency services and health representatives.

The functions of the CDEM Group include the co-ordination of civil defence emergency management planning, delivering CDEM programmes and CDEM activities across the region, and carrying out risk management. The Regional Council is the administering authority for the West Coast CDEM Group. The West Coast CDEM Group Plan was prepared in 2005, was reviewed in 2010, and is due for another review in 2015.

The LTP levels of service and performance targets reflect only this Council's role in the CDEM work. District Council Annual Plans will have CDEM commitments providing a half time civil defence officer and ensuring a staffed emergency operations centre is available in the event of a local emergency.

Key Changes from 2015-25 Long Term Plan:

Funding for a new half time role is included this year in order that the West Coast CDEM can satisfy the new welfare responsibilities required by the Ministry. It is likely that this role will be combined with the Westland District Council half time Emergency Management Officer role and that new position will be based at the Group office in Paroa but also spend at least 1-2 days a week at the Hokitika EOC.

Levels of Service	Measure	Performance Targets
Maintain a Civil Defence Plan that delivers efficient and effective management of the region's civil defence functions in compliance with the legislation and is acceptable to West Coast community desires.	Civil Defence Plan always operative.	Compliance with statutory requirements for the preparation, review and implementation of the Group CDEM Plan.
	Number of trained staff	Ensure at least 30 Council staff are trained as Emergency Coordination Centre (ECC) personnel so that we have three shifts of ECC staff trained and exercised in case of a regional emergency.

Other Civil Defence Activities:

1. Maintain the Emergency Operations Centre in a ready state for possible emergency events, in accord with the Group Plan.
2. Ensure all new hazards research is communicated to the Lifelines and CEG meetings to assist with risk avoidance and other preparedness.
3. Co-ordinate on training exercise per year to ensure EOC and ECC staff are familiar with each other and with each other's roles in an emergency event.

River, Drainage, and Coastal Protection Work

River, Drainage and Coastal protection activities include:

- Managing Council's flood protection assets
- Administering the Special Rating Districts
- Greymouth Floodwall structural maintenance
- Quarry management and administration

Communities need to be aware that Council's flood protection works cannot guarantee absolute protection, particularly from very large flood events, which tend to occur very infrequently.

Rationale for Rating Districts

The Soil Conservation and Rivers Control Act 1941 requires the Regional Council to prevent and mitigate soil erosion, and prevent damage by floods. To carry out these functions, the Council manages existing protection works for Rating Districts throughout the Region, participates on the Joint Greymouth Floodwall Committee, and rates for structural maintenance of the Greymouth Floodwall.

The Council Rating Districts have different levels of flood protection according to the history of the works and the affordability for the funding community.

Assets Administered by Council

The Regional Council presently owns and/or administers, 25 special rating districts at the following locations: Karamea, Kongahu (drainage scheme), Mokihinui, Punakaiki, Redjacks, Nelson Creek, Coal Creek, Greymouth¹, New River/Saltwater Creek, Taramakau, Inchbonnie, Hokitika, Kaniere, Southside Hokitika, Raft Creek (drainage scheme), Kowhitirangi, Vine Creek, Wanganui, Whataroa, Matainui, Waitangitaona, Franz Josef, Lower Waiho, Canavan's Knob² and Okuru.

Rock Quarries

The Regional Council also currently administers rock quarries at the following locations: Miedema Rock Deposit (Karamea)³, Oparara (in abeyance), Blackball, Cobden (being rehabilitated), Kiwi Point (land owned by Grey District Council), Inchbonnie, Camelback, Taramakau (in abeyance), Whataroa, and Okuru.

The primary reason for Council owning these quarries is to supply the rating districts with rock for maintaining river and coastal protection works. Council also supplies rock to individual customers.

The demand for rock from quarries is driven by the need to maintain works or build new protection works, plus private sales. Council's aim is to run quarries on a cost-neutral basis as a long term average.

Will more rating districts or quarries be established?

Rating Districts will be established upon request if there is sufficient support from the affected ratepayers that respond when an opinion survey is circulated.

Who pays for the works?

Protection infrastructure is financed by each of the individual communities by way of targeted rates set on properties within defined geographical areas (rating districts). The maps of these targeted rating areas are all on Council's website. Council's tenders for contracts for maintenance works and new capital works as required. Works reports are discussed with each rating district annually.

¹ The Regional Council does not own the Greymouth Flood Wall but rates for its structural maintenance.

² Currently in abeyance, and proposed to be disbanded.

³ Privately owned, but Council has a licence to take rock.

Quarry Performance Targets

Levels of Service for Quarries	Measure	Performance Targets
Ensure efficient and effective management and safe operation of Council's quarries, delivering rock to any customers within ten working days with priority given to Council rating district customers.	Timing of delivering on rock requests.	Deliver on requests for rock within two weeks, and ensure sufficient stockpiled rock is available where practical.
	Number of site inspections to monitor contractor health and safety and performance	Visit each active quarry site at least twice a year, when contractors are working the quarry (where possible), to ensure Health and Safety standards and other permit requirements are being adhered to.

Rating District Performance Targets

Levels of Service	Measure	Performance Targets
Meet or exceed the flood protection, drainage or erosion protection levels as described in the levels of service described in the Long Term Plan.	Completion of rating district inspections, works reports and consultation meetings (where material works are proposed).	Complete all asset inspections, works reports, and rating district meetings. Perform all capital and maintenance works as agreed at those meetings.
	Proportion of schemes performing to their agreed service level.	Monitor all rating district infrastructural assets to ensure they perform to the service level consistent with the Asset Management Plan of each Rating District, or whatever level the community has decided is an acceptable risk.
	Meet timeframes for plan review	Review Rating District Asset Management Plans every third year, or earlier where information indicates a significant change from what is stated in the Plan.

Key Changes from 2015-25 Long Term Plan:

1. Council proposes to formally disband the Canavan's Knob Rating District and write off of asset values. Council has consulted with the members of that rating district individually.
2. Council has already disbanded the Twelve Mile Rating District, following consultation with members.

Vector Control Services Business Unit

The Council’s business unit exists to provide a suitable return to Council, to ensure there is capacity for delivering Tb possum control work on the West Coast, and to assist with other Council and contracted work as appropriate.

Current work areas the business unit is involved in include:

- Ground-based and aerial pest control, and bulk storage facilities;
- Providing support for biosecurity responses;
- Environmental consultancy work in support of primary industry on the West Coast;
- Support for Marine Oil Spill and pollution responses.

While pest management is the principal activity of the business unit, the intention is to continue to broaden the scope of services provided, as other suitable opportunities arise where our staff can add value. The Business Unit will tender for work both within and outside the West Coast region.

