



# West Coast Regional Council

## ANNUAL PLAN

July 1, 2014 to June 30, 2015



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## Chairperson's Foreword

I am pleased to present Council's Annual Plan for the 1 July 2014 – 30 June 2015 year.

Essentially this Annual Plan rolls out year three of the Council's Long Term Plan 2012 – 2022 which was adopted in 2012.

Once again there is no adjustment to the general rate other than the customary adjustment to match the growth in the rating roll.

Highlights of this Annual Plan include:

- A new Regional Emergency Manager position to facilitate a fully integrated shared service between the four Councils in the Region. The result of this new position will be a much higher level of capability in being able to plan for and respond to any civil defence emergency, an area that the West Coast as a region is particularly vulnerable in. It is proposed to increase the Regional Emergency Management Rate from \$50,000 + GST to \$200,000 + GST to fund the new position.
- A new Biosecurity Officer position which will be responsible for monitoring and surveillance activities under the Pest Management Strategy 2010.
- Council intends to establish a flood warning site in the Mokihinui river catchment to help reduce the risks associated with flooding of this river.

It is also pleasing to report that there is a very good relationship between the three District Councils and the West Coast Regional Council highlighted by the inception of the above shared service. We are also working well together in developing a Regional Economic Development Plan, with DWC, and identifying any other areas we can work together in to improve the well being of the communities that we serve.

**Andrew Robb**  
**Chairman**  
**West Coast Regional Council**

## **Introduction to the Annual Plan 2014/15**

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

This Annual Plan reflects year 3 of the Long Term Plan 2012-22 which was adopted in 2012. There are several variations from the Long Term Plan. These are listed under each activity area.

The purpose of the Annual Plan is to:

- Provide details of the annual budgets broken down into the various activity areas, and how that expenditure is to be funded.
- Identify any variation from the financial statements and funding impact statement included in the current Long Term Plan 2012-22.
- Provide integrated decision making and co-ordination of the resources of the Council.
- Contribute to the accountability of the Council to the regional community.
- Extend opportunities for participation by the public in decision-making processes relating to costs and funding undertaken by the Council.

## The West Coast Regional Council

The Council has seven Councillors, representing the following constituencies:

### **Buller Constituency**

Neal Clementson

Terry Archer (MBE)

### **Grey Constituency**

Peter Ewen – Council Deputy Chairman

Andrew Robb – Council Chairman

Allan Birchfield

### **Westland Constituency**

Peter McDonnell

Stuart Challenger



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

## **West Coast Regional Council Mission Statement**

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

## **Regional Council Functions and Responsibilities**

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

- **Regional Councils**

Regional Councils promote the sustainable management of our natural and physical resources for the benefit of present and future generations. 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 manage local roads, local civil defence, provide reticulated water and public amenities, manage waste and sewerage, control land use and subdivisions and building development. District Councils also provide community facilities such as libraries, and recreation/sports grounds.

## **West Coast Regional Council Core Activities**

- **Resource Management Policymaking**

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

- **Water Quality Management**

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

- **Pollution Control**

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

- **Air Quality Management**

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

- **Floodwarning services and maintaining Flood Protection Works**

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

- **Pest Management**

Implementing and reviewing the West Coast Pest Plant Management Strategy.

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.

- **Regional Land Transport**

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

- **Civil Defence and Emergency Management**

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

## Council and Committee Structure

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

- Resource Management Committee

All Councillors are members of this Committee plus two Tangata Whenua representatives, one representing Te 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 and Hokitika Seawall Joint Committees

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

- 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.

### Council Management Structure

Division	Manager	Functions
CEO's Office	Chris Ingle	Civil Defence Emergency Management Transport Planning
Corporate Services	Robert Mallinson	Accounting Services Corporate Planning Rating Administration Information Technology
Consents & Compliance	Jackie Adams	Resource Consent Processing Compliance Monitoring & Enforcement Environment Incident Complaints Oil Spill & Pollution Response
Planning & Environmental	Michael Meehan	Policy Statement and Plan Preparation & Review State of Environment Monitoring & Reporting Flood Warning & Natural Hazards Quarry & Rating District Management
VCS Business Unit	Randal Beal	Service delivery of vector (possum) control on contract to Animal Health Board or others. Environmental Advice services plus other work areas related to environment or pest management.

## **Groups of Activities**

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

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



## Governance

### **Activities within this group**

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

### **Rationale for Governance Activities**

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

Individual Councillors attend other Committee and working group meetings as representatives of the whole Council, such as the Land Transport Committee, the Civil Defence Emergency Management Group, and the Regional Animal Health Committee. Councillors also act as commissioners from time to time on resource consent and Strategy and Plan hearings.

Under the Local Government Act the Council must consider ways in which it may foster the development of Maori capacity to contribute to the decision-making processes of the Council. Council has invited appointment of a member of each of the two local Runanga to attend the

Resource Management Committee. The two Runanga have also assisted with developing Iwi sections of some regional plans, and have also participated in making submissions on consent applications and proposed plans. Council sends resource consent application information to the Runanga regularly, and has assisted both Runanga in developing Iwi management plans.

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

### **Key Changes from 2012/22 Long Term Plan**

Nil

## Governance Performance targets

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

### Indicative Costs & Sources of Funds

AP 2013/14		AP 2014/5	LTP 2014/15
400,811	Governance	394,781	372,765
20,119	Community Consultation	37,158	37,169
420,929	<b>Total Operating Expenditure</b>	431,939	409,934
<b>Funding</b>			
420,929	General Funds	431,939	409,934
420,929	<b>Total Funding</b>	431,939	409,934

## Resource Management Activities

### Activities within this group

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

### Rationale for Resource Management

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

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

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

to advocate for the interest of the West Coast communities.

Council monitors the state of our environment to detect trends in environmental quality and to detect emerging issues. This information is fundamental for assessing the effectiveness of resource management policies and plans. It assists Council to make decisions based on sound factual and up to date information.

Resource consents allow activities that are otherwise restricted by the RMA. Our Consents team 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.

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

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

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

### Key Changes from 2012/22 Long Term Plan

Council is proposing to establish a new Biosecurity Officer position, which will be responsible for monitoring and surveillance activities under the Pest Plant Management Strategy 2010. This role includes enforcement actions as needed, providing advice on pest plant control methods, liaising with related agencies, and providing operational support.

## Resource Management Performance targets

Levels of Service	Measure	Performance Target
To maintain or enhance water quality in the West Coast's rivers	State of the Environment Monitoring: Ammoniacal nitrogen, periphyton, clarity, turbidity and faecal coliforms are measured quarterly at 38 river sites. These parameters characterise the water quality of West Coast rivers and have been measured since 1996.	Improvement of these parameters, when compared with a baseline of 1996 data on water quality.
	Compliance Monitoring for Discharges: The number of compliant or non-compliant point source discharges to water, or discharges likely to enter water; and council's response to any non-compliance.	All significant consented discharges <sup>1</sup> are monitored at least annually, and all dairy sheds at least every second year depending on individual compliance record. All non-compliances publicly reported to the Resource Management Committee and responded to using Council's Enforcement Policy.
To maintain or enhance the water quality in Lake Brunner	The trophic state of Lake Brunner is measured by the Trophic Level Index (TLI) which combines clarity, nutrient and algal measures. The rolling 5-year mean is compared with a 2002-2006 baseline mean.	The annual (rolling 5-year mean) TLI of Lake Brunner is less than the 2002-2006 TLI baseline mean of 2.79.
Complete current regional plans to operative stage, and review them to maintain their community acceptability.	Statutory requirements for review	Compliance with statutory requirements for the review of Council's plans and strategies.
Advocate for the West Coast interests when external environmental policymaking may affect the West Coast.	Number of submissions made and number of successful advocacy outcomes.	Submit on all central or local government discussion documents, draft strategies, policies or Bills that may impact on West Coast interests, within required timeframes.

<sup>1</sup> Significant Consented Discharge includes: any consented discharge from a municipal sewage scheme or landfill, any consented discharge from a working mine site, any consented discharge of dairy effluent to water, and any large scale industrial discharge (WMP, Kokiri).

