

**AGENDA AND SUPPORTING PAPERS  
FOR COUNCIL'S APRIL SPECIAL MEETING**

**TO BE HELD IN THE OFFICES OF THE WEST COAST REGIONAL COUNCIL  
388 MAIN SOUTH ROAD, GREYMOOUTH**

**WEDNESDAY, 22 APRIL 2009**

**The programme for the day is:**

**2.00p.m. :**

**Special Council Meeting to adopt the  
audited LTCCP Statement of Proposal.**

## THE WEST COAST REGIONAL COUNCIL

Notice is hereby given that a **SPECIAL MEETING** of the West Coast Regional Council will be held in the Offices of the West Coast Regional Council, 388 Main South Road, Greymouth on **Wednesday, 22 April 2009**, commencing at 2.00 pm.

A.R. Scarlett  
Chairman

C. Ingle  
Chief Executive Officer

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Agenda  
Numbers

Page  
Numbers

Business

**1.**

**APOLOGIES**

**2.**

**1.**

**GENERAL BUSINESS**

Adoption of the Audited Long Term Council Community Plan (LTCCP) Statement of Proposal for the 10 years 1 July 2009 to 30 June 2019.

## THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting  
Prepared by: Robert Mallinson – Corporate Services Manager  
Date: 20 April 2009  
Subject: **Adoption of Audited Long Term Council Community  
Plan Statement of Proposal**

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Enclosed with these agenda papers is the Draft Long Term Council Community Plan Statement of Proposal.

The audit opinion on the statement of proposal required under section 94 of the Local Government Act 2002 from Audit New Zealand will be circulated at the meeting. Our Audit Director John Mackey will be present to speak to the audit opinion.

Once the audited Statement of Proposal has been adopted by Council, the Statement of Proposal is then taken to the public consultation phase.

It is proposed to advertise the document as being available for public consultation on Friday 24 April.

I am arranging for a summary two page spread to run in the Messenger at a date still to be decided.

The closing date for public submissions should be Monday 25 May.

Council will have to decide on a date for public hearings, which should be in the last week of May or first week of June. We suggest Tuesday 2 June @ 10.30 am. Formal deliberations would occur at the ordinary June Council meeting on 9 June.

Audit NZ will need to audit the final LTCCP after that, so Council will need to have another Special meeting in late June to adopt the final LTCCP, no later than 30 June 2009. We recommend Tuesday 23 June 2009 @ 2.00 pm.

### **RECOMMENDATION**

*That Council adopt the audited Long Term Council Community Plan Statement of Proposal.*

*Council confirm the dates for public hearings and the Special meeting required in late June.*

Robert Mallinson,  
Corporate Services Manager

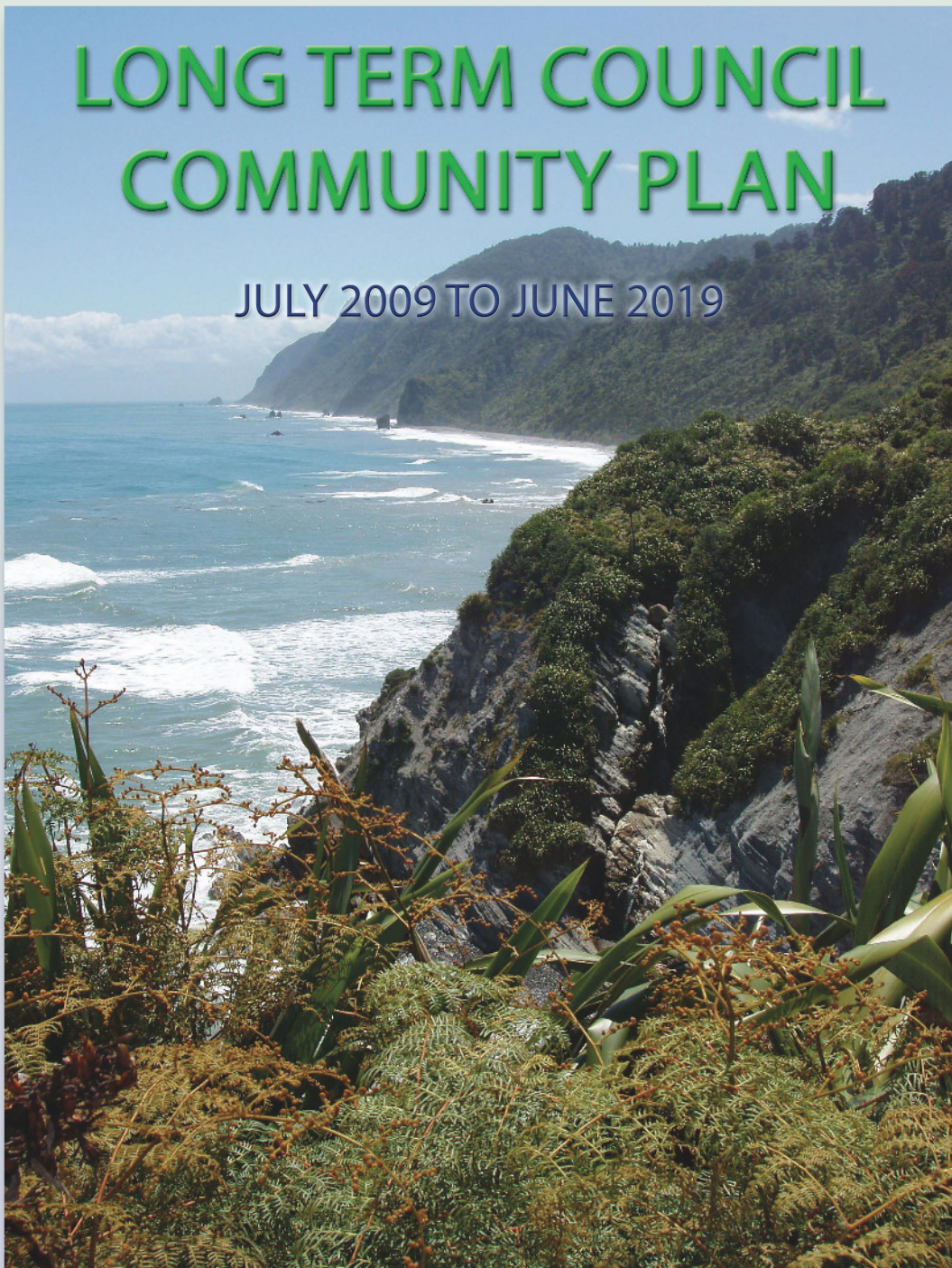


**DRAFT STATEMENT OF PROPOSAL**

**FOR PUBLIC SUBMISSIONS**

# **LONG TERM COUNCIL COMMUNITY PLAN**

**JULY 2009 TO JUNE 2019**



## Table of Contents

Chairperson’s Foreword .....	1
Introduction to the Long Term Council Community Plan (LTCCP) .....	6
Audit New Zealand Report of West Coast Regional Council’s LTCCP .....	7
<b>PART 1 – THE WEST COAST REGIONAL COUNCIL .....</b>	<b>10</b>
Councillors .....	11
Mission Statement.....	12
<b>PART 2 – COMMUNITY OUTCOMES.....</b>	<b>15</b>
Community Outcomes .....	16
<b>PART 3 – GROUPS OF ACTIVITIES CONTRIBUTING TO THE COMMUNITY OUTCOMES .....</b>	<b>21</b>
Groups of Activities .....	22
Governance .....	24
Consents & Compliance .....	27
Planning Processes.....	32
Environmental Monitoring .....	36
Emergency Management .....	40
River, Drainage & Coastal Protection Work .....	42
Vector Control Services Business Unit .....	50
<b>PART 4 – TEN YEAR FINANCIAL PROJECTIONS AND POLICIES .....</b>	<b>53</b>
Significant Forecasting Assumptions .....	54
Statement of Accounting Policies .....	58
Prospective Statement of Financial Performance .....	66
Prospective Statement of Movements in Equity.....	68
Prospective Statement of Financial Position .....	69
Prospective Statement of Cash Flows.....	71
Budgeted Capital Expenditure .....	72
Revenue and Financing Policy .....	74
Funding Impact Statement .....	79
<b>PART FIVE – POLICIES .....</b>	<b>87</b>
Council Controlled Organisations and Council Organisations.....	88
Policy on Partnerships with the Private Sector.....	91
Policy on the Remission and Postponement of Rates on Maori Freehold Land .....	93
Policy on Financial Contributions .....	94
Policy on Significance .....	95
Remissions and Postponements Policy .....	97
Investment Policy .....	100
Borrowing Policy .....	102
Policy on Development of Maori Capacity to Contribute to Decision-making Processes.....	105
West Coast Regional Council Charges .....	106

## Chairperson's Foreword

The Council would like to encourage you to make submissions on our proposed work activities for the next ten year period. We particularly value your input and ideas on how we can improve our services.

Please take the time to read through this draft long term plan, or least skim the short 'Highlights at a glance' section that follows. We value input from the public and would welcome your submission.

The Regional Council are not proposing any new activity areas for the next ten years. The only significant change compared to our 2006 LTCCP, is our departure from TB vector management functions.

The Council no longer contracts for TB vector management work on behalf of the Animal Health Board, but we do lease to the AHB a part of our office building at Paroa. We also have a secondment agreement with AHB for three Council staff who continue working in that area. We will also continue collecting the regional share of the Tb rate, at least until the current National Tb Strategy expires in 2013.

Council's RMA, environmental, transport and civil defence programmes are a mandatory requirement of the relevant legislation. There is little scope for Council to substantially alter these programmes. Council proposes to continue our 'user-pays' approach to meeting the cost of our RMA and other functions. This approach helps to ease the burden on the general rate payer. Not all RMA costs are recoverable via user pays however.

Our general rate funds the Council's resource science and RMA plan development work, whereas consent processing, compliance monitoring and rating district work is mostly funded by user charges. Our staff charge-out rates are proposed to be adjusted upwards this year to keep pace with inflation.

We also use some of the interest earned from our investment fund, together with any surplus provided by our business unit, to help offset potential increases in general rate.

The most costly project on our books for the next 2 years is the Greymouth Floodwall upgrade, which was mentioned in the last LTCCP as well. The costs of this project fall on the Greymouth special rating district ratepayers, who already have a modest fund built-up over recent years. Council will soon be discussing with the Grey floodwall ratepayers what level of flood protection they feel is affordable.

Council is likely to be asked by one or more communities during the coming years, to assist them to protect against sea or river flooding or erosion. The Council approach is to support these communities, provided the community is largely unified in its intentions, and all costs are fully met by that community – usually by setting of a new special rating scheme. The Mohikinui community has asked to set a rating district up and this is likely to occur over the next few months.

We welcome your submission.

**Ross Scarlett**  
**Chairman**  
**West Coast Regional Council**

## Highlights at a glance...

This Plan sets out the Councils strategic direction, funding intentions and work programmes for the next ten years. It also brings together the RMA work we do via our regional plans with the other work we do in river and flood protection, civil defence and hazard management, transport planning and pest management.

The following is a summary that sets out the key issues likely to be of public interest from 2009-2019, and the changes for the coming 09/10 year in particular.

### Long Term Intentions of Council

The Council intends staying strongly focused on high quality delivery of its core activities, which we consider contribute strongly to the community outcomes: in particular the environmental outcome but also community safety and economic outcomes for the West Coast.

The core activities we intend to continue to deliver are:

- a) Protecting our rivers and lakes and coastal waters from pollution;
- b) Monitoring the state of our priority rivers and lakes, and contact recreation waters;
- c) Ensuring a simple but comprehensive set of policy documents are regularly reviewed to reflect community needs, and a sustainable development ethic;
- d) Managing our RMA consenting processes efficiently and effectively;
- e) Undertaking compliance monitoring to ensure high risk activities are well managed;
- f) Responding to community requests for flood or sea protection and ensuring all protection works are well managed and well maintained;
- g) Continuing to provide flood monitoring services on the five key rivers;
- h) Ensuring preparedness for civil defence emergency situations and fulfilling Council's regional co-ordination role effectively; and
- i) Managing regional transport functions efficiently and effectively and continuing to provide subsidies for the transport disadvantaged;
- j) Controlling pest plants where the community signals a regulatory input is needed.

### General Rate

The Council focus is on fiscal prudence and we try very hard to avoid placing additional costs on ratepayers. We recognise that our region has a small number of ratepayers, and we remain firmly focused on delivering core tasks only, and on very cost effective delivery of those tasks. Council philosophy is 'user pays' and cost recovery from clients is a high priority. However many costs can only be met from general funds such as the general rate.

For 09/10 we have budgeted for a small total general rate take increase of 1.5%. This will generally result in a nil rate increase to existing ratepayers by providing for an increased rate take from the number of new rateable properties in the region created in the last year. This approach, while keeping the cost to each ratepayer approximately the same as last year, ensures Council funding keeps up with growth in the region.

General rate estimates across years 2 to 10 of the LTCCP have been adjusted by the BERL estimated CPI index, but in practice Council will also take into account the increase in the number of rateable properties in the region and intends using that to guide annual increases in the general rate.

Council uses 40% - 60% of the income from its investment fund, plus forecasted surpluses from the VCS business unit, to help to minimise general rate increases. If these income sources are not able to deliver as predicted the general rate may need to be increased to compensate. The risks associated with this are covered in more detail under "Significant Forecasting Assumptions" page 54 of the LTCCP. Council has budgeted for returns of 7.5% from its Investment portfolio over the 10 year life of the LTCCP. The consequences of a reduction in Investment income returns of 0.5% (\$50,000) would amount to an increase in general rate of not more than \$2 per annum on a \$200,000 capital value property. Reductions in VCS Business Unit income would have a similar proportionate impact.

### **Affordability**

A key premise underpinning this LTCCP is Council's desire to deliver affordable services to ratepayers and residents of the Region. Council focuses on maintaining rates at levels affordable for the community and seeks other income sources wherever possible. Council actively seeks grants from various agencies to fund particular projects and has also lobbied government with regard to coal levies. As mentioned above, Council investment income and returns from its VCS business unit are important parts of this strategy.

### **Civil Defence**

We have budgeted for an increase for the Civil Defence special rate from \$25,000 to \$40,000 per annum. This is rated region-wide. The cost of this increase for the average homeowner will be less than a dollar per year. This fund helps us to be prepared for a major regional emergency. We are also seeking Government funding to match the increase in ratepayer contribution.

An 18 hour exercise is being arranged for September 2009 to practice how well we can communicate and coordinate during a crisis. The Civil Defence Group HQ at Paroa forms a critical link between the District Council response teams throughout the region and the National Crisis Centre in Wellington. The Civil Defence Plan is due for review in the coming year and the new funding will also assist with that work.

### **National Pest Management Strategy Funding**

The Regional Council has a commitment till 2013 to fund the regional share of the Animal Health Board Tb Strategy. The Regional Council share of this is generally 6 - 8% of the cost of the work in the region, each year. 75% of this cost falls on those with properties of 2 hectares or over. The general ratepayer contributes the remaining 25% in recognition of the benefits to the region as a whole. The cost of the strategy is not expected to increase over the ten year period.

### **Plan Merger and Lake Brunner Water Quality**

We intend commencing a Plan merge this coming year that combines the Discharges to Land Plan and the Proposed Land and Riverbed, and Water Management Plans. This is hoped to improve integration and make it easier for applicants and developers by having the plans under one cover.

At the same time we will re-address the issue with Lake Brunner water quality. The lake water clarity has continued to decline steadily, linked with a steady increase in phosphates. The increasingly nutrient-rich water leads to increasing micro-algal growth in the water column, which reduces the clarity of the water. Staff will be consulting interested parties during the Plan merge process with a view to developing new policy approaches that address the long term sustainability of Lake Brunner.

### **Regional Policy Statement and Coastal Plan Reviews**

The Regional Policy Statement is due for review after March 2010 and staff will be working closely with the district councils in particular to ensure we co-ordinate with their district plan reviews. Stakeholder input will be invited, on an issue by issue basis, starting in 2010 and extending into 2011. After that we will embark on a formal submissions and hearings process.

The Regional Policy Statement goes beyond the Regional Council functions and also sets the scene for some of the district council functions, and clarifies how joint functions will be delivered. The Regional Policy Statement currently includes chapters on regional transport, natural hazards, minerals, habitats and landscapes, energy, heritage; as well as water, air and coastal management, which are the core regional council functional areas.

The Coastal Plan is also due for review soon, and for that the imminent changes to the National Coastal Policy Statement will likely require some changes to be made to our Regional Coastal Plan. Public submissions will be invited once we have developed a proposal.

Generally, the Council will be looking to streamline our planning documents so that the documents are brief and easy to read. They will be formatted to make it simple to apply for resource consents and to understand what we expect from resource users.

### **Pest Plant Strategy Review**

The Council's Pest Plant Management Strategy is due for review after August 2010. The progressive control areas in the current strategy need to be reviewed and council must consider whether there is adequate



justification for extending them, or making it compulsory for all landowners to control all pest plants within these areas.

Staff will be discussing the issues with key stakeholders first, then once a proposal is notified we will be inviting submissions. Council will conduct hearings after submissions are received. These hearings are likely to be held in mid-late 2011.

### **Regional Passenger Transport Planning**

The new Transport Legislation requires Council to develop a new Passenger Transport Plan. We are requesting the new Transport Agency staff to assist us with this work, and have not budgeted for this on the assumption that the Agency will take the lead role. Given the lack of demand for passenger transport due to the small population size on the West Coast, it is likely the Plan will be commensurate with that reality.

Council continues to service the regional transport committee which co-ordinates the road safety and administration and regional programme functions for the region, as well as contributing our share of total mobility funding for the transport disadvantaged.

### **New Council Controlled Organisation for software development**

The Council is proposing to establish a council-controlled organisation with five other regional councils for the purposes of collaboratively developing and maintaining a software application suite for common use by regional councils in the delivery of their activities. Such collaboration reduces risk and cost to the Council. This is part of the Council's commitment to having the highest quality of information available to allow informed decisions to be made across its range of functions.

### **Greymouth Flood Protection Scheme**

The Greymouth special rating district is the largest flood protection rating district in the region. Council staff prepare annual reports and works programmes for consideration of the Joint Floodwall Committee, comprising three councilors each from the Grey District and Regional Council. That committee recommends to the Councils the works needed to maintain or upgrade the floodwalls for each financial year.

In 2004 the Joint Floodwall Committee recommended that the design for the Greymouth floodwalls should ensure a 50 year plus 600mm freeboard protection level to Greymouth. Analysis has shown that the current level of protection is less than that standard over parts of the floodwalls so an upgrade is needed. The Floodwall Committee also looked at an option of increasing the design to 150 years plus 600mm freeboard, but the estimated cost of this at the time was over three times the cost of the 50 year upgrade.

Now that the resource consents have been granted to undertake the upgrade, Council has reworked the cost estimates for the 50 year vs 150 year protection levels. Initial figures indicate that costs have increased since 2004, and that the 150 year option is still approximately three times the cost of the 50 year option. Council has included costings in this ten year plan based on the 50 year protection level.

The scheme is provisionally estimated to cost \$3,000,000; however the final cost will be determined through the competitive tender process. Funding will be from existing credit balances (\$1,300,000) and loan (\$1,700,000). The loan will be repaid over a 20 year term. In order to repay this loan and provide funds for ongoing maintenance, it is proposed to increase the Greymouth Floodwall rate from the existing \$150,000 + GST per annum to \$200,000 + GST per annum. This would increase the rate per \$100,000 of Capital Value from the existing \$26.29 to \$34.69.

### **Other Drainage, River and Coastal Protection Works**

The Council has over 20 other rating districts, and ratepayers in those rating districts request Council to investigate and prepare proposals for additional capital works from time to time. The implementation of those additional works is a direct cost to the ratepayers of the relevant rating districts.

New rating districts are also proposed from time to time and Council have agreed to form a new rating district in Mohikinui, after a request was received from that community to maintain their river and sea protection works. Saltwater Creek in Paroa is an area where flooding has occurred in the past and the community may wish to promote the forming of a rating district to manage that.

In these situations the Council, in consultation with the affected community of ratepayers, establishes a rating district to finance the capital and maintenance works needed for the particular area and style of

protection. The new works become an asset held by the Council on behalf of the ratepayers of that rating district and the ratepayers in the rating district pay for the capital and maintenance works through a targeted rate on an ongoing basis. Annual rating district meetings are held to discuss the works inspections and any maintenance required and rating required to fund that maintenance. New capital works are also sometimes requested. These are usually funded through short term loans, and repaid by the rating district over the subsequent 2-3 years.

Predicting when and where such work may occur is not possible in an LTCCP. However, there is no cost impact on the general rate from this activity so variations within the ten year period will be managed in the annual plan process. For information on levels of service and expected upgrades over the period of the plan for each individual rating district please refer to pages 44 – 47.

### **Changes to Existing Policies**

There are two existing policies required under the Local Government Act 2002 which have been reviewed and updated.

#### **Policy on Appointments and Remuneration of Directors for Council Organisations and Council Controlled Organisations**

The existing Council policy was adopted in May 2003 and has now been reviewed.

The major changes to the policy are streamlining the policy with regard to the appointments process.

#### **Changes to Liability Management (Borrowing) Policy**

This policy has been reviewed to enable the Council to meet likely lender requirements with regard to the larger scale of borrowing envisaged over the term of the LTCCP and to bring the policy up to date.

Significant changes to the policy are;

- Internal borrowing to fund specific projects permitted to a level (in total) not exceeding \$500,000 (previously \$250,000).
- Council will maintain a balance sheet current ratio (current assets / current liabilities) of not less than 1.25:1.00
- Use of bank overdraft and multi option credit lines to a level of \$750,000 permitted (previously \$1,200,000)
- Borrowing for Infrastructural Assets not to exceed 20% of total value of all Infrastructural Assets (previously 10% of net capital value of each rating district).
- Non Infrastructural asset related debt not to exceed 25% of net assets excluding value of Infrastructural Assets (previously 50% of Total Assets excluding Infrastructural Assets).
- Security offered to include charge over general rate (previously only targeted rate).

## **Introduction to the Long Term Council Community Plan (LTCCP)**

At least once every three years, Council is required under the Local Government Act 2002, to produce a Long Term Council Community Plan. The Plan covers a period of 10 years. It details the activities of Council, sets the performance targets for each of those activities for the first three years of the Plan, and then outlines what may be done in the following seven years. It also provides financial estimates for the ten-year period and shows how those costs will be funded.

This is Council's 3rd Draft Long Term Council Community Plan (LTCCP). This Draft LTCCP is the Council's Statement of Proposal (SOP).

This Draft LTCCP Statement of Proposal is open for consultation, which is carried out for several reasons:

- To consult with the Community on the Council's proposed activities.
- To provide Council with a plan that will guide it during the next ten years.
- To provide the basis for the community to assess the Council's performance.

This Plan is in five parts:

### **Part 1 – The West Coast Regional Council.**

This part provides information on who your Councillors are and what this Council does.

### **Part 2 - What We Will Do Over the Next Ten Years.**

This part provides an overview of the community outcomes of the West Coast region. This includes how these outcomes were identified and how Council intends to contribute to furthering these outcomes.

### **Part 3 – Groups of Activities Contributing to the Community Outcomes**

Activities with similar outcomes have been grouped together and details of their service levels and performance targets have been stated. Financial information relating to each activity is also provided for the ten-year period.

### **Part 4 – Ten Year Financial Projections and Policies**

This part provides details of the overall financial impact of our proposed activities and it explains the various funding sources and how they are calculated.

### **Part 5 - Policies**

Policies required by the Local Government Act 2002 to be included in this LTCCP are included in this part.

# Audit New Zealand Report of West Coast Regional Council's LTCCP

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## REPORT TO THE READERS OF WEST COAST REGIONAL COUNCIL'S LONG-TERM COUNCIL COMMUNITY PLAN STATEMENT OF PROPOSAL FOR PUBLIC CONSULTATION FOR THE TEN YEARS COMMENCING 1 JULY 2009

The Auditor-General is the auditor of the West Coast Regional Council (the Regional Council). The Auditor-General has appointed me, John Mackey, using the staff and resources of Audit New Zealand, to report on the Statement of Proposal for adoption of a Long Term Council Community Plan (LTCCP), on his behalf.

The Auditor-General is required by section 84(4) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the Statement of Proposal complies with the requirements of the Act;
- the quality of information and assumptions underlying the forecast information provided in the Statement of Proposal; and
- the extent to which the forecast information and proposed performance measures will provide an appropriate framework for the meaningful assessment of the actual levels of service provision.

It is not our responsibility to express an opinion on the merits of any policy content within the Statement of Proposal for adoption of an LTCCP.

### Opinion

#### Overall Opinion

**In our opinion the Statement of Proposal for adoption of an LTCCP of the Regional Council dated 22 April 2009 provides a reasonable basis for long term integrated decision-making by the Regional Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the Regional Council.**

In forming our overall opinion, we considered the specific matters outlined in section 84(4) of the Act which we report on as follows.

#### Opinion on Specific Matters Required by the Act

##### In our view:

- **the Regional Council has complied with the requirements of the Act in all material respects demonstrating good practice for a council of its size and scale within the context of its environment;**
- **the underlying information and assumptions used to prepare the Statement of Proposal provide a reasonable and supportable basis for the preparation of the forecast information;**

- **the extent to which the forecast information and proposed performance measures within the Statement of Proposal provide an appropriate framework for the meaningful assessment of the actual levels of service provision reflects good practice for a Council of its size and scale within the context of its environment.**

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 22 April 2009, and is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Regional Council and the Auditor, and explain our independence.