Why have a VCS Business Unit?

The Council has traditionally had a pest control operational unit and it was decided in 2004 to operate that unit using a business model. Operating as a business unit enables Council service delivery functions to be carried out efficiently and effectively in accordance with sound business practices. VCS competes on the open market for possum control work. VCS has the capability to compete for other contract work, as appropriate, to maintain a profitable business and provide a financial return to the Council. The VCS business unit also ensures the Council has suitably trained staff and equipment available at short notice for emergency work.

Key Changes from 2015-25 Long Term Plan: Nil.

VCS Performance Targets

Levels of Service	Measure	Performance Targets
To produce a financial surplus (to offset general rates) by tendering for & delivering on vector control contracts and other contracts.	Achieve or exceed budgeted financial return	Tender for, and win, sufficient contracts to provide or exceed the annual budgeted return to Council.
To provide marine oil spill and terrestrial hazardous substance spill support, and biosecurity response services for the MNZ, MAF and the Regional Council.	Availability of trained staff	Have staff available as a response unit for marine and terrestrial pollution spill events as per the MOU dated 11 November 2005.
	Availability of trained staff	Have 4 staff plus a vehicle available for biosecurity emergencies, as per the National Biosecurity Capability Network agreement 2011.

Statement of Accounting Policies

Reporting Entity

Council has designated itself as a Tier 2 Public Benefit Entity (PBE) for financial reporting purposes.

These prospective financial statements of Council are for the year ended 30 June 2017.

Basis of preparation

The prospective financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

The prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 (LGA 2002), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The prospective financial statements have been prepared in accordance with Tier 2 PBE accounting standards. Council qualifies as a Tier 2 entity as its total expenditure is less than \$30 million per annum.

These prospective financial statements comply with the PBE standards.

These prospective financial statements are presented in New Zealand dollars.

Investment in associate

The Council's associate investment is accounted for using the equity method.

An associate is an entity over which the Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and subsequently equity accounted.

Revenue

Revenue is measured at the fair value of consideration received.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised at the start of the year to which the resolution relates.

Other revenue

Council receives government grants from the New Zealand Transport Agency, which subsidises part of Council costs in carrying out its land transport responsibilities. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. Interest income is recognised using the effective interest method. Dividends are recognised when the right to receive payment has been established.

Borrowing costs

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

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, Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the

minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

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

Trade and other receivables

Trade and other receivables are initially measured at face value, less any provision for impairment. A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Inventories

Inventories held for consumption in the provision of services that are not supplied on a commercial basis are measured at cost. The write down from cost to current replacement cost or net realisable value is recognised in the surplus or deficit.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the "First in First Out" method) and net realisable value.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus or deficit.

Derivative financial instruments and hedge accounting

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus or deficit. Council has not designated any derivatives as hedging instruments.

The Council designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or
- Hedges of highly probable forecast transactions (cash flow hedge).

The Council documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Council also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a derivative is classified as non-current if the remaining maturity of the hedged item is more than 12 months, and as current if the remaining maturity of the hedged item is less than 12 months.

Other Financial assets

Council has two classifications for its financial assets:

- Financial assets at fair value through surplus or deficit.
- Loans and receivables.

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 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 the surplus or deficit. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. Council fund manager Westpac obtains independent verified market prices from third parties such as trading banks, broking houses and originating companies for all assets/securities. Managed funds are valued at the value date price used as the exit price at month end and can be deemed to be fair value. Westpac valuations use the redemption unit price to value unit trust products. The value of a unit is based on the net value of the relevant fund.

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

The two categories of financial assets that apply to Council are:

1) Financial assets at fair value through surplus or deficit

This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in

the surplus or deficit. Financial assets in this category include derivatives and Council's investment portfolio. Council has foreign exchange contracts which are used to manage currency risk for those Investments denominated in foreign currencies. Council does not hold or issue derivative financial instruments for trading purposes. Council has adopted the provisions for hedge accounting.

(2) 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, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the statement of financial position.

Impairment of financial assets

At each balance sheet date 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 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 a sale transaction, not 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 been previously 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.

Property, plant and equipment

Property, plant and equipment consists of:

Operational assets - These include land, buildings, plant and equipment, and motor vehicles. *Infrastructure assets* - Infrastructure assets are the river, drainage and coastal protection systems owned by Council. They include rock protection work and stopbanks.

Property, plant and equipment is shown at cost or valuation, 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 Council and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

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

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 Council and the cost of the item can be measured reliably. The costs of day to day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and river protection systems, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Due to the nature of the river systems and the structural composition of river protection works, no decline in service potential occurs.

The useful lives and associated depreciation rates of major classes of assets have been estimated as:

Item	Estimated life	Rate
Buildings (non-component items)	50 – 67 years	1.5% - 2%
Portable buildings	10 years	10%
Building components	6.7 – 20 years	5% - 15%
Plant and Equipment	4 - 6.7 years	15% - 25%
Truck	6.7 years	15%
Motor Vehicle	6 - 7 years	15 %

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 three yearly valuation cycle on the 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.

Operational land:

This is revalued on a cyclical 3-year basis at fair value as determined from the most recent market based rating valuations. Valuations are as at 1 September 2012 (Grey District area land), 1 September 2011 (Westland District area land), and 1 September 2013 (Buller District area land).

Infrastructural asset classes: River, Drainage and Coastal Protection Assets

At fair value determined on a replacement cost basis by a staff member and peer reviewed by an independent engineer. At balance date, Council assesses the carrying value of its infrastructural assets to ensure that they do not materially differ from the assets' fair values.

Accounting for revaluations:

Council accounts for revaluations of property, plant and equipment on a class of asset basis. The results of revaluating are credited or debited to an asset revaluation reserve for that class of asset and other comprehensive income. 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 offsets 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 for that class of asset and other comprehensive income.

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred.

Mining rights

Mining rights are recognised at cost on acquisition. Mining rights potentially have an indefinite life and are not amortised, but are instead tested for impairment annually.

Amortisation

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

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

	Estimated life	Rate
Computer Software	3.3 – 10 years	10% - 30%

Impairment of non-financial assets

Assets that have a finite useful life and are measured at cost are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows. If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

The total impairment loss is recognised in the surplus or deficit.

Investment property

Property leased or intended to be 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, all investment property is measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of the investment property are recognised in the surplus or deficit.

Employee benefits*Short-term benefits*

Employee benefits that 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.

Long-term benefits:*Long service leave*

Entitlements that are payable beyond 12 months, such as long service leave have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information;

Superannuation schemes

Defined contribution schemes

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

Provisions

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 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 reserves.