Levels of Service	Measure	Performance Target
To maintain or enhance the life supporting capacity and amenity value of the West Coast's rivers	Stream ecosystem health: Instream macroinvertebrate community health (SQMCI) scores are measured at 29 river sites. The values for each site are calculated using five year rolling means and comparing them to baseline means calculated from data from 2005-2009.	Macroinvertebrate health index <sup>2</sup> (SQMCI) mean is higher, or no more than 20% lower, than the baseline mean.
	Bathing beach sampling: 16 swimming sites are sampled, ten times per summer season (fortnightly) for E coli (moderate-high risk > 550) or Enterococci (moderate-high risk > 280).	Scheduled swimming sites do not exceed the moderate-high risk threshold more than once during the summer sampling season.
To protect human health from adverse impacts of poor groundwater quality.	28 Wells are monitored at least twice annually, 24 of which are used for human consumption.  The guideline of 11.3mg/L of nitrate is used to protect human health, particularly for babies. The data from the year is averaged before comparing against the 11.3mg guideline.	In wells used for human consumption, nitrate levels remain below the health guideline of 11.3 mg/L.
To protect human health from any adverse impacts of poor air quality in Reefton.	Reefton's air is monitored in accordance with the National Environmental Standard (NES) for air quality by measuring PM <sub>10</sub> (airborne particles smaller than ten micrometers, which affect human respiration).  The threshold is a 24hr mean PM <sub>10</sub> of 50 micrograms/m <sup>3</sup> .	NES Requirement: 24hr PM <sub>10</sub> values do not exceed the NES threshold more than three times in one year, between 2016 & 2020; whereas after 2020 only 1 exceedance per year is allowed.
Respond to all genuine incident complaints received by the Council and take enforcement action where needed.	Number of complaints received and number of enforcement actions resulting from these.	Operate a 24-hour complaints service, assess and respond to all genuine complaints within 24 hours where necessary.

<sup>2</sup> This macroinvertebrate index uses comparative samples of aquatic invertebrates to evaluate water quality, based on the type and tolerances of invertebrates (bugs) found at that site and how those communities of invertebrates may change over time. Some bug species are pollution tolerant while others are pollution sensitive, so the mix of species tells us a lot about the water quality at the site.

Levels of Service	Measure	Performance Target
Compliance with the consent processing timeframes in the RMA and mining legislation.	Compliance with discounting regulations and mining timeframes	Process all resource consent applications without incurring any cost to Council due to the RMA discounting regulations; and process at least 95% of mining work programmes <sup>3</sup> within 20 working days of receipt.
Respond to marine oil spills in coastal waters in accordance with the Tier 2 Oil Spill Response Plan and maintain readiness for spill response.	Timing of responses & number of trained staff	Respond within 4 hours to all spills, using Council or MNZ spill equipment to contain spills; plus ensure at least 25 staff are trained responders.

### Other Resource Management Targets

1. Notify the Regional Policy Statement (operative 2000) for public submissions
2. Notify the Regional Coastal Plan (operative 2001) for public submissions.
3. Resolve final appeal on the Proposed Land and Water Plan (notified 2010).
4. Assess farm compliance in the Lake Brunner catchment at least annually, to ensure full compliance in this sensitive catchment.
5. Inspect new consents that involve major construction works; and monitor any other major consented activity, when necessary, based on their environmental risk.
6. Work with consent applicants to reduce the need for formal S92 requests.
7. Ensure S42A reports for notified applications are with the applicant within ten working days of receipt of all required information.
8. Release all bonds within 4 months of the surrender, forfeiture or expiry of the mining licence or permit, provided rehabilitation is complete.
9. Inspect all consents for whitebait stands on the Little Wanganui, Taramakau, Hokitika, Wanganui, Paringa, and Waikatoto Rivers annually and on other rivers at least every third year.
10. Complete the Lake Brunner annual monitoring programme and report the cumulative results on the Council website by December each year.
11. Report the monthly contact recreation sampling results from swimming rivers to the media, and complete follow up studies of incongruous results.
12. Prepare state of the environment reports for surface water quality and groundwater, every third year.
13. Establish a pest plant surveillance database, undertaking regular monitoring for trends; and address high risk pest plant incursions with rapid action.
14. Provide monthly reports during wintertime on Reefton PM<sub>10</sub> monitoring, compliant with the Air Quality NES & posted on Council's website.
15. Maintain the Sites Associated with Hazardous Substances database ensuring District Councils have up to date information on affected land for LIMs.

<sup>3</sup> This target assumes the work programme is submitted with all necessary information provided.

## Indicative Costs & Sources of Funds

AP 2013/14		AP 2014/15	LTP 2014/15
<b>Resource Management</b>			
937,369	Resource Consents	844,419	968,854
14,761	Building Act – Dams	13,944	15,839
628,078	Compliance Monitoring	697,727	635,063
95,758	Dairy farm Monitoring	74,944	94,513
122,657	Complaints	138,158	148,652
73,091	Enforcement	76,419	78,296
29,998	Hazardous Spill Response	29,123	32,827
424,121	Regional Plans	346,240	358,987
58,498	Plan Implementation	32,426	62,125
50,000	Wetlands work	34,105	0
	Biosecurity	171,637	0
366,641	Surface & Groundwater Monitoring	422,443	378,144
14,773	Air Quality Monitoring	14,689	15,295
17,047	Hazardous Substances Sites	14,705	16,323
<u>2,832,792</u>	<b>Total Operating Expenditure</b>	<u>2,910,979</u>	<u>2,804,918</u>
<b>Funding</b>			
1,232,130	User Charges	1,238,000	1,144,000
50,000	Subsidies		0
1,550,662	General Funds	1,672,979	1,660,918
<u>2,832,792</u>	<b>Total Funding</b>	<u>2,910,979</u>	<u>2,804,918</u>



## Regional Transport Planning

### Rationale for Regional Transport Planning

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

Council must appoint a Regional Transport Committee, with membership to include local authorities, and other funding agencies who then prepare a Regional Land Transport Strategy (RLTS). The Committee also prepare a Land Transport Programme to implement 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.

### Key Changes from 2012/22 Long Term Plan

Nil

Levels of Service	Measures	Performance Targets
Maintain a Regional Land Transport Strategy that delivers Council's transport functions in compliance with relevant legislation and is acceptable to our West Coast community.	An Operative Regional Land Transport Strategy	Compliance with statutory requirements for the preparation, review and implementation of the Regional Transport Strategy and Programme.
Continue to fund the Total Mobility Programme according to New Zealand Transport Agency (NZTA) requirements	User satisfaction, by 2 yearly survey	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

AP 2013/14		AP 2014/15	LTP 2014/15
<b>Regional Transport Planning</b>			
16,422	Total Mobility Admin.	14,188	14,841
76,000	Total Mobility	87,400	80,942
49,326	Regional Land Transport Admin.	43,662	44,726
8,409	Passenger Transport Admin.	6,573	7,625
29,598	Safety Programme	16,726	30,277
<b>179,755</b>	<b>Total Operating Expenditure</b>	<b>168,549</b>	<b>178,411</b>
<b>Funding</b>			
	User Charges		
99,300	Subsidies	88,600	104,600
80,455	General Funds	79,949	73,811
<b>179,755</b>	<b>Total Funding</b>	<b>168,549</b>	<b>178,411</b>

## Hydrology and Flood Warning Services

### Rationale for Hydrology and Flood warning

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

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

### How Council manages changes in demand

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

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

### Key Changes from 2012/22 Long Term Plan

Council has decided to include a sixth river to those we deliver flood warning services for. The Mokihinui River is a high risk river in Buller District. In the December 2010 flood event, floodwaters entered houses and the local hotel. No lives were lost but a formal warning system could help reduce risk. Additional resource has also been included to cover new investment in the upper Grey Valley where irrigation demand has increased and better low flow information is needed.

### Performance targets

Level of Service	Measure	Performance Targets
Continue to provide flood warning to assist communities to assess risk of impending floods, for the five rivers (Karamea, Buller, Grey, Hokitika, and Waiho) plus establish the new site at Mokihinui River.	Availability of information about high flow events and the staff response to those.	Provide a continuous flood monitoring service for the rivers monitored and respond in accordance with the flood-warning manual, ensuring real time data on river levels is available on the Council website (updated 12 hourly; or 3 hourly during floods).
	Installation and operation of new site.	Install a new flood warning system on the Mokihinui River, to warn those that live in Seddonville of impending river floods.