### **Basis of Opinion**

We carried out the audit in accordance with the International Standard on Assurance Engagements 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

We planned and performed our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the Statement of Proposal for adoption of an LTCCP does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

Our audit procedures included assessing whether:

- the Statement of Proposal provides the community with sufficient and balanced information about the strategic and other key issues, choices and implications it faces to provide an opportunity for participation by the public in decision making processes;
- the Regional Council's financial strategy, supported by financial policies as included in the Statement of Proposal is financially prudent, and has been clearly communicated to the community in the Statement of Proposal;
- the presentation of the Statement of Proposal complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the Statement of Proposal are compliant with the decision-making and consultation requirements of the Act;
- the information in the Statement of Proposal is based on materially complete and reliable asset or activity management plans;
- the agreed levels of service are fairly reflected throughout the Statement of Proposal;
- the key plans and policies adopted by the Regional Council have been consistently applied in the development of the forecast information;

- the assumptions set out within the Statement of Proposal are based on best information currently available to the Regional Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;
- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the Regional Council's service delivery and performance; and
- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the Statement of Proposal.

We do not guarantee complete accuracy of the information in the Statement of Proposal. Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the Statement of Proposal and determining compliance with the requirements of the Act. We evaluated the overall adequacy of the presentation of information. We obtained all the information and explanations we required to support our opinion above.

#### **Responsibilities of the Council and the Auditor**

The Regional Council is responsible for preparing a LTCCP under the Act, by applying the Regional Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The Regional Council's responsibilities arise from Section 93 of the Act.

We are responsible for expressing an independent opinion on the Statement of Proposal for adoption of an LTCCP and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 84(4) of the Act.

#### **Independence**

When reporting on the Statement of Proposal for adoption of an LTCCP we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than this report and in conducting the annual audit, we have no relationship with or interests in the Regional Council.



John Mackey  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand

## **PART 1 – THE WEST COAST REGIONAL COUNCIL**

## The Regional Council

The Council has seven Councillors, representing the following constituencies:

### **Buller Constituency**

Ross Scarlett – Council Chairman

Terry Archer

### **Grey Constituency**

Peter Ewen – Council Deputy Chair, Resource Management Committee Chair

Andrew Robb

Allan Birchfield

### **Westland Constituency**

Bryan Chinn

Duncan Davidson



**Back Row:** Allan Birchfield, Bryan Chinn, Duncan Davidson, Peter Ewen

**Front Row:** Ross Scarlett, Terry Archer, Andrew Robb



## Council's Mission Statement

The *mission* of The West Coast Regional Council is:

“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.”

### Regional Council Functions and Responsibilities

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

- Regional Councils

Regional Councils promote the sustainable management of our natural and physical resources for the benefit of present and future generations. As caretakers of our land, air and water, Regional Councils monitor our environment and where appropriate, limit or control the use of our resources. Regional Councils liaise with our community to develop resource management plans and pest management strategies, construct and maintain sea and catchment protection works, and carry out environmental monitoring, flood warning and pollution protection work as well as transport and civil defence co-ordination.

- District Councils

District Councils meet the daily needs of society: Managing roading, civil defence, providing reticulated water and public amenities, disposing of waste and sewerage, control of land use, and overseeing land subdivisions and building developments. These Councils also provide community facilities such as libraries, and recreation/sports grounds.

### West Coast Regional Council Activities

- Resource Management

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.

- Freshwater Quality Management

Managing and preserving our water by managing water takes and monitoring discharges where they might affect water quality in streams, rivers and lakes.

- Pollution Control

Operating a 24-hour pollution line throughout the entire West Coast region to combat the illegal or accidental discharges of contaminants to our land, air and water, and to enable early intervention and corrective action.

- Pest Management

Implementing and reviewing the West Coast Pest Plant Management Strategy.

Assisting the Tb Vector Management strategy, by collecting the regional funding share, and by maintaining a competent & professional pest management contracting unit to deliver vector control operations.

- Air Quality Management

Monitoring ambient air quality, in Reefton, with the aim of supporting community aspirations to maintain or enhance air quality.

- Coastal Management

Managing discharges to the marine environment, and managing other activities in the coastal marine area in accordance the Regional Coastal Plan and undertaking a Coastal Plan review.

- 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.

- 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 and reviewing the Group Plan.

### **Council's Approach to Sustainable Development**

Council is committed to furthering our Community Outcomes for the betterment of the West Coast, and S14 (h) of the Local Government Act requires us to adopt a sustainable development approach, taking into account both socio-economic well being, environmental quality and the needs of future generations.

Therefore much effort is spent on decision-making that achieves the right balance between:

- making sure the quality of our environment is not unduly compromised; and
- enabling economic development to occur relatively unconstrained by regulatory processes.

The approach Council has taken is to develop permitted activities in our Regional Plans that allow activities to proceed without needing a resource consent, provided they meet certain conditions. Our compliance team carries out inspections of higher risk activities to check those conditions are being adhered to. For more significant activities where a consent process is necessary, our approach is to process these consents within a four week timeframe (assuming the applicant has provided sufficient information) and thereby we do not unduly hold up economic development projects.

The Council's approach to sustainability as a corporate body covers several aspects:

- Environmental sustainability

Management has a focus on energy efficiency, environmental procurement considerations and waste management (eg recycling office waste products).

- Financial sustainability

Council focuses on maintaining rates at levels affordable for the community and seeks other income sources where possible to enhance our delivery of services.

- Organisational sustainability

Staff retention is achieved by providing a healthy workplace where staff are valued and providing staff with advancement opportunities where possible. Maintaining critical mass is also a focus.

### **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 LTCCP 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 Runaka o Ngati Waewae and one representing Te Runanga o Makaawhio.

The Committee analyses, develops and facilitates consultation on all policies, plans and strategies on RMA, environmental management, biosecurity matters, transport matters, and civil defence. 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 Strategy. 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 Joint Committee

Council also has three members appointed to the Joint Greymouth Floodwalls Committee, together with three members of the Grey District Council. This is a joint committee of both councils.

- West Coast Civil Defence Emergency Management Group

Council also has a member on the West Coast Civil Defence Emergency Management Group, together with a member from each of the three district councils. This Group is a requirement of the Civil Defence Emergency Management Act.

### Management Structure

Chief Executive Officer Chris Ingle

Division	Manager	Functions
Corporate Services	Robert Mallinson	Accounting Services Corporate Planning Rating Administration Information Technology
Consents & Compliance	Colin Dall	Resource Consent Processing Compliance Monitoring & Enforcement Environment Incident Complaints Oil Spill & Pollution Response
Planning & Environmental	Simon Moran	RMA Plan Preparation and Review State of Environment Monitoring Flood Warning & Natural Hazards Civil Defence Emergency Management Transport Planning Quarry & Rating District Management
VCS Business Unit	Randal Beal	Service delivery of vector (possum) control on contract to Animal Health Board A variety of other smaller work areas related to the environment or pest management
Total Staff		48

**PART 2 – WEST COAST COMMUNITY OUTCOMES**

## West Coast Community Outcomes

In 2005 the West Coast Regional Council consulted with the West Coast community to identify what the community thinks are important outcomes for the West Coast. As a result of this consultation and in liaison with the three District Councils, the following regional Community Outcomes were identified:

**Economy:** A thriving, resilient and innovative economy creating opportunities for growth and employment.

**Environment:** The distinctive character of the environment is appreciated and retained.

**Health:** Healthy communities with access to quality facilities and services.

**Education:** A region that values and supports learning with accessible, relevant education and training opportunities.

**Identity:** A “happening” region with a strong community spirit and distinctive lifestyle.

**Safety:** A region that is a safe place to live.

*Note: Other agencies will be primarily involved in providing health, education and social services.*

### How the Community Outcomes were identified

Draft community outcomes were developed taking into account the Regional Council's four transitional community outcomes (based on the Local Government Act's areas of well-being), and what the West Coast community had previously identified as social, economic, environmental and cultural concerns. These draft outcomes were sent out by various means to ratepayers seeking their feedback. The responses were collated and analysed, with around 70-80% supporting the draft Outcomes. There was no strong indication by large numbers of respondents wanting changes or additions to any of the draft regional Outcomes.

It was then agreed that it is beneficial for all the West Coast Councils to have identical 'high level' Community Outcomes in their LTCCP's, to offer ratepayers consistency throughout the region. The Regional Council, and Buller and Westland District Councils agreed on the wording of six outcomes that combined elements of the draft Westland/WCRC outcomes with the draft Buller outcomes. It was also agreed that Councils might have individual sub-outcomes as bullet points under the six high level outcomes in order to reflect differences between the three district communities.

In March 2008 the Grey District Council adopted the same six “high level” Outcomes as the other three Councils, with sub-outcomes to provide for their specific circumstances. Having the same Regional Outcomes for all four Councils is consistent with feedback from respondents, which was along the lines of wanting to see our Councils working together more.

### How the Council will contribute to furthering the Community Outcomes

The Council's core functions make it a lead agency for furthering the Environment Outcome in particular. The most common theme in responses to the draft Outcomes was about finding a balance between enabling development and protecting the environment. This is essentially the purpose of the Resource Management Act that underpins much of the Council's planning and regulatory work. The Community Outcomes will be furthered by Council continuing to implement, monitor and review its regional plans, and carrying out

consent processing, compliance monitoring and enforcement work and state of the environment monitoring work, that supports the objectives of these plans.

For the purposes of this LTCCP achieving the Environmental Outcome is interpreted to mean achieving the objectives and outcomes outlined in Council's RMA planning documents. These documents have been through a rigorous public consultation processes and they therefore reflect West Coast community desires.

The contribution to community outcomes are addressed in more detail in each Activity Management Plan. The seven groups of Council activities relate to the achievement of the above outcomes as follows:

Activity Area	Community Outcome (s)
Governance	Economy, Environment and Identity
Consents and Compliance	Environment and Safety
Planning Processes: Regional Plans Transport	Environment and Economy Economy and Safety
Environmental Monitoring	Environment, Health and Safety
Emergency Management	Safety and Economy
River, Drainage & Coastal Protection Works Rating Districts Quarries	Economy and Safety
Vector Control Services Business Unit	Economy

Not all the Outcomes are the Regional Council's responsibility. Contributing to Outcomes for Health, Education and Identity, for example, is primarily the role of other agencies, and it is not considered appropriate for the Regional Council to take on new work to assist in these outcome areas.

### **Analysis of how each Outcome is furthered by Council Activities**

There are six community outcomes. The Regional Council does not contribute materially to the education outcome. The remaining five are contributed to as described below:

**Economy:** *A thriving, resilient and innovative economy creating opportunities for growth and employment.*

- Regional Policy and Plans assist economic development by ensuring an 'enabling' planning framework is in place. Permitted activities in regional plans allow for much development to occur without the need for consent processes. Where consents are needed the activity classification is normally controlled or discretionary which tends to enable activities to proceed without undue delay, with appropriate conditions applied to protect the environment.
- Consent processing within statutory timeframes is one of Council's highest priorities. This ensures that when a consent is needed the applicant should have their consent processed without delay (provided sufficient information is provided). Council also makes full use of non-notified and limited-notified processes to ensure delays in consent processing are minimised as far as is practicable.
- Flood warning services and flood protection works help the economy by ensuring business confidence in investing in flood protected areas. Protection works also increase property values in affected areas.
- Tb control assists our agricultural sector gaining access to lucrative export markets, while the VCS business unit assists ratepayers by keeping rates at a lower level.
- Transport planning enables us to advocate for national road funding, which can result in major transport upgrades (eg Arahura Bridge).

**Environment:** *The distinctive character of the environment is appreciated and retained.*

- The State of the Environment monitoring programme is critical for establishing environmental baselines so we can measure progress toward improving our environment. Monitoring rivers can also be a useful indicator of what is happening in a catchment. This state of the environment information then feeds into

and informs reviews of the Regional Plans and Policy Statement. These policy documents set out the environmental matters that must be given priority. Regional Policy and Plans set the balance between enabling economic development and ensuring environmental protection.

- Council's contribution toward achieving the Environmental Outcome involves achieving the objectives in all of Council's RMA planning documents. The Regional Plans for Air, Water, Coast, Discharges to Land and Land & Riverbeds have all been through a rigorous public consultation process and reflect West Coast community desires.
- Resource Consent processes help to ensure environmental matters are given due consideration by setting appropriate conditions on resource use, in accordance with the policies set by council Plans. Compliance monitoring work ensures the conditions set are adhered to.
- Spill response teams help to ensure accidental spills are cleaned up promptly before major environmental damage occurs.
- Control of pest plants also contributes to the environmental outcome.

**Health:** *Healthy communities with access to quality facilities and services.*

- The summer contact recreation sampling assists with the health outcome by ensuring swimmers know of sites that are of higher risk of bacterial contamination.
- The air quality monitoring is expected to assist with respiratory health, over time.
- Our transport disadvantaged receive taxi subsidies to enable better mobility.

**Identity:** *A "happening" region with a strong community spirit and distinctive lifestyle.*

- The Waste Working Group focus on tourism waste aims to keep our roadsides clear of litter and other waste to help maintain the West Coast clean and green identity.
- Our democratic Council processes help to facilitate community input into all aspects of our work; and elected Councillors ensure the 'flavour' of the West Coast is always considered during decision making and policymaking.

**Safety:** *A region that is a safe place to live.*

- Regional Transport road safety work assists with community road safety.
- The Council's flood warning service and the flood protection works assist with community safety in areas covered by those services, during flood events.
- Civil defence work also assists with regional co-ordination of community safety if there is a major emergency event.
- Resource consents sometimes include conditions set for public safety and spill response work and consent compliance also partially address safety issues.

### **How the Council will Work with Others**

The Regional Council will work with other local and regional organisations, Maori, central government and non –government organisations and the private sector in furthering community outcomes. For the Outcomes that the Regional Council directly contributes to, Council will continue to use the following methods to work with others:

- Processes prescribed under legislation, for example, the Resource Management, Biosecurity, and Transport Acts for consultation on Plan development, and good practice procedures;
- Public submission and hearing processes;
- Liaison, for example, on consent processing and compliance work;
- Participation in joint working groups and committees;
- Encourage participation by Iwi in Committee meetings and other processes e.g. resource consents;
- Responding to enquiries, environmental incidents and complaints;
- Field days, site visits, workshops, networks, training and seminars.

The Council is not always the lead agency for a particular community outcome. It is the lead agency largely responsible for action in promoting the sustainable use, development and protection of our natural and physical resources. In these areas the Council's involvement is wide, which requires it to work with many stakeholders in a number of different ways, for example, as a regulator, funder and educator. In other areas its role may be one of advocating or supporting. In consulting and working with the community the Council will apply the consultation, planning and decision-making provisions of the Local Government Act 2002 and other statutes that it works under.

## **How we will Monitor and Report on the Community Outcomes**

The Local Government Act requires us to report at minimum once every three years on progress made by the community on achieving community outcomes.

In the interests of efficiency and integration, all four West Coast Councils are jointly preparing a report on measurement of progress toward achievement of community outcomes. This report will be updated on a 3-yearly basis, and includes input from other relevant agencies. A set of indicators has been developed jointly, at this stage these include:

- Economy: amount collected in GST; number of businesses; employment statistics.
- Environment: visitor appreciation; access; water quality; roadside waste; waste education.
- Health: Life expectancy; access to services; providers per capita; air quality; potable water.
- Identity: community events; community facilities; heritages sites; tourism measures.
- Education: level of qualification; access; number of institutions; early childhood centres; number of apprenticeships.
- Safety: crime rate; youth offending; vehicle accidents; improved safety in public places; civil defence preparedness; identification of hazard areas.

This report is expected to be released prior to July 2009.

## **How can the Public Monitor our Outputs?**

In addition to reporting on the high level Community Outcomes, The Council measures its own performance against the targets set in this LTCCP on a 4 monthly basis and the results are reported in public at the relevant Council meeting. Any member of the public is welcome to attend the Council meetings where elected members have input into the programmes staff deliver. These 4-monthly reports on progress in achieving the LTCCP targets are the main way members of the public can keep track of the commitments made by Council to fund and deliver on the targets in this LTCCP.

The Council also produces an annual report that includes a summary of all targets and their achievement and this report is audited by Audit NZ and made available on the Council website. The public can therefore keep track of progress on LTCCP targets during the year, by requesting the 4 and 8 month reports, or attending the relevant council meeting where these reports are presented, or wait for the audited 12 month report which can be viewed on the website ([www.wcrc.govt.nz](http://www.wcrc.govt.nz)).

Council also undertakes monitoring of water quality, water levels and air quality, at key locations. The Council prepares 'State of the Environment' reports which are available on the Council website. These reports aim to identify trends in environmental quality, which can be an indicator of how well the environmental programmes of the Council are delivering an improved environmental outcome.

Council must follow the RMA consultative processes for our Regional Plans and Regional Policy Statement, and the Biosecurity Act process for the Pest Plant Strategy. For these policy documents there are regular effectiveness and efficiency reviews (5 yearly) and the reports on those reviews are presented in public meeting and are available on our website. Every 10 years, each RMA document is publicly notified and any person may make a submission suggesting amendments to the document (5 yearly for the pest plant strategy). This is another avenue for public input.

Finally, members of the public are encouraged to make submissions on the LTCCP and make suggestions about programmes they feel Council should (or should not) be funding in order to meet the our Regional Plan objectives and our community outcomes.

## **Relationship to Key Strategic Planning Documents and Processes**

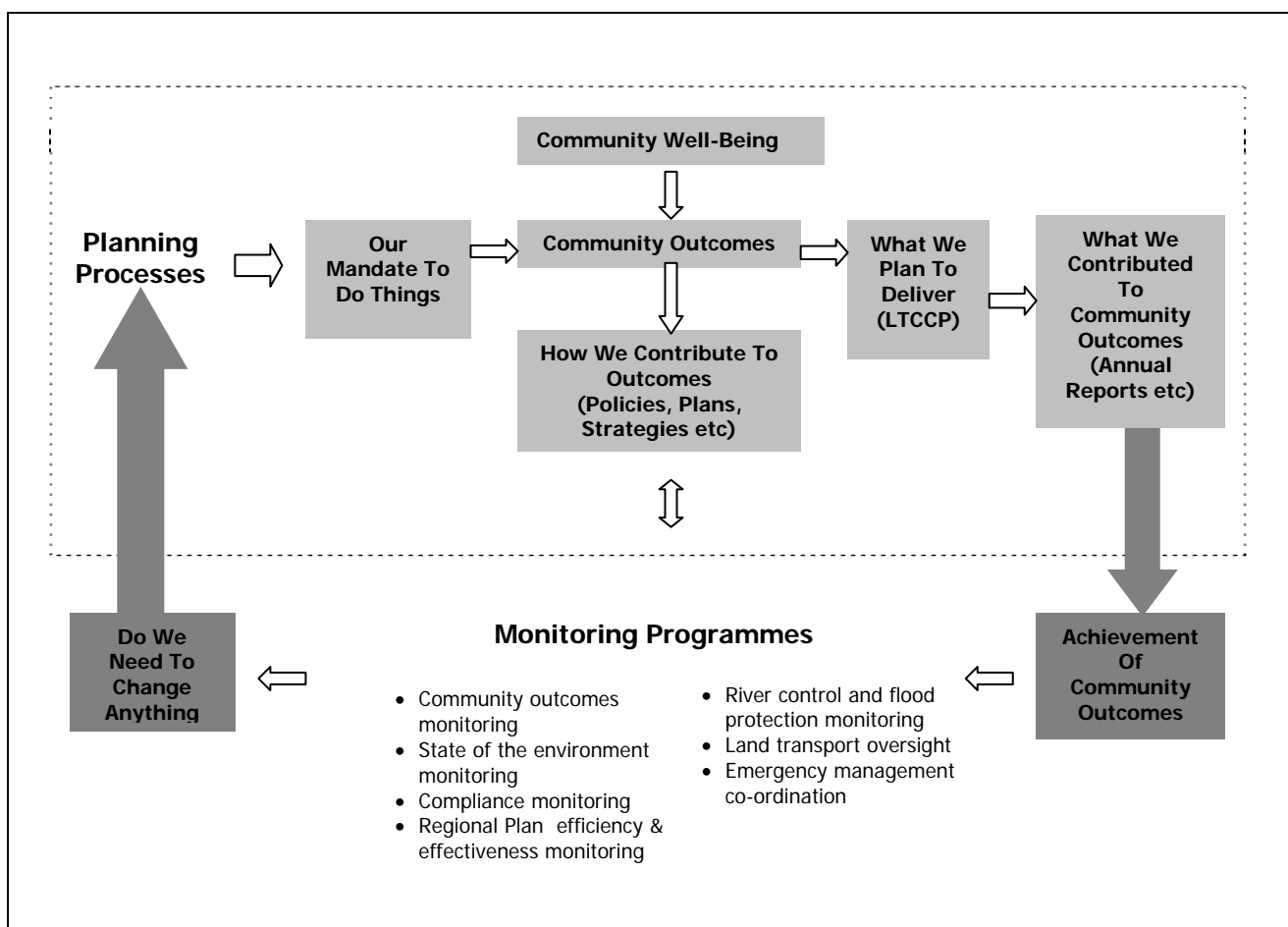
The Council has a number of key strategic documents in place that govern many of its activities. These relate to and will assist in working towards the achievement of Community Outcomes. All of the documents can be found on the Council website at [www.wcrc.govt.nz](http://www.wcrc.govt.nz). The documents include:



- West Coast Regional Policy Statement 2000
- Regional Coastal Plan for the West Coast 2001
- Regional Plan for Discharges to Land 2002
- Regional Air Quality Plan 2002
- Proposed Land and Riverbed Management Plan 2004 (latest version June 2007)
- Proposed Water Management Plan 2004 (latest version June 2007)
- Regional Pest Plant Management Strategy for the West Coast 2005
- West Coast Regional Waste Strategy 2004
- West Coast Regional Land Transport Strategy
- Civil Defence Emergency Management Plan 2005
- West Coast Tier 2 Oil Spill Response Plan
- State of the Environment monitoring reports for Air, Water Quality and Water Quantity
- Asset Management Plans for Rating District flood protection and drainage schemes.
- Quarry Management Plans

### Working together to achieve community outcomes

This diagram depicts how the Council depends on community feedback (on the lefthand side) to let us know if things need changing in order to better achieve the outcomes the community wish to see delivered. The monitoring programmes listed at the bottom represent some of the information that can be used by the public to assess whether existing programmes are enough, or whether more work is needed.



**PART 3 – GROUPS OF ACTIVITIES CONTRIBUTING TO THE  
COMMUNITY OUTCOMES**

## **Groups of Activities**

### **Introduction**

For the purpose of this LTCCP the Council has arranged its business into groups of activities as follows:

- Governance
- Consents and Compliance
- Planning Processes
- Environmental Monitoring
- Emergency Management
- River, Drainage and Coastal Protection Work
- Vector Control Services Business Unit

For each group of activities information is presented to:

- Identify the activities within the group of activities
- Describe why the Council carries out these activities
- Outline any significant negative effects that any activity may have on the social, economic, environmental, or cultural well-being of the local community
- Identify any significant assets that the group of activities needs to carry out its work
- Explain the background to the levels of service and performance measures
- List levels of service and performance measures.

With respect to asset management, only flood warning services and river, drainage and coastal protection work have significant assets requiring comment. Schedule 10 of the Local Government Act specifies what information needs to be provided about these assets.

### **Performance Measures**

Performance measures, by which performance may be judged in relation to objectives, are included in each programme. These apply to each of the ten years of the LTCCP, unless otherwise indicated.

How the Council will contribute to the community outcomes that have been identified for the West Coast Region has been presented earlier in this LTCCP. (See pages 16 - 20).

The way in which the Council will monitor and report on the results of its activities has also been outlined earlier in this Plan and is shown diagrammatically on page 20.

There are two broad levels of performance measures by which the Council's performance may be judged in relation to the outcomes and objectives set out in this plan. The first level of measures is included in this plan under each group of activities. These measures focus on the tasks to be performed over the programme period. The second more detailed level of measures by which the performance of the Council can be assessed is contained in the Regional Plans.

The statutory documents contain detailed objectives and policies. For example, the Regional Policy Statement identifies all significant resource management issues for the region. These documents are prepared and adopted following extensive public consultation.

### **Asset Management**

For each group of activities, the Council is required to identify the assets or groups of assets required by the group of activities and identify, in relation to those assets or groups of assets:

- How the local authority will assess and manage the asset management implications of changes to:
  - a) Demand for, or consumption of, relevant services.

- b) Service provision levels and standards.
- What additional asset capacity is estimated to be required?
  - How the provision of additional asset capacity will be undertaken.
  - The estimated costs of the provision of additional asset capacity.
  - How the costs of the provision of addition asset capacity will be met.
  - How the maintenance, renewal, and replacement of assets will be undertaken.
  - How the costs of the maintenance, renewal, and replacement of assets will be met.

All groups of activities utilise the day-to-day operational assets of the Council (buildings, motor vehicles, plant and equipment, office furniture and computer equipment). Other than for flood and coastal protection, no assets of significance (as defined in the Significance Policy) or infrastructure assets are used.