Restricted and Council created reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council. Restricted reserves are those subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the 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 statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

Budget figures

The budget figures are those approved by the Council at the beginning of the year in the LTP/Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

Cost allocation

Council has derived the cost of service for each significant activity of Council 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 appropriate cost drivers such as actual usage, staff numbers and floor area.

Critical accounting estimates and assumptions

In preparing these financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements 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. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Analysis of Forecast Surplus (Annual Plan 2016/17)

Surplus	\$528,363
Less	
Transfer - surplus/deficit relating to rating Districts	-\$314,042
Transfer - surplus/deficit relating to Quarries	\$14,680
Transfer - surplus/deficit relating to Tb Pest Management Rate	0
Transfer to Revaluation Reserve	-\$34,659
Loan Principal Repayments	-\$144,342
Transfer to Catastrophe Fund	-\$50,000
Transfer Investment Income to Reserves	0
Total Transfers	-\$528,363

Prospective Statement of Comprehensive Income

LTP 2015/16		AP 2016/17	LTP 2016/17
Cost of Services			
\$423,128	Governance	\$481,357	\$453,302
\$3,057,270	Resource Management	\$2,934,858	\$3,164,250
\$150,000	Economic Development	\$300,000	\$300,000
\$167,110	Transport	\$167,778	\$170,447
\$505,695	Hydrology & Flood Warning	\$603,072	\$541,787
\$252,512	Emergency Management	\$322,116	\$256,634
\$1,525,135	River, Drainage & Coastal Protection	\$1,545,383	\$1,540,329
\$725,741	Regional Share of cost of Tb Vector Controls	0	0
\$2,347,975	VCS Business Unit	\$2,549,227	\$2,394,904
\$92,157	Other	\$75,396	\$89,097
\$109,000	Warm West Coast Scheme	\$109,000	\$109,000
\$9,355,723	Total Expenditure	\$9,088,187	\$9,019,750
Revenue			
\$3,979,778	Rates	\$3,731,950	\$3,631,826
\$60,000	Penalties	\$60,000	\$61,477
\$90,500	Subsidies & Grants	\$90,613	\$92,765
\$1,042,718	Investment Income	\$890,968	\$1,067,923
\$4,581,525	User Fees & Charges	\$4,658,360	\$4,729,555
0	Other	\$150,000	\$150,000
\$33,814	Revaluations	\$34,659	\$34,659
\$9,788,335	Total Revenue	\$9,616,550	\$9,768,205
\$432,613	Surplus / (-Deficit) from Activities	\$528,363	\$748,452
\$3,121,103	Revaluation of Assets	0	0
\$3,553,716	Total Comprehensive Income	\$528,363	\$748,252
Summary of Operating Expenditure by Expenditure Type			
\$313,471	Interest	\$294,793	\$295,439
\$367,079	Depreciation and amortisation	\$362,990	\$375,924
\$3,359,250	Employee benefits	\$3,749,006	\$3,472,321
\$5,315,923	Other operating expenditure	\$4,681,398	\$4,876,066
\$9,355,723	Total Operating Expenditure	\$9,088,187	\$9,019,750

Prospective Statement of Movements in Equity

LTP 2015/16		AP 2016/17	LTP 2016/17
Ratepayers Equity			
\$20,856,233	Opening Balance	\$20,157,595	\$21,170,744
\$432,613	Operating Surplus	\$528,363	\$748,452
-\$241,500	Transfers (Investment Growth)	0	-\$246,572
-\$91,602	Transfers (Rating Districts)	-\$125,963	-\$108,872
-\$105,000	Transfers (Catastrophe Fund)	-\$50,000	-\$112,300
\$320,000	Transfers (TB Rate)		
	Transfers (Quarry account)	\$14,680	0
<u>\$21,170,744</u>		<u>\$20,524,675</u>	<u>\$21,451,452</u>
Rating Districts (Targeted Rates Reserves)			
\$2,250,000	Opening Balance	\$2,000,000	\$2,341,602
\$91,602	Net Transfers (Ratepayers Equity)	\$125,963	\$108,872
<u>\$2,341,602</u>		<u>\$2,125,963</u>	<u>\$2,450,474</u>
Revaluation Reserve			
\$35,299,357	Opening Balance	\$37,38,5333	\$38,420,460
\$3,121,103	Other comprehensive revenue & expense	0	
<u>\$38,420,460</u>		<u>\$37,385,333</u>	<u>\$38,420,460</u>
TB Special Rate			
\$320,000	Opening Balance	0	0
-\$320,000	Net transfers (Ratepayers Equity)	0	0
<u>0</u>		<u>0</u>	<u>0</u>
Investment Growth Reserve			
\$9,250,000	Opening Balance	\$9,752,906	\$9,491,500
\$241,500	Net transfers (Ratepayers Equity)	0	\$246,572
<u>\$9,491,500</u>		<u>\$9,752,906</u>	<u>\$9,738,072</u>
Quarry Account			
0	Opening Balance	-\$270,000	0
0	Net transfers (Ratepayers Equity)	-\$14,680	0
<u>0</u>		<u>-\$284,680</u>	<u>0</u>
Catastrophe Fund			
\$900,000	Opening Balance	\$950,000	\$1,005,000
\$105,000	Net Transfers (Ratepayers Equity)	\$50,000	\$112,300
<u>\$1,005,000</u>		<u>\$1,000,000</u>	<u>\$1,117,300</u>
<u>\$72,429,306</u>	Closing Balances	<u>\$70,504,197</u>	<u>\$73,177,758</u>

Prospective Statement of Financial Position

LTP 2015/16		AP 2016/17	LTP 2016/17
Current Assets			
\$97,349	Cash	\$85,693	\$206,105
\$1,600,000	Receivables	\$1,600,000	\$1,600,000
\$700,000	Inventories	\$700,000	\$700,000
\$75,758	Loan Advances	\$69,578	\$79,788
\$1,500,000	Other Financial Assets	\$1,500,000	\$1,500,000
\$3,973,107	Total Current Assets	\$3,955,271	\$4,085,893
Non Current Assets			
\$4,302,695	Property, Plant, Equipment	\$4,414,475	\$4,262,170
\$57,183,061	Infrastructure	\$56,822,958	\$57,183,061
\$212,450	Intangible Assets	\$212,450	\$179,098
\$1,386,375	Investment Property	\$1,408,473	\$1,421,034
\$584,522	Loan Advances	\$454,358	\$504,734
\$902,500	Investment in Associates	\$1,035,000	\$902,500
\$11,338,102	Other Financial Assets	\$10,375,963	\$11,805,846
\$75,909,705	Total Non Current Assets	\$74,723,677	\$76,258,443
\$79,882,812	Total Assets	\$78,678,948	\$80,344,336