## Indicative Costs & Sources of Funds

LTP 2013/14		AP 2014/15	LTP 2014/15
<b>Hydrology &amp; Flood-warning Services</b>			
413,585	Hydrology and Flood-warning Services	470,938	442,527
413,585	Total Operating Expenditure	470,938	442,527
Funding			
User Charges			
413,585	General Funds	470,938	442,527
413,585	Total Funding	470,938	442,527
<b>Capital Expenditure</b>			
60,000	Upgrades	60,000	63,906
0	New Site – Mokihinui River	40,000	0
60,000		100,000	63,906
Funding			
60,000	Depreciation Funds	100,000	63,906
60,000		100,000	63,906

## Civil Defence Emergency Management

### Rationale for Emergency Management

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

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

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

### Key Changes from 2012/22 Long Term Plan:

A new manager position – Regional Civil Defence Emergency Manager is to be established and the special rate for civil defence has been lifted substantially to enable that. This new role will be the manager of the 3 part time civil defence officers in the 3 district councils and secondment agreements need to be prepared to formalize that. The establishment of this position means that civil defence in the region will be fully integrated – a shared service of the four councils.

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

### Other Civil Defence Activities:

1. Maintain the Emergency Operations Centre in a ready state for possible emergency events, in accord with the Group Plan.
2. Establish a new CDEM Group Manager position and arrange secondment agreements so that the 3 part time EMOs at the three District Councils report to this new position.
3. Ensure all new hazards research is communicated to the Lifelines and CEG meetings to assist with District Council and other agency preparedness.
4. Co-ordinate exercises with the District Council CDEM staff to ensure controllers & key staff are familiar with each other and with each other's roles in an event.

### Indicative Costs and Sources of Funds

AP 2013/14		AP 2014/15	LTP 2014/15
	<b>Emergency Management</b>		
135,615	Civil Defence Response	315,597	134,163
<u>135,615</u>	<b>Total Operating Expenditure</b>	<u>315,597</u>	<u>134,163</u>
	<b>Funding</b>		
	Subsidies		
17,000	User Charges	16,000	18,000
50,000	Targeted Rates	200,000	53,000
68,615	General Funds	99,597	63,163
<u>135,615</u>	<b>Total Funding</b>	<u>315,597</u>	<u>134,163</u>

#### Capital Expenditure

1,300	Radio & powerpack	0	0
<u>0</u>	Vehicle	<u>45,000</u>	
1,300		45,000	0
	Funding		
<u>1,300</u>	Depreciation Funds	<u>45,000</u>	0
1,300		45,000	0

## River, Drainage, and Coastal Protection Work

River, Drainage and Coastal protection activities include:

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

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

### Rationale for Rating Districts

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

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

### Assets Administered by Council

The Regional Council presently owns and/or administers, 26 special rating districts at the following locations: Karamea, Kongahu (drainage scheme), Mokihinui, Punakaiki, Twelve Mile<sup>4</sup>, Redjacks, Nelson Creek, Coal Creek, Greymouth<sup>5</sup>, New River/Saltwater Creek, Taramakau, Inchbonnie, Hokitika, Kaniere, Southside Hokitika, Raft Creek (drainage scheme), Kowhitirangi, Vine Creek, Wanganui, Whataroa, Matainui, Waitangitona, Franz Josef, Lower Waiho, Canavan's Knob<sup>6</sup> and Okuru.

### Rock Quarries

The Regional Council also currently administers rock quarries at the following locations: Miedema Rock Deposit (Karamea)<sup>7</sup>, Oparara (in abeyance), Blackball, Cobden (being rehabilitated), Kiwi Point (land owned by Grey District Council), Inchbonnie, Camelback, Taramakau (in abeyance), Whataroa, and Okuru.

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

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

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<sup>4</sup> Administered on an inspection-only basis with owners individually responsible for maintenance.

<sup>5</sup> The Regional Council does not own the Greymouth Flood Wall but rates for its structural maintenance.

<sup>6</sup> Currently in abeyance.

<sup>7</sup> Privately owned, but Council has a licence to take rock.

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

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

### Who pays for the works?

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

### Quarry Performance targets

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

### Rating District Performance targets

Levels of Service	Measure	Performance Targets
Meet or exceed the flood protection, drainage or erosion protection levels as described in the 'levels of service – background' section of the Long Term Plan.	Completion of rating district works and annual consultation.	Complete all rating district consultation, and perform all repair and maintenance works required.
	Proportion of schemes performing to their agreed service level.	Monitor all rating district infrastructural assets to ensure they perform to the service level consistent with the Asset Management Plan of each Rating District, or whatever level the community has decided is an acceptable risk.
	Meet timeframes for plan review	Review Rating District Asset Management Plans and update asset registers that were not reviewed or updated within the last 3 years.

### Other River, Drainage and Coastal Protection Work activities:

Council intends consulting on a bylaw for protecting flood bank structures.

### Key Changes from 2012/22 Long Term Plan:

A new special rating area and rate was introduced during 2013/14 year for the Hokitika Seawall. This had not been envisaged in either the 2012/22 Long Term Plan or the 2013/14 Annual Plan. The rate was implemented to meet an urgent and unforeseen requirement, that is the protection of Hokitika township from sea erosion.

### Indicative Costs and Sources of Funds

AP 2013/14		AP 2014/15	LTP 2014/15
	<b>River, Drainage &amp; Coastal Protection</b>		
815,898	Works Within Rating Districts	912,043	769,668
166,897	Rating District Management	139,991	163,037
12,910	Asset Management Plans	27,967	13,009
13,410	Inspections	5,607	13,541
20,564	Technical Services	22,016	21,138
256,597	Quarries	366,119	265,810
41,614	River Cross Sections	51,680	44,227
<b>1,327,890</b>	<b>Total Operating Expenditure</b>	<b>1,525,423</b>	<b>1,290,430</b>
	<b>Funding</b>		
280,800	User Charges	389,600	289,600
-202,407	Transfers to (-) / from Reserves	-258,574	-188,516
994,103	Targeted Rates	1,147,136	934,394
255,394	General Funds	247,261	254,952
<b>1,327,890</b>	<b>Total Funding</b>	<b>1,525,423</b>	<b>1,290,430</b>



## Vector Control Services Business Unit

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

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

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

### Why have a VCS Business Unit?

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

**Key Changes from 2012/22 Long Term Plan:** Nil.

### VCS Performance targets

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

### Indicative Costs and Sources of Funds

AP 2013/14		AP 2014/15	LTP 2014/15
<b>VCS Business Unit</b>			
1927,233	<b>Operating Expenditure</b>	2,795,861	1,730,351
<u>1927,233</u>	Total Operating Expenditure	<u>2,795,861</u>	<u>1,730,351</u>
<b>Funding</b>			
2427,233	User Charges	3,345,861	2,278,526
	Targeted Rates		
-500,000	General Funds	-550,000	-548,175
<u>1927,233</u>	Total Funding	<u>2,795,861</u>	<u>1,730,351</u>
<b>Capital Expenditure</b>			
30,000	Vehicle Replacements	100,000	127,811
<u>30,000</u>		<u>100,000</u>	<u>127,811</u>
<u>30,000</u>	Funded by	<u>100,000</u>	<u>127,811</u>
<u>30,000</u>	Depreciation	<u>100,000</u>	<u>127,811</u>

## Statement of Accounting Policies

### Reporting Entity

The West Coast Regional Council is a regional local authority governed by the Local Government Act 2002. The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

### Statement of Compliance

The forecast financial statements have been prepared in accordance with the requirements of Local Government Act 2002. With the exception of the Funding Impact Statements this forecast information has also been prepared in accordance with New Zealand Generally Accepted Accounting Practice (GAAP). They comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS), and other applicable financial reporting standards, as appropriate for public benefit entities.

The Funding Impact Statements (FIS) do not comply with GAAP as they do not recognise depreciation and movements in the valuation of assets.

The prospective financial statements of West Coast Regional Council are for the year ending 30 June 2015. The forecast information was authorised for issue by Council on 8 April 2014.

This prospective financial information is based upon the financial statements as published in the 30 June 2013 Annual Report, adjusted to incorporate updated assumptions and Council decisions made for the purposes of this Annual Plan. Long Term Plan 2014/15 year three, Annual Plan 2013/14 and opening balance sheet have been restated in accordance with the adoption of PBE IPSAS. Actual financial results are likely to be different from these Prospective Financial Statements, and that difference may be material.

These prospective financial statements are presented in NZ dollars. The functional currency of West Coast Regional Council is NZ dollars.

The measurement base adopted is that of historical cost, modified by the revaluation of certain assets. The following particular accounting policies, which materially affect the reported results, have been applied consistently to all periods.