The Council maintains sufficient operational assets to undertake its activities. The operational assets are maintained to sufficient service levels to enable staff to complete their duties efficiently and effectively. All maintenance budgets are included in the operational expenses of the Council.

All operational assets are depreciated over their useful life. Replacement and new operational assets are funded from depreciation. Any significant increase in operational assets that could not be funded from retained earnings would be funded by application of the Council's Revenue and Financing Policy (no such expenditure is planned or provided for in this Plan).

Asset Management Plans have been prepared and are regularly reviewed and updated for all of Council's significant river, drainage and coastal protection infrastructure assets.

### **Climate Change**

The Ministry for the Environment's report: "Preparing for Climate Change: A guide for local government in New Zealand" (2008) predicts that changes in temperature and rainfall, along with other climate changes, are likely to lead to positive and negative impacts across the country over the next 30-80 years. It is uncertain exactly what climate change will mean for the West Coast. Scientific modeling suggests that it could potentially mean, amongst other things, more severe and frequent rainfall events, floods, and landslides.

There is considerable uncertainty about the actual effects of climate change over the life of this ten year LTCCP. The effects are likely to be over a longer time frame. At this stage we consider there is insufficient justification to allocate large amounts of funds to climate change adaptation or mitigation projects in this LTCCP. Council will take a watching brief on climate change information and any trends and impacts that are identified. We will also take a flexible approach if any assessment of climate change effects shows that action needs to be taken in response to changes over time. Section 7 of the Resource Management Act 1991 requires local authorities to have particular regard to the effects of climate change. This will be considered, along with other matters, in policy and plan development and review, when planning, or preparing mitigation for flood hazards and also when processing resource consents. Council has the view that coastline changes due to climate change are a national issue rather than a region by region issue as the sea level rise occurs uniformly across all of NZ.

The question of what trigger level causes us to begin to address adaptation to sea level rise is an issue that should properly be addressed by the Government in a National Guideline document.

## 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.

### The Community Outcomes to which the Group of Activities primarily contributes

- Economy - A thriving, resilient and innovative economy creating opportunities for growth and employment.
- Environment - The distinctive character of the environment is appreciated and retained.
- Identity - A “happening” region with a strong community spirit and distinctive lifestyle.

No significant adverse effects of these activities on the community have been identified.

The Governance group of activities does not utilise significant assets in the delivery of services.

### Why we do Governance

Governance activities of the Council are carried out under the Local Government Act 2002, the Resource Management Act, 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, the Regional Animal Health Committee and the Waste Management Working Group. Councillors also act as commissioners from time to time on resource consent and Regional 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 appointed 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 forwards new resource consent application information to the Runanga regularly, and have also assisted both Runanga in developing Iwi management plans.

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

Levels of Service	Measure	Performance Targets
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 80% attendance by all Councillors.
	Compliance with statutory timeframes	Prepare and notify the Council's Annual Plan or LTCCP by 31 May each year in accordance with the procedures outlined in the Local Government Act 2002.
	Compliance with statutory timeframes	Prepare and notify the Council's Annual Report by 31 October each year in accordance with the procedures outlined in the Local Government Act 2002.
	Timing and number of newsletters	Publish an informative Council newsletter twice a year to be circulated to all ratepayers, with their rate demand, in March and September.
	Website is kept up to date	Maintain the Council website up-to-date at all times, as the Council's primary information transfer point and an information resource for the community.
	Compliance with statutory timeframes	Prepare, with the region's District Councils, a three yearly report measuring progress with achieving community outcomes; and review community outcomes 6 yearly as required by legislation.
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 Makawhio and Ngati Waewae representatives as appointees to the Council's resource management committee, to enable Maori participation in resource management decision-making.

**Indicative Costs & Sources of Funds**

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
354189	Governance	356869	364800	376479	386122	395954	404570	414168	425415	436700	448497
63666	Community Consultation	27134	31681	33149	34082	35185	35937	36831	38065	39220	40398
<b>417855</b>	<b>Total Operating Expenditure</b>	<b>384003</b>	<b>396481</b>	<b>409628</b>	<b>420204</b>	<b>431139</b>	<b>440507</b>	<b>450999</b>	<b>463480</b>	<b>475920</b>	<b>488895</b>
<b>Funding</b>											
	User Charges										
	Subsidies										
	Targeted Rates										
417855	General Funds	384003	396481	409628	420204	431139	440507	450999	463480	475920	488895
<b>417855</b>	<b>Total Funding</b>	<b>384003</b>	<b>396481</b>	<b>409628</b>	<b>420204</b>	<b>431139</b>	<b>440507</b>	<b>450999</b>	<b>463480</b>	<b>475920</b>	<b>488895</b>

## Consents & Compliance

### Activities within this group

- Resource Consent Processing
- Consent Enquiries
- Compliance Monitoring
  - Incident Complaints
  - Enforcement
  - Hazardous substance spill response

### Community Outcome to which the group of activities primarily contributes

- Environment - The distinctive character of the environment is appreciated and retained.
- Safety - A region that is a safe place to live.

No significant adverse effects of these activities have been identified.

The Consents and Compliance group of activities does not utilise significant assets in the delivery of services. A terrestrial hazardous substance spill response trailer does not require a management statement in the LTCCP as per Schedule 10 (2) (d) of the Local Government Act.

### Why we do Consents and Compliance

Resource consents are required under the Resource Management Act 1991 (RMA) to allow activities that are otherwise restricted by the RMA. Staff process applications for water, coastal and discharge permits and land use consents, in accordance with the processes and timeframes set out in the RMA. The Consents team processes over 500 individual resource consents each year, on average. This level of demand is not expected to change significantly over the next ten year period.

Resource consents and mining licences are monitored to ensure compliance with their conditions and to determine their effects on the environment as required by the Crown Minerals Act and the RMA. Compliance monitoring and enforcement is a critical element of resource management and one that underpins the integrity of the regional plans and consents issued under them.

Incident complaints received in relation to potential consent non-compliance, or breaches of

the RMA or Council's regional rules are recorded and responded to.

The level of activity for this group may fluctuate from year to year depending on the level of economic activity, number, scale and complexity of large consent applications, implementation, review and development of regional plans, and other factors such as staffing changes and level of staff experience. It is anticipated that the workload over the coming ten years will continue, at present levels.



Levels of Service	Measure	Performance Targets
To process all applications for resource consents efficiently and effectively in accordance with the process and timeframes in the Resource Management Act 1991 and the Ministry for the Environment Best Practice Guidelines.	Percentage of total consents processed within statutory timeframes (92.4% of consents in the 07/08 year)	Process at least 95% <sup>1</sup> of non-notified resource consent applications within the statutory timeframes
	Number of section 92 additional information requests per year (25 requests were made in the 07/08 year)	Work with consent applicants to seek to reduce the need for formal requests for further information under Section 92 of the RMA
	Timing of report preparation for notified consents	Complete staff reports for all notified consent applications within 10 working days of receipt of all required information
	Timing of responses to enquiries	Respond to enquiries on resource consent processes and requirements within 10 working days
Process mining work programmes efficiently and ensure mining bonds are set to address all significant mining risks so as to reduce the risk of any costs to Council; and to manage bond releases efficiently	Percentage of mining work programmes processed within a set timeframe (over 90% achieved in the 2007/2008 year)	Process at least 95% of mining work programmes <sup>2</sup> within 20 working days of receipt
	Percentage of bond releases processed within a set timeframe (100% achieved in the 2007/2008 year).	Release 100% of bonds within four months of the surrender, forfeiture or expiry of the corresponding mining licence or permit, provided that rehabilitation requirements have been met
	Meeting 2011 deadline set for bond reviews.	Review bond levels for all large-scale mines <sup>3</sup> by 2011 and set new bond levels to better reflect the environmental effects/risks of those mines.

<sup>1</sup> A 100% target is not considered to be realistically achievable given the Council operates a small team of consents officers and the workload is highly variable. Spillover work can often be allocated to consultants, but this is not cost or time effective in the case of minor consents.

<sup>2</sup> This target assumes the work programme is submitted with all necessary information provided.

<sup>3</sup> Large Scale in this case means with a current bond exceeding \$100,000.

Levels of Service	Measure	Performance Targets
Monitor all major resource consent and mining licences for compliance, provide advice to resource users and, where necessary, take enforcement action on resource consents and mining licences.	Number (proportion) of mine site inspections (over 200 mine site visits occurred in the 07/08 year)	Inspect every consent and/or mining licence for operating mining activities at least once annually, and where problems are identified follow up to ensure compliance is achieved and/or environmental effects are reduced.
	Number (proportion) of site inspections	Inspect all new consents that involve major <sup>4</sup> construction works after completion of those works, and follow up to ensure compliance is achieved.
	Number (proportion) of site inspections	Inspect all consents for whitebait stands at least once every two years to check consent compliance and ensure that any environmental effects are no more than minor.
	Number (proportion) of site inspections (over 150 dairy shed visits occurred in the 07/08 year out of a total of approximately 400)	Inspect every dairy shed effluent discharge at least once every three years, depending on compliance, and work with farmers so that consent compliance is achieved and environmental effects are managed.
	Regularity and number of site inspections	Assess farm compliance in the Lake Brunner catchment annually, in recognition of the need for stricter environmental management in this sensitive lake catchment, and follow up to ensure compliance is achieved.
Respond to complaints received by the Council and, if non-compliance with Council Plans, consent conditions or the Act are confirmed, to take action.	Number of complaints reported to Council (154 incident complaints were received in the 2007/2008 year)	Operate a 24-hour complaints service, responding to all complaints and report all complaints to the monthly Resource Management Committee.
	Number of notices issued (31 abatement notices and 13 infringement notices were issued in the 2007/2008 year)	Respond to breaches of the RMA, regional plan rules or resource consents by taking enforcement action through abatement notices, infringement notices or recommend prosecution in accordance with Council Enforcement Policy.

<sup>4</sup> Major, in this situation, means the project costs more than approx. \$200,000.

**Why we do Hazardous Substance Spill Response**

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. This Act requires Council to undertake certain activities regarding training and equipment maintenance. Although there have been very few callouts for marine spills on the West Coast and this situation is expected to

continue, levels of service set for staff and equipment to be ready to respond are likely to stay the same.

The Resource Management Act gives regional councils functions for preventing or mitigating adverse environmental effects of the storage, use, disposal or transportation of hazardous substances. To implement this function, Compliance staff will respond to terrestrial hazardous substance spills and assist the

responsible party to clean up spills in order to minimise environmental impacts. It is anticipated that the number and scale of responses will continue around the same level as recent years. The level of spill response is based on an internal Contingency and Procedures Plan which is considered satisfactory, and is in keeping with best practice in other regions.

Levels of Service	Measure	Performance Targets
Respond to 100% of marine oil spills in West Coast coastal waters in accordance with the West Coast Tier 2 Oil Spill Response Plan and as agreed with Maritime New Zealand (MNZ) and maintain readiness for spill response.	Number of trained staff	Maintain a team of at least 25 Maritime NZ trained personnel at all times to deal with marine oil spills and terrestrial hazardous substance spills (There were 26 trained staff in 2008).
	Timing of responses	Respond within 4 hours to all terrestrial hazardous substance spills, and where necessary use Council or MNZ spill equipment to manage containment and clean up to minimise adverse environmental impacts.
	Regularity of spill equipment maintenance	Ensure response equipment is maintained quarterly to a level ready to respond to a Tier 2 marine oil spill response.
	Timing of Plan reviews	Contribute to four yearly reviews of the Tier 2 Marine Oil Spill Response Plan within statutory timeframes in 2009/10, and 2014/15, or as agreed with MNZ.
	Timing of Plan reviews	Review the Contingency and Procedure Plan for terrestrial hazardous substance spill responses in 2009/10 and 2014/15.

### Indicative Costs & Sources of Funds

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Consents &amp; Compliance</b>											
486118	Resource Consent Processing	484370	488721	507311	520913	535595	545977	558218	574339	710647	606798
171562	Consents Support	154220	152621	160358	165026	170643	173591	177402	183369	188643	194749
41755	Consents Review	34131	33719	35467	36506	37767	38413	39255	40591	41766	43130
57422	Consent Appeals	29095	37580	38800	39801	40818	41648	42591	43729	44853	46091
122042	Consent Enquiries	95464	94427	99245	102140	105632	107451	109809	110561	113762	117476
22236	Building Act – dams	14751	15136	15549	15934	16301	16648	17028	17448	17880	18348
38429	Whitebait Stand Compliance	39885	40249	42233	43452	44903	45689	46695	48241	49618	51206
241528	Compliance Monitoring	256920	261245	277503	289546	298307	303605	310254	317903	326379	336617
108189	Compliance Monitoring Support	133606	129966	137570	142702	147511	150077	153376	158494	163034	168280
37778	Compliance Enquiries	46094	45962	48789	50677	52427	53324	54492	56348	57979	59872
37439	Mining Licence Compliance	37513	37786	39990	41583	42921	43691	44657	46091	47387	48872
32040	Mining Licence Support	31498	32173	34594	36498	37691	38361	39207	40483	41628	42945
24340	Dairy Farm Monitoring	75453	76911	80703	83032	85805	87307	89228	92183	94814	97849
131768	Complaints	124553	124937	131688	136386	140774	143300	146468	151172	155419	160289
41004	Enforcement Appeals	55939	56544	59354	61445	63289	64474	65911	67912	69767	71869
69128	Oil Spill Response	73076	74904	77068	80208	82112	83836	84490	86611	88772	92503
<b>1662778</b>	<b>Total Operating Expenditure</b>	<b>1686568</b>	<b>1702881</b>	<b>1786222</b>	<b>1845849</b>	<b>1902496</b>	<b>1937392</b>	<b>1979081</b>	<b>2035475</b>	<b>2212348</b>	<b>2156894</b>
<b>Funding</b>											
915500	User Charges	976191	1007700	1031900	1056000	1079200	1103300	1127500	1153700	1333900	1212000
747278	General Funds	710377	695181	754322	789849	823296	834092	851581	881775	878448	944894
<b>1662778</b>	<b>Total Funding</b>	<b>1686568</b>	<b>1702881</b>	<b>1786222</b>	<b>1845849</b>	<b>1902496</b>	<b>1937392</b>	<b>1979081</b>	<b>2035475</b>	<b>2212348</b>	<b>2156894</b>

## Planning Processes

### Activities within this group

- a) Environmental Planning
  - Development of Regional Policies & Plans
  - Plan Implementation, Monitoring, and Review
  - Policy Analysis and Response
- b) Regional Transport Planning

### Community Outcomes to which the group of activities primarily contribute

The Environmental Planning group of activities contributes to the Environment and Economic outcomes by efficiently managing the sustainable use, development and protection of the Region's land, soil, water, air, coast, and biodiversity resources and reducing resource user's transaction costs wherever possible.

Transport activities contribute to the Economic and Safety outcomes by promoting development of a safe transport system that promotes personal safety and security while also assisting economic development by ensuring efficient and reliable transport routes for goods and services.

No significant adverse effects of these activities on the community have been identified.

The Planning Processes group of activities does not utilise significant assets in the delivery of services.

### Why we do Environmental Planning

The Resource Management Act 1991 (RMA) requires regional councils to have a Regional Policy Statement and a Regional Coastal Plan. In order to provide certainty for people in how the Act is to be applied the Council has also prepared regional plans to manage the effects of activities on air, water, land and the coastal marine area in a consistent and integrated manner.

The purpose of these plans is to practically apply the RMA to sustainably manage the region's resources. Therefore the plans permit 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 effects. Regional plans include non-regulatory methods to help achieve the plans' objectives and policies. These methods are used to promote good practice and changes in behaviour, and to keep the community informed about Council's activities and emerging environmental issues.

All members of the public have the opportunity to make submissions on RMA plans when they are publicly notified and this ensures the objectives and policies we set for our environment are a true reflection of the communities' desires and an appropriate balance between the need for a healthy economy and the need for a healthy environment. Wherever possible we strive to

provide for both outcomes but very often there has to be a trade-off.

The Biosecurity Act provides for regional councils to have a Pest Management Strategy. The Council has adopted a Regional Pest Plant Management Strategy to take a strategic and prioritised approach to managing pest plants in the region.

The Council makes submissions, comments and responses to other resource management documents where these may affect the West Coast. This is a key role in ensuring that the regional community is represented in other processes.

Levels of Service	Measure	Performance Targets
Complete work on the current set of regional plans and increase their user friendliness by combining the three plans that administer land and freshwater environments.	Timing of consultation commencing and notification of Variation	Commence landowner consultation on a second Variation to the Land & Riverbed Management Plan relating to Significant Wetlands and notify the Variation by December 2009.
		Commence consultation on the Variation merging of the Land and Riverbed, Water, and Discharge to Land Plans by December 2009 and notify by December 2010.
Monitor and review all regional plans and strategies within statutory timeframes and report publicly on their efficiency and effectiveness	Timing of commencing review	Commence a full review of the Regional Policy Statement by February 2010
		Commence a full review of the Pest Plant management Strategy by August 2010
		Commence a full review of the Regional Coastal Plan by February 2011
		Commence a full review of the Discharge to Land Plan by April 2012 <sup>5</sup>
	Timing of report release	Commence a full review of the Regional Air Quality Plan by July 2012
Ensure resource users are made aware of requirements under the RMA and promote Environmental Best Practice	Release of best practice information	Prepare and disseminate information for resource users on rules, and best practice, as detailed in the annual communications programme.
Respond to other's environmental policy documents where these may affect the West Coast, and assist community understanding about the RMA and Council's roles and functions	Number of submissions made to other agencies	Investigate and respond where appropriate to central government policies or plans that may impact on West Coast interests, within required timeframes, and provide ongoing policy advice to Council as and when needed.

<sup>5</sup> This review will not be necessary if the plan merger proceeds as planned.

### Why we do 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 have a Regional Transport Committee, with wide representative membership

(including local authorities, funding agencies and other transport stakeholders such as walking and cycling interests and disabled) who then prepare a Regional Land Transport Strategy (RLTS). The Committee also prepare an annual Land Transport Programme to implement the RLTS, and an annual report on implementation of the RLTS.

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.

Levels of Service	Measure	Performance Targets
Maintain a Regional Land Transport Strategy (RLTS) that delivers efficient and effective management of Council's transport functions in compliance with relevant legislation and acceptable to West Coast community and stakeholder direction.	Number of public meetings held	Facilitate at least two public Regional Transport Committee meetings per year and arrange working group meetings as requested by the Committee.
	Timing of Strategy review (the current RLTS was approved in 2006).	Complete a review of the RLTS within the timeframe set under Transport legislation, to a standard acceptable to the Regional Transport Committee
	Timing of submitting Programme	Prepare and submit, by 30 June of 2012, 2015 and 2018, a triennial programme to secure funding for West Coast transport projects that meets NZTA guidelines.
	Timing of Report preparation	Prepare a triennial report on the implementation of the Regional Land Transport Strategy to meet deadlines set in the legislation.
	Number of road safety meetings hosted and description of projects delivered	Participate, with the three district councils, NZ Police, and others in the West Coast Road Safety Co-ordinating Committee.
Continue to fund the Total Mobility Programme according to New Zealand Transport Agency (NZTA) requirements	User satisfaction (100% of users rated the overall service as good, very good or excellent in the 2007/2008 year).	Implement the total mobility programme where taxi services exist, ensuring at least 90% of users rate the overall service and value for money as good, very good or excellent

### Indicative Costs & Sources of Funds

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Planning Processes</b>											
19327	Regional Policy Statement	48981	75352	44662	40609	42001	42687	46127	61255	60637	47786
37251	Land & Riverbed mgmt Plan	20943	10545	0	0	0	0	0	0	0	0
0	Air Quality Plan	0	0	20709	17637	0	0	0	0	0	0
115613	Water Mgmt Plan	73735	99297	52970	46103	52610	53470	53240	48800	50135	59857
1940	Oil Spill Plan	0	0	0	0	0	0	0	0	0	0
1078	Pest Mgmt Strategy	4019	4003	1135	1170	1210	4537	4627	1296	1332	1377
52609	Responses	42210	41708	39350	40577	46887	47656	48571	50208	47571	53337
13378	Regional Coastal Plan	33948	52979	31837	3916	4051	4117	20235	4338	30549	4609
46964	Plan Implementation	42127	41921	51924	55837	57649	56174	57279	59130	60721	65472
39750	Public Enquiries	38305	37830	39895	41143	42553	43248	44075	45567	46814	48414
8794	Biological Controls	8694	8852	9145	9386	9623	9817	10030	10296	10555	10850
28281	Waste Management	26432	27448	25455	29608	30538	31074	31694	32693	33564	34646
14568	Pest Strategy Implementation	11869	12003	12456	12798	13147	13401	13684	14070	14430	14854
18752	Total Mobility Admin.	17099	22288	23506	24241	25071	25481	25968	26847	23574	28525
66060	Total Mobility	65750	67920	69482	71149	72644	74241	75949	77696	79561	81550
34787	Regional Land Transport Admin.	65998	46827	74923	76722	90952	81211	79172	84972	83092	90281
4611	Passenger Transport Admin.	8426	8344	8784	10225	10568	10744	9698	9784	10050	11767
76821	Safety Programme	81418	90920	94965	99511	101917	104018	105561	109037	107733	114784
<b>580584</b>	<b>Total Operating Expenditure</b>	<b>589954</b>	<b>648237</b>	<b>601198</b>	<b>580632</b>	<b>601421</b>	<b>601876</b>	<b>625910</b>	<b>635989</b>	<b>660318</b>	<b>668109</b>
<b>Funding</b>											
2122	User Charges	0	0	0	0	0	0	0	0	0	0
115500	Subsidies	169350	156600	159700	140900	165000	167000	148000	172000	174000	157000
462962	General Funds	420604	491637	441498	439732	436421	434876	477910	463989	486318	511109
<b>580584</b>	<b>Total Funding</b>	<b>589954</b>	<b>648237</b>	<b>601198</b>	<b>580632</b>	<b>601421</b>	<b>601876</b>	<b>625910</b>	<b>635989</b>	<b>660318</b>	<b>668109</b>



## Environmental Monitoring

### Activities within this group

- Flood warning & Hydrology
- Surface water and groundwater quality monitoring and groundwater level monitoring
- Air quality monitoring
- Sites associated with hazardous substances

### Community Outcome to which the Group of Activities primarily contributes

The Environmental Monitoring activities contribute to the Environment and Health Outcomes by tracking changes in the state of our regional environment and identifying changes in environmental quality which may affect public health.

Hydrology and Flood warning activities contribute to the Safety Outcome by providing information to communities that enables them to assess risk of flood events, so appropriate action can be taken. No significant adverse effects of these activities have been identified.

### Assets for Activities

- 12 hydrometric sites owned by the Regional Council. These are located in-river with equipment to record and send river level data to the Council office in Paroa. The on-site equipment is attached to concrete piles secured on the riverbanks. A further 7 sites are jointly owned by the Regional Council and NIWA.

- Four repeaters and four link radios are located on hill or mountain tops to transmit the hydrometric information to the server at the Council office.
- Assets for water quality include three data sondes, a microscope and other minor equipment for sampling.

### How Council manages changes in demand

In terms of flood warning, there is limited potential for increased 'demand' for more hydrometric sites and equipment due to the geographic distribution of population centres in the region. Decisions on extra assets would take into account factors such as need, cost, accessibility, and whether there are clear communications to the site. The service provided is not an asset that is affected by consumption. For water quality there are no anticipated changes in demand. Water quality information requires a long term record for any significant value to be gained from sampling.

### Will new infrastructure be required?

Whether additional hydrometric sites are required will depend to some extent on scale and location of flood events, how people and property are affected, and level of damage that occurs. However, it is not anticipated that significant additional asset capacity is needed in the near future.

### How development and maintenance is funded

Flood warning assets are financed through the capital expenditure budget and funded by depreciation. The Council is part way through an upgrade of data loggers and radios. This will be completed in 2010.

### Why we do Environmental Monitoring

To meet section 35 RMA, Regional Councils must monitor the state of the environment. State of the Environment Monitoring records trends in environmental quality and can also 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. This includes monitoring water levels in rivers particularly where flooding threatens communities. In those rivers we operate a rostered flood warning system to give early warning to affected people of rising river levels, in accordance with the flood warning manual.

On the West Coast, the focus on monitoring water resources reflects the Region's climate, topography and land uses. Water quality monitoring can ensure water resources, including coastal sites, are of a suitable standard for a particular use or value. Water quality is also an

indicator of what is happening within a catchment, and identifying trends can assist Council to better target environmental management actions. The Envirolink scheme aims to transfer science knowledge from Crown Research Institutes to smaller regional councils. The Council assists (with other regional councils) with funding the Envirolink co-ordinator, and the Council's CEO is currently chair of the Envirolink governance board.

The 2008 State of the Environment Report showed significant improving trends in water

clarity and bacterial water quality when data was combined across the region as a whole. There have also been fewer guideline exceedances at the twenty sites monitored for contact recreation during summer months. In terms of nutrients, ammoniacal nitrogen, which is toxic to fish, is improving; but nitrate and phosphate levels in the main rivers have increased (though they are still relatively low and well below guideline levels). Lake Brunner water clarity is still declining however, and nutrient levels in the lake continue their upward trend.