LTP 2015/16		AP 2016/17	LTP 2016/17
Current Liabilities			
\$13,810	Borrowings	\$13,666	\$11,055
\$2,000,000	Payables	\$2,000,000	\$2,000,000
\$300,000	Employee Benefit Liabilities	\$300,000	\$300,000
\$2,313,810	Total Current Liabilities	\$2,313,666	\$2,311,055
Non Current Liabilities			
0	Employee Benefit Liabilities	0	0
\$5,069,696	Borrowings	\$5,791,085	\$4,785,523
\$70,000	Quarry Aftercare Provision	\$70,000	\$70,000
\$5,139,696	Total Non Current Liabilities	\$5,861,085	\$4,855,523
Equity			
\$21,170,744	Ratepayers Equity	\$20,524,675	\$21,451,452
\$2,341,602	Rating District equity	\$2,125,963	\$2,450,474
\$1,005,000	Catastrophe Fund	\$1,000,000	\$1,117,300
\$38,420,460	Revaluation Reserve	\$37,385,333	\$38,420,460
0	Tb Special Rate	0	0
0	Quarry Account	-\$284,680	0
\$9,491,500	Investment Growth Reserve	\$9,752,906	\$9,738,072
\$72,429,306	Total Equity	\$70,504,197	\$73,177,758
\$79,882,812	Total Liabilities & Equity	\$78,678,948	\$80,344,336

Prospective Statement of Cash Flows

LTP 2015/16		AP 2016/17	LTP 2016/17
	Cash Flow from Operating Activities		
0	Investment Income		0
\$3,979,778	Rates	\$3,731,950	\$3,631,826
\$4,732,025	Other Income	\$4,958,973	\$4,883,797
\$8,711,803		\$8,690,923	\$8,515,623
	Less Cash Paid for:		
\$313,471	Interest	\$294,793	\$295,439
\$8,675,174	Operating Expenditure	\$8,430,120	\$8,198,392
\$8,988,645		\$8,724,913	\$8,493,831
-\$276,842	Net Cash Flow Operations	-\$33,990	\$21,792
	Cash Flow from Investing		
	Cash From:		
\$1,042,718	Redemption of Investments	\$890,968	\$1,067,923
\$8,568	Sale of Fixed Assets	\$18,697	\$18,699
\$1,051,286		\$909,655	\$1,086,622
	Cash Paid For:		
\$158,000	Purchase of Fixed Assets	\$331,800	\$269,494
\$438,102	Investments Made	\$175,963	\$467,744
\$596,102		\$507,763	\$737,238
\$455,184	Net Cash Flow from Investing	\$401,902	\$349,384
	Cash Flow from Financing Activities		
0	Loans Raised	0	0
0	Loans Advanced	0	0
\$280,993	Loan Principal Repaid	\$332,219	\$262,420
-\$280,993	Net Cash Flow from Financing	\$332,219	\$262,420
-\$102,651	Total Changes in Cash held	\$35,693	\$108,756
\$200,000	Opening Cash Balance	\$50,000	\$97,349
\$97,349	Closing Cash Balances	\$85,693	\$206,105

Projected Capital Expenditure

LTP 2015/16	Type of Expenditure	AP 2016/17	LTP 2016/17
	IT Equipment	\$20,000	\$15,375
\$15,000	IT Disaster Recovery Site		
	Fibre Data Connection		
	Compliance Group		
	Other		
	IRIS		
\$60,000	Hydrology	\$61,500	\$61,501
	Hydrology	\$57,800	
	Samples Database		
	New Financial Systems		
	EDMS		
	WCRC Vehicle Replacements	\$127,500	\$127,615
	New Vehicle – EM Manager		
	Phone Systems		
	Photocopiers	\$45,000	\$51,251
\$83,000	VCS-Vehicle Replacements	\$65,000	\$65,000
\$158,000		\$376,800	\$320,742
<hr/>		<hr/>	<hr/>
\$158,000	Funded Depreciation	\$331,800	\$269,491
0	Funded Loans	\$45,000	\$51,251
0	Funded Rating District Retained Earnings	0	0
\$158,000		\$376,800	\$320,742

Reserves Funds

		Annual Plan 2016/17
Rating District	Opening Balance	\$2,000,000
Balances	Deposits	
	Transfer from Surplus	\$314,042
	Withdrawals	
	Loan Principal Repayments	-\$188,079
	Closing Balance	<u>\$2,125,963</u>
Investment Growth	Opening Balance	\$9,752,906
Reserve	Deposits	
	Transfer from Surplus	0
	Withdrawals	0
		<u>\$9,752,906</u>
Quarry Account	Opening balance	-\$270,000
	Deposits	
	Transfer from Surplus/-Deficit	-\$14,680
	Withdrawals	0
		<u>-\$284,680</u>
Catastrophe Fund	Opening balance	\$950,000
	Deposits	
	Transfer from Surplus	\$50,000
	Withdrawals	0
		<u>\$1,000,000</u>
Total Reserves		<u>\$12,594,189</u>
Funded by:		
	Westpac Main Portfolio	\$10,750,000
	Westpac Catastrophe Fund	\$1,000,000
Other Investments	Commercial Property	\$677,843
(Net of debt)	PCR LP	\$425,974
		<u>\$12,853,817</u>

Reserve Funds – Purposes

Rating District balances

(River, Drainage & Coastal Protection Schemes)

Purpose

These reserves reflect the unspent balances of the targeted rates struck to fund the River, Drainage & Coastal protection schemes.

Activities the Reserve Funds relate to

- River, Drainage & Coastal Protections Group of Activities.

Investment Growth Reserve

Purpose

In 2003 Council established a separate Equity Reserve Fund called the “Investment Growth Reserve”.

The funds relating to this Reserve were originally from the 2000 Crown payment of \$7,000,000 to this Council (Council share of the \$120 million payment to the West Coast following the cessation of native logging).

The balance of the fund is calculated by identifying the Investment Portfolio balance, less the amount relating to Rating Districts.

Activities the Reserve Fund relates to

This reserve fund generates income, some of which is used to fund general Council activities.

The reserve helps fund the following activities.

- Governance
- Resource Management
- Regional Transport Planning
- Hydrology & Flood-warning services
- Civil Defence Emergency Management
- River, Drainage & Coastal Protection Work

Quarry Account

Purpose

This reserve represents the cumulative surplus /-deficit in the Quarry account.

Activities the Reserve fund relates to

- River, Drainage & Coastal Protection Work

Catastrophe Fund

Purpose

This reserve was established when Council withdrew from the NZ Local Authority Protection Programme (LAPP Fund) following the 2010/11 Canterbury earthquakes.