### Revenue

Revenue is measured at the fair value of consideration received or receivable

### Exchange and Non-Exchange transactions

An exchange transaction is one in which Council receives assets or services, or has liabilities extinguished, and directly gives approximate equal value in exchange. Non-exchange transactions are where Council receives value from another entity or person without giving approximately equal value in exchange.

### 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. Rates are non-exchange transactions.

### Government Grants

Council receives government grants from New Zealand Transport Agency, which subsidises part of our 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. Government grants are generally non-exchange transactions.

### Provision of Services

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. The provision of services are generally exchange transactions.

### **Sales of Goods**

Revenue from the sales of goods is recognised when a product is sold to a customer. Sales of Goods are exchange transactions.

### **Infringements and Fines**

These are recognised when paid. This income is non-exchange.

### **Interest and Dividends**

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

Interest and Dividends are exchange transactions.

### **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, Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

#### **Operating leases**

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

### **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 Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

### **Inventories**

Inventories held for consumption in the provision of services that are not supplied on a commercial basis are measured at 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 surplus or deficit.

### **Foreign Currency Transactions**

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

### **Derivative Financial Instruments and Hedge Accounting**

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

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

gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus or deficit. The Council designates certain derivatives as either:

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

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

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

The full fair value of a non-hedge accounted foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise, foreign exchange derivatives are classified as non-current. The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of the balance date is classified as current, with the remaining portion of the derivative classified as non-current.

#### *Fair value hedge*

The gain or loss from re-measuring the hedging instrument at fair value, along with the changes in the fair value on the hedged item attributable to the hedged risk, is recognised in the surplus or deficit. Fair value hedge accounting is only applied for hedging fixed interest risk on borrowings.

If the hedge relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the surplus or deficit over the period to maturity.

#### *Cash flow hedge*

The portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income, and the ineffective portion of the gain or loss on the hedging instrument is recognised in the surplus or deficit as part of finance costs.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised in other comprehensive income are reclassified into the surplus or deficit in the same period or periods during which the asset acquired or liability assumed affects the surplus or deficit. However, if it is expected that all or a portion of a loss recognised in other comprehensive income will not be recovered in one or more future periods, the amount that is not expected to be recovered is reclassified to the surplus or deficit.

When a hedge of a forecast transaction subsequently results in the recognition of a non financial asset or a nonfinancial liability, or a forecast transaction for a non-financial asset or non financial liability becomes a firm commitment for which fair value hedge accounting is applied, the associated gains and losses that were recognised in other comprehensive income will be included in the initial cost or carrying amount of the asset or liability.

If a hedging instrument expires or is sold, terminated, exercised, or revoked, or it no longer meets the criteria for hedge accounting, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective will remain separately recognised in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective is reclassified from equity to the surplus or deficit.

## **Financial assets**

The Council 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 surplus or deficit.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. Council's fund manager 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. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

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

**(1) Financial assets at fair value through 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 surplus or deficit.

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

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

Council does not hold or issue derivative financial instruments for trading purposes.

Council has adopted the provisions 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 surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the statement of financial position.

## **Impairment of financial assets**

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

## **Non-current assets held for sale**

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

## **Investment Property**

Council holds an investment property at Rolleston. The construction of the premises are likely to be completed by (or very soon after) 30 June 2014. This investment will initially be accounted for at actual cost @ 30 June 2014 and will subsequently be valued annually based on open market evidence by registered valuers. Future changes in valuation will be recognised in the Statement of Comprehensive Income.

## 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 Council and the cost of the item can be measured reliably.

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

## Disposals

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

## Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

## 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:

Item	Estimated life	Rate
Buildings (non component items)	50 – 67 years	1.5% - 2%
Portable buildings	10 years	10%
Building components	6.7 – 20 years	5% - 15%
Plant and Equipment	4 - 6.7 years	15% - 25%
Office Equipment Leases	3 – 4 years	25% - 33%
Truck	6.7 years	15%
Motor Vehicle	6 - 7 years	15 %

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

## Revaluation

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

*Operational land:*

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

*Infrastructural asset classes: River, Drainage and Coastal Protection Assets.*

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

#### **Accounting for revaluations:**

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

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

### **INTANGIBLE ASSETS**

#### **Software acquisition and development**

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

Costs associated with maintaining computer software are recognised as an expense when incurred.

#### **Amortisation**

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

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

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

#### **Impairment of non-financial assets**

Assets that have a finite useful life 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 surplus or deficit.

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

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

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

#### **Borrowing Costs**

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



## **Employee benefits**

### *Short-term benefits*

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

### *Long-term benefits:*

#### Long service leave

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

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

#### Superannuation schemes

##### *Defined contribution schemes*

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

## **Provisions**

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

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

## **Borrowings**

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

## **Equity**

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings
- Restricted reserves
- Asset revaluation reserves

## **Restricted and Council created reserves**

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted reserves are those subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

## **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

Council has derived the cost of service for each significant activity using the cost allocation system outlined below:

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.

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.

### Critical accounting estimates and assumptions

In preparing these financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The assumptions underlying the preparation of these forecasts were adopted on 10 April 2012 and incorporate known financial results as at that date and estimates for the year to 30 June 2012. Events occurring subsequent to that date may have a significant effect on these forecasts.

### Analysis of Forecast Surplus

<b>Surplus</b>	<b>\$920,577</b>
Less	
Transfer -surplus/deficit relating to rating Districts	-\$260,693
Transfer -surplus/deficit relating to Quarries	\$2,119
Transfer -surplus/deficit relating to Tb Pest Management Rate	-\$133,429
Loan Principal Repayments	-\$79,610
Transfer to Catastrophe Fund	-\$98,000
Transfer Investment Income to Reserves	-\$350,964
<b>Total Transfers</b>	<b>-\$920,577</b>

## Prospective Statement of Comprehensive Income

AP 2013/14		AP 2014/15	LTP 2014/15
<b>Cost of Services</b>			
420,929	Governance	431,939	409,934
2,832,792	Resource Management	2,910,979	2,804,919
179,755	Transport	168,549	178,411
413,585	Hydrology & Flood Warning	470,938	442,527
135,615	Emergency Management	315,597	134,163
1327,890	River, Drainage & Coastal Protection	1,525,423	1290,430
852,110	Regional Share of cost of Tb Vector Controls	686,571	857,443
1,927,233	VCS Business Unit	2,795,861	1,778,526
	Other	104,172	0
51,926	Warm West Coast Scheme	164,000	70,361
8,141,835	Total Expenditure	9,574,029	7,966,714
<b>Revenue</b>			
3,806,029	Rates	4,261,136	3,878,755
60,000	Penalties	60,000	70,000
99,300	Subsidies & Grants	88,600	104,600
934,734	Investment Income	1,095,409	975,040
4,007,163	User Fees & Charges	4,989,461	3,730,127
8,907,226	Total Revenue	10,494,606	8,758,522
765,391	Surplus / (-Deficit) from Activities	920,577	791,808
0	Revaluation of Assets	0	0
765,391	Total Comprehensive Income	920,577	791,808
<b>Summary of Operating Expenditure by Expenditure Type</b>			
AP 2013/14		AP 2014/15	LTP 2014/15
204,890	Interest	370,650	185,742
320,050	Depreciation and amortisation	453,494	322,896
2,881,739	Employee benefits	3,281,191	3,068,485
4,735,156	Other operating expenditure	5,468,694	4,389,501
8,141,835	Total Operating Expenditure	9,574,029	7,966,714

## Prospective Statement of Changes in Equity

AP 2013/14		AP 2014/15	LTP 2014/15
67,654,496	Opening Balance	**68,652,357	70,498,766
765,391	Comprehensive Income	920,577	791,808
68,419,887	Closing Balance	69,572,934	71,290,574

(\*\* based on anticipated actual balance sheet closing balances @ 30/6/14)

## Prospective Statement of Financial Position

AP 2013/14		AP 2014/15	LTP 2014/15
<b>Current Assets</b>			
152,671	Cash	264,653	17,480
1,500,000	Receivables	1,600,000	1,599,000
100,000	Inventories	650,000	106,000
32,998	Loan Advances	91,842	57,905
1,500,000	Other Financial Assets	1,500,000	1,500,000
<b>3,285,669</b>	<b>Total Current Assets</b>	<b>4,106,495</b>	<b>3,280,385</b>
<b>Non Current Assets</b>			
4,145,767	Property, Plant, Equipment	3,056,091	4,009,191
52,080,357	Infrastructure	54,071,993	54,553,652
506,687	Intangible Assets	245,802	488,000
0	Investment Property	1,347,172	0
735,670	Loan Advances	893,004	636,844
13,445,612	Other Financial Assets	13,378,535	12,599,253
<b>70,914,093</b>	<b>Total Non Current Assets</b>	<b>72,992,597</b>	<b>72,286,940</b>
<b>74,199,762</b>	<b>Total Assets</b>	<b>77,099,092</b>	<b>75,567,325</b>