Potentially contaminated sites have potentially significant adverse effects. The Regional Council's role is to maintain a database of sites for the region and supply that information to the District Councils for LIMS. Air quality monitoring is required under the new national air quality standards where the national standards are exceeded. Reefton has the poorest air quality of any large town on the West Coast and is therefore the highest priority for monitoring.

Levels of Service	Measure	Performance Targets
Deliver environmental monitoring programmes that provide accurate & reliable information for public use and for assisting decision making on Council's plans, policies, consents and compliance work	Completion of sampling and timing of publishing reports (the current surface water quality report was published in 2008)	Complete all regular water sampling programmes and prepare State of the Environment reports for surface water quality by June 2011, June 2014 and June 2017; plus an annual Lake Brunner summary report every December, for Council's web site.
	Timing of publishing reports (The latest groundwater report was published in 2005).	Complete all regular water sampling programmes and prepare reports on groundwater quality and quantity in 2009, 2012, 2015, and 2018 for Council's web site.
	Regular reporting to Council	Report monthly summer contact recreation results to Council, and to media, and complete any follow-up investigations required by Council as they arise.
	Regular reporting to Council	Continue wintertime ambient air quality monitoring in Reefton and provide monthly summary reports to Council during winter months.
Ensure information about sites affected by hazardous substances is available to potential land buyers, and facilitate investigations and clean up activities.	Number of funding applications	Maintain the 'Sites Associated with Hazardous Substances' (SAHS) database, ensure District Councils and land buyers have access to up to date information and assist landowners to securing external funding to investigate or remediate high priority SAHS sites, where landowners are interested and funding is available.

Levels of Service	Measure	Performance Targets
Continue to provide flood warnings in accordance with the flood warning procedure manual to assist communities to assess risk of impending floods, for the five rivers (Karamea, Buller, Grey, Hokitika, Waiho) that might flood our larger urban communities.	Availability of information about high flow events and the staff response to those.	Provide a continuous flood monitoring service for the five rivers monitored and respond in accordance with the flood-warning manual and ensure real time data on river levels is available on the Council website and Info line (data is updated 12 hourly, and during floods 3 hourly at least).
	Timing of flood manual review	Review the flood-warning manual annually and liaise with work groups as required.
	Timing of published reports	Publish on Council web site a Hydrometric and Meteorological Data Summary Report by December 2011, with a subsequent report completed after another five years (the latest Climate and Surface Water Quantity State of the Environment report was published in 2005).

### Indicative Costs & Sources of Funds

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Environmental Monitoring</b>											
299615	Hydrology	356612	362838	384254	397318	396150	406375	405326	410247	419636	431174
42241	Ground Water Monitoring	22656	22752	34291	24401	25118	36872	26106	26886	39689	28439
327345	Surface Water Quality Monitoring	316635	303976	317765	328363	333165	339864	355290	358676	367573	380275
23488	Contaminated Sites	14667	14531	15291	15762	16288	16560	16881	17440	17913	18515
24858	Air Quality Monitoring	26593	26559	27252	22325	21701	22039	22442	23061	23627	24321
<b>717547</b>	<b>Total Operating Expenditure</b>	<b>737163</b>	<b>730656</b>	<b>778853</b>	<b>788169</b>	<b>792422</b>	<b>821710</b>	<b>826045</b>	<b>836310</b>	<b>868438</b>	<b>882724</b>
<b>Funding</b>											
User Charges											
717547	General Funds	737163	730656	778853	788169	792422	821710	826045	836310	868438	882724
<b>717547</b>	<b>Total Funding</b>	<b>737163</b>	<b>730656</b>	<b>778853</b>	<b>788169</b>	<b>792422</b>	<b>821710</b>	<b>826045</b>	<b>836310</b>	<b>868438</b>	<b>882724</b>
<b>Capital Expenditure</b>											
90000	Hydrology	70000	25825	36960	27050	27625	28200	28850	29525	30225	31000
15000	Data Sondes	20000	5165	5280	21640	5525	5640	23080	5905	6045	24800
	Automatic Water Sampler	18000	0	0	0	0	0	0	0	0	0
<b>105000</b>		<b>108000</b>	<b>30990</b>	<b>42240</b>	<b>48690</b>	<b>33150</b>	<b>33840</b>	<b>51930</b>	<b>35430</b>	<b>36270</b>	<b>55800</b>
<b>Funding</b>											
105000	Depreciation Funds	108000	30990	42240	48690	33150	33840	51930	35430	36270	55800
<b>105000</b>		<b>108000</b>	<b>30990</b>	<b>42240</b>	<b>48690</b>	<b>33150</b>	<b>33840</b>	<b>51930</b>	<b>35430</b>	<b>36270</b>	<b>55800</b>

## Emergency Management

**Community Outcome to which the group of activities primarily contributes**

The Civil Defence and Emergency Management activities contribute to the Safety Outcome by developing an emergency management system with readiness, response and recovery capabilities, to reduce the risk damage to people and properties from hazard events. Recovery after a major event assists in restoring economic activity.

No significant adverse effects of these activities on the community have been identified.

The Emergency Management group of activities does not utilise significant assets in the delivery of services.

**Why we do Emergency Management**

The Council is part of the Civil Defence Emergency Management (CDEM) Group, along with the region's District Councils. 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 Plan was prepared in 2005 and is due for review in 2010. The LTCCP levels of service and performance targets reflect only this Council's role in the CDEM work. District Council LTCCP's will have their own CDEM targets.

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 acceptable to West Coast community and stakeholder direction.	Timing of Plan review (current plan commenced in 2005)	Review the current CDEM Plan by April 2010, including input from the district councils and other agencies.
	Number of public information activities	Prepare and organise the distribution of public information linked to the development and release of the national public information programme.
Ensure Council staff are trained to respond during an emergency event in conjunction with district councils.	Headquarters is properly equipped	Maintain a ready-to-operate headquarters in preparation for potential emergencies, in accordance with the Group Plan and Group Controllers Guide.
	Number of trained staff (currently over 30 staff are properly trained)	Train at least 30 Council staff as EOC personnel so that we have three shifts of EOC staff trained and exercised in case of a regional emergency.

### Indicative Costs and Sources of Funds

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Emergency Management</b>											
77050	Civil Defence Response	89356	88559	95894	96390	96558	98228	97897	102014	99771	107950
49053	Natural Hazards	42256	42454	44253	45514	46846	47710	48693	50142	51451	53033
<b>126103</b>	<b>Total Operating Expenditure</b>	<b>131612</b>	<b>131013</b>	<b>140147</b>	<b>141904</b>	<b>143404</b>	<b>145938</b>	<b>146590</b>	<b>152156</b>	<b>151222</b>	<b>160983</b>
<b>Funding</b>											
0	Subsidies	10000	10000	11000	11000	11000	11000	12000	12000	12000	12000
25000	Targeted Rates	40000	41000	42000	43000	44000	45000	46000	47000	48000	50000
101103	General Funds	81612	80013	87147	87904	88404	89938	88590	93156	91222	98983
<b>126103</b>	<b>Total Funding</b>	<b>131612</b>	<b>131013</b>	<b>140147</b>	<b>141904</b>	<b>143404</b>	<b>145938</b>	<b>146590</b>	<b>152156</b>	<b>151222</b>	<b>160983</b>

## River, Drainage, and Coastal Protection Work

### Activities within this group

- Rating District management and administration
- Greymouth Floodwall structural maintenance rating
- Quarry management and administration

### Community Outcomes to which the group of activities primarily contributes

The River, Drainage and Coastal Protection Work activities contribute to the Safety and Economy Outcomes. Flood protection helps maintain public safety during flood events within protected areas. It also helps to protect residential and business properties, and productive land, from flooding, erosion, and sea inundation thereby enabling greater security of private investment in those areas.

No significant adverse effects of these activities on the community have been identified.

Communities do need to be aware that flood protection cannot guarantee protection from the very large flood events that will occur from time to time.

### Assets for Activities

The Regional Council presently owns and/or administers, 22 special rating districts at the following locations: Karamea, Kongahu (drainage

scheme), Punakaiki (sea protection), Twelve Mile (sea protection)<sup>6</sup>, Redjacks, Nelson Creek, Coal Creek, Greymouth<sup>7</sup>, Taramakau, Inchbonnie, Kaniere, Kowhitirangi, Vine Creek, Raft Creek (drainage scheme), Southside Hokitika, Wanganui, Waitangitona, Franz Josef, Lower Waiho, Matainui, Canavan's Knob and Okuru (sea protection).

There are currently two active community requests for new rating maintenance schemes: One at Whataroa (river) and one at Mohikinui (sea and river protection).

The Regional Council also currently owns and/or administers 11 rock quarries at the following locations: Miedema Rock Deposit (Karamea)<sup>8</sup>, Oparara (held in abeyance), Blackball, Cobden (being rehabilitated), Kiwi Point (land owned by Grey District Council), Inchbonnie, Camelback (Kowhitirangi), Taramakau (held in abeyance), Wanganui (Hari Hari), Whataroa, Okuru.

The Council owns a truck, compressor, and drilling rig for the purpose of winning rock from

the quarries to supply rating districts with rock for maintaining river and coastal protection works.

### How Council manages changes in demand for rating district or quarry assets

For existing Rating Districts, any change in level of service will be determined by the individual communities who pay the targeted rate. Decisions about changes in demand or changes in service levels are recorded in the minutes of these annual Rating Districts meetings. If requests for new works are received Council will evaluate what additional expenditure would be required and discuss it with the rating district that would be funding the increase in capacity. Council has oversight of these committees and will over-ride committee recommendations if Council feels those recommendations are unsustainable or inefficient.

The demand for rock from quarries is driven by the need to maintain or build new protection works. The future operation of the quarries by the Council will be determined by demand and their cost to operate. If there is insufficient demand then Council may not continue with its quarrying services.

### Will more rating districts or quarries be established?

It is hard to predict demand for new Rating Districts. Council is likely to be forming two new rating districts in the next 12 months and possibly

<sup>6</sup> The Twelve Mile rating district is administered on an inspection-only basis with owners individually responsible for maintenance.

<sup>7</sup> The Regional Council does not own the Greymouth Flood Wall but rates for its structural maintenance.

<sup>8</sup> Privately owned, but Council has a licence to take rock

further enquiries will be received in the medium term. Rating Districts will be established upon request if there is sufficient support from the affected ratepayers who respond when it is voted on. Communities must meet all costs themselves.

There generally appears to be sufficient rock in the existing quarries to supply the anticipated level of maintenance or additions to existing protection works in the existing Rating Districts, unless serious flooding or erosion events prompt a significant increase in requests for protection works. The Wanganui quarry is the one most likely to run out of rock in the near future and Council has been discussing the future of this quarry with the Wanganui Rating District, which is the main user.

**Who pays for development and maintenance?**

Protection infrastructure is financed and maintained by the individual communities by way

of targeted rates set on properties within defined geographical areas (rating districts). Council arranges and coordinates contracts for maintenance and new capital works as required.

It is proposed to borrow during the term of the LTCCP to help fund Rating District works. These loans will be repaid by the Separate Rating Area ratepayers:

- Greymouth Floodwalls Rating District \$1,700,000 (2009/10)
- Inchbonnie Rating District \$400,000 (2009/10)
- Lower Waiho Rating District \$1,000,000 (2010/11)
- Punakaiki Seawall Rating District \$600,000 (2018/19)

The cost of any additional quarries or maintenance of existing ones will be paid for either on a user pays basis, or based on quantities

of rock used, depending on who benefits from the work.

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**Why do we Administer Quarries?**

The Council manages quarries to ensure security of supply of rock for rating district protection works. This work has traditionally run at a small loss due to low and unpredictable volumes of rock sales. The ten year budgets are conservatively allowing for the loss trend to continue, although for the past two years the quarries have performed better than break-even.

Management plans have been prepared for each rock quarry. There is uncertainty about how the quarries will be developed as this is driven by demand for rock, therefore the performance targets focus on the *process* for managing the quarries.

Levels of Service	Measure	Performance Targets
	Delivery of each plan's action points, and timing of plan review	Oversee implementation of the quarry management plans, and review those plans by 2011.
Ensure efficient and effective management and operation of Council's quarries	Number of site inspections to monitor contractor health and safety performance	Monitor and review quarry contracts and permits and visit sites to ensure Health and Safety and other legal requirements are met.
	Timing of acting upon requests.	Obtain rock from quarries to facilitate river protection works within two weeks of any request, and at a cost in line with the relative operating cost of each quarry without subsidy from general rates.



### **Why do we administer 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 protection works for Rating Districts throughout the Region, participates on the Joint Greymouth Floodwall Committee, and rates for structural maintenance of the Greymouth Floodwall.

River cross-section studies and aerial photography of some riverbeds and coastal areas are carried out to monitor gravel build-up and changing patterns in river systems. This assists to identify what, if any, maintenance or additional protection is needed for Rating District works. This work will be done as needed depending on the urgency: for example, if gravel build-up increases the risk of flooding and harm or damage to people and property. The work will be done according to recognised engineering standards and practices and according to the affordability to the local community who are funding the work needed.

### **LEVELS OF SERVICE - BACKGROUND**

The flood protection schemes described below offer different levels of flood protection. Several schemes are associated with rivers whose beds are aggrading, and flood protection levels tend to reduce as the river bed levels rise. Generally, the Council will recommend to each community at each rating district annual meeting that they maintain a level of protection to at least the 1 in

50 year flood event level, plus freeboard. However some flood schemes are not currently protecting to that level and in those cases each rating district community is going through an individual process of investigating possible options for improving protection levels and deciding what level of risk is appropriate in their particular circumstance. Council will manage the rating district flood, drainage, and erosion control schemes as follows<sup>9</sup>:

#### **Canavans Knob (Franz Josef)**

Cross-section and flood flow analysis undertaken for the Canavans Knob scheme indicates that its current service potential is capable of containing less than 2100 cumecs, which is the 2008 estimate of the 1 in 50 year return period flood with 600mm freeboard. Not only is it not capable of containing that volume of water but the current bank is also unlikely to have the lateral strength to hold back the weight of that water. This is due to the bank being raised, in response to the bed of the river aggrading over time. Because the bank is confined by the state highway, its raising has resulted in a very narrow top-width as the batter slopes have been steepened.

The rating district accept there is a need to increase the level of protection afforded by the stopbank. But given the ongoing variance with the

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<sup>9</sup> note that several of these schemes also have in-river or riverbank erosion works such as groynes or rock riprap work. The intent is to maintain these structures at their present dimensions in accordance with each Asset Management Plan.

New Zealand Transport Agency (NZTA) on the relocation of the stopbank, they are not considering raising its height or reinforcing the bank until the NZTA agree to totally fund its relocation.

#### **Coal Creek (Greymouth)**

The historic "Existing Standard" was 900mm above the highest known flood. The Council has suggested to the rating district that a new flood capacity analysis should be commissioned. However, the rating district have decided that they do not wish to have any flood analysis undertaken to quantify the actual level of protection that the scheme currently provides. Given that there has been no analysis carried out, the scheme structures will continue to be maintained to the dimensions that they were originally constructed. There is no known riverbed aggradation at this site.

#### **Franz Josef**

Cross-section and flood flow analysis undertaken for the Franz Josef scheme indicates that its current service potential is capable of containing less than 2100 cumecs, which is the 2008 estimate of the 1 in 50 year return period flood with 600mm freeboard. The rating district has accepted there is a need to increase the level of protection afforded by the stopbanks and are considering raising their height to be able to contain at least 2,100m<sup>3</sup>/s. \$225,000 is budgeted in 2010/11 of the LTCCP to complete the upgrade to this standard.

### **Greymouth Floodwalls**

The Greymouth floodwalls were initially constructed in the late 1980s and early 1990s to protect the town from a 1 in 50 year flood event plus freeboard. Recent hydrological analysis reveals that the floodwalls need to be raised to meet the same standard they were initially constructed for. The Council has a fund raised by Greymouth Rating District ratepayers that will meet at least part of the cost of this upgrade. The Council has applied for and been granted a resource consent to proceed with the work.

It had been assumed that the Greymouth ratepayers simply wanted the wall raised to its original level of protection (the 50 year flood level), but it has recently been suggested that the wall should be raised to a higher level of protection – to the 150 year level. Council has prepared an estimate of the costs for the 50yr level of protection, and comparing that to the costs of the 150yr level of protection. This cost information will be circulated to ratepayers to ascertain which option is preferred. Council will make the final decision. In the interim, other works authorised by the resource consent will commence, such as the clearing of vegetation from Cobden Island. \$3,000,000 has been budgeted in year 2009/10 of the LTCCP to complete the upgrade to this standard.

### **Inchbonnie**

Cross-section and flood flow analysis undertaken for the Inchbonnie scheme indicates that its current service potential is capable of containing less than 2050 cumecs which is the 2008 estimate

of the 1 in 50 year return period flood with 900mm freeboard. The rating district has accepted there is a need to increase the level of protection afforded by the stopbank and are considering raising its height to be able to contain 2620m<sup>3</sup>/s plus 900mm freeboard (which is the current model estimate of a 400 year flow). \$200,000 has been budgeted in 2009/10 of the LTCCP to complete the upgrade to this standard.

### **Kaniere**

The existing scheme is for the maintenance of three groynes and a section of continuous riprap that protect the river bank from erosion. The scheme structures will continue to be maintained to the dimensions that they were originally constructed.

### **Karamea**

Cross-section and flood flow analysis undertaken for the Karamea scheme indicates that its current service potential is capable of containing less than 3507 cumecs which is the 2007 estimate of the 1 in 50 year return period flood with 900mm freeboard. The modelling determined that the existing right bank stopbank has a capacity to contain less than the 20 year return period flood at some locations.

The rating district is looking at options for cost-effective flood protection and are awaiting further information. The Council have flown the area with LIDAR to gain accurate ground level information and NIWA are modelling various flood scenarios using this LIDAR information. This information may reveal other options for flood mitigation. To

raise the height of this stop bank, the community may have to completely rebuild it, which may be considered to be beyond the affordability of the contributing ratepayers.

### **Kongahu (Little Wanganui)**

This drainage scheme carries drainage flows from the Kongahu farmland to Blackwater and Granite Creeks. Maintenance of the drainage channels is ongoing. No re-survey of channel capacity is considered necessary at this stage. However, the Granite Creek bed has aggraded due to slips in the headwaters and that may be affecting drainage efficiency at the northern end of the scheme. This is being investigated.

### **Kowhitirangi**

Cross-section and flood flow analysis undertaken for the Kowhitirangi scheme indicates that its current service potential is capable of containing river flows greater than the 2008 estimate of the 1 in 100 year return period flood plus 900mm freeboard. Given that the scheme currently exceeds the minimum service level that the West Coast Regional Council considers adequate, the scheme structures will continue to be maintained to their current dimensions.

### **Lower Waiho (Franz Josef)**

Cross-section and flood flow analysis indicates that the current service potential of the whole of the Rubbish Dump stopbank and 20% of the Milton & Others stopbank is capable of containing less than 2,050 cumecs, which is the current estimate of the 1 in 50 year return period flood with 900mm freeboard. The rating district has

accepted there is a need to increase the level of protection afforded by the stopbank and are considering raising its height to be able to contain at least 2,050 cumecs plus freeboard. \$1,000,000 has been budgeted in the 2010/11 year of the LTCCP to complete the upgrade to this standard.

#### **Matainui Creek (Whataroa)**

The historic "Existing Standard" was 300mm above the highest known flood. The Council has suggested that a re-analysis of flood protection levels be commissioned. However, the rating district have decided that they do not wish to have any new analysis undertaken to quantify the actual level of protection that the scheme currently provides. Given that there has been no analysis carried out to date, the scheme structures will continue to be maintained to the dimensions that they were originally constructed.

#### **Nelson Creek (Grey Valley)**

There have been a mix of design standards during the life of this scheme. The original stopbanks were built to 900mm above the highest known flood. After 1983, sections of stopbank were built to contain a flood of 539 cumecs which at that time was estimated to be a 1 in 50 year return period flood.

The Council has suggested that an analysis be commissioned to quantify the actual level of protection that the scheme currently provides. The rating district has not yet decided if they wish to have any new flood analysis undertaken. Given that there has been no analysis carried out the scheme structures will continue to be maintained

to the dimensions that they were originally constructed.

#### **Okuru**

The seawall built in 2000 has been designed to handle the historically observed tidal fluctuations and surge patterns of the Tasman Sea in the vicinity. The scheme structures will be maintained to the dimensions that they were originally constructed.

#### **Punakaiki**

The seawall built in 2005 has been designed to handle the historically observed tidal fluctuations and surge patterns of the Tasman Sea in the vicinity. The scheme structures will be maintained to the dimensions that they were originally constructed. A sum of \$600,000 has been budgeted in the 2018/19 year of the LTCCP to extend the existing seawall.

#### **Raft Creek (Kokatahi)**

This drainage scheme assists drainage of farmland near Kokatahi. The sections of drain constructed in the revised scheme of 1960 were designed for a maximum drainage flow of 23 cumecs. Maintenance of the drainage channels is ongoing. No re-survey of channel capacity is considered necessary at this stage.

#### **Redjacks Creek (Grey Valley)**

There have been a mix of design standards during the life of this scheme. The original stopbanks were built 900mm above the highest known flood. After 1986, sections of stopbank were built to contain a flood of 411 cumecs which at that time

was estimated to be a 1 in 50 year return period flood.

The Council have suggested that an analysis be commissioned to quantify the actual level of protection that the scheme currently provides. The rating district have decided that they do not wish to have any new analysis undertaken. Given that there has been no analysis carried out the scheme structures will continue to be maintained to the dimensions that they were originally constructed.

#### **Southside (Hokitika Bridge)**

The existing scheme is for the maintenance of five groynes and a section of continuous riprap that protect the riverbank immediately south of the bridge from erosion. The scheme structures will be maintained to the dimensions that they were originally constructed.

#### **Taramakau River**

Cross-section and flood flow analysis undertaken for the Taramakau scheme indicates that approximately 70% of the main stopbanks are not capable of containing 4,100 cumecs, which is the 2008 estimate of the 1 in 50 year return period flood with 900mm freeboard. The rating district has accepted that there is a need to increase the level of protection afforded by the stopbank and are considering raising its height in the medium to long term.

#### **Twelve Mile (North of Rapahoe)**

This scheme is made up of several individual residences' coastal protection works, constructed

by those individuals some years ago. The Council is only involved to the extent that we provide an annual inspection, and a recommendation as to any maintenance requirements, to the land occupiers. The cost and responsibility of any maintenance lies solely with the land occupiers. Council does not own the assets and there is no need to prepare asset management plans for this scheme.

#### **Vine Creek (Kowhitirangi)**

The revised Vine Creek scheme of 1985 was designed to contain a flood of 88 cumecs with 300mm freeboard. New cross sections were carried out in 2007 and the West Coast Regional Council recommends that an updated analysis be commissioned to establish the current service potential. Once the analysis is complete, the rating district should maintain the stopbanks to provide a service potential of at least a 1 in 50 year return period plus 600mm freeboard.

#### **Waitangitaona River (Whataroa)**

Cross-section and flood flow analysis undertaken for the Waitangitaona scheme indicates that it is capable of containing less than 990 cumecs, which is the 2008 estimate of the 1 in 50 year return period flood with 600mm freeboard. The rating district has accepted there is a need to eventually increase the level of protection afforded by the stopbank and are considering raising its height in the medium to long term future.

#### **Wanganui River (Hari Hari)**

The historic "Existing Standard" was 900mm above the highest known flood. The Council has suggested that an analysis be commissioned to quantify the actual level of protection that the scheme currently provides. However, the rating district has decided that they do not wish to have any new analysis undertaken. Given that there has been no analysis carried out the scheme structures will continue to be maintained to the dimensions that they were originally constructed.

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Levels of Service	Measure	Performance Targets
Meet the flood protection, drainage or erosion protection levels as described in the 'levels of service – background' section above	Meeting timeframes for plan review	Review Rating District Asset Management Plans in 2009/10, 2012/13, and 2015/16 – or earlier where information indicates a significant change from what is stated in the asset management plan or where communities support an early review of the service levels of existing infrastructure.
	Completion of rating district works and annual meetings, and proportion of schemes performing to their agreed service level.	Organise and oversee maintenance of all rating district infrastructural assets to the service level consistent with the Asset Management Plan of each Rating District, or whatever level the community and the Council decide on as an acceptable risk.
	Completion of rating district works and annual meeting, and meeting the floodwall upgrade timeframe	Participate in the Greymouth Floodwall Committee, undertake annual maintenance works, and complete the upgrade of the floodwall by December 2010.
	Number of loans secured and promptness of loan money availability	Assist with organising and securing infrastructure loans for major capital works as and when required.
	Number of advice items provided compared to number of requests for advice	Provide civil engineering advice on Council's behalf for consent applications and compliance matters within statutory timeframes.