Council had used LAPP Fund membership to insure its Rating District Infrastructure.

Continued membership in the fund by Council became unaffordable due to a quadrupling of the annual cost of membership.

Council then established a Catastrophe Fund of initially \$500,000. All income is retained in the fund and Council deposits \$50,000 per annum into the fund.

Activities the Reserve Fund relates to

- River, Drainage & Coastal Protections Group of Activities.

Comparison with Long Term Plan Financial Prudence Caps

Benchmarks

Rates Affordability / Benchmarks Income and Increases	Annual Plan 16/17			Met
	General Rate	Total Income		
1. General rate will not exceed 30% of total income	\$2,272,000	\$9,616,550	23.6%	[yes]
2. General rate % increase will not exceed BERL "other inflation" cost indexes	\$2,272,000	15/16 Baseline + 2.50% \$2,195,000	103.5%	[no]
3. Targeted rates not to exceed 25% of total income	\$1,459,950	\$9,616,550	15.2%	[yes]
4. Targeted rates not to exceed 100% increase on the 15/16 baseline over 10 years	\$1,459,950	15/16 Baseline + 100% \$3,670,000	40%	[yes]
Debt Affordability Benchmarks				
	Estimated 30/6/15 population			
1. Term Liabilities / capita will not exceed \$500	\$5,791,085	\$32,700	\$177.10	[yes]
2. Loan interest + principal repayments not to exceed 15% of total revenue				
	Interest	\$294,793		
	Principal	\$417,419		
		\$712,212	\$9,616,550	7.4% [yes]
3. Balanced budget benchmark to be greater than or equal to 100%				
	Revenue	\$9,581,891 (excluding revaluation)	105%	[yes]
	Expenditure	\$9,088,187		
4. Debt servicing benchmark not to exceed 10%				
	Interest	\$294,793	Revenue \$9,581,891 (excluding revaluations)	3.1% [yes]

Additional Comment

Essential Services benchmark

The Regulations require a Council to compare its capital expenditure on network services to the depreciation on its network services. For west Coast Regional Council this relates to flood protection and control works. As there is no depreciation on West Coast regional Council flood protection and control works the comparison required by the Regulations is not possible.

Reconciliation of Funding Impact Statement to Statement of Comprehensive Income

	Long Term Plan 15/16	Long Term Plan 16/17	Annual Plan 16/17
Prospective Statement of Comprehensive Income Surplus	\$432,613	\$748,452	\$528,363
Plus Non Cash Expenditure			
Depreciation & Amortisation	\$367,079	\$375,924	\$362,990
Less Non Cash Income			
Revaluation of Commercial Property	-\$33,815	-\$34,659	-\$34,659
WCRC Operating Funding Surplus	\$765,877	\$1,089,717	\$856,694

Funding Impact Statements

In accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014

	Long Term Plan 16/17	Long Term Plan 16/17	Annual Plan 16/17
West Coast Regional Council			
Sources of Funding			
General Rates	\$2,202,000	\$2,257,079	\$2,332,000
Targeted Rates	\$1,837,778	\$1,436,224	\$1,459,950
Subsidies & Grants	\$90,500	\$92,765	\$90,613
Fees & Charges	\$4,581,525	\$4,729,555	\$4,808,360
Income from Investments	\$1,042,718	\$1,067,923	\$890,968
Fines, Infringement Fees & Other Receipts	0		0
Total Operating Funding (A)	\$9,754,521	\$9,583,546	\$9,581,891
Applications of Operating Funding			
Payments to Staff and Suppliers	\$8,690,173	\$8,213,390	\$8,430,404
Finance Costs	\$298,471	\$280,439	\$294,793
Other Operating Funding Applications			
Total Applications Of Operating Funding (B)	\$8,988,644	\$8,493,829	\$8,725,197
Surplus (deficit) of Operating Funding (A) - (B)	\$765,877	\$1,089,717	\$856,694
Sources of Capital Funding			
Subsidies and Grants			0
Development and Financial Contributions			0
Increase (decrease) in Debt	-\$365,993	-\$347,420	-\$372,419
Gross Proceeds Sale Assets	\$8,568	\$18,699	\$18,697
Lump Sum Contributions			0
Total Sources of Capital Funding (C)	-\$357,425	-\$328,721	-\$353,722
Applications of Capital Funding			
Capital Expenditure- Additional Demand			0
Capital Expenditure- Improved Levels of Service	0	0	\$57,800
Capital Expenditure- Replace Existing Assets	\$158,000	\$269,491	\$319,000
Increase (Decrease) In Investments	\$438,102	\$467,744	\$175,693
Increase (Decrease) In Reserves	-\$187,650	\$23,761	-\$49,521
Total Applications of Capital Funding (D)	\$408,452	\$760,996	\$502,972
Surplus (Deficit) of Capital Funding (C) - (D)	-\$765,877	-\$1,089,717	-\$856,694
Funding Balance (A - B) + (C - D)	0	0	0

Additional disclosures required pursuant to Local Government Act 2002, Schedule 10, Clauses 20, 20A and 21 Targeted Rates

The following table summarises the types of targeted rate, the group of activities or activity funded by that targeted rate together with matters and factors of the targeted rates.

Notes:

- Differential with regard to River, Drainage & Coastal protection activity scheme rates means that there may be several different classes of land with the Separate Rating Area, eg Classes A, B, C, D etc. These different classes reflect the different degrees of benefit that the different classes of land receive from the protection works.
- Copies of maps setting out the boundaries of the various separate rating areas may be accessed on Council website www.wcrc.govt.nz
- Council does not invite nor will it accept lump sum contributions in lieu of any targeted rate.

Activity Group	Types of Rates	Types of land	Different categories
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Vine Creek Separate Rating area	Differential Land Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Wanganui Separate Rating area	Differential Land Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Kaniere Separate Rating area	Differential Land Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Kowhitirangi Separate Rating area	Differential Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Coal Creek Separate Rating area	Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Karamea Separate Rating area	Differential Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Inchbonnie Separate Rating area	Differential Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Greymouth Floodwalls Separate Rating area	Capital Value
River, Drainage & Coastal Protection	Scheme loan repayment rate	Land within the boundaries of the Greymouth Floodwalls Separate Rating area	Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Okuru Separate Rating area	Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Redjacks Separate Rating area	Differential Land Area
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Raft Creek Separate Rating area	Land Area
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Nelson Creek Separate Rating area	Differential Land Area
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Taramakau Separate Rating area	Differential Land Area
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Kongahu Separate Rating area	Differential Land Area
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Waitangi-taona Separate Rating area	Differential Land Area
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Punakaiki Separate Rating area	Differential Capital Value

Activity Group	Types of Rates	Types of land	Different categories
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Hokitika River South Bank Separate Rating area	Differential Capital Value
River, Drainage & Coastal Protection	Scheme loan repayment and maintenance rate	Land within the boundaries of the Hokitika Seawall Separate Rating area	Differential Capital Value (Classes A,B,C,D)
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Franz Josef Separate Rating area	Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Lower Waiho 2010 Separate Rating area	Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Matainui Creek Separate Rating area	Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Mokihinui Separate Rating area	Per Rating Unit
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the Whataroa River Separate Rating area	Differential Capital Value
River, Drainage & Coastal Protection	Scheme maintenance rate	Land within the boundaries of the New River/ Saltwater Creek catchment Separate Rating area	Differential Capital Value
Regional Emergency Management	Emergency Management	All rateable land in the region	Capital Value
Warm West Coast	Repayment of insulation / clean heating funding	Only levied on individual properties that have received Council funding to install insulation and/or clean heating appliances.	Amount of Council funding provided * 14.9286% per annum for the term of the funding agreement.