AP 2013/14		AP 2014/15	LTP 2014/15
<b>Current Liabilities</b>			
266,812	Borrowings	341,896	188,000
1,300,000	Payables	1,500,000	1,305,000
285,000	Employee Benefit Liabilities	280,000	320,000
1,851,812	<b>Total Current Liabilities</b>	2,121,896	1,813,000
<b>Non Current Liabilities</b>			
15,000	Employee Benefit Liabilities	20,000	16,000
3,843,063	Borrowings	5,314,262	2,383,751
70,000	Quarry Aftercare Provision	70,000	64,000
3,928,063	<b>Total Non Current Liabilities</b>	5,404,262	2,463,751
<b>Equity</b>			
19,170,344	Ratepayers Equity	19,779,487	19,410,481
2,424,005	Rating District equity	1,521,816	1,650,284
794,000	Catastrophe Fund	873,000	848,969
35,216,638	Revaluation Reserve	35,299,357	37,863,179
92,890	Tb Special Rate	271,429	7,963
319,403	Quarry Account	-2,119	309,698
10,402,607	Investment Growth Reserve	11,829,964	11,200,000
68,419,887	<b>Total Equity</b>	69,572,934	71,290,574
<b>74,199,762</b>	<b>Total Liabilities &amp; Equity</b>	<b>77,099,092</b>	<b>75,567,325</b>

## Prospective Statement of Cash Flows

AP 2013/14		AP 2014/15	LTP 2014/15
<b>Cash Flow from Operating Activities</b>			
934,734	Investment Income	1,095,409	975,040
3,754,103	Rates	4,261,136	3,808,394
4,218,389	Other Income	5,138,061	3,975,087
<b>8,907,226</b>		<b>10,494,606</b>	<b>8,758,521</b>
Less Cash Paid for:			
204,890	Interest	370,650	185,742
7,616,895	Operating Expenditure	8,749,885	7,420,725
<b>7,821,785</b>		<b>9,120,535</b>	<b>7,606,467</b>
<b>1,085,441</b>	<b>Net Cash Flow Operations</b>	<b>1,374,071</b>	<b>1,152,054</b>
<b>Cash Flow from Investing</b>			
Cash From:			
0	Loan Principal Repaid	72,857	0
47,392	Sale of Fixed Assets	111,992	103,847
<b>47,392</b>		<b>184,849</b>	<b>103,847</b>
Cash Paid For:			
308,800	Purchase of Fixed Assets	460,000	350,417
610,612	Investments Made	470,780	600,745
<b>919,412</b>		<b>930,780</b>	<b>951,162</b>
<b>-872,020</b>	<b>Net Cash Flow from Investing</b>	<b>-745,931</b>	<b>-847,315</b>
<b>Cash Flow from Financing Activities</b>			
400,000	Loans Raised	200,000	250,000
400,000	Loans Advanced	200,000	250,000
160,750	Loan Principal Repaid	413,487	212,579
<b>-160,750</b>	<b>Net Cash Flow from Financing</b>	<b>-413,487</b>	<b>-212,579</b>
52,671	<b>Total Changes in Cash held</b>	214,653	92,160
100,000	Opening Cash Balance	50,000	-74,680
<b>152,671</b>	Closing Cash Balances	<b>264,653</b>	<b>17,480</b>

## Projected Capital Expenditure

AP 2013/14		Type of Expenditure	AP 2014/15	LTP 2014/15
40,000	IT Equipment	Replacement	40,000	42,604
50,000	IT Disaster Recovery Site	Improve level of service	50,000	0
15,000	Fibre data connection	Improve level of service	0	0
0	Compliance Group	Improve level of service	0	0
1,300	Other	Replacement	10,000	0
0	IRIS	Improve level of service	0	0
60,000	Hydrology	Replacement	60,000	63,906
0	Hydrology	Improve level of service	40,000	0
0	Samples database	Improve level of service	15,000	0
0	New Financial Systems	Improve level of service	0	0
0	EDMS	Replacement	0	0
112,500	WCRC Vehicle Replacements	Replacement	100,000	116,096
0	New Vehicle – EM Manager	Improve level of service	45,000	0
26,738	Phone Systems	Replacement	0	0
0	Photocopiers	Replacement	0	0
30,000	VCS-Vehicle Replacements	Replacement	100,000	127,811
335,538			460,000	350,417
308,800	Funded Depreciation		460,000	350,417
26,738	Funded Loans		0	0
0	Funded Rating District retained earnings			0
335,538			460,000	350,417



## Movements in Reserves

		2014/15
Rating District Balances	opening balance	1,500,000
	Deposits	
	Transfer from Surplus	260,693
	Withdrawals	
	Loan Principal Repayments	<u>-238,877</u>
	closing balance	<u><b>1,521,816</b></u>
Investment Growth Reserve	opening balance	11,479,000
	Deposits	
	Transfer from Surplus	350,964
	Withdrawals	<u>0</u>
		<u><b>11,829,964</b></u>
Quarry Account	opening balance	0
	Deposits	
	Transfer from Surplus/-Deficit	-2,119
	Withdrawals	<u>0</u>
		<u><b>-2,119</b></u>
Catastrophe Fund	opening balance	775,000
	Deposits	
	Transfer from Surplus	98,000
	Withdrawals	<u>0</u>
		<u><b>873,000</b></u>
Tb Special Rate Balance	opening balance	138,000
	Deposits	
	Transfers from Surplus/-Deficit	133,429
	Withdrawals	<u>0</u>
		<u><b>271,429</b></u>
<b>Total Reserves</b>		<u><b>14,494,090</b></u>
<b>Funded by:</b>		
Investments	Current assets	1,500,000
	Non Current Assets	<u>13,378,535</u>
		<u><b>14,698,535</b></u>

# Comparison with Long Term Financial Strategy Caps

## Comparison with Long Term Plan Financial Strategy Caps

### Caps on Rates

**1 General rates will not exceed 30% of total revenue**

Budgeted General Rate 14/15	20%	\$	2,100,000
Budgeted Total Revenue 14/15	100%	\$	10,494,606
<b>Achieved</b>			

**2 Targeted Rates will not exceed 25% of total revenue**

Budgeted Targeted Rates 14/15	21%	\$	2,161,136
Budgeted Total Revenue 14/15	100%	\$	10,494,606
<b>Achieved</b>			

**3 General Rate increases will not exceed "BERL" inflation cost indexes (Business and Economic Research Ltd)**

2012/13 (baseline)	excl GST	\$	2,020,000
projected cost index increase 2013/14			3.2%
projected cost index increase 2014/15			3.2%
Cap as per 2012 Long Term Plan		\$	2,151,348
Budgeted General Rate for 2014/15		\$	2,100,000
<b>Achieved</b>			

**4 TB Pest Management rate will not exceed the BERL index + 5%**

2012/13 (baseline)	excl GST	\$	650,000
projected cost index increase 2013/14			3.2%
projected cost index increase 2014/15			3.2%
			5.0%
Cap as per 2012 Long Term Plan		\$	726,879
Proposed rate for 2014/15		\$	650,000
<b>Achieved</b>			

**5 River, Drainage & Coastal Protection scheme rates will not exceed the sustainable level of annual maintenance expenditure identified in the relevant asset management plans + 33.3%**

2012/13 (baseline)	excl GST	\$	981,061
			33.3%
Cap as per 2012 Long Term Plan		\$	1,307,754
Budgeted rates for 2014/15		\$	1,147,136
<b>Achieved</b>			

### Caps on Debt

**1 Interest + Principal Repayments will not exceed 7.50% of total Revenues**

	2014/15	Interest	\$ 370,650
	2014/15	Principal	\$ 413,487
			\$ 784,137
Budgeted Revenues 14/15		\$	10,494,606
7.47%			
<b>Achieved</b>			

**2 Term Liabilities not to exceed 7.5% of Total Assets**

Budgeted Term Liabilities @ 30 June 2015	\$	5,314,262
Budgeted Total Assets @ 30 June 2015	\$	77,099,092
6.9%		
<b>Achieved</b>		

**3 Term Liabilities not to exceed \$125 / head of regional population**

Budgeted Term Liabilities @ 30 June 2015	\$	5,314,262
Regional Population		32,900
	\$	162

**Not Achieved**

This was due to unbudgeted/unexpected borrowing, including \$1.5 million for the Hokitika Seawall.