### Indicative Costs and Sources of Funds

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
	<b>River, Drainage &amp; Coastal Protection</b>										
1725322	Works Within Rating Districts	3655485	637590	747010	745427	799821	810044	731689	729784	791079	857158
127577	Rating District Management	115786	134717	139348	148583	152290	154815	153902	160424	165439	169884
14715	Asset Management Plans	21657	11512	12142	14684	12950	13162	15722	13869	14246	17213
17403	Inspections	12934	12796	13479	13896	14365	14603	14885	15382	15801	16336
63645	Technical Services	58355	59245	60592	60545	60236	61319	61914	63140	64623	66306
210668	Quarries	173366	186434	201661	203669	208082	212044	216483	225935	227990	234543
63534	River Cross Sections	41554	63515	65024	66597	68017	69504	71096	72750	74503	76383
<b>2222864</b>	<b>Total Operating Expenditure</b>	<b>4079137</b>	<b>1105809</b>	<b>1239256</b>	<b>1253401</b>	<b>1315761</b>	<b>1335491</b>	<b>1265691</b>	<b>1281284</b>	<b>1353681</b>	<b>1437823</b>
	<b>Funding</b>										
254100	User Charges	158000	177000	184000	186000	191000	195000	200000	204000	208000	215000
		121071	47000	48000	49000	51000	52000	54000	55000	55000	57000
1083942	Transfers to (-) / from RD Reserves	895867	-283890	-211970	-231553	-201159	-212936	-279577	-283556	-244221	-205142
0	Loans Raised	1900000	0								
24669	Transfers to (-) / from Quarry Reserves	15366	9434	17661	17669	17082	17044	16483	21935	19990	19543
573280	Targeted Rates	738547	874480	910980	927980	949980	970980	957266	958340	980300	1005300
286873	General Funds	250286	281785	290585	304305	307858	313403	317519	325565	334612	346122
<b>2222864</b>	<b>Total Funding</b>	<b>4079137</b>	<b>1105809</b>	<b>1239256</b>	<b>1253401</b>	<b>1315761</b>	<b>1335491</b>	<b>1265691</b>	<b>1281284</b>	<b>1353681</b>	<b>1437823</b>
	<b>Capital Expenditure</b>										
	Inchbonnie	200000									
	Punakaiki										600000
	Franz Josef		225000								
	Lower Waiho		1000000								
		<b>200000</b>	<b>1225000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>600000</b>
	<b>Funding</b>										
	Loans Raised	200000	1000000								600000
	Change in Rating District Balances		225000								
	<b>Total Funding</b>	<b>200000</b>	<b>1225000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>600000</b>

## Vector Control Services Business Unit

The Council's business unit exists 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 (not an exhaustive list):

- Ground-based and aerial pest control, and bulk storage facilities
- Pest plant inspections and control work
- Support for Marine Oil Spill and pollution response

While pest management is the principal activity of the business unit, it will be broadening its scope over the next 10 years as any other suitable opportunities arise.

### **The Community Outcome to which the Activity primarily contributes**

The VCS business unit contributes to the Economy Outcome as an employer of permanent and casual staff. Most of the staff are recruited from the local community. In this role there is a commitment by the unit to upskill and train staff, thereby improving the employment opportunities of the people that move through the unit. With

the successful operation and management of the business unit there will be a financial return to the Council which will allow it to offset some of its other costs.

### **Significant negative effects of activities**

The Council is a significant user of 1080 poison in its delivery of pest management programmes. Some people prefer other methods of possum control. However the use of pesticides is currently the most effective tool for controlling the spread and proliferation of Bovine TB amongst farm cattle and deer herds, and the benefits of the use of pesticides far outweigh any perceived adverse effects. No significant adverse effects of these activities on the community have therefore been identified.

### **Assets for Activities**

VCS leases a property in Jacks Road from the Regional Council for storage and office space. It also leases 4WD vehicles, trailers, quad bikes and other minor equipment from the Regional Council. These are not considered to be the type of assets that require management statements in the

LTCCP as per Schedule 10.2 of the Local Government Act.

### **Why have a VCS Business Unit?**

The VCS business unit was set up in December 2004 and is still developing. 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 service delivery functions of the Council such as vector (possum) control, pest plant and pollution control operations 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 any other contract work, as appropriate, to maintain a profitable business and provide a financial return to the Council. The VCS business unit ensures the Council has suitably trained staff and equipment at short notice for emergency work.

Levels of Service	Measure	Performance Targets
To produce a financial surplus to offset general rates, by tendering for and winning vector control contracts.	Achievement of budgeted financial return	Tender for, and win, sufficient contracts to provide or exceed the annual budgeted return to Council.
	Number of blocks passed or failed	Meet the performance objectives and contractual obligations set by the Animal Health Board for ground and aerial pest control contracts.
To provide efficient pest plant inspection, marine oil spill, and terrestrial hazardous substance spill support services for the Regional Council	Number of recorded complaints and responses to assist the review of the Strategy	Keep sufficient pest plant work records to assist the review of the Pest Plant Management Strategy.
	Availability of trained staff	Have staff available as a response unit for marine and terrestrial pollution spill events as per the MOU between the Council's Compliance section, Maritime New Zealand and Vector Control Services dated 11 November 2005.
	Compliance with Tier 2 oil spill response plan requirements	Maintain oil spill response equipment to the level required in the West Coast Tier 2 Oil Spill Response Plan.
To develop complementary service activities and negotiate contracts for delivery as appropriate	Number of new business areas	Develop new business areas as appropriate, complementary to existing roles.



### Indicative Costs and Sources of Funds

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>VCS Business Unit</b>											
1815547	Operating Expenditure	3325436	3393359	2032538	2211466	2248471	2295241	2352225	2404138	2457491	2525393
1815547	<b>Total Operating Expenditure</b>	<b>3325436</b>	<b>3393359</b>	<b>2032538</b>	<b>2211466</b>	<b>2248471</b>	<b>2295241</b>	<b>2352225</b>	<b>2404138</b>	<b>2457491</b>	<b>2525393</b>
<b>Funding</b>											
2117106	User Charges	3737800	3865736	2437500	2611000	2640500	2692500	2748500	2747000	2806000	2869000
	Targeted Rates										
-301559	General Funds	-412364	-472377	-404962	-399534	-392029	-397259	-396275	-342862	-348509	-343607
1815547	<b>Total Funding</b>	<b>3325436</b>	<b>3393359</b>	<b>2032538</b>	<b>2211466</b>	<b>2248471</b>	<b>2295241</b>	<b>2352225</b>	<b>2404138</b>	<b>2457491</b>	<b>2525393</b>
<b>Capital Expenditure</b>											
	GPS Unit	2000									
	Forklift	20000									
	Vehicles	0	36155	36960	0	0	39480	40390	0	0	43400
		<b>22000</b>	<b>36155</b>	<b>36960</b>	<b>0</b>	<b>0</b>	<b>39480</b>	<b>40390</b>	<b>0</b>	<b>0</b>	<b>43400</b>
	Funding										
	Depreciation Funds	22000	36155	36960	0	0	39480	40390	0	0	43400
		<b>22000</b>	<b>36155</b>	<b>36960</b>	<b>0</b>	<b>0</b>	<b>39480</b>	<b>40390</b>	<b>0</b>	<b>0</b>	<b>43400</b>

**PART 4 – TEN YEAR FINANCIAL PROJECTIONS AND POLICIES**

## **Significant Forecasting Assumptions**

The preparation of a long-term council community plan requires the adoption of a number of assumptions about events and activities that the Council believes will reasonably occur over the life of the strategy.

The assumptions underlying the preparation of these forecasts were adopted on 4 December 2008 and incorporate known financial results as at that date and estimates for the year to 30 June 2009. Events occurring subsequent to this date may have a significant effect on these forecasts.

The Council is required to:

- Manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community.
- Make adequate and effective provision in its long-term council community plan and in its annual plan (where applicable) to meet the identified expenditure needs.
- Meet funding needs from those sources that the council determines to be appropriate, following consideration of:
  - a) In relation to each activity to be funded:
    - i. The community outcomes to which the activity primarily contributes.
    - ii. The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
    - iii. The period in or over which those benefits are expected to occur.
    - iv. The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.
  - b) The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well being of the community.

In order to provide predictability and certainty about sources and levels of funding, the Council has adopted the following funding and financial policies:

- Revenue and financing policy.
- Liability management policy.
- Investment policy.
- Policy on development contributions or financial contributions.
- Policy on partnerships between the Council and the private sector.
- Policy on the remission and postponement of rates on Maori freehold land.
- Rates remission policy.
- Rates postponement policy.

### **Significant Forecasting Assumptions and Risks**

The overarching assumptions used in preparing the Long Term Council Community Plan (LTCCP) are that:

- The Council will continue to perform its existing functions in accordance with present legislation. That is, there will be no significant changes to the existing statutory functions and duties of the Council, which will significantly impact on expenditure requirements.
- The Council will continue to deliver functions and services in accordance with adopted policies, plans and operational strategies.
- Economic activity and growth within the region will remain at levels consistent with those experienced over the last five years. That is, there will be no significant increase or decrease in the demand for the Council's services over the life of the LTCCP.

The following significant forecasting assumptions have been addressed due to the potential for them to materially impact upon the Council's overall revenue; operating expenditure; ability to finance and fund future operating and capital expenditure; strategic assets and ability to deliver intended levels of service.

<b>Forecasting Assumption</b>	<b>Risk</b>	<b>Level of Uncertainty</b>	<b>Reasons and Financial Effect of Uncertainty</b>
Return on investments.	Investments do not return sufficient funds and general rates have to increase.	Medium to high	Returns of 7.50% have been budgeted for across the 10 year term of the LTCCP. Any shortfall in these returns may increase the demand on general rates. Such a shortfall would also decrease the value of amounts reinvested into the portfolio and that would also impact future investment returns.  For every 1% higher or lesser return the variance in Investment income would be +- \$100,000.
Vector Control Services Business Unit.	This Council business unit competes on a contestable basis for AHB Aerial and Ground contracts.	Medium to high	The budget estimates for 2009/10 and 2010/11 include large scale aerial contracts already awarded by the AHB to the VCS business unit. The estimates for years 3 to 10 of the LTCCP are based on a lesser scale of aerial contract activity, given the uncertainty as to what contracts might be awarded. There is a risk that after 2013 the AHB Strategy will change and less work will be needed on vertebrate pest control on the West Coast. If VCS cannot generate a surplus there would be a need to increase general rates, or cut back on services.
Cost of Greymouth Floodwalls Upgrade	\$3,000,000 has been budgeted for the Greymouth Floodwalls upgrade project.  \$1,700,000 has been budgeted to be borrowed to help finance this upgrade.	Medium to high	The actual costs could be materially higher or lower than this budgeted amount. If this was the case then the amount borrowed would be higher or lower than the budgeted \$1,700,000. This would have an impact on the rate payable by the Greymouth Floodwalls Rating District Ratepayers over the projected 20 year term of the loan as interest and principal costs would vary accordingly.
New Rating Districts for Flood, Drainage and Coastal Protection.	This LTCCP has been prepared based on existing Infrastructure and known planned extensions/upgrades.  Council may receive requests from communities to build new Infrastructure or extend existing works. It is not possible to predict if and when these requests will occur.	Medium to high	Council receives such requests from time to time but cannot predict when they will occur.  It is not possible to budget for such requests.  Such requested new / extended Infrastructure is paid for by the affected community, usually funded by a loan and repaid by a targeted rate.
Council involvement in supporting the Animal Health Board (AHB)	The existing secondment arrangement with the AHB has no right of renewal.	Medium	Three staff are seconded to AHB to deliver Vector management functions. The secondment agreement is to be renewed for a two year period expiring June 30 2011. It is assumed the agreement will be renewed after that date for a further 2 years. The national target for the elimination of Tb is 2013, and after that there may be no need to continue the secondments. However, Council believes that there will still be a necessity for Possum Control work on the West Coast after 2013 and it is assumed that the secondment arrangements will continue after 2013. If not, there will be a modest impact on overhead allocations for other parts of the Council.

<b>Forecasting Assumption</b>	<b>Risk</b>	<b>Level of Uncertainty</b>	<b>Reasons and Financial Effect of Uncertainty</b>
Change to Functions	Change to Council functions could significantly increase costs	Medium	The statutory functions of Council under RMA and Transport legislation for example change constantly. The recent trend is increasing functions which are transferred by Central Government with no accompanying funding. No allowance has been made in the budgets for new functions
Unforeseen environmental issues or resource management needs.	There will be new environmental issues requiring works that cannot be funded out of normal budgetary provisions.	Medium	The potential effect of any new environmental or resource management issues is dependent upon the scale, type, location and impact upon the environment of the issue. Each issue will be addressed on its merits and any funding requirement addressed in terms of the principles outlined in the Revenue and Financing Policy.
Climate Change	The impacts of climate change might impact adversely on estimated costs contained in this LTCCP.	Low to medium	Refer the comments on page 23. There is uncertainty about the actual effects of climate change over the 10 year life of this LTCCP. The effects are more likely to become apparent over a longer time frame.
Revaluation of River, Drainage & Coastal Protection Infrastructure Assets	Estimated future revaluations have been calculated using the BERL "earthmoving" index.  Actual revaluation movements in the value of the Infrastructure assets might be greater or lesser than the estimates.	Low to medium	The Infrastructure asset revaluations are a function of contracting rates prevailing at the time of revaluation.  Revaluations will occur in December 2009, December 2012, December 2015 and December 2018.  However, these revaluations have no funding impact.
Quarry Rock sales	Future "one off" rock sales have been annualised at \$15,000 + CPI across the term of the LTCCP.	Low to medium	These "one off" type sales of rock (such as the 2008/09 sales relating to the Arahura Bridge project) might not eventuate and the accumulated Quarry deficit would be higher as a result.
Useful lives of significant assets	Insufficient funds to replace significant assets at the end of their useful lives.	Low	The Council fully funds depreciation on assets. The funded depreciation is used to fund capital expenditure requirements. Refer to the depreciation note in the Statement of Accounting Policies. All infrastructure assets (river control schemes) will be maintained in an as new condition in accordance with adopted asset management plans. No significant capital expenditure on river control works (or other infrastructure projects) will be undertaken on new works unless requested by particular communities to do so.
Sources of funds for future replacement of significant assets.	Insufficient funds to replace significant assets at the end of their useful lives.	Low	The Council fully funds the replacement of assets in accordance with the Revenue and Financing Policy. Refer to the Revenue and Financing Policy. The council's fixed assets are assumed to be sufficient to carry out its activities. Depreciation will continue to be fully funded and will be sufficient to enable the full programme of capital expenditure.

<b>Forecasting Assumption</b>	<b>Risk</b>	<b>Level of Uncertainty</b>	<b>Reasons and Financial Effect of Uncertainty</b>
Projected growth change factors.	Increased population and economic activity places additional pressures to increase Council levels of service.	Low	No significant population increases are anticipated. Economic growth has been strong in the last few years. Existing resources have and will cope with any increased service demands.
Cost changes.	Inflation will increase costs to Council and there will be insufficient revenue.	Low	Cost changes have been included in the financial projections. Cost changes are as follows (source: BERL): Staff costs – year 2 – 2.7%, year 3 – 2.7%, year 4 – 2.5%, year 5 – 2.5%, year 6 – 2.5%, year 7 – 2.6%, year 8 – 3.2%, year 9 – 2.7% and year 10 – 3.1%. Other costs – year 2 – 3.3%, year 3 – 2.3%, year 4 – 2.4%, year 5 – 2.1%, year 6 – 2.2%, year 7 – 2.3%, year 8 – 2.3%, year 9 – 2.4% and year 10 – 2.5%.  Revenue estimates have also been adjusted using the same BERL index.
Emissions Trading Scheme	The emissions trading scheme might adversely impact on estimated costs contained in this LTCCP.	Low	Council is not involved in any substantial way in forestry, agriculture or activities that involve large scale emissions. We do not expect any material impact from the scheme.
Borrowing rates	Borrowing rates could be higher than estimated.	Low	Borrowing for protection works is normally at fixed rates for 5 – 10 years. The borrowing for the Punakaiki protection works is fixed at 7.80% for the first 5 years of the 10-year repayment term. Other borrowing projected in the LTCCP is costed at 7.50%.
Significant natural or other hazard emergencies.	There will be emergencies requiring work that cannot be funded out of normal budgetary provision.	Low	The potential effect of a natural Disaster on the Council's financial position is dependent upon the scale, duration and location of the event. The Government will refund most of the direct rescue costs of major emergency events.
General Rate Increases	The general rate requirement might exceed that forecast in the LTCCP	Low	There is a risk that new government requirements on the Council will add significant additional costs; or that major court appeals could result in additional costs. This could result in a moderate general rate increase.
Retention of % of Managed Funds Investment Income	That retention of % of Investment Income may fall outside the guideline parameters.	Low	Council policy is that in any given year retention of managed funds Investment income within the portfolio will fall within the range of 40% - 60%.

## Statement of Accounting Policies

### **Reporting Entity**

The West Coast Regional Council (the Council) is a regional local authority governed by the Local Government Act 2002.

West Coast Regional Council is a Public Benefit Entity whose primary objective is to provide goods and services for regional and social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return. The Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards.

### **Statement of Compliance**

The prospective financial statements have been prepared in terms of Section 111 of the Local Government Act 2002, The Financial Reporting Act 1993 and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). These Prospective Financial Statements also comply with Financial Reporting Standard # 42.

### **Cautionary Note**

Readers of these prospective financial statements should be aware that actual results are likely to vary from the information presented and that variations may be material.

The prospective financial statements have been prepared to meet the requirements for a Long Term Council Community Plan prescribed in the Local Government Act 2002.

The prospective financial statements are prepared to assist compliance with the purpose of the LTCCP, which is to:

- ❑ Describe the activities of the local authority.
- ❑ Describe the community outcomes of the Region.
- ❑ Provide integrated decision making and coordination of the resources of the local authority.
- ❑ Provide a long-term focus for the decisions and activities of the local authority.
- ❑ Provide a basis for accountability of the local authority to the community.
- ❑ Provide an opportunity for participation by the public in decision-making processes on activities to be undertaken by the local authority.

The information may not be appropriate for purposes other than those described.

### **Basis of Financial Statements Preparation and Measurement Base.**

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affect both current and future periods.

## Specific Accounting Policies

The following accounting policies, which materially affect the measurement of results and financial position, have been applied consistently to all years presented from 1 July 2009, unless otherwise stated.

### 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 when payable.

### Other revenue

WCRC receives government grants from Land Transport New Zealand, which subsidises part of WCRC 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.

### Leases

#### Finance leases

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

At the commencement of the lease term, WCRC 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 amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether WCRC 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.

### Cash and cash equivalents

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

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

### Trade and other receivables

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

A provision for impairment of receivables is established when there is objective evidence that WCRC 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 the lower of cost and current replacement cost.

The write down from cost to current replacement cost or net realisable value is recognised in the statement of financial performance.

## **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 statement of financial performance.

## **Financial assets**

WCRC has two classifications for its financial assets:

- Financial assets at fair value through profit or loss.
- 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 and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the statement of financial performance.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. Council fund manager Forsyth Barr Ltd 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.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. WCRC 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 WCRC are:

**(1) Financial assets at fair value through profit or loss** This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss 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 statement of financial performance.

Financial assets in this category include derivatives and Council's investment portfolio.

WCRC has foreign exchange contracts which are used to manage currency risk for those Investments denominated in foreign currencies.

WCRC does not hold or issue derivative financial instruments for trading purposes and does not adopt the provisions of 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. Gains and losses when the asset is impaired or derecognised are recognised in the statement of financial performance.

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 WCRC assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the statement of financial performance.

### **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.

### **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 WCRC. 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 WCRC 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 statement of financial performance. 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 WCRC and the cost of the item can be measured reliably.

### **Depreciation**

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

	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	5 years	20%

Some assets purchased prior to 1 July 2002 are depreciated using the diminishing value method. The value of those assets is less than 5% of the net carrying amount of Council's assets.

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:*

Is revalued on a cyclical 3-year basis at fair value as determined from market-based evidence by an independent valuer. Valuations are as at 1 September 2006.

### *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 river control engineer. At balance date WCRC assesses the carrying value of its infrastructural assets to ensure that they do not materially differ from the assets' fair values. The most recent valuation was carried out by a staff engineer Mr W Moen (NZCE) and was peer reviewed by Mr R E Reid (BE). The valuation date was as at 31 December 2006.

## Accounting for revaluations:

WCRC accounts for revaluations of property, plant and equipment on a class of asset basis.

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

## 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.

### 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 statement of financial performance.

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 years	30%

### Impairment of non-financial assets

Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of 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 assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace it's 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 statement of financial performance.

For assets not carried at a revalued amount, the total impairment loss is recognised in the statement of financial performance.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in statement of financial performance, a reversal of the impairment loss is also recognised in the statement of financial performance. For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the statement of financial performance.

## **Employee benefits**

### *Short-term benefits*

Employee benefits that WCRC 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 statement of financial performance as incurred.

## **Provisions**

WCRC 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 WCRC 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
- 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 WCRC.

Restricted reserves are those subject to specific conditions accepted as binding by WCRC and which may not be revised by WCRC 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.

WCRC's objectives, policies and processes for managing capital are described in note 26.

### **Good and Service 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.

### **Cost allocation**

WCRC has derived the cost of service for each significant activity of WCRC 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 WCRC 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. The 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 are discussed in pages 76 – 78.

### **Reconciliation of Reported –Deficit / Surplus Before Revaluation of Assets**

This table examines the reported surplus / - deficit and shows how the surplus / - deficit is utilised or funded.

The deficit of -\$2,399,776 in 2009/10 includes significant rating district operating expenditure which is being funded by existing credit balances and new loans raised. This mainly relates to the upgrade of the Greymouth Floodwall which is provisionally costed at \$3,000,000 and is being funded in part by retained credit balances relating to that separate rating area (\$1,300,000), and loans raised (\$1,700,000). The expenditure on the Greymouth Floodwall upgrade is classified as operating, not capital, as the West Coast Regional Council does not own the structure.

The reported surplus / -deficit also funds loan principal repayments and reinvestment of a % of investment income.

Council has therefore complied with the balanced budget requirement of section 100 the Local Government Act 2002.

	LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14
<b>Surplus / - Deficit before Revaluation of Assets</b>	-2399776	701915	538321	561458	557748
Transfers to (-) /from Rating District Equity	895867	-283891	-211970	-231553	-201159
Transfers to (-) /from Quarry account	15366	9434	17661	17669	17082
Loan Raised	1900000	0	0	0	0
Transfer to/from Tb Rate balance	-7888	-583	2167	6047	68
	2803345	-275040	-192142	-207837	-184009
	403569	426875	346179	353621	373739
<b>Less</b>					
Loan Principal Repayments	-43750	-39553	-44500	-44209	-41672
Transfer to Reserves	-359819	-387322	-301679	-309412	-332067
	-403569	-426875	-346179	-353621	-373739
	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Surplus / - Deficit</b>	597671	671462	656215	646795	562164
Transfers to/from Rating Districts	-212936	-279577	-283556	-244221	-205142
Transfers to/from Quarry account	17044	16482	21936	19990	19543
Transfer to/from Tb Rate balance	204	-487	243	238	-435
	-195688	-263582	-261377	-223993	-186034
	401983	407880	394838	422802	376130
<b>Less</b>					
Loan Principal Repayments	-46656	-47930	-45147	-43535	-46643
Transfer to Reserves	-355327	-359950	-349691	-379267	-329487
	-401983	-407880	-394838	-422802	-376130

## Prospective Statement of Comprehensive Income

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Cost of Services</b>											
417855	Governance	384003	396481	409628	420204	431139	440507	450999	463480	475920	488895
1662778	Consents & Compliance	1686568	1702881	1786222	1845849	1902496	1937392	1979081	2035475	2212348	2156894
580584	Planning Processes	589954	648237	601198	580632	601421	601876	625910	635989	660318	668109
717546	Environmental Monitoring	737163	730656	778853	788169	792422	821710	826045	836310	868438	882724
126103	Emergency Management	131612	131013	140147	141904	143404	145938	146590	152156	151222	160983
2222864	River & Coastal Protection	4079137	1105809	1239256	1253401	1315761	1335491	1265691	1281284	1353681	1437823
495191	Vector Management	0	0	0	0	0	0	0	0	0	0
868747	Regional % Share of Controls	754862	781165	797917	815797	831818	848954	867263	885993	905987	927315
1815547	VCS Business Unit	3325436	3393359	2032538	2211466	2248471	2295241	2352225	2404138	2457491	2525393
<b>8907215</b>	<b>Total Expenditure</b>	<b>11688735</b>	<b>8889601</b>	<b>7785759</b>	<b>8057422</b>	<b>8266932</b>	<b>8427109</b>	<b>8513804</b>	<b>8694825</b>	<b>9085405</b>	<b>9248136</b>
<b>Revenue</b>											
1885000	General Rates	1913000	1976000	2022000	2070000	2114000	2160000	2210000	2261000	2315000	2372000
75000	Penalties	75000	77000	79000	81000	83000	85000	87000	89000	90000	93000
1000000	Investment Income	775000	765000	790000	821000	852000	882000	915000	954000	992000	1028000
915500	Consents & Compliance	976191	1007700	1031900	1056000	1079200	1103300	1127500	1153700	1333900	1212000
117622	Planning Processes	169350	156600	159700	140900	165000	167000	148000	172000	174000	157000
25000	Emergency Management	50000	51000	53000	54000	55000	56000	58000	59000	60000	62000
827380	River & Coastal Protection	1017618	1098480	1142980	1162980	1191980	1217980	1211266	1217340	1243300	1277300
655000	Vector Management	0	0	0	0	0	0	0	0	0	0
365000	Regional % Share of Controls	575000	594000	608000	622000	644000	661000	680000	698000	718000	740000
2117106	VCS Business Unit	3737800	3865736	2437500	2611000	2640500	2692500	2748500	2747000	2806000	2869000
<b>7982608</b>	<b>Total Revenue</b>	<b>9288959</b>	<b>9591516</b>	<b>8324080</b>	<b>8618880</b>	<b>8824680</b>	<b>9024780</b>	<b>9185266</b>	<b>9351040</b>	<b>9732200</b>	<b>9810300</b>

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
-924607	Surplus / (-Deficit) from Activities	-2399776	701915	538321	561458	557748	597671	671462	656215	646795	562164
0	Revaluation of Assets	4899000	0	0	4859000	0	0	5746000	0	0	5594000
-924607	Total Comprehensive Income	2499224	701915	538321	5420458	557748	597671	6417462	656215	646795	6156164

Budget 2008/09	<b>Summary of Operating Expenditure by Expenditure Type</b>	LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
33270	Interest	162144	181011	240369	228683	218778	197138	176963	164684	151941	132007
258800	Depreciation	283766	286971	288055	294734	284495	280112	282951	269169	270864	290465
2542654	Employee benefits	2645576	2721218	2705402	2777359	2846793	2917963	2995683	3090453	3175157	3271418
6072491	Other operating expenditure	8597249	5700401	4551933	4756646	4916866	5031896	5058207	5170519	5487443	5554246
8907215	Total Operating Expenditure	11688735	8889601	7785759	8057422	8266932	8427109	8513804	8694825	9085405	9248136



## Prospective Statement of Changes in Equity

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
53740000	<b>Opening Balance</b>	53365648	55864872	56566787	57105108	62525566	63083314	63680985	70098447	70754662	71401457
-924607	Comprehensive Income	2499224	701915	538321	5420458	557748	597671	6417462	656215	646795	6156164
52815393	<b>Closing Balance</b>	55864872	56566787	57105108	62525566	63083314	63680985	70098447	70754662	71401457	77557621

## Prospective Statement of Financial Position

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Current Assets</b>											
31755	Cash	276256	347784	404774	459400	505773	543052	579241	590046	598891	622251
2240000	Receivables	1280000	1280000	1280000	1280000	1280000	1280000	1280000	1280000	1280000	1280000
60000	Inventories	290000	290000	290000	290000	290000	290000	290000	290000	290000	290000
0	Other Financial Assets	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000
2331755	<b>Total Current Assets</b>	3346256	3417784	3474774	3529400	3575773	3613052	3649241	3660046	3668891	3692251
<b>Non Current Assets</b>											
3101200	Property, Plant, Equipment	3591883	3479230	3377939	3467636	3412092	3408645	3436873	3539618	3510876	3520956
39404000	Infrastructure	44503000	45728000	45728000	50587000	50587000	50587000	56333000	56333000	56333000	62527000
23000	Intangible Assets	60609	92891	117326	106190	98238	47173	15523	1283	962	722
10385381	Other Financial Assets	8354147	8688750	9019518	9363233	9683742	10022643	10446144	10869831	11267497	11558781
52913581	<b>Total Non Current Assets</b>	56509639	57988871	58242783	63524059	63781072	64065461	70231540	70743732	71112335	77607459
55245336	<b>Total Assets</b>	59855895	61406655	61717557	67053459	67356845	67678513	73880781	74403778	74781226	81299710
<b>Current Liabilities</b>											
87978	Borrowings	151155	227418	241452	254362	276003	263922	254692	269347	289986	354142
1805000	Payables	1300000	1300000	1300000	1300000	1300000	1300000	1300000	1300000	1300000	1300000
195000	Employee Benefit Liabilities	170000	170000	170000	170000	170000	170000	170000	170000	170000	170000
2087978	<b>Total Current Liabilities</b>	1621155	1697418	1711452	1724362	1746003	1733922	1724692	1739347	1759986	1824142

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Non Current Liabilities</b>											
8000	Employee Benefit Liabilities	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000
247965	Borrowings	2269868	3042450	2800997	2703531	2427528	2163606	1957642	1809769	1519783	1817947
86000	Quarry Aftercare Provision	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000
341965	Total Non Current Liabilities	2369868	3142450	2900997	2803531	2527528	2263606	2057642	1909769	1619783	1917947
<b>Equity</b>											
20208012	Ratepayers Equity	18405203	18781366	19008747	19250206	19504595	19780613	20044570	20299276	20568633	20858621
1385381	Rating District equity	1494297	1441584	1470636	1504946	1493415	1477004	1540589	1614600	1633009	1594808
22222000	Revaluation Reserve	27613000	27613000	27613000	32472000	32472000	32472000	38218000	38218000	38218000	43812000
0	Tb Special Rate	7888	8471	6304	257	189	-15	472	229	-9	426
0	Quarry Account	-15366	-24800	-42461	-60130	-77212	-94256	-110739	-132674	-152664	-172207
9000000	Investment Growth Reserve	8359850	8747166	9048882	9358287	9690327	10045639	10405555	10755231	11134488	11463973
52815393	<b>Total Equity</b>	55864872	56566787	57105108	62525566	63083314	63680985	70098447	70754662	71401457	77557621
55245336	<b>Total Liabilities &amp; Equity</b>	59855895	61406655	61717557	67053459	67356845	67678513	73880781	74403778	74781226	81299710

## Prospective Statement of Cash Flows

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Cash Flow from Operating Activities</b>											
1000000	Investment Income	775000	765000	790000	821000	852000	882000	915000	954000	992000	1028000
2923280	Rates	3341547	3562480	3661980	3743980	3834980	3921980	3980266	4053340	4151300	4260300
4059328	Other Income	5172412	5264036	3872100	4053900	4137700	4220800	4290000	4343700	4588900	4522000
7982608		9288959	9591516	8324080	8618880	8824680	9024780	9185266	9351040	9732200	9810300
	Less Cash Paid for:										
34000	Interest	162144	181011	240369	228683	218778	197138	176963	164684	151941	132007
8614415	Operating Expenditure	11242826	8421619	7257335	7534004	7763658	7949859	8053891	8260972	8662601	8825663
8648415		11404970	8602630	7497704	7762687	7982436	8146997	8230854	8425656	8814542	8957670
-665807	Net Cash Flow Operations	-2116011	988886	826376	856193	842244	877783	954412	925384	917658	852630
<b>Cash Flow from Investing Activities</b>											
1114619	Investment Redemptions	1005703	52713			11531	16411				38201
0	Sale of Fixed Assets	0	0	0	0	0	0	0	0	0	0
1114619		1005703	52713			11531	16411				38201
	Cash Paid For:										
200000	Purchase of Fixed Assets	400000	1431600	211200	216400	221000	225600	230800	236200	241800	848000
500000	Investments Made	359850	387316	330768	343715	332040	355312	423501	423687	397666	329485
700000		759850	1818916	541968	560115	553040	580912	654301	659887	639466	1177485
414619	Net Cash Flow from Investing	245853	-1766203	-541968	-560115	-541509	-564501	-654301	-659887	-639466	-1139284
<b>Cash Flow from Financing Activities</b>											
0	Loans Raised	2100000	1000000	0	0	0	0	0	0	0	600000
117057	Loan Principal Repaid	153586	151155	227418	241452	254362	276003	263922	254692	269347	289986
-117057	Net Cash Flow from Financing	1946414	848845	-227418	-241452	-254362	-276003	-263922	-254692	-269347	310014
-368245	<b>Total Changes in Cash held</b>	76256	71528	56990	54626	46373	37279	36189	10805	8845	23360
400000	Opening Cash Balance	200000	276256	347784	404774	459400	505773	543052	579241	590046	598891
31755	Closing Cash Balances	276256	347784	404774	459400	505773	543052	579241	590046	598891	622251

## Projected Capital Expenditure

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
55000	IT Equipment	5,000	5,165	5,280	21,640	22,100	50,760	51,930	53,145	54,405	55,800
0	IT Software	60,000	61,980	73,920	54,100	55,250					
90000	Hydrology	70,000	25,825	36,960	27,050	27,625	28,200	28,850	29,525	30,225	31,000
15000	Data Sondes	20,000	5,165	5,280	21,640	5,525	5,640	23,080	5,905	6,045	24,800
0	Automatic Water sampler	18,000	-	-		-	-	-	-	-	-
22000	Other	5,000	72,310	52,800	91,970	110,500	101,520	86,550	147,625	151,125	93,000
0	Rating District New Infrastructure	200,000	1,225,000	0	0	0	0	0	0	0	600,000
0	VCS-GPS	2,000	0	0	0	0	0	0	0	0	0
0	VCS-Forklift Replacement	20,000	0	0	0	0	0	0	0	0	0
18000	VCS-Vehicle Replacements	-	36,155	36,960	0	0	39,480	40,390	0	0	43,400
200000		400,000	1,431,600	211,200	216,400	221,000	225,600	230,800	236,200	241,800	848,000
200000	Funded by Depreciation	200,000	206,600	211,200	216,400	221,000	225,600	230,800	236,200	241,800	248,000
0	Funded by Loans	200,000	1,000,000	0	0	0	0	0	0	0	600,000
0	Funded by Rating District Retained earnings	0	225,000	0	0	0	0	0	0	0	0
200000		400,000	1,431,600	211,200	216,400	221,000	225,600	230,800	236,200	241,800	848,000

Budget 2008/09		LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
	<b>Leased Assets Acquisitions</b>										
0	Phone Systems	42,000	0	0	45,656	0	0	48,728	0	0	52,306
0	Photocopiers	0	0	0	111,240	0	0	0	121,474	0	0
0		42,000	0	0	156,896	0	0	48,728	121,474	0	52,306
0	Funded by Lease Company	42,000	0	0	156,896	0	0	48,728	121,474	0	52,306
0		42,000			156,896	0	0	48,728	121,474	0	52,306

## Revenue and Financing Policy

This policy is required by the Local Government Act 2002, in particular sections 101, 102 and 103.

This document identifies the funding sources and mechanisms that will be used to finance the Council's operating and capital expenditure.

Local authorities are required to identify the costs of its functions and fund them appropriately.

The purpose of the revenue and financing policy is to provide and explain the policy of the West Coast Regional Council for the funding of operating and capital expenditure from the following sources:

- General Rates, including information regarding choice of valuation system, differential rating, and uniform annual general charges.
- Targeted Rates
- Fees and Charges
- Income from Investments
- Borrowing
- Proceeds from Asset Sales
- Development contributions
- Financial contributions under the Resource Management Act 1991
- Grants and Subsidies
- Other Sources

### Available Funding Sources/Mechanisms

#### **Investment Income**

Council at present has funds of approximately \$10,500,000 under management with Fund Manager Forsyth Barr. Council policy is that between 40% and 60% of the income from the managed funds portfolio may be used for financing Council activities.

Council generally targets 50% of the income to be re-invested into the fund, with the other 50% for activities. For 2009-2011 Council has decided to meet the cost of the LTCCP audit from the fund, in addition to the 50% funding of activities. This means the Council will spend 52% and reinvest 48% of income.

Environment Court appeals for RMA planning, enforcement and resource consent are unpredictable. If significant legal expenses are likely to be incurred, Council may consider allocating an additional unbudgeted funding allocation from the investment fund to cover legal fees.

#### **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.

Council does not propose to use a Uniform Annual General Charge (UAGC) in 2009/10.

Council implemented a differential general rate in 2005/06, which fixed the percentage (%) of the general rate to be collected from each of the three District areas within the region. 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 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:

1. Various river, drainage and coastal protection schemes. These rates are only made and levied over properties that have a direct beneficiary or cause/effect relationship with the service being provided.
2. The Tb Pest Management rate, which is made and levied over all rural properties greater than or equal to two (2) hectares to fund part of the regional share of Vector Control Work undertaken by the Animal Health Board. Council agreed in 2005 that this Rate should be collected as equal 1/3 share from each of the three District areas within the region. The rate is charged on these properties as they directly benefit from Tb pest management.
3. A Civil Defence Emergency Management rate will be made and levied across the Region to fund Emergency Management responsibilities.

### **Rating District Balances**

Various river, drainage and coastal protection rating districts have credit balances carried forward from year to year. At various times these credit balances will be utilised to fund works required in those rating districts.

### **Fees and Charges**

Council may directly charge the beneficiary for a service, where the beneficiary is identifiable and there is a lawful mechanism to enable the Council to collect such fees and charges. Fees and Charges are detailed at the end of this LTCCP document.

### **Borrowing**

The Council's LTCCP only envisages borrowing to fund scheme works where a community ask Council to carry out river, drainage or sea protection works.

Council borrows the funds required to carry out the project and normally rates the properties identified as benefiting to repay the loan over a five-year period.

### **Capital Expenditure**

Apart from protection works carried out at a community request, Council's capital expenditure usually involves continual upgrading of flood warning sites, furniture and office equipment replacements, and purchase of specialised technical equipment.

Council policy with regard to funding of capital expenditure is that it is funded from the annual depreciation charge.

Protection works as described above are fully funded by the local community.



## Revenue and Financing Sources and Mechanisms for the Council's Activities

Group of Activities	Activities	Funding Source
<p><b>Governance</b> The cost of Democracy yield Regional benefits that are appropriately funded from General Rates.</p>	<ul style="list-style-type: none"> <li>• Democracy</li> <li>• Community Consultation</li> <li>• Maori Capacity</li> </ul>	100% General Rate
<p><b>Resource Consents</b> Resource Consents are required under the Resource Management Act to allow activities that otherwise are restricted.</p> <p>Processing, Support Functions and Peer Review/ Quality Assurance are funded 75% by User Charges and 25% by General rates, which represents a fair assessment of private and public benefit.</p> <p>Appeals and Enquiries costs are not recoverable from any particular applicant and are therefore funded 100% by the General rate.</p>	<ul style="list-style-type: none"> <li>• Consent Processing</li> <li>• Consent Support</li> <li>• Consent Peer Review &amp; Quality Assurance</li> <li>• Consent Appeals</li> <li>• Consent Enquiries</li> </ul>	75% User Charges 25% General Rate  100% General Rate
<p><b>Compliance Monitoring</b> The monitoring of resource consents and mining licences ensures compliance with resource consent and mining licence conditions and is a duty of the Council under section 35 of the RMA.</p> <p>Compliance monitoring &amp; support, Mining Compliance &amp; support are funded 65% by User Charges and 35% by General Rates, which represents a fair assessment of public and private benefit.</p> <p>Under the Crown Minerals Act and the Resource Management Act Council is responsible for the environmental aspects of mining activities.</p> <p>Dairy farm inspections for permitted activity effluent systems are carried out at least every third year.</p> <p>Compliance Enquiries, Complaints and Enforcement Appeals costs are not recoverable from any specific persons and are therefore General Rate funded.</p> <p>Oil Spill Response planning and capability is funded 100% by User Charges from Maritime NZ</p>	<ul style="list-style-type: none"> <li>• Compliance monitoring</li> <li>• Compliance Support</li> <li>• Mining Compliance</li> <li>• Mining Support</li> <li>• Permitted Activity Dairy Farm Monitoring</li> <li>• Compliance Enquiries</li> <li>• Incident Complaints</li> <li>• Enforcement</li> <li>▪ Oil Spill Response capability and planning</li> </ul>	65% User Charges 35% General Rate  65% User Charges 35% General Rate  25% User Charges 75% General Rate  100% General Rate (less any recoveries from fines etc)  100% User Charges
<p><b>Development of Regional Policies &amp; Plans</b> This activity involves completing the plan process for various plans required under the Resource Management Act &amp; the Biosecurity Act. These plans yield Region wide benefits and are funded 100% by the General Rate.</p>	<ul style="list-style-type: none"> <li>• Plan Merger</li> <li>• Plan reviews</li> <li>• Plan Implementation</li> <li>• Responses</li> </ul>	100% General Rate
<p><b>Monitoring the State of the Environment</b> This activity assesses trends in environmental quality, and helps indicates effectiveness and appropriateness of plans. This activity is assessed as yielding Regional benefits and it is 100% funded by the General Rate.</p>	<ul style="list-style-type: none"> <li>• Hydrology &amp; Flood warning</li> <li>• Water Quality monitoring</li> <li>• Contaminated Sites</li> <li>• Air Quality Monitoring</li> <li>• Ground Water monitoring</li> </ul>	100% General Rate

Group of Activities	Activities	Funding Source
<p><b>Civil Defence &amp; Emergency Management</b> Emergency Management response activities include Emergency Management Plan review and implementation activities. These activities are funded by a mix of general rate, targeted rate, and external Government assistance.</p> <p>The identification of hazards enables the community to take action that will limit loss of life or damage to assets when or if hazard events occur.</p>	<ul style="list-style-type: none"> <li>• Civil Defence Response</li> <li>• Hazard Identification</li> </ul>	<p>45% General Rate 45% Targeted Rate 10% Govt. funds</p> <p>100% General Rate</p>
<p><b>Transport</b> This activity involves various Transport related responsibilities which the Council receives varying levels of subsidy from NZ Land Transport Authority.</p> <p>Preparation and review of the Regional Land Transport Strategy.</p> <p>Council also undertakes Road Safety activities, which are 75% funded by the NZ Transport Authority.</p>	<ul style="list-style-type: none"> <li>• Total Mobility Scheme</li> <li>• Passenger Services and Administration</li> <li>• Road Safety</li> </ul>	<p>50% Subsidy 50% General Rate</p> <p>25% Subsidy 75% General Rate</p> <p>75% Subsidy 25% in kind</p>
<p><b>Various Planning &amp; Environmental Group Activities</b> Council participates in the Regional Waste Management Working Group and supports various programmes. This yields a Region wide benefit.</p> <p>Council contributes to ragwort biocontrol research.</p>	<ul style="list-style-type: none"> <li>• Waste Management</li> <li>• Biological Controls</li> </ul>	<p>100% General Rate</p> <p>100% General Rate</p>
<p><b>Works With Rating Districts</b> The Council administers 22 special rating districts; comprising 18 river protection schemes, 2 drainage and 2 coastal protection schemes, under the provisions of the Local Government Rating Act and the Soil Conservation and Rivers Control Act 1941.</p> <p>Expenditure directly attributable to a specific rating district is funded on a user pays basis by way of targeted Rates and User Charges onto those communities that benefit.</p> <p>Expenditure on Rating District Management that cannot effectively be attributed to a specific rating district is funded by the General rate. This also recognises the indirect benefit to the wider community of the existence of these special rating districts.</p>	<ul style="list-style-type: none"> <li>• Rating Districts</li> <li>• Rating District Management</li> </ul>	<p>100% Targeted Rates and Charges</p> <p>100% General Rate</p>
<p><b>Other River Engineering Activities</b> Council undertakes periodic reviews of Asset Management Plans, required by the financial management provisions of the Local Government Act. This has been funded by General Rate so far, but it is now felt more relevant to fund from a mix of general and targeted rate.</p> <p>Council undertakes cross section studies on selected rivers, usually related to rating district management. The information obtained is considered to yield a Regional benefit as well as a local benefit.</p>	<ul style="list-style-type: none"> <li>• Asset Management Plans</li> <li>• River Cross section Studies</li> </ul>	<p>100% General Rate. Changing in 2010 to 50% general and 50% rating district targeted rate.</p> <p>50% Rating District Targeted rate 50% General Rate</p>

Group of Activities	Activities	Funding Source
<p><b>Tb Possum Pest Management</b> Council currently funds 6.8% of the AHB's vector control work. 75% of this is met by a targeted rate (on rural properties 2 ha or greater) and 25% is met by the General Rate. The 25% is seen as a fair reflection of the region wide benefit of the vector control programme.</p>	<ul style="list-style-type: none"> <li>6.8% Regional share of cost of controls</li> </ul>	<p>25% General Rate 75% Targeted Rate</p>
<p><b>VCS Vector Control Business Unit</b> This unit is self funding and returns an annual surplus to the Council.</p>	<ul style="list-style-type: none"> <li>Vector Control</li> </ul>	<p>100% User Charges</p>
<p><b>Quarry Operations</b> Council operates a number of hard rock quarries throughout the region for the purpose of supplying good quality durable rock for river protection works. The quarries are operated on a fully cost recoverable basis from users.</p>	<ul style="list-style-type: none"> <li>Quarry Operations</li> </ul>	<p>100% User Charges</p>

## Funding Impact Statement

Funding Impact Statement	LTCCP 2009/10	LTCCP 2010/11	LTCCP 2011/12	LTCCP 2012/13	LTCCP 2013/14	LTCCP 2014/15	LTCCP 2015/16	LTCCP 2016/17	LTCCP 2017/18	LTCCP 2018/19
<b>Expenditure</b>										
Interest	162144	181011	240369	228683	218778	197138	176963	164684	151941	132007
Depreciation	283766	286971	288055	294734	284495	280112	282951	269169	270864	290465
Employee Benefits	2645576	2721218	2705402	2777359	2846793	2917963	2995683	3090453	3175157	3271418
Other Operating Expenditure	8597249	5700401	4551933	4756646	4916866	5031896	5058207	5170519	5487443	5554246
<b>Total Operating Expenditure</b>	<b>11688735</b>	<b>8889601</b>	<b>7785759</b>	<b>8057422</b>	<b>8266932</b>	<b>8427109</b>	<b>8513804</b>	<b>8694825</b>	<b>9085405</b>	<b>9248136</b>
Capital Expenditure	400000	1431600	211200	216400	221000	225600	230800	236200	241800	848000
Transfers to Reserves	359819	387322	301679	309412	332067	355327	359950	349691	379267	329487
Loan Principal Repaid	153586	151155	227418	241452	254362	276003	263922	254692	269347	289986
<b>TOTAL FUNDING REQUIRED</b>	<b>12602140</b>	<b>10859678</b>	<b>8526056</b>	<b>8824686</b>	<b>9074361</b>	<b>9284039</b>	<b>9368476</b>	<b>9535408</b>	<b>9975819</b>	<b>10715609</b>
<i>Funded by</i>										
User Fees and Charges	4993062	5097436	3701400	3902000	3961700	4042800	4130000	4159700	4402900	4353000
Subsidies	179350	166600	170700	151900	176000	178000	160000	184000	186000	169000
Investment Income	775000	765000	790000	821000	852000	882000	915000	954000	992000	1028000
Tb Pest Management rate	575000	594000	608000	622000	644000	661000	680000	698000	718000	740000
River & Coastal Protection rates	738547	874480	910980	927980	949980	970980	957266	958340	980300	1005300
Emergency Management rate	40000	41000	42000	43000	44000	45000	46000	47000	48000	50000
Penalties	75000	77000	79000	81000	83000	85000	87000	89000	90000	93000
General Rates	1913000	1976000	2022000	2070000	2114000	2160000	2210000	2261000	2315000	2372000
<b>Total Operating Funding</b>	<b>9288959</b>	<b>9591516</b>	<b>8324080</b>	<b>8618880</b>	<b>8824680</b>	<b>9024780</b>	<b>9185266</b>	<b>9351040</b>	<b>9732200</b>	<b>9810300</b>
Depreciation Funds Applied	200000	206600	211200	216400	221000	225600	230800	236200	241800	248000
Use of Quarry account reserves	15366	9434	17661	17669	17082	17044	16483	21935	19990	19543
Use of Tb Special Rate Reserves	-7888	-583	2167	6047	68	204	-487	243	238	-435
Loans Raised	2100000	1000000	0	0	0	0	0	0	0	600000
Use of Rating District Reserves	1005703	52711	-29052	-34310	11531	16411	-63586	-74010	-18409	38201
<b>TOTAL FUNDING</b>	<b>12602140</b>	<b>10859678</b>	<b>8526056</b>	<b>8824686</b>	<b>9074361</b>	<b>9284039</b>	<b>9368476</b>	<b>9535408</b>	<b>9975819</b>	<b>10715609</b>

The Rating mechanisms disclosed in this Funding Impact Statement will apply to all ten years of the LTCCP.

The Rating mechanisms disclosed in this Funding Impact Statement will apply to all 10 years of the LTCCP

**FUNDING IMPACT STATEMENT - RATES  
FOR THE YEAR ENDING 30 JUNE 2010**

**Note**

All amounts are stated inclusive of GST.

**Rating Instalment Information**

Rates will be payable by two instalments;

First instalment

Due date 1 September 2009

Final date 20 October 2009

Second instalment

Due date 1 March 2010

Final date 20 April 2010

A penalty for late payment will be applied at the amount allowed by the Local government Rating Act 2002 of 10% on all instalments not paid by the penalty dates of 20 October 2009 and 20 April 2010.

A further 10% penalty will be charged on all accumulated rate arrears as at 1 July 2010

**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.

	Estimated rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield
Rateable Value of Land in the Buller District Local authority Area	1,860,584,770	0.00035857	667,159
Rateable Value of Land in the Grey District Local authority Area	2,198,872,350	0.00038171	839,329
Rateable Value of Land in the Westland District Local authority Area	<u>2,305,976,800</u>	0.00027998	<u>645,637</u>
	6,365,433,920		<u><u>2,152,125</u></u>

**2. TARGETED RATES**

- (a) **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 Vine Creek Separate Rating Area and calculated on the land value of each rating unit, for maintaining the protection works in the scheme.**

	Estimated rateable Land Value	factor per \$ of Land Value	Estimated to yield \$
<b><u>Vine Creek Rating District</u></b>			
Class A	\$ 4,878,800	0.0025578	12,479
Class B	\$ 6,812,800	0.0017904	12,198
Class C	\$ 7,978,400	0.0012789	10,203
Class D	\$ 21,255,100	0.0005116	10,873
Class E	\$ 19,046,500	0.0002558	4,872
			<u><u>50,625</u></u>

- (b) 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 Wanganui River Separate Rating Area and calculated on the land value of each rating unit, for maintaining the protection works in the scheme.