General Rates and Choice of Rating System for General Rate

Council may make and levy a General Rate either,

- Across the Region, or
- Within each constituent District within the Region, so that the rate made or levied may vary across the three Districts (Westland, Buller and Grey) within the Region.

Several years ago (2005) Council implemented a differential general rate which fixed the percentage (%) of the general rate to be collected from each of the three District areas within the region. The differentials were based on the historic allocation of the general rate across the three District areas during a time when the rateable valuation of each District was equalised to ensure a fair apportionment of the general rate to each District. Equalisation was used as there were varying revaluation dates across the three Districts. Following discontinuation

of equalisation the fixed differentials now achieve the same fairness objective.

The differentials decided were:

- Buller District Area 31%
- Grey District Area 39%
- Westland District Area 30%

Since its creation in 1989, the Council has made and levied its General Rate using the Capital Value system. The nature of the Council's business has not altered significantly in that time. Council concludes that the system of making and levying its General Rate should continue to use the Capital Value system.

General rates are used to fund activities where Council believes there is a general benefit to all ratepayers and it is not possible to identify or charge the cost directly to the beneficiaries.

Targeted Rates

Council may make and levy targeted rates for the purpose of undertaking specific services or work for the benefit of all or part of the Region. Council will be making and levying targeted rates to fund the following types of expenditure:

Various river, drainage and coastal protection scheme targeted rates. These rates are only made and levied over properties that have a direct beneficiary or cause/effect relationship with the service being provided.

Regional Emergency Management targeted rate will be made and levied across the region to fund Emergency Management responsibilities.

Warm West Coast targeted rate scheme requires homeowners who 'borrowed' money from the Council

to improve their home heating and insulation, pay this amount back via regional rates.

Uniform Annual General Charge

Council does not intend to levy any Uniform Annual General Charge.

Rating Base Information

Projected number of rating units within the Region as at 30 June 2016	22,463
Projected total capital value of rating units within the Region as at 30 June 2016	\$7,479,586,000
Projected total land value of rating units within the Region as at 30 June 2016	\$3,967,935,000

Funding Impact Statement - Rates

for the Year Ending 30 June 2017

Note: All amounts are stated inclusive of GST.

Rating Instalment Information

Rates will be payable by two instalments;

First instalment

Due date 10 September 2016

Penalty date 20 October 2016

Second instalment

Due date 10 March 2017

Penalty date 20 April 2017

A penalty for late payment will be applied at the amount allowed by the Local Government Rating Act 2002 of 10% on any part of an instalment that remains unpaid after the due dates of 10 September 2016 and 10 March 2017, on the penalty dates of 20 October 2016 and 20 April 2017.

A further 10% penalty will be charged on all accumulated rate arrears as at 30 June 2017, on 1 July 2017.

1. General Rate

The General Rate is used to fund activities that are of public benefit and where no other source of revenue is identified to cover the cost of the activities.

The General Rate will be a differential general rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit.

Differential

Rateable Capital Value in the Buller District Council area to yield 31% of the total general rate.

Rateable Capital Value in the Grey District Council area to yield 39% of the total general rate.

Rateable Capital Value in the Westland District Council area to yield 30% of the total general rate.

	Differential	Estimated Rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority Area	31%	\$2,453,963,850	0.00033007	\$809,968	\$704,320
Rateable Value of Land in the Grey District Local authority Area	39%	\$2,632,431,750	0.00038709	\$1,018,992	\$886,080
Rateable Value of Land in the Westland District Local authority Area	30%	\$2,393,190,500	0.00032753	\$783,840	\$681,600
	100%	\$7,479,586,100		\$2,612,800	\$2,272,000

2. Targeted Rates

(a) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Vine Creek Separate Rating Area and calculated on the land value of each rating unit, for maintaining the protection works in the scheme.

Vine Creek Rating District	Estimated Rateable Land Value	Differential Based on Benefits	Factor per \$ of Land Value	Estimated to Yield	GST Exclusive
Class A	\$4,869,100	1.00	0.00271999	\$13,245	\$11,517
Class B	\$6,031,400	0.70	0.00190399	\$11,484	\$9,986
Class C	\$8,157,000	0.50	0.00135999	\$11,093	\$9,646
Class D	\$20,315,300	0.20	0.00054400	\$11,051	\$9,610
Class E	\$17,932,000	0.10	0.00027200	\$4,877	\$4,241
				<u>\$51,750</u>	<u>\$45,000</u>

(b) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Wanganui River Separate Rating Area and calculated on the land value of each rating unit, for maintaining the protection works in the scheme.

Wanganui River Rating District	Estimated Rateable Land Value	Differential Based on Benefits	Factor per \$ of Land Value	Estimated to Yield	GST Exclusive
Class A	\$25,100,700	1.00	0.00201171	\$50,495	\$43,910
Class B	\$22,092,100	0.70	0.00140820	\$31,110	\$27,052
Class C	\$30,713,400	0.45	0.00090527	\$27,804	\$24,177
Class D	\$5,247,800	0.10	0.00020117	\$1,056	\$918
Class U1	\$3,330,600	0.50	0.00100586	\$3,350	\$2,913
Class U2	\$1,178,000	0.50	0.00100586	\$1,185	\$1,030
				<u>\$115,000</u>	<u>\$100,000</u>

(c) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Kaniere Separate Rating Area and calculated on the land value of each rating unit, for maintaining the protection works in the scheme.

Kaniere Rating District	Estimated Rateable Land Value	Differential Based on Benefits	Factor per \$ of Land Value	Estimated to Yield	GST Exclusive
Class A	\$304,900	1.00	0.00598958	\$1,826	\$1,588
Class B	\$107,000	0.60	0.00359375	\$385	\$334
Class C	\$258,000	0.40	0.00239583	\$618	\$538
Class D	\$1,654,000	0.15	0.00089844	\$1,486	\$1,292
Class E	\$476,000	0.10	0.00059896	\$285	\$248
				<u>\$4,600</u>	<u>\$4,000</u>

(d) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Kowhitirangi Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

Kowhitirangi Flood Control Rating District	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Class A	\$18,853,600	1.00	0.00017841	\$3,364	\$2,925
Class C	\$39,993,800	0.50	0.00008921	\$3,568	\$3,102
Class E	\$38,822,000	0.29	0.00005204	\$2,020	\$1,757
Class F	\$85,679,700	0.17	0.00002974	\$2,548	\$2,216
				<u>\$11,500</u>	<u>\$10,000</u>

(e) A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Coal Creek Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

Coal Creek Rating District	Estimated Rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
	\$6,413,300	0.00179315	\$11,500	\$10,000
			<u>\$11,500</u>	<u>\$10,000</u>

(f) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Karamea Riding Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

Karamea Riding Rating District	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Class A	\$2,700,300	1.00	0.00127876	\$3,453	\$3,003
Class B	\$32,447,540	0.80	0.00102301	\$33,194	\$28,864
Class C	\$4,547,400	0.60	0.00076725	\$3,489	\$3,034
Class D	\$113,742,180	0.10	0.00012788	\$14,545	\$12,648
Class E	\$44,091,480	0.05	0.00006394	\$2,819	\$2,451
				<u>\$57,500</u>	<u>\$50,000</u>

(g) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Inchbonnie Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

Inchbonnie Rating District	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Class A	\$4,139,000	1.00	0.00000000	-	-
Class B	\$17,854,000	0.75	0.00000000	-	-
Class C	\$6,594,000	0.50	0.00000000	-	-
Class D	\$2,470,000	0.30	0.00000000	-	-
Class F	\$1,119,000	0.15	0.00000000	-	-
				<u>-</u>	<u>-</u>

(h) A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Greymouth Floodwall Separate Rating Area and calculated on the capital value of each rating unit, for repayment of a loan raised to fund the 2010 upgrade of the protection works.

Greymouth Floodwall (Loan) Rating District	Estimated Rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
	\$699,228,700	0.00029604	\$207,000	\$180,000

(i) A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Greymouth Floodwall Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

Greymouth Floodwall (Maintenance) Rating District	Estimated Rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
	\$699,228,700	0.00008223	\$57,500	\$50,000

(j) A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Okuru Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

Okuru Rating District (Maintenance)	Estimated Rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
	\$10,329,000	0.00055669	\$5,750	\$5,000

(k) A targeted rate set in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Redjacks Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

Redjacks Rating District	Estimated Rateable Land Area (ha.)	Differential Based on Benefits	Rate per Hectare	Estimated to Yield	GST Exclusive
Class A	0.10	6.73%	6191.60000000	\$619	\$538
Class B	1.11	35.55%	2942.34234234	\$3,266	\$2841
Class C	0.12	3.56%	2729.33333333	\$328	\$285
Class D	2.30	17.54%	701.60000000	\$1,614	\$1403
Class E	1.49	14.23%	878.63087248	\$1,309	\$1138
Class F	1.85	4.73%	235.22162162	\$435	\$378
Class G	21.97	7.40%	30.98771051	\$681	\$592
Class H	49.18	8.60%	16.08784059	\$791	\$688
Class I	77.02	1.71%	2.04258634	\$157	\$137
		100%		\$9,200	\$8,000

(l) A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land in the Raft Creek separate rating area calculated on the land area of each rating unit for maintaining the protection works, in the scheme.

Raft Creek	Estimated Rateable Land Area (ha.)	Rate per Hectare	Estimated to Yield	GST Exclusive
	762.24	12.06968934	\$9,200	\$8,000

(m) A targeted rate set differentially in accordance with sections 16, 17, 18 and 146 of the Local Government Rating Act 2002 on all rateable land situated in the Nelson Creek Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

Nelson Creek Rating District	Estimated Rateable Land Area (ha.)	Differential Based on Benefits	Rate per Hectare	Estimated to Yield	GST Exclusive
Class A	1.14	8.40%	1482.62863359	\$1,690	\$1,470
Class B	2.90	13.21%	916.59769904	\$2,658	\$2,311
Class C	10.77	9.99%	186.76595454	\$2,011	\$1,749
Class D	10.30	9.15%	178.77558869	\$1,841	\$1,601
Class E	18.55	13.04%	141.48437318	\$2,625	\$2,282
Class F	63.34	28.14%	89.40192149	\$5,663	\$4,924
Class G	18.11	8.89%	98.77864297	\$1,789	\$1,556
Class H	20.04	9.18%	92.19950511	\$1,848	\$1,607
		100%		\$20,125	\$17,500

(n) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Taramakau Settlement Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

Taramakau Settlement Rating District	Estimated Rateable Land Area (ha.)	Differential Based on Benefits	Rate per Hectare	Estimated to Yield	GST Exclusive
Class A	306.26	33.16%	74.70907072	\$22,879	\$19,896
Class B	130.00	11.54%	61.25076923	\$7,963	\$6,924
Class C	111.98	6.83%	42.08519378	\$4,713	\$4,098
Class D	127.13	6.54%	35.49594903	\$4,513	\$3,924
Class E	174.43	8.63%	34.13804965	\$5,955	\$5,178
Class F	140.29	5.89%	28.96927792	\$4,064	\$3,534
Class G	392.74	13.40%	23.54229261	\$9,246	\$8,040
Class H	429.48	13.77%	22.12279966	\$9,501	\$8,262
Class I	48.66	0.24%	3.40320592	\$166	\$144
		100%		\$69,000	\$60,000

(o) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Kongahu Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

Kongahu Rating District	Estimated Rateable Land Area (ha.)	Differential Based on Benefits	Rate per Hectare	Estimated to Yield	GST Exclusive
Class A	733.86	1.00	14.93828850	\$10,963	\$9,533
Class B	68.60	0.52	7.83363849	\$537	\$467
				<u>\$11,500</u>	<u>\$10,000</u>

(p) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Waitangi-taona Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

Waitangitaona Rating District	Estimated Rateable Land Area (ha.)	Differential Based on Benefits	Rate per Hectare	Estimated to Yield	GST Exclusive
Class A	604.20	25.80%	14.73011246	\$8,900	\$7,740
Class B	721.23	23.48%	11.23209750	\$8,101	\$7,044
Class C	1705.84	46.84%	9.47255743	\$16,159	\$14,051
Class D	708.22	3.88%	1.89235389	\$1,340	\$1,165
		<u>100%</u>		<u>\$34,500</u>	<u>\$30,000</u>

(q) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land located between the boundaries of the Pororai river, State Highway 6 and the Tasman sea at Punakaiki calculated on the capital value of each rating unit for maintenance of the sea wall protection works.

Punakaiki Maintenance Rating District	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Class A	\$4,955,000	1.00	0.01171456	\$58,046	\$50,475
Class B	\$5,470,000	0.60	0.00702874	\$38,447	\$33,432
Class C	\$5,445,000	0.20	0.00234291	\$12,757	\$11,093
				<u>\$109,250</u>	<u>\$95,000</u>

(r) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on properties included in the Hokitika River Southbank separate rating area calculated on the capital value of each rating unit, for maintenance of the protection works.

Hokitika River South Bank Mtce	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Area A	\$2,614,000	1.00	0.00050002	\$1,308	\$1,137
Area B	\$2,608,700	0.10	0.00005000	\$130	\$113
				<u>\$1,438</u>	<u>\$1,250</u>

(s) A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land in the Franz Josef separate rating area calculated on the capital value of each rating unit for the maintenance of flood protection works.

Franz Josef	Estimated Rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
	\$97,128,500	0.00118400	\$115,000	\$100,000

(t) A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land in the Lower Waiho 2010 separate rating area and calculated on the capital value of each rating unit for the maintenance of flood protection works.

Lower Waiho 2010	Estimated Rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
	\$19,765,000	0.00488743	\$96,600	\$84,000

(u) A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land in the Matainui Creek separate rating area and calculated on the capital value of each rating unit for the maintenance of flood protection works.

Matainui Creek	Estimated Rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
	\$8,413,000	0.00068347	\$5,750	\$5,000

(v) A Targeted rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002. The Targeted Rate will be a uniform rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit. The rate will be used to fund Emergency Management activities within the Region.

Regional Emergency Management	Estimated Rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority	2453963850.00000000			
Rateable Value of Land in the Grey District Local authority	2632431750.00000000			
Rateable Value of Land in the Westland District Local authority	2393190500.00000000			
	7479586100.00000000	0.0000409	\$305,900	\$266,000

(w) A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land in the Mokihinui separate rating area calculated as a fixed charge of \$306.67 per rating unit.

Mokihinui	Estimated Number of Rating Units	Amount per Rating Unit	Calculated Yield	GST Exclusive
	42	306.67000000	\$12,880	\$11,200

(x) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on properties included in the Whataroa River separate rating area calculated on the capital value of each rating unit, for maintenance of the protection works.

Whataroa River	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Area A	\$8,591,000	1.00	0.00230831	\$19,831	\$17,244
Area B	\$14,098,000	0.40	0.00092332	\$13,017	\$11,319
Area C	\$33,471,000	0.20	0.00046166	\$15,452	\$13,437
				<u>\$48,300</u>	<u>\$42,000</u>

(y) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on properties included in the New River /Saltwater Creek catchment separate rating area calculated on the capital value of each rating unit, for management of the river mouth.

New River / Saltwater Creek Catchment	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Area A	\$19,190,000	25.00	0.00009963	\$1,912	\$1,663
Area B	\$241,647,500	1.00	0.00000399	\$963	\$837
				<u>\$2,875</u>	<u>\$2,500</u>

(z) Warm West Coast Targeted Rate

A targeted rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on properties that have received Council funding to instal insulation and/or clean heating appliances. The rate is calculated as a % of the GST inclusive funding provided by Council to the property. Funding provided by Council includes interest at 5.25%.

The rate will be used to repay funding that Council has borrowed to fund this work and will be levied over a 10 year term from 1 July 2013 or 1 July 2014, depending on the year that the funding was approved.

Warm West Coast Funding Received During years to 30 June 2013 and 30 June 2014	Council Funding Provided	Factor as a % of Council Funding Provided	Calculated Yield	GST Exclusive
	\$839,663	0.14928600	<u>\$125,350</u>	<u>\$109,000</u>

(aa) Hokitika Seawall (Loan Repayment)

A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land within the boundaries of the Hokitika Township calculated on the capital value of each rating unit for maintenance of the seawall protection works.

The targeted rate set on Classes A, B, C and D is based on differentiated capital value.

	Estimated rateable Capital Value	Differential Based on Benefits	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
A	\$16,130,000	1.00	0.00149913	\$24,181	\$21,027
B	\$48,177,000	0.75	0.00112434	\$54,168	\$47,102
C	\$15,562,000	0.60	0.00089948	\$13,998	\$12,172
D	\$354,399,000	0.10	0.00014991	\$53,128	\$46,199
				<u>\$145,475</u>	<u>\$126,500</u>

(ab) Hokitika Seawall (Maintenance)

A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land within the boundaries of the Hokitika Township calculated on the capital value of each rating unit for repayment of the loan raised by the Council to construct the seawall protection works.

The targeted rate set on Classes A, B, C and D is based on differentiated capital value.

	Estimated Rateable Capital Value	Differential Based on Benefits	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
A	\$16,130,000	1.00	0.00035552	\$5,735	\$ 4,987
B	\$48,177,000	0.75	0.00026664	\$12,845	\$ 11,170
C	\$15,562,000	0.60	0.00021331	\$3,320	\$ 2,887
D	\$354,399,000	0.10	0.00003555	\$12,600	\$ 10,956
				\$34,500	\$30,000
			Total Rates	\$4,291,742	\$3,731,950

Rating Impact Ready Reckoner

Rate type	Rate per \$100,000 of Capital value
General Rate - Buller District Area	\$33.01
General Rate - Grey District Area	\$38.71
General Rate - Westland District Area	\$32.75
Regional Emergency Management Rate	\$4.09

Additional targeted rates may also apply, depending on whether your property is located within a separate rating area. Separate rating areas include various special rating areas (24) that involve river, sea, drainage or erosion protection works. Maps and asset management plans for these rating districts can be found on council's website at www.wcrc.govt.nz.

(Footnotes)

- 1 Significant Consented Discharge includes: any consented discharge from a municipal sewage scheme or landfill, any consented discharge from a working mine site, any consented discharge of dairy effluent to water, and any large scale industrial discharge (WMP, Kokiri).
- 2 This macroinvertebrate index uses comparative samples of aquatic invertebrates to evaluate water quality, based on the type and tolerances of invertebrates (bugs) found at that site and how those communities of invertebrates may change over time. Some bug species are pollution tolerant while others are pollution sensitive, so the mix of species tells us a lot about the water quality at the site.
- 3 This target assumes the work programme is submitted with all necessary information provided.



Cover photo: Lake Brunner

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**THE WEST COAST
REGIONAL COUNCIL**