**Reconciliation of Funding Impact Statement to  
Statement of Comprehensive Income**

	<b>Annual Plan 14/15</b>	<b>LTP 14/15</b>	<b>Annual Plan 13/14</b>
Prospective Statement of Comprehensive Income Surplus	\$920,577	\$791,808	\$765,391
Add back non cash expenditure			
Depreciation & Amortisation	\$453,496	\$322,985	\$320,050
WCRC Operating Funding Surplus	\$1,374,073	\$1,114,793	\$1,085,442

## Funding Impact Statements in accordance with the Local Government (Financial Reporting) Regulations 2011

<b>West Coast Regional Council</b>	<b>Annual Plan 2014/15</b>	LTP 14/15	Annual Plan 13/14
<b>Sources of Operating Funding</b>			
General Rates	<b>2100000</b>	2146000	2060000
Rates Penalties	<b>60000</b>	70000	60000
Targeted Rates	<b>2161136</b>	1732755	1746029
Subsidies & Grants	<b>104600</b>	104600	99300
Fees & Charges	<b>4973461</b>	3730126	4007163
Internal Charges & Overheads Recovered			
Fines, Infingement Fees & Other Receipts	<b>1095409</b>	975040	934734
<b>Total Operating Funding (A)</b>	<b>10494606</b>	8758521	8907226
<b>Applications of Operating Funding</b>			
Payments to staff & Suppliers	<b>8749883</b>	7457986	7616894
Finance Costs	<b>370650</b>	185742	204890
Internal Charges and Overheads applied			
Other operating funding applications			
<b>Total applications of operating funding (B)</b>	<b>9120533</b>	7643728	7821784
Surplus (deficit) of Operating Funding (A) - (B)	<b>1374073</b>	1114793	1085442
<b>Sources of Capital Funding</b>			
Subsidies & Grants			
Development & Financial Contributions			
Increase (Decrease) in Debt	<b>-318487</b>	-175318	-130748
Gross Proceeds Sale Assets	<b>111912</b>		
Lump Sum Contributions			
<b>Total Sources of Capital Funding (C)</b>	<b>-206575</b>	-175318	-130748
<b>Applications of Capital Funding</b>			
Capital Expenditure - additional demand			
Capital Expenditure - improved levels of service	<b>150000</b>	0	50000
Capital Expenditure - replace existing assets	<b>310000</b>	350417	285538
Increase (decrease) in investments			
Increase (decrease) in reserves	<b>707498</b>	589058	619156
<b>Total applications of capital funding (D)</b>	<b>1167498</b>	939475	954694
Surplus (Deficit) of Capital Funding (C) - (D)	<b>-1374073</b>	-1114793	-1085442
<b>Funding Balance</b>	<b>0</b>	0	0

<b>Governance</b>	<b>Annual Plan 2014/15</b>	LTP 14/15	Annual Plan 13/14
<b>Sources of Operating Funding</b>			
General Rates	<b>431939</b>	409934	420929
Rates Penalties			
Targeted Rates			
Subsidies & Grants			
Fees & Charges			
Internal Charges & Overheads Recovered			
Fines, Infingement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>431939</b>	409934	420929
<b>Applications of Operating Funding</b>			
Payments to staff & Suppliers	<b>391487</b>	373820	386786
Finance Costs			
Internal Charges and Overheads applied	<b>40452</b>	36114	34143
Other operating funding applications			
<b>Total applications of operating funding (B)</b>	<b>431939</b>	409934	420929
Surplus (deficit) of Operating Funding (A) - (B)	<b>0</b>	0	0
<b>Sources of Capital Funding</b>			
Subsidies & Grants			
Development & Financial Contributions			
Increase (Decrease) in Debt			
Gross Proceeds Sale Assets			
Lump Sum Contributions			
<b>Total Sources of Capital Funding (C)</b>	<b>0</b>	0	0
<b>Applications of Capital Funding</b>			
Capital Expenditure - additional demand			
Capital Expenditure - improved levels of service			
Capital Expenditure - replace existing assets			
Increase (decrease) in investments			
Increase (decrease) in reserves			
<b>Total applications of capital funding (D)</b>	<b>0</b>	0	0
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>0</b>	0	0
<b>Funding Balance</b>	<b>0</b>	0	0

<b>Resource Management</b>	<b>Annual Plan 2014/15</b>	LTP 14/15	Annual Plan 13/14
<b>Sources of Operating Funding</b>			
General Rates	<b>1672979</b>	1660918	1550662
Rates Penalties			
Targeted Rates			
Subsidies & Grants			
Fees & Charges	<b>1238000</b>	1144000	1282130
Internal Charges & Overheads Recovered			
Fines, Infingement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>2910979</b>	2804918	2832792
<b>Applications of Operating Funding</b>			
Payments to staff & Suppliers	<b>1398292</b>	1568627	1376528
Finance Costs			
Internal Charges and Overheads applied	<b>1501608</b>	1221868	1438221
Other operating funding applications			
<b>Total applications of operating funding (B)</b>	<b>2899900</b>	2790495	2814749
Surplus (deficit) of Operating Funding (A) - (B)	<b>11079</b>	14423	18043
<b>Sources of Capital Funding</b>			
Subsidies & Grants			
Development & Financial Contributions			
Increase (Decrease) in Debt			
Gross Proceeds Sale Assets			
Lump Sum Contributions			
<b>Total Sources of Capital Funding (C)</b>	<b>0</b>	0	0
<b>Applications of Capital Funding</b>			
Capital Expenditure - additional demand			
Capital Expenditure - improved levels of service			
Capital Expenditure - replace existing assets			
Increase (decrease) in reserves	<b>11079</b>	14423	18043
<b>Total applications of capital funding (D)</b>	<b>11079</b>	14423	18043
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>-11079</b>	-14423	-18043
<b>Funding Balance</b>	<b>0</b>	0	0

<b>Transport</b>	<b>Annual Plan 2014/15</b>	<b>LTP 14/15</b>	<b>Annual Plan 13/14</b>
<b>Sources of Operating Funding</b>			
General Rates	79949	73811	80455
Rates Penalties			
Targeted Rates			
Subsidies & Grants	88600	104600	99300
Fees & Charges			
Internal Charges & Overheads Recovered			
Fines, Infingement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>168549</b>	<b>178411</b>	<b>179755</b>
<b>Applications of Operating Funding</b>			
Payments to staff & Suppliers	119867	127723	122385
Finance Costs			
Internal Charges and Overheads applied	48682	50688	57370
Other operating funding applications			
<b>Total applications of operating funding (B)</b>	<b>168549</b>	<b>178411</b>	<b>179755</b>
Surplus (deficit) of Operating Funding (A) - (B)	0	0	0
<b>Sources of Capital Funding</b>			
Subsidies & Grants			
Development & Financial Contributions			
Increase (Decrease) in Debt			
Gross Proceeds Sale Assets			
Lump Sum Contributions			
<b>Total Sources of Capital Funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of Capital Funding</b>			
Capital Expenditure - additional demand			
Capital Expenditure - improved levels of service			
Capital Expenditure - replace existing assets			
Increase (decrease) in reserves			
<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Hydrology &amp; Floodwarning Services</b>	<b>Annual Plan 2014/15</b>	LTP 14/15	Annual Plan 13/14
<b>Sources of Operating Funding</b>			
General Rates	<b>470938</b>	442527	413585
Rates Penalties			
Targeted Rates			
Subsidies & Grants			
Fees & Charges			
Internal Charges & Overheads Recovered			
Fines, Infingement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>470938</b>	442527	413585
<b>Applications of Operating Funding</b>			
Payments to staff & Suppliers	<b>205632</b>	196636	183858
Finance Costs			
Internal Charges and Overheads applied	<b>199447</b>	173575	173381
Other operating funding applications			
<b>Total applications of operating funding (B)</b>	<b>405079</b>	370211	357239
Surplus (deficit) of Operating Funding (A) - (B)	<b>65859</b>	72316	56346
<b>Sources of Capital Funding</b>			
Subsidies & Grants			
Development & Financial Contributions			
Increase (Decrease) in Debt			
Gross Proceeds Sale Assets			
Lump Sum Contributions			
<b>Total Sources of Capital Funding (C)</b>	<b>0</b>	0	0
<b>Applications of Capital Funding</b>			
Capital Expenditure - additional demand			
Capital Expenditure - improved levels of service	<b>40000</b>		
Capital Expenditure - replace existing assets	<b>60000</b>	63906	60000
Increase (decrease) in reserves	<b>-34141</b>	8410	-3654
<b>Total applications of capital funding (D)</b>	<b>65859</b>	72316	56346
Surplus (Deficit) of Capital Funding (C) - (D)	<b>-65859</b>	-72316	-56346
<b>Funding Balance</b>	<b>0</b>	0	0