<u>Wanganui River Rating District</u>	Estimated rateable Land Value	factor per \$ of Land Value	Estimated to yield \$
Class A	\$ 24,118,100	0.000853	20,562
Class B	\$ 21,701,800	0.000597	12,952
Class C	\$ 34,272,600	0.000384	13,149
Class D	\$ 4,218,200	0.000085	360
Class U1	\$ 4,621,700	0.001705	7,881
Class U2	\$ 1,579,100	0.000853	1,346
			<u>56,250</u>

- (c) 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 Kaniere Area Separate Rating Area and calculated on the land value of each rating unit, for maintaining the protection works in the scheme.

<u>Kaniere Rating District</u>	Estimated rateable Land Value	factor per \$ of Land value	Estimated to yield \$
Class A	\$ 297,000	0.005566	1,653
Class B	\$ 125,000	0.003340	417
Class C	\$ 303,000	0.002226	675
Class D	\$ 1,784,000	0.000835	1,490
Class E	\$ 477,000	0.000557	265
			<u>4,500</u>

- (d) 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 Kowhitirangi Area Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

<u>Kowhitirangi Flood Control Rating District</u>	Estimated rateable Capital Value	factor per \$ of capital Value	Estimated to yield \$
Class A	\$ 20,730,200	0.000172	3,567
Class C	\$ 41,429,200	0.000086	3,564
Class E	\$ 39,770,100	0.000050	1,996
Class F	\$ 74,041,700	0.000029	2,123
			<u>11,250</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.

<u>Coal Creek Rating District</u>	Estimated rateable Capital Value	factor per \$ of capital Value	Estimated to yield \$
	\$ 4,863,605	0.001735	<u>8,438</u>

- (f) 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 Karamea Riding Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

<u>Karamea Riding Rating District</u>	Estimated rateable Capital Value	factor per \$ of capital Value	Estimated to yield \$
Class A	\$ 997,800	0.000725	723
Class B	\$ 30,228,200	0.000580	17,526
Class C	\$ 3,767,900	0.000435	1,638
Class D	\$ 92,573,600	0.000072	6,709
Class E	\$ 42,199,200	0.000036	1,529
			<u>28,125</u>

- (g) 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 Inchbonnie Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

<u>Inchbonnie Rating District</u>			Estimated to
	Estimated rateable	factor per \$ of	yield
	Capital Value	capital Value	\$
Class A	\$ 485,000	0.003658	1,774
Class B	\$ 11,542,000	0.002743	31,664
Class C	\$ 4,595,000	0.001829	8,404
Class D	\$ 2,350,000	0.001097	2,579
Class F	\$ 1,056,000	0.000549	579
			<u>45,000</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 maintaining the protection works in the scheme.

<u>Greymouth Floodwall Rating District</u>			Estimated to
	Estimated rateable	factor per \$ of	yield
	Capital Value	capital Value	\$
	\$ 648,634,100	0.0003469	<u>225,000</u>

- (l) 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 (Maintenance) Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

<u>Okuru Rating District (Maintenance)</u>			Estimated to
	Estimated rateable	factor per \$ of	yield
	Capital Value	capital Value	\$
	\$ 11,040,000	0.001529	<u>16,875</u>

- (j) 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 Redjacks Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

<u>Redjacks Rating District</u>			Estimated to
	Estimated Rateable	Rates per	yield
	Land Area (ha.)	hectare	\$
Class A	0.1000000	\$ 3,785.63	379
Class B	1.1005000	\$ 1,814.52	1,997
Class C	0.1168000	\$ 1,714.47	200
Class D	2.3013000	\$ 428.73	987
Class E	1.4882000	\$ 537.86	800
Class F	1.8520000	\$ 143.66	266
Class G	21.9674000	\$ 18.95	416
Class H	49.6806000	\$ 9.74	484
Class I	23.7542000	\$ 4.05	96
			<u>5,625</u>

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

<u>Raft Creek</u>	Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
	762.2501000	11.80715	9,000

- (l) 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.

<u>Nelson Creek Rating District</u>	Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
Class A	0.9012000	1819.91407	1,640
Class B	2.9043000	888.11687	2,579
Class C	10.7731000	181.17887	1,952
Class D	10.3000000	173.47746	1,787
Class E	18.5536000	137.26475	2,547
Class F	65.1578000	84.33218	5,495
Class G	18.1062000	95.87139	1,736
Class H	20.0432000	89.45283	1,793
Class I	7.8016000	20.36986	159
			19,688

- (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 Taramakau Settlement Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

<u>Taramakau Settlement Rating District</u>	Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
Class A	306.2555000	73.086034	22,382
Class B	130.0039000	59.917433	7,790
Class C	111.9839000	41.168864	4,610
Class D	127.1295000	34.724435	4,415
Class E	174.4299000	33.395937	5,825
Class F	140.2890000	28.339713	3,976
Class G	392.7389000	23.030568	9,045
Class H	429.4846000	21.641637	9,295
Class I	48.6613000	3.329134	162
			67,500

- (n) 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 Kongahu Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

<u>Kongahu Rating District</u>	Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
Class A	709.3929000	11.428871	8,108
Class B	73.8247000	5.993115	442
			8,550

- (o) 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 Waitangi-taona River Separate Rating Area and calculated on the land area of each rating unit, for maintaining the protection works in the scheme.

<u>Waitangitaona Rating District</u>	Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
Class A	607.4194000	9.5556789	5,804
Class B	721.2266000	7.3253155	5,283
Class C	1724.9452000	6.1093311	10,539
Class D	695.6700000	1.2564080	874
			22,500



- (p) **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 repayment of the loan raised by Council to carry out the sea wall protection works.**

**Punakaiki Loan Repayment Rating District**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
Class A	\$ 4,892,600	0.006300069	30,824
Class B	\$ 5,512,400	0.003780041	20,837
Class C	\$ 6,035,000	0.001260014	7,604
			<u>59,265</u>
Area A Differential	1.00		
Area B Differential	0.60		
Area C Differential	0.20		

- (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	factor per \$ of capital Value	calculated yield \$
Class A	\$ 4,892,600	0.001793869	8,777
Class B	\$ 5,512,400	0.001076322	5,933
Class C	\$ 6,035,000	0.000358774	2,165
			<u>16,875</u>
Area A Differential	1.00		
Area B Differential	0.60		
Area C Differential	0.20		

- (r) **A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rural rateable land greater than or equal to two (2) hectares situated in the Tb Pest Management Separate Rating Area and calculated on the capital value of each rating unit.**

**Endemic Area means property is in the movement control or vector risk areas as classified by the current Animal Health Board operational plan.**

**Non Endemic Area means property that is in the vector fringe and surveillance areas as classified by the current Animal Health Board operational plan.**

**Differential**

Rateable properties within the Buller District area to yield 33.33% of the total rate.

Rateable properties within the Grey District area to yield 33.33% of the total rate.

Rateable properties within the Westland District area to yield 33.33% of the total rate.

**Tb PEST MANAGEMENT**

	Estimated rateable Capital Value	factor per \$ of capital Value	Estimated to yield \$
Buller District- Endemic Area	\$ 735,923,100	0.00028555	210,142
Buller District- Non Endemic Area	\$ 76,808,500	0.00007139	5,483
Grey District-Endemic Area	\$ 732,224,400	0.00029448	215,625
Westland District-Endemic Area	\$ 939,223,000	0.00021867	205,383
Westland District-Non Endemic Area	\$ 187,340,500	0.00005467	10,242
	<u>\$ 2,671,519,500</u>		<u>646,875</u>

- (s) **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	factor per \$ of capital Value	calculated yield \$
Area A	\$ 2,579,000	0.000000	-
Area B	\$ 2,127,200	0.000000	-
			-
Area A Differential	1.0000000		
Area B Differential	0.1000000		

- (t) **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	calculated yield \$
	\$ 87,646,200	0.000449	39,375

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

**Canavans Knob**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
	\$ 13,155,500	0.000385	5,063

- (v) **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 separate rating area and calculated on the capital value of each rating unit for the maintenance of flood protection works.**

**Lower Waiho**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
	\$ 14,713,500	0.007646	112,500

- (w) **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	calculated yield \$
	\$ 11,216,000	0.000502	5,625

- (x) **A Targeted rate to fund Regional Emergency Management activities.**

**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.**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
Rateable Value of Land in the Buller District Local authority Area	1,860,584,770		
Rateable Value of Land in the Grey District Local authority Area	2,198,872,350		
Rateable Value of Land in the Westland District Local authority Area	2,305,976,800		
	6,365,433,920	0.0000071	45,000

- (y) **A targeted rate in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land in the Twelve Mile separate rating area calculated on the capital value of each rating unit for the funding of further investigations.**

**Twelve Mile**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
	\$ 2,655,000	0.000127	338

- (z) **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 \$300.00 per rating unit.**

**Mokihinui**

	Estimated number of rating units	Amount per rating unit.	calculated yield \$
	43	\$ 300.00	12,900

## Rating Impact Ready Reckoner

### The following rates are payable by all properties in the Buller District

Rate type	Rate per \$100,000 of Capital value
General Rate	\$35.86
Emergency Management Rate	\$0.71

Other targeted rates will apply depending on whether a property is located within a separate rating area.

- e.g. Karamea Separate rating Area  
Kongahu Separate Rating Area  
Punakaiki Separate Rating Area  
Tb Pest Management Rate (rural properties greater than or equal to 2 hectares)

### The following rates are payable by all properties in the Grey District

Rate type	Rate per \$100,000 of Capital value
General Rate	\$38.17
Emergency Management Rate	\$0.71

Other targeted rates will apply depending on whether a property is located within a separate rating area.

- e.g. Coal Creek separate rating area  
Inchbonnie Separate Rating Area  
Greymouth Floodwall Separate rating Area  
Redjacks Separate rating Area  
Nelson Creek Separate Rating Area  
Tb Pest Management Rate (rural properties greater than or equal to 2 hectares)

### The following rates are payable by all properties in the Westland District

Rate type	Rate per \$100,000 of Capital value
General Rate	\$28.00
Emergency Management Rate	\$0.71

Other targeted rates will apply depending on whether a property is located within a separate rating area.

- e.g. Hokitika River South Bank (Loan Repayment) Separate Rating Area  
Kaniere Separate Rating Area  
Raft Creek Separate Rating Area  
Kowhitirangi Separate Rating Area  
Vine Creek separate rating area  
Wanganui River Separate Rating Area  
Waitangi-taona River Separate Rating Area  
Franz Josef Separate Rating Area  
Canavan's Knob Separate Rating Area  
Lower Waiho Separate Rating Area  
Matainui Creek Separate Rating Area  
Okuru (Maintenance) Separate Rating Area  
Tb Pest Management Rate (rural properties greater than or equal to 2 hectares)

## **PART FIVE – POLICIES**

(For the avoidance of doubt, all the following policies are available for consultation as part of this Long Term Council Community Plan Draft Statement of Proposal.)

## Council Controlled Organisations and Council Organisations

A Council Controlled Organisation is defined as a Company or organisation where Council or Councils together hold 50% or more of the voting rights at a meeting of the company or organisation, or have the right to appoint directly or indirectly 50% of the Trustees, Directors or Managers.

A Council organisation is defined as a company or organisation where Council or Councils control directly or indirectly one or more of the votes at a meeting or directly or indirectly appoint one or more of the Trustees, Directors or Managers.

### Council Controlled Organisations - IRIS

The West Coast Regional Council does not currently have any interest in any Company or Organisation that meets the definition of a Council Controlled Organisation (CCO). However, The Council is proposing to establish a CCO with several other regional councils for the purposes of collaboratively developing and maintaining a software application suite for use by regional councils. The application suite expected to be developed has been called **IRIS** – the Integrated Regional Information Software.

The IRIS project follows a shared service model whereby other council's with similar needs share costs making the outputs cheaper for ratepayers. Sharing also helps to produce a better product. The key reason the West Coast Regional Council is part of IRIS is that it will ensure that our currently efficient consenting processes can continue to be efficient, into the longer term future.

The benefits of IRIS also include:

- It provides for continuity of supply of specialist software for regional resource management functions;
- Councils collectively retain control of the software development;
- The shared service model results in economies of scale; and
- Having a single software type for the regional sector will result in standardisation of practice and/or adoption of best practice.

A council-controlled organisation can be a company, partnership, trust, arrangement for the sharing of profits, union of interest, co-operation, joint venture or other similar arrangement in which one or more local authorities, directly or indirectly, controls the organisation. The final structure of the council-controlled organisation is yet to be determined. The shareholders of the council-controlled organisation will be a number of regional councils and potentially the external vendor responsible for the development of IRIS.

Depending on the final adopted structure of the council-controlled organisation the Council may hold shares or some other form of ownership. The Council will not be contributing capital to the council-controlled organisation. Rather, by committing its share of the costs of development, the Council will be financing the council-controlled organisation. The Council may contribute to the operating costs of the council-controlled organisation. The Council will maintain its ownership of the council-controlled organisation as long as it continues to operate and the Council continues to utilise the products developed by the council-controlled organisation. Once established, the council-controlled organisation will prepare a statement of intent. This statement of intent will form the basis of key performance targets and other measures by which the performance of the council-controlled organisation may be judged.

### Council Organisations

The West Coast Regional Council has interests in one organisation which meet the definition of a Council Organisation as per the above definition: The West Coast Development Trust.

**The West Coast Development Trust** (Trading as Development West Coast) was established “for the benefit of the community of the present and future inhabitants of the West Coast Region.”

One Trustee is jointly appointed by the four West Coast Councils: Westland District Council, Grey District Council, Buller District Council and West Coast Regional Council.

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### **Appointment of Directors or Trustees to Council Controlled Organisations and Council Organisations**

Council adopted a policy on these appointments on 13 May 2003. This policy is due for review and the following reviewed draft is included for public feedback. Once this LTCCP is adopted by Council the policy here will be accepted as the new Council appointments policy for COs and CCOs.

The policy details the skills sought from potential appointees and the appointment process to be followed by Council. Development West Coast is this Council’s only CO.

### **Policy on Appointments and Remuneration of Directors for Council Organisations and Council Controlled Organisations**

The Local Government Act 2002 requires that the Council may appoint a person to directorship of Council Organisations (CO’s) or Council Controlled Organisations (CCO’s) only if the Council considers the person has the skills, knowledge and experience to;

- o Guide the organisation given the nature and scope of its activities.
- o Contribute to the achievement of the objectives of the organisation.

The Council is required to adopt a policy setting out the objectives and transparent process for identifying and considering the skills required and appointing the Directors of COs and CCO’s.

#### **Skills**

The Council considers that any person that it appoints to be a Director of a CO or CCO should as a minimum have the following skills.

- a) Intellectual ability and an understanding of the Region’s community,
- b) Appropriate business acumen and experience in the activities of the organisation,
- c) Sound judgement and ability to work with others, and
- d) A high standard of personal integrity.

#### **Appointment Process**

When vacancies arise in any CO or CCO the Council will identify and follow the appropriate process for appointing the representative(s).

#### **Final Appointment**

Public announcement of the appointment will be made as soon as practicable after the Council has made its decision. An elected member who is under consideration to fill a particular vacancy may not take part in the discussion or vote on the appointment.

#### **Conflicts of Interest**

The West Coast Regional Council expects that Directors of COs and CCO’s will avoid situations where their actions could give rise to a conflict of interest. To minimise these situations the Council requires the Directors to follow the provisions of the good practice guide by the Office of the Auditor General “*Managing Conflicts of Interest: Guidelines for Public Entities*”.

All Directors are appointed “at the pleasure of the Council”.

## **Remuneration**

Remuneration of directors of CO's and CCO's is a matter of public interest.

Where the Council is the sole shareholder in a particular organisation the Council will set Directors remuneration either by resolution at the Annual General Meeting, or will review salaries on an annual basis (for those organisations that do not have such a meeting). In reaching a view on the appropriate level of remuneration for Directors of CO's or CCO's Council will consider the following factors:

- a) The need to attract and retain appropriately qualified people.
- b) The levels and movements of salaries in comparable organisations (Council will retain professional advice on salary levels and movements).
- c) The objectives of the CO or CCO (in particular whether or not the CO or CCO operates on a charitable basis).
- d) The past performance of the organisation.
- e) The financial situation of the organisation.

In cases where Council cannot exercise direct control, such as in an organisation where it is one shareholder among many, it will conduct its own monitoring of salaries against the above factors.

As well as having this policy on appointments and remuneration, Council must monitor performance of its CO. Should Council form a CCO in future, the Local Government Act 2002 contains more rigorous additional requirements.

## Policy on Partnerships with the Private Sector

### Conditions

The West Coast Regional Council will enter into partnerships with the Private Sector only where it expects that the partnership will help achieve the community outcomes or objectives in the LTCCP, but the Council is not obliged to enter into any such partnerships.

Before entering into a Public Private Sector Partnership (PPP) Council must be satisfied that;

- The partnership will help achieve the community outcomes or objectives identified in the LTCCP.
- The benefit from the partnership outweighs the costs and risks.
- Council is satisfied that the Private Sector Partner has demonstrated an ability to meet the terms of any Agreement with the Council.
- All necessary consents, licences, or other approvals have been obtained prior to any financial commitment by the Council.
- The Partnership and its proposed business are lawful.
- A clear exit/termination strategy is agreed.
- Roles, responsibilities and liabilities of each partner are clearly defined.

### Types of PPP Involvement

Council will consider the following methods of implementing a PPP:

- **Grants**, where the assessed benefit to the community justifies, where the PPP is accorded priority by Council, and funds are available for the activity.
- **Loans**, where the benefit to the community is significant, but it is assessed that income or other funding can be assessed, and / or there will also be significant benefits to the private sector partner and / or it is otherwise unsuitable to provide other funding.
- **Investment**, where there are deemed to be significant public benefits, and the community has been consulted, either during an LTCCP, or Annual Plan consultation, or separately using the special consultative procedure.
- **Acting as a Guarantor** may be considered by Council following community consultation, and where there are appropriate safeguards in place to ensure budgets are not exceeded and where limitations are specified as to the total amount Council is guarantor for.

### Consultation

Council will undertake consultation on any revisions of this policy on public private sector partnerships as part of a LTCCP.

Where Council decides to enter into such a partnership in accordance with the policy, further consultation will not be required except where;

- A PPP is identified as beneficial, but falls outside the scope of this policy.
- An Investment is proposed
- It is proposed to act as a Guarantor in extraordinary circumstances.
- The partnership would result in significant changes in service levels.
- The proposal would have a material impact on Council's budgets.
- Ownership or control of a significant asset was to be transferred.
- There is expected to be considerable public interest in the proposal.



Where practicable, consultation on PPP's will take place in the LTCCP or Annual Plan process. Where this is not possible a special consultative procedure may be undertaken.

### **Formation of a PPP**

Formation of a partnership with the private sector that meets the requirements of this policy must be by ordinary Council resolution.

### **Risk Management**

When considering a partnership with the private sector, the potential risks to Council will be outlined, and Council will assess the level of risk against benefits.

A full risk analysis will be undertaken as part of the process of evaluation of any proposed partnership. This will be completed through review of all information received from the proposed partner, and through discussion and / or enquiry of any part.

The risk assessment will be documented and reported to Council.

### **Monitoring and Reporting**

The private sector partner will report to Council using generally accepted accounting practices appropriate to the particular type of entity.

Measurable and verifiable performance standards should be included where appropriate in partnership documents.

Quarterly and Annual Reports to Council will be required.

The performance of PPP's will be reported on in the Council's Annual Report.

## **Policy on the Remission and Postponement of Rates on Maori Freehold Land**

Maori freehold land is defined by the Local Government (Rating) Act 2002 as “Land whose beneficial ownership has been determined by the Maori Land Court by Freehold Order”.

The Local Government Act 2002 requires Council to adopt a policy on the “Remission and Postponement of Rates on Maori Freehold Land”.

Council adopted a General Remissions and Postponements Policy in 2003, which has the objective of “facilitating the ongoing provision of community services and recreational opportunities for the residents of the West Coast Region”.

The general policy applies to land owned and occupied by charitable organisations, which is used exclusively or principally for sporting, recreation, or community purposes, and the organisation wishes to receive a discretionary 50% remission in addition to any mandatory 50% remission allowed by statute (ie. zero rates).

Existing organisations receiving a discretionary 50% remission as at 30 June 2003 continued to receive this remission provided their circumstances continue to come within the criteria of the general policy.

It is considered appropriate for the existing general remissions and postponements policy to include Maori Freehold Land.

### **Policy**

There is no special treatment of Maori Freehold Land. The Council's existing policy adopted in 2003 with regard to Remission and Postponement of Rates also applies to Maori Freehold Land.

## **Policy on Financial Contributions**

The Local Government Act 2002 requires Council to adopt a policy on financial contributions.

“Financial Contributions” has the meaning given to it by section 108(9) of the Resource Management Act 1991.

The Council does not intend to fund any capital expenditure identified in this LTCCP from Financial Contributions. However, during the period of this plan, it is possible that in granting a resource consent, a financial contribution may be imposed, according to the Policy set in the relevant Regional Plan.

Copies of Regional Plans are available for inspection at the Regional Council and are available on the Council website [www.wcrc.govt.nz](http://www.wcrc.govt.nz)

# Policy on Significance

## Introduction

This policy on significance outlines the Council's general approach to determining the significance of proposals and decisions, and includes procedures, criteria and some thresholds the Council will use in assessing which issues, proposals, decisions and other matters are significant.

It also lists assets the Council considers to be strategic assets.

The policy is a requirement of the Local Government Act 2002 (the Act).

## General Approach

The significance policy will be invoked when:

- The % threshold as set out below is triggered, or
- The Chief Executive Officer determines that a matter is significant, or
- That Council determines that a matter is significant.

Issues, proposals, decisions or other matters that are part of the normal day-to-day operations of Council will not require formal consideration for significance.

## Delegated Authority

Authority is delegated to the Chief Executive Officer to determine which, if any, issue, proposal, decision or matter that may arise, will require a formal assessment of its significance to be carried out, in accordance with the guidelines of this policy.

## Other General Comment

The more significant or material the impact or consequences of the decision or proposal, the higher the standard of compliance required with the legislation, and the more likely the matter will be "significant".

It is helpful to bear in mind that the references to "significance" in the Act are intended to ensure that appropriate attention and consideration is given to matters based on their relative importance to the region.

Council will not make a decision or proceed with a proposal, which it considers to be significant, unless it is first satisfied that sections 77, 78, 80, 81 and 82 of the Act have been appropriately observed.

The procedures below are designed to ensure observance of this policy.

Prior to delegating a decision on any specific matter to officers or committees, Council as a whole will consider the significance of the matter being delegated.

## Definition of Significance

The Act defines significance as:

"Significance, in relation to any issue, proposal, decision or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision or matter, as assessed by the local authority, in terms of its likely impact on, and likely future consequences for;

- The current and future social, economic, environmental, or cultural wellbeing of the Region;
- Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;
- The capacity of the local authority to perform its role, and the financial and other costs of doing so.”

### Thresholds, Criteria And Procedures

#### Thresholds

Application of the thresholds is not necessarily conclusive. A matter which does not meet any particular financial threshold may still be significant if the criteria below suggest that it is.

Proposals or decisions, which are likely to have financial implications in excess of the following thresholds, will be treated as significant.

#### Decision or Proposal Threshold

An amount, which is greater than 10% of budgeted operating expenditure for any particular year.

#### Strategic Assets

For the purposes of section 90(2) of the Act, the Council considers the following assets to be strategic assets:

#### Activity/Group Of Activities Asset

Activity	Asset
River, Drainage and Coastal protection Rating District Works	Canavan's Coal Creek Franz Josef Hokitika Southside Inchbonnie Kaniere Karamea Kongahu Kowhitirangi Lower Waiho Matainui Nelson Creek Okuru Punakaiki Raft Creek Redjacks Taramakau Vine Creek Waitangitaona Wanganui

# Remissions and Postponements Policy

## Remissions Policy

This policy is prepared under sections 102 (5), 109 and 110 of the Local Government Act 2002.

### Commentary

Under the Local Government Rating Act 2002 the following land is 50% non ratable;

- Land owned or used by A & P Societies, and used as a showground.
- Land owned or used by a society or association for games of sport (except horse and greyhound racing).

These categories do not include premises from which liquor is sold.

Council has historically allowed a discretionary 50% remission in addition to the mandatory 50% remission.

## Remissions For Community And Sporting Organisations

### Objective

To facilitate the ongoing provision of community services and recreational opportunities for the residents of West Coast Regional Council.

The purpose of granting rates remission to an organisation is to:

- Assist the organisations survival; and
- Make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people and economically disadvantaged people.

### Conditions and Criteria

This part of the policy will apply to land *owned and occupied* by a charitable organisation, which is used *exclusively or principally* for sporting, recreation, or community purposes, and the organisation wishes to receive a discretionary 50% remission in addition to any mandatory 50% remission allowed by statute (ie. zero rates).