<b>Emergency Management</b>	<b>Annual Plan 2014/15</b>	LTP 14/15	Annual Plan 13/14
<b>Sources of Operating Funding</b>			
General Rates	99597	63163	68615
Rates Penalties			
Targeted Rates	200000	53000	50000
Subsidies & Grants			
Fees & Charges	16000	18000	17000
Internal Charges & Overheads Recovered			
Fines, Infingement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>315597</b>	134163	135615
<b>Applications of Operating Funding</b>			
Payments to staff & Suppliers	141640	84211	73700
Finance Costs			
Internal Charges and Overheads applied	165358	48547	60322
Other operating funding applications			
<b>Total applications of operating funding (B)</b>	<b>306998</b>	132758	134022
Surplus (deficit) of Operating Funding (A) - (B)	8599	1405	1593
<b>Sources of Capital Funding</b>			
Subsidies & Grants			
Development & Financial Contributions			
Increase (Decrease) in Debt			
Gross Proceeds Sale Assets			
Lump Sum Contributions			
<b>Total Sources of Capital Funding (C)</b>	<b>0</b>	0	0
<b>Applications of Capital Funding</b>			
Capital Expenditure - additional demand			
Capital Expenditure - improved levels of service	45000		
Capital Expenditure - replace existing assets			
Increase (decrease) in reserves	-36401	1405	1593
<b>Total applications of capital funding (D)</b>	<b>8599</b>	1405	1593
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>-8599</b>	-1405	-1593
<b>Funding Balance</b>	<b>0</b>	0	0

<b>River, Drainage &amp; Coastal Protection</b>	<b>Annual Plan 2014/15</b>	LTP 14/15	Annual Plan 13/14
<b>Sources of Operating Funding</b>			
General Rates	<b>247261</b>	254952	255394
Rates Penalties			
Targeted Rates	<b>1147136</b>	934394	994103
Subsidies & Grants			
Fees & Charges	<b>389600</b>	289600	280800
Internal Charges & Overheads Recovered			
Fines, Infingement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>1783997</b>	1478946	1530297
<b>Applications of Operating Funding</b>			
Payments to staff & Suppliers	<b>903441</b>	906126	921232
Finance Costs	<b>241477</b>	145317	154944
Internal Charges and Overheads applied	<b>283658</b>	238987	251714
Other operating funding applications			
<b>Total applications of operating funding (B)</b>	<b>1428576</b>	1290430	1327890
Surplus (deficit) of Operating Funding (A) - (B)	<b>355421</b>	188516	202407
<b>Sources of Capital Funding</b>			
Subsidies & Grants			
Development & Financial Contributions			
Increase (Decrease) in Debt	<b>-238877</b>	-190326	-128999
Gross Proceeds Sale Assets			
Lump Sum Contributions			
<b>Total Sources of Capital Funding (C)</b>	<b>-238877</b>	-190326	-128999
<b>Applications of Capital Funding</b>			
Capital Expenditure - additional demand			
Capital Expenditure - improved levels of service			
Capital Expenditure - replace existing assets			
Increase (decrease) in reserves	<b>116544</b>	-1810	73408
<b>Total applications of capital funding (D)</b>	<b>116544</b>	-1810	73408
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>-355421</b>	-188516	-202407
<b>Funding Balance</b>	<b>0</b>	0	0

<b>Vector Control Services Business Unit</b>	<b>Annual Plan 2014/15</b>	LTP 14/15	Annual Plan 13/14
<b>Sources of Operating Funding</b>			
General Rates			
Rates Penalties			
Targeted Rates			
Subsidies & Grants			
Fees & Charges	<b>3345861</b>	2278526	2427233
Internal Charges & Overheads Recovered			
Fines, Infingement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>3345861</b>	2278526	2427233
<b>Applications of Operating Funding</b>			
Payments to staff & Suppliers	<b>2619764</b>	1630351	1697520
Finance Costs	<b>100000</b>	100000	150000
Internal Charges and Overheads applied			
Other operating funding applications			
<b>Total applications of operating funding (B)</b>	<b>2719764</b>	1730351	1847520
Surplus (deficit) of Operating Funding (A) - (B)	<b>626097</b>	548175	579713
<b>Sources of Capital Funding</b>			
Subsidies & Grants			
Development & Financial Contributions			
Increase (Decrease) in Debt			
Gross Proceeds Sale Assets			
Lump Sum Contributions			
<b>Total Sources of Capital Funding (C)</b>	<b>0</b>	0	0
<b>Applications of Capital Funding</b>			
Capital Expenditure - additional demand			
Capital Expenditure - improved levels of service			
Capital Expenditure - replace existing assets	<b>100000</b>	127811	30000
Increase (decrease) in reserves	<b>526097</b>	420364	549713
<b>Total applications of capital funding (D)</b>	<b>626097</b>	548175	579713
Surplus (Deficit) of Capital Funding (C) - (D)	<b>-626097</b>	-548175	-579713
<b>Funding Balance</b>	<b>0</b>	0	0

<b>Regional Share of Cost of Vector Controls</b>	<b>Annual Plan 2014/15</b>	LTP 14/15	Annual Plan 13/14
<b>Sources of Operating Funding</b>			
General Rates	170000	200000	200000
Rates Penalties			
Targeted Rates	650000	675000	650000
Subsidies & Grants			
Fees & Charges			
Internal Charges & Overheads Recovered			
Fines, Infingement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>820000</b>	875000	850000
<b>Applications of Operating Funding</b>			
Payments to staff & Suppliers	660000	825393	825000
Finance Costs			
Internal Charges and Overheads applied	26571	32050	27110
Other operating funding applications			
<b>Total applications of operating funding (B)</b>	<b>686571</b>	857443	852110
Surplus (deficit) of Operating Funding (A) - (B)	133429	17557	-2110
<b>Sources of Capital Funding</b>			
Subsidies & Grants			
Development & Financial Contributions			
Increase (Decrease) in Debt			
Gross Proceeds Sale Assets			
Lump Sum Contributions			
<b>Total Sources of Capital Funding (C)</b>	<b>0</b>	0	0
<b>Applications of Capital Funding</b>			
Capital Expenditure - additional demand			
Capital Expenditure - improved levels of service			
Capital Expenditure - replace existing assets			
Increase (decrease) in reserves	133429	17557	-2110
<b>Total applications of capital funding (D)</b>	<b>133429</b>	17557	-2110
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>-133429</b>	-17557	2110
<b>Funding Balance</b>	<b>0</b>	0	0

**FUNDING IMPACT STATEMENT - RATES  
FOR THE YEAR ENDING 30 JUNE 2015**

**Note**

All amounts are stated inclusive of GST.

**Rating Instalment Information**

Rates will be payable by two instalments;

First instalment

Due date 10 September 2014

Penalty date 20 October 2014

Second instalment

Due date 10 March 2015

Penalty date 20 April 2015

A penalty for late payment will be applied at the amount allowed by the Local Government Rating Act 2002 of 10% on any part of an instalment that remains unpaid after the due dates of 1 September 2014 and 1 March 2015, on the penalty dates of 20 October 2014 and 20 April 2015.

A further 10% penalty will be charged on all accumulated rate arrears as at 30 June 2015, on 1 July 2015.

**1. General Rate**

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

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

Differential

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

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

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

	differential	Estimated rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield	GST Exclusive
Rateable Value of Land in the Buller District Local authority Area	31%	2,414,218,050	0.00031010	748,650	651,000
Rateable Value of Land in the Grey District Local authority Area	39%	2,624,343,050	0.00035889	941,850	819,000
Rateable Value of Land in the Westland District Local authority Area	30%	2,372,931,500	0.00030532	724,500	630,000
	100%	7,411,492,600		2,415,000	2,100,000

**2. TARGETED RATES**

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

	Estimated rateable Land Value	differential	factor per \$ of Land Value	Estimated to yield \$	GST Exclusive
<b>Vine Creek Rating District</b>					
Class A	\$ 4,522,800	1.00	0.0029324	13,263	11,532
Class B	\$ 5,607,300	0.70	0.0020527	11,510	10,009
Class C	\$ 7,490,000	0.50	0.0014662	10,982	9,549
Class D	\$ 18,941,100	0.20	0.0005865	11,108	9,660
Class E	\$ 16,667,000	0.10	0.0002932	4,887	4,250
				51,750	45,000

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

	Estimated rateable Land Value	differential	factor per \$ of Land Value	Estimated to yield \$	GST Exclusive
<b>Wanganui River Rating District</b>					
Class A	\$ 23,117,300	1.00	0.0021548	49,812	43,316
Class B	\$ 20,021,900	0.70	0.0015083	30,200	26,261
Class C	\$ 29,000,900	0.45	0.0009697	28,120	24,452
Class D	\$ 5,000,200	0.10	0.0002155	1,077	937
Class U1	\$ 3,970,300	0.50	0.0010774	4,278	3,720
Class U2	\$ 1,403,000	0.50	0.0010774	1,512	1,314
				115,000	100,000

- (c) **A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land situated in the Kanieri Area 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	differential	factor per \$ of Land Value	Estimated to yield \$	GST Exclusive
<b>Kanieri Rating District</b>					
Class A	\$ 319,900	1.00	0.0057504	1,839	1,599
Class B	\$ 113,000	0.60	0.0034502	390	339
Class C	\$ 272,000	0.40	0.0023001	626	544
Class D	\$ 1,737,000	0.15	0.0008626	1,498	1,303
Class E	\$ 429,000	0.10	0.0005750	247	215
				4,600	4,000

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

**Kowhitirangi Flood Control Rating District**

	Estimated rateable differential Capital Value		factor per \$ of capital Value	Estimated to yield \$	GST Exclusive
Class A	\$ 17,602,900	1.00	0.0001902	3,347	2,911
Class C	\$ 37,846,800	0.50	0.0000951	3,599	3,129
Class E	\$ 36,221,800	0.29	0.0000555	2,009	1,747
Class F	\$ 80,277,100	0.17	0.0000317	2,545	2,213
				<u>11,500</u>	<u>10,000</u>

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

**Coal Creek Rating District**

	Estimated rateable Capital Value		factor per \$ of capital Value	Estimated to yield \$	GST Exclusive
	\$ 6,825,550		0.001685	<u>11,500</u>	<u>10,000</u>

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

**Karamea Riding Rating District**

	Estimated rateable differential Capital Value		factor per \$ of capital Value	Estimated to yield \$	GST Exclusive
Class A	\$ 2,700,300	1.00	0.0012819	3,461	3,010
Class B	\$ 32,287,540	0.80	0.0010255	33,111	28,791
Class C	\$ 4,576,400	0.60	0.0007691	3,520	3,061
Class D	\$ 113,829,180	0.10	0.0001282	14,591	12,688
Class E	\$ 43,956,480	0.05	0.0000641	2,817	2,450
				<u>57,500</u>	<u>50,000</u>

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

**Inchbonnie Rating District**

	Estimated rateable differential Capital Value		factor per \$ of capital Value	Estimated to yield \$	GST Exclusive
Class A	\$ 4,011,300	1.00	0.0011034	4,426	3,849
Class B	\$ 16,974,000	0.75	0.0008275	14,046	12,214
Class C	\$ 6,283,800	0.50	0.0005517	3,467	3,015
Class D	\$ 2,600,000	0.30	0.0003310	861	748
Class F	\$ 1,207,700	0.15	0.0001655	200	174
				<u>23,000</u>	<u>20,000</u>

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

**Inchbonnie (Loan) Rating District**

	Estimated rateable differential Capital Value		factor per \$ of capital Value	Estimated to yield \$	GST Exclusive
Class A	\$ 4,011,300	1.00	0.001327	5,323	4,628
Class B	\$ 16,974,000	0.75	0.000995	16,893	14,689
Class C	\$ 6,283,800	0.50	0.000663	4,169	3,625
Class D	\$ 2,600,000	0.30	0.000398	1,035	900
Class F	\$ 1,207,700	0.15	0.000199	240	209
				<u>27,659</u>	<u>24,051</u>

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

**Greymouth Floodwall (Loan) Rating District**

	Estimated rateable Capital Value		factor per \$ of capital Value	Estimated to yield \$	GST Exclusive
	\$ 718,948,300		0.0003300	<u>236,900</u>	<u>206,000</u>

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

**Greymouth Floodwall (Maintenance) Rating District**

	Estimated rateable Capital Value		factor per \$ of capital Value	Estimated to yield \$	GST Exclusive
	\$ 718,948,300		0.0000801	<u>57,500</u>	<u>50,000</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 Okuru (Maintenance) Separate Rating Area and calculated on the capital value of each rating unit, for maintaining the protection works in the scheme.

**Okuru Rating District (Maintenance)**

Estimated rateable Capital Value \$	factor per \$ of capital Value <b>0.000562</b>	Estimated to yield \$	GST Exclusive
10,234,000		<u>5,750</u>	<u>5,000</u>

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

**Redjacks Rating District**

Estimated rateable differential Land Area (ha.)	Rate per hectare	Estimated to yield \$	GST Exclusive
Class A 0.1000000 6.73%	<b>7739.500</b>	774	673
Class B 1.0600000 35.55%	<b>3851.415</b>	4,083	3550
Class C 0.1100000 3.56%	<b>3721.818</b>	409	356
Class D 2.3000000 17.54%	<b>877.000</b>	2,017	1754
Class E 1.4800000 14.23%	<b>1105.709</b>	1,636	1423
Class F 1.8400000 4.73%	<b>295.625</b>	544	473
Class G 21.9600000 7.40%	<b>38.752</b>	851	740
Class H 49.1600000 8.60%	<b>20.118</b>	989	860
Class I 76.9700000 1.71%	<b>2.555</b>	197	171
100%		<u>11,500</u>	<u>10,000</u>

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

**Raft Creek**

Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$	GST Exclusive
762.2100000	<b>12.07016</b>	<u>9,200</u>	<u>8,000</u>

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

**Nelson Creek Rating District**

Estimated Rateable differential Land Area (ha.)	Rates per hectare	Estimated to yield \$	GST Exclusive
Class A 1.1400000 8.33%	<b>1470.66086</b>	1,677	1,458
Class B 2.9000000 13.10%	<b>909.19892</b>	2,637	2,293
Class C 10.7600000 9.91%	<b>185.43055</b>	1,995	1,735
Class D 10.3000000 9.08%	<b>177.33251</b>	1,827	1,588
Class E 18.5500000 12.94%	<b>140.34231</b>	2,603	2,264
Class F 65.1600000 27.91%	<b>86.20332</b>	5,617	4,884
Class G 18.1000000 8.82%	<b>98.03544</b>	1,774	1,543
Class H 20.0300000 9.11%	<b>91.50093</b>	1,833	1,594
Class I 7.8000000 0.81%	<b>20.82679</b>	162	141
100%		<u>20,125</u>	<u>17,500</u>

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

**Taramakau Settlement Rating District**

Estimated Rateable differential Land Area (ha.)	Rates per hectare	Estimated to yield \$	GST Exclusive
Class A 306.2500000 33.16%	<b>99.615347</b>	30,506	26,528
Class B 130.0000000 11.54%	<b>81.667692</b>	10,617	9,232
Class C 113.7400000 6.83%	<b>55.245296</b>	6,284	5,464
Class D 127.1200000 6.54%	<b>47.331655</b>	6,017	5,232
Class E 174.4200000 8.63%	<b>45.520009</b>	7,940	6,904
Class F 140.2800000 5.89%	<b>38.628457</b>	5,419	4,712
Class G 392.7300000 13.40%	<b>31.390523</b>	12,328	10,720
Class H 429.4800000 13.77%	<b>29.497066</b>	12,668	11,016
Class I 48.6600000 0.24%	<b>4.537608</b>	221	192
100%		<u>92,000</u>	<u>80,000</u>

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

**Kongahu Rating District**

Estimated Rateable differential Land Area (ha.)	Rates per hectare	Estimated to yield \$	GST Exclusive
Class A 733.7800000 1.00	<b>11.354279</b>	8,332	7,245
Class B 68.6000000 0.52	<b>5.954184</b>	408	355
		<u>8,740</u>	<u>7,600</u>

- (q) A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land 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.

**Waitangitaona Rating District