The policy does not apply to organisations operated for private pecuniary profit. The policy will also not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting, or community services as a secondary purpose only.

Applications for discretionary remission must be made to "The West Coast Regional Council, P.O. Box 66, Greymouth"

The application for rate remission must be made to the Council prior to the commencement of the rating year. Successful applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.

Organisations making application should include the following documents in support of their application:

- statement of objectives; and
- financial accounts; and
- information on activities and programmes; and
- details of membership or clients.

## **Remission Of Penalties**

### **Objective**

The objective of this part of the remission policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date due to circumstances outside the ratepayer's control.

### **Conditions and Criteria**

Remission of penalties will be considered where payment has been late due to significant family disruption. Remission will be considered in the case of death, illness, or accident of a family member, as at the due date.

Remission will be granted where payment is made within 7 days of the penalty date provided the ratepayer has made no late payment for rates within the previous three years.

Remission of the penalty will be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control.

Remission of the penalty will also be considered if the payment received after the penalty date subsequently clears the rates for the year.

Each application will be considered on its merits and a full or partial remission will be granted where it is considered just and equitable to do so.

Decisions on remission of penalties are delegated to officers as set out in the Council's delegations manual.

## **West Coast Regional Council Postponement Policy**

This policy is prepared under section 102,109 and 110 of the Local Government Act 2002 for consultation using the special consultative procedure laid down in section 83 of the same Act.

### **Extreme Financial Circumstances**

#### **Objective**

The objective of this part of the policy is to assist ratepayers experiencing extreme financial circumstances, which affect their ability to pay rates.

#### **Conditions and Criteria**

Only rating units used solely for residential purposes (as defined by Council) will be eligible for consideration for rates postponement for extreme financial circumstances.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates postponement for extreme financial circumstances. The ratepayer must be the current owner of, and have owned for not less than 5 years, the rating unit which is the subject of the application. The person entered on the Council's rating information database as the "ratepayer" must not own any other rating units or investment properties (whether in the district or in another district).

The ratepayer (or authorised agent) must make an application to West Coast Regional Council, P.O. Box 66, Greymouth.

The Council will consider, on a case-by-case basis, all applications received that meet the criteria described in the first two paragraphs under this section. The Council will delegate authority to the Chief Executive Officer to approve applications for rates postponement.

When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness

and family circumstances. Before approving an application the Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.

Where the Council decides to postpone rates the ratepayer must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

Any postponed rates will be postponed until:

- The death of the ratepayer(s); or
- Until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- Until the ratepayer(s) ceases to use the property as his/her residence; or
- Until a date specified by the Council.

Postponements will not usually be entertained unless the territorial local authority has already or concurrently approved a postponement.

The policy will apply from the beginning of the rating year in which the application is made although the Council may consider backdating past the rating year in which the application is made depending on the circumstances.

The postponed rates or any part thereof may be paid at any time.

Postponed rates will be registered as a statutory land charge on the rating unit title.

This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.



## Investment Policy

The West Coast Regional Council has two types of Investments.

- Funds invested with an appointed Fund Manager.
- Funds managed directly by West Coast Regional Council for working capital purposes.

### Objectives

The objective of the investment portfolio is:

- The generation of capital gains in order to protect the real value of the portfolio.
- The creation of income to be able to be used for Council activities and to be able to be reinvested to ensure further growth in the portfolio over and above the growth mentioned in (1) above.

These objectives will be achieved by investing in a balanced Investment Portfolio including the investment class of:

- New Zealand cash (defined as wholesale money market instruments with a duration of up to 12 months).
- New Zealand bonds (defined as NZ \$ denominated bonds issued by the NZ Government, NZ Corporates, NZ Local Authorities, NZ State owned enterprises, NZ Banks).
- Australasian Equities (listed on NZ and Australasian stock exchange).
- International Equities
- Australasian Property
- Alternative asset classes (emerging market bonds, absolute return funds, structural credit)

### The Asset Classes and Benchmarks

With respect to the funds invested on Councils behalf by its appointed Fund Manager, the following Asset Class benchmarks have been agreed.

-	NZ Cash	25%
-	NZ Bonds	25%
-	Australasian Property	5%
-	Australasian Equities	15%
-	International Equities	15%
-	Alternative Asset Classes	15%
	<u>Total</u>	<u>100%</u>

These benchmarks and asset classes are reviewed annually by the Council and its investment advisors.

### Acquisition of New Investments

1. With regard to the funds managed by Councils appointed fund manager, the fund manager has full discretionary authority to purchase and sell investments for the Council. However, there is a detailed statement of investment objectives, policies and restrictions agreed to by the Council and its appointed fund manager which sets out in detail performance benchmarks, investment criteria, tactical assets allocation ranges, rules and restrictions, compliance reporting requirements.
2. With regard to funds managed directly by the Council for working capital progress, Council invests these funds in a money market call deposit account with a NZ registered bank.
3. The Chief Executive Officer, Corporate Services Manager or nominated senior accounting staff may authorise the movement of funds to and from this money market call deposit account to meet the

objective of minimizing the amount of cash held at any time in the Councils current (or main operating) bank account.

4. Other Investments – by Council approval only.

### **Reporting**

1. The fund manager provides a report at the end of each month for each class of investments showing full details of all transactions entered into during the period, and the performance of the investment during the period.
2. Details of both the fund manager portfolio performance and money market call deposit transactions are reported by the Corporate Services Manager to Council monthly.

### **Risk Assessment and Management**

1. Council is a conservative investor. The asset class benchmark referred to above reflects the Council's risk adverse nature.
2. Where periods of negative returns are possible, the fund manager is required to invest the funds in a manner that will limit the likelihood of negative returns in any period occurring.
3. In addition the statement of investment, objective, policies and restrictions contains various restrictions to minimise risk such as:
  - prohibition on use of options
  - prohibition on use of derivatives
  - external credit rating standards for particular types of investments
  - currency hedging where appropriate

## Borrowing Policy

This liability management policy is prepared pursuant to section 102 (4) (c ) of the Local Government Act 2002.

### General Policy

All borrowing arrangements, (except Council Office Equipment Finance Leases), will be subject to specific approval by Council resolution.

Borrowing may be incurred to finance long term capital works and other capital expenditure.

Council will from time to time enter into Finance Leases for the acquisition of office equipment (for example photocopier equipment.)

Borrowing to finance operating deficits is prohibited.

Borrowing in foreign currencies is prohibited.

Specific projects may be financed by way of internal loan up to a limit in total (of all such loans) not exceeding \$500,000. Such internal loans will be subject to specific approval by Council resolution.

Due to the relatively small scale of Council borrowing, borrowing will normally be by way of direct bank borrowing.

Council will enter into contracts in the ordinary course of business for the purchase of goods and services on normal commercial terms. Payment of suppliers will be on standard 20th month terms unless specifically agreed otherwise.

### Interest Rate Exposure

Wherever possible, Council will borrow on fixed rate terms. This helps to provide certainty regarding repayments. The small scale of Council borrowings does not justify more complex interest rate risk management strategies.

Finalisation of interest rate terms is delegated to the Corporate Services Manager and Chief Executive acting jointly.

### Liquidity and Credit Risk

Council will only borrow from NZ registered banks.

Council will maintain a balance sheet current ratio (current assets – current liabilities) of not less than 1.25:1.00.

### Specific Borrowing Limits

Use of bank overdraft and/or multi option credit lines to a level of \$750,000 so as to better manage short term liquidity requirements is permitted.

Total annual interest expense not to exceed 10% of total revenues.

Total borrowing for Infrastructural asset is not to exceed 20% of the total value of all Infrastructural assets.

Total non Infrastructural asset related debt not to exceed 25% of net assets (excluding the value of Infrastructural Assets)

### Giving of Security to Lenders

Council may offer the following forms of security to lenders;

Deed of acknowledgement of Debt.

Negative Pledge.

Specific charge over particular targeted rates (pursuant to section 115 Local Government Act 2002).

Specific charge over general rate (pursuant to section 115 Local Government Act 2002).

### Debt Repayment

Funds for debt repayment will be budgeted from operating funds.

In the case of specific community protection works, a targeted rate will be levied on the particular community to provide funds for the repayment of loan interest and principal.

### **Council's Borrowing Requirements Under the 10 Year Financial Plan.**

No new borrowings are envisaged in the ten-year financial strategy except to fund protection works requested by particular communities.

### **Provision for the Funding of Interest and Principal Repayments**

#### **Punakaiki Separate Rating Area**

Loan of \$365,000 for 10 years 7.80% (fixed for 5 years) from November 2005

Proposed New Borrowing										600,000
\$	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>
Interest	19,524	16,846	13,948	10,817	7,432	3,774	423	0	0	0
Principal	33,156	35,834	38,732	41,863	45,248	48,906	21,543	0	0	0
Total	52,680	52,680	52,680	52,680	52,680	52,680	21,966	0	0	0

This loan from Westpac is unsecured.

These loan repayments will be funded from the targeted rate levied on the Punakaiki separate rating area.

#### **Punakaiki Works**

Loan of \$25,000 for 10 years 7.80% (fixed for 5 years) from November 2005

Proposed New Borrowing	0	0	0	0	0	0	0	0	0	0
\$	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>
Interest	1,337	1,155	956	741	509	258	29	0	0	0
Principal	2,275	2,457	2,656	2,871	3,103	3,354	1,438	0	0	0
Total	3,612	3,612	3,612	3,612	3,612	3,612	1,467	0	0	0

This loan from Westpac is unsecured.

These loan repayments will be funded from the general income of the Council.

A total loan of \$390,000 was raised from Westpac in November 2005, \$365,000 of which is a liability of the Punakaiki separate rating area.

**Capitalised Leases**

Proposed New Borrowing	42,000			156,896			48,728	121,474		52,306
\$	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>
Interest	12,690	10,639	5,891	8,745	14,519	9,787	7,201	10,469	13,994	11,590
Principal	41,475	37,096	41,844	41,338	38,569	43,302	46,492	45,147	43,535	46,643
Total	54,165	47,735	47,735	50,083	53,088	53,089	53,693	55,616	57,529	58,233

These loan repayments will be funded from the general income of the Council

**Lower Waiho Rating District**

Proposed New Borrowing		1000000								
\$	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>
Interest	2,386	72	72,633	67,213	61,373	55,079	48,297	40,988	33,112	24,625
Principal	38,546	6,749	69,809	75,229	81,069	87,363	94,145	101,454	109,330	117,817
Total	40,932	6,821	142,442	142,442	142,442	142,442	142,442	142,442	142,442	142,442

These loan repayments will be funded from the targeted rate levied on the Lower Waiho Separate Rating Area.

**Greymouth Floodwalls Rating District**

Proposed New Borrowing	1700000									
\$	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>
Interest	126,207	123246	120056	116618	112913	108921	104618	99982	94986	89601
Principal	38,134	41095	44285	47723	51428	55420	59723	64359	69355	74740
Total	164,341	164341	164341	164341	164341	164341	164341	164341	164341	164341

These loan repayments will be funded from the targeted rate levied on the Greymouth Floodwalls Separate Rating Area.

**Inchbonnie Rating District**

Proposed New Borrowing	400,000									
\$	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>
Interest	0	29,053	26,885	24,549	22,032	19,319	16,395	13,245	9,849	6,191
Principal	0	27,924	30,092	32,428	34,945	37,658	40,581	43,732	47,127	50,786
Total	0	56,977	56,977	56,977	56,977	56,977	56,977	56,977	56,977	56,977

These loan repayments will be funded from the targeted rate levied on the Inchbonnie Separate Rating Area.

## **Policy on Development of Maori Capacity to Contribute to Decision-making Processes**

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 appointed 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 forwards new resource consent application information to the Runanga regularly, and have also assisted both Runanga in developing Iwi management plans.

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

- Council will continue to invite representation on its Resource Management Committee from representatives of both local Runanga: Te Runanga o Ngati Waewae and Te Runanga o Makaawhio.
- Council will involve Iwi in drafting Iwi chapters in Resource Management Plans and Policy Statements, as required.
- Council will continue to supply Iwi with a list of resource consent applications on a weekly basis.

## West Coast Regional Council Charges

### Introduction

The West Coast Regional Council charges users for the performance of some of its functions under the Resource Management Act 1991, the Crown Minerals Act 1991 and the Local Government Act 2002.

### The Resource Management Act 1991

The Resource Management Act allows the Council to charge resource consent applicants and resource consent holders for costs related to those consents.

The Council has a policy of recovery of all actual and reasonable costs from those who receive the benefit from or create the need for an activity within its region. Applicants and resource consent holders will pay the costs of processing and monitoring of resource consents. The provision of information in respect of plans, resource consents and supporting documents is also to be recovered.

### Crown Minerals Act 1991, Mining Act 1971 or Coal Mines Act 1979

Pursuant to section 150 of the Local Government Act 2002 the Council may prescribe certain charges for the carrying out of its functions in relation to mining legislation. The Council will recover all actual and reasonable costs for all monitoring and transactions in respect of any privilege, including operations for expiry or forfeiture of any privileges.

**Table 1: Resource Consent Minimum Application Deposit Fees**

Application for Resource Consents	Minimum Application Fee GST Exclusive	GST Inclusive
Land Use Consent & associated consents for dry bed gravel extraction	\$350	\$393.75
Land Use Consent & associated consents for river protection works	\$500	\$562.50
Discharge Permits for dairy effluent discharges	\$500	\$562.50
Land Use Consent & associated consents for humping & hollowing/flipping earthworks	\$700	\$787.50
Land Use Consent & associated consents for land based alluvial gold mining operations	\$850	\$956.25
Land Use Consent & associated consents for alluvial gold mining operations involving watercourse diversions	\$1,800	\$2,025.00
Coastal Permits for Restricted Coastal Activities	\$5,000	\$5,625.00
Application for a change or cancellation of consent conditions	\$250	\$281.25
Application for a Certificate of Compliance or an Existing Use Certificate	\$250	\$281.25
Application for Transfer of a Water Permit	\$350	\$393.75
All other Resource Consents	\$400	\$450.00

## **Charges Pursuant To Section 36 of the Resource Management Act**

Pursuant to section 36(1) of the Resource Management Act 1991 the West Coast Regional Council intends to fix charges from time to time on the basis of the reasonable costs incurred by the Council's actions to which the charge relates.

The Council has resolved to fix charges based on a formula of an hourly rate fixed for the particular officer or consultant undertaking the function multiplied by the number of hours which are required to undertake the function. In some cases, the hourly rate specified will not be sufficient to recover the Council's full actual and reasonable costs.

For some specific activities relating to resource consents, a fixed fee applies.

Where the formula is inadequate to enable the Council to recover the actual and reasonable costs incurred by the Council then an additional charge may be imposed under section 36(3) of the Act. Those additional charges will be passed on having regard to the matters contained in section 36(4) of the Act.

Section 36(5) of the Act provides that the Council may in any particular case at its absolute discretion remit the whole or any part of the charge, including fixed and additional charges which would otherwise be payable. It should also be noted that the Council is entitled to withhold the issue of resource consent until such charges are paid under section 36(7) of the Act. It is also able to request charges to be paid prior to performing any action to which the charge relates (in addition to the deposit fees set in Table 1 above).

An applicant or a resource consent holder may object to any additional charge imposed under s36(3) pursuant to section 357 of the Act to the Council and if further dissatisfied with the Council's charges may appeal to the Environment Court under section 358 of the Act.

The Council must fix charges from time to time for carrying out of certain functions by resolution and procedures in the Local Government Act. There is no right to object to charges once they are fixed.

### **Fixed Fees**

**Pursuant to section 36(1) the Council has fixed the charges for the following functions based on fixed rates listed below (all amounts shown exclusive of GST)**

**(A) Receiving, processing and granting of applications for resource consents, certificates of compliance, changes or cancellation of conditions, transferring consents to new locations, review of conditions, surrenders of consent and extensions of lapsing periods of consents.**

Council officers	\$85 per hour
Council senior officers	\$100 per hour
Council managers	\$120 per hour
Council clerical support staff	\$55 per hour

Independent consultants at \$250 per hour – (not more than)

Note that Council engages consultants for:

- Receiving and processing resource consent applications
- Providing any report under section 42A or 92 of the Resource Management Act
- Peer review of Council employees reports
- Providing advice on technical aspects of any application



Council Hearings and/or decisions undertaken by one or more councillors, at hourly rates as determined from time to time by the Remuneration Authority (currently \$68 / hour for Councillors and \$85 / hour by the Chairperson of a hearing)

Independent Hearing Commissioners at (not more than) \$1200 per day/per Commissioner

Legal advice at \$300 per hour (not more than).

In addition:

- File establishment fee \$50 (excluding applications for changes or cancellation of conditions, surrenders of consent and extensions of lapsing periods of consents)
- Vehicle mileage at 75 cents per kilometre
- The actual cost of hire or use of any other mode of transport required during the processing of the application, e.g. Aircraft and boat hire
- Advertising, erecting site notices and telephone tolls at cost
- Photographs and Laboratory costs at cost
- Venue hire, including any catering required for the hearing at cost
- Technical equipment hire and use, (including but not limited to Overhead Projectors, teleconferencing and audio visual equipment) at cost
- Accommodation and meals at cost
- Postage & Courier costs at cost
- Photocopying at 10c/copy or \$2/colour copy

NB. In the event that the charges fixed under this special order are inadequate to enable the Council to recover its actual and reasonable costs for carrying out its functions the Council will render an additional charge pursuant to section 36 (3) of the Resource Management Act 1991.

The Council reserves the right not to perform any action to which any of the above charges relate until the charge has been paid in full, pursuant to section 36(7) of the Resource Management Act.

**(B) Notwithstanding (A), for the following whitebaiting resource consent applications the fee will be fixed as follows:**

Applications for whitebait stand structures: \$200

(NB there are also supervision, monitoring and administrative charges in accordance with (C)).

Transfer of whitebait consents and permits to any other person: \$50

Transfer of whitebait consents and permits to another site (relocations): \$100

Monitoring of whitebait stands: \$80 per annum

Issuing of an Abatement notice: \$200

These fees are required to be paid at the time of submitting the transfers.

NB. In the event that the charges fixed under this special order are inadequate to enable the Council to recover its actual and reasonable costs for carrying out its functions the Council will render an additional charge pursuant to section 36(3) of the Resource Management Act 1991.

The Council reserves the right to not perform any action to which any of the above charges relate until the charge has been paid in full, pursuant to section 36(7) of the Resource Management Act.

**(C) Transfer of consents and permits to another person: \$50**

**(D) Administration, supervision and monitoring of resource consents, including the preparation and service of any abatement or enforcement proceedings required to ensure compliance with the terms and conditions of resource consents.**

Council officers	\$85 per hour
Council senior officers	\$100 per hour
Council managers	\$120 per hour
Council clerical support staff	\$55 per hour

Independent consultants engaged by the Council: Not more than \$250 per hour.

Legal advisers: Not more than \$300 per hour

In addition:

- The actual cost of hire or use of any other mode of transport e.g. Aircraft and boat hire.
- Vehicle mileage at 75 cents per kilometre
- Advertising at cost
- Laboratory costs at cost
- Telephone Tolls at cost
- Accommodation and meals at cost
- Postage & Courier costs at cost
- Photographs at cost
- Photocopying at 10c/copy and \$2/colour copy.

**(E) Application for preparation of plan and applications to change a policy statement or plan.**

• Preparation of a plan	\$10,000
• Change of policy statement or plan	\$10,000

The fees are required to be paid at the time of submitting applications.

NB. In the event that the charges fixed under this special order are inadequate to enable the Council to recover its actual and reasonable costs for carrying out its functions the Council will render an additional charge pursuant to section 36(3) of the Resource Management Act 1991.

**(F) The provision of information in respect of plans and resource consents payable by persons requesting information, which includes but is not limited to pre and post consent application advice, advice on regional plans, and any enquiries regarding resource consents or plans.**

Council officers	\$85 per hour
Council senior officers	\$100 per hour
Council managers	\$120 per hour
Council clerical support staff	\$55 per hour

In addition:

- Vehicle mileage at 75 cents per kilometre
- Tolls at cost
- Photographs at cost
- Photocopying at 10c/copy or \$2/colour copy

Except that information for general education and public use there will be no charge for the first hour of Council time or for the first 10 A4 photocopies.

**(G) Charges for the supply of documents are as follows:**

All Regional Plans and Strategies (except for the Regional Coastal Plan) and the Regional Policy Statement (operative and/or proposed) will be supplied at a price of \$25 per volume.

Regional Coastal Plan is \$35

Note that all Regional Plans and Strategies, and State of the Environment Reports are all available on the Council website.

### **Charges under Section 150 Local Government Act 2002**

**(A) Dairy Effluent Inspection**

Council charges \$100 plus GST for Dairy Shed inspections required under Rule 13 of the Regional Plan for Discharges to Land

**(B) Assessment of Onsite Sewage Discharges**

Council charges \$80 + GST for assessments as to whether or not proposed onsite sewage discharges meet Rule 6 of the Regional Plan for Discharges to Land where no site inspection is undertaken or \$120 + GST where a site inspection is undertaken.

**(C) Mining Privileges (All amounts shown exclusive of GST)**

The following charges are payable by holders of mining privileges and coal mining privileges issued under the Crown Minerals Act 1991, Mining Act 1971 or the Coal Mines Act 1979 and relate to the monitoring and enforcement of privilege conditions, the approval of privilege surrenders and disbursement of bonds and including operations for expiry or forfeiture of any privilege.

Council officers	\$85 per hour
Council senior officers	\$100 per hour
Council managers	\$120 per hour
Council clerical support staff	\$55 per hour

Independent consultants at not more than \$250 per hour.

Legal advisors at not more than \$300 per hour.

In addition:

- Vehicle mileage at 75 cents per kilometre
- Laboratory charges at cost
- Tolls at cost
- Photographs at cost
- Photocopying at 10c/copy, or \$2/colour copy

**(D) Environmental Incidents (Complaints) and Clean Up (All amounts shown exclusive of GST)**

The following charges are payable by persons found to be in breach of regional rules or the Resource Management Act 1991.

Council officers	\$85 per hour
Council senior officers	\$100 per hour
Council managers	\$120 per hour
Council clerical support staff	\$55 per hour

Independent consultants at not more than \$250 per hour.

Legal advisors at not more than \$300 per hour.

In addition:

- Vehicle mileage at 75 cents per kilometre
- The actual cost of hire or use of any other mode of transport, e.g. aircraft and boat hire
- The actual cost of hire or purchase, and set up, of any equipment specifically required for the investigation of the environmental incident

- The actual cost of mitigating the effects of and cleaning up or remedying the environmental incident
- Laboratory costs at cost
- Equipment specially required for the monitoring of the.
- Telephone tolls at cost
- Accommodation and meals at cost
- Photographs at cost
- Photocopying at 10c/copy, or \$2/colour copy

### **Charges under Section 33(1) of the Building Act 2004**

**(A) Building Consent Applications for Dams.**

After 30 June Building Consent Applications for dams are intended to be processed by Otago Regional Council and their charges will be applied.

**(B) Project Information Memorandum for a Dam** (All amounts shown exclusive of GST)

- |  |        |
|--|--------|
| 1. Preliminary fixed charge payable at the time of lodging an application for a Project Information Memorandum for a dam | \$1000 |
| 2. Fixed charge for the issue of a Resource Management Certificate under Section 37, Building Act 2004.                  | \$100  |

Additional costs and expenses:

Staff time will be charged out at the following rates:

Council officers	\$85 per hour
Council senior officers	\$100 per hour
Council managers	\$120 per hour
Council clerical support staff	\$55 per hour

In addition:

- Consultants at cost
- Legal advice at cost
- Vehicle mileage at 75 cents per kilometre
- Photocopying at 10c/copy, or \$2/colour copy
- Disbursements at cost

The charges are payable when the application is lodged. Applications will not be processed until the Council receives the appropriate amount.

The Council may, in any particular case and at its absolute discretion, remit all or any part of the fees which would otherwise be payable under this section.

Where the charge is inadequate to recover the Council's reasonable and actual costs, it may also require under Section 33, Building Act 2004 an additional charge to be paid.

Charges for major consent applications may be significantly in excess of the prescribed amounts. Wherever possible, applicants will be informed of extra costs in advance.

Additional charges may consist of any processing costs including staff time, disbursements, legal charges and consultant(s) fees. Before using consultants to process applications staff shall consult with the applicant and advise of the likely cost.

After 30 June 2008 building consent applications for dams are intended to be processed by Otago Regional Council and their charges will be applied.

## **Other Charges**

### **Regional Pest Plant Management Strategy**

The Council's Regional Pest Plant Management Strategy was made operative in August 2005.

The cost of site inspections in response to complaints can be recovered from the land occupier as set out in section 5.3 of that Strategy (i.e. where a land owner fails to comply with a Notice of Direction).

Malicious or vexatious complaints may also be charged the cost of undertaking inspections, as set out under section 6.7 of the Strategy.

### **Quarry charges**

The Council operates various quarries to ensure rock availability for river protection works. Council reserves the right to adjust the price per tonne of rock from any particular quarry, at any time, in order to recover the full costs of managing these quarries, including the cost of any development planning, health and safety requirements and remediation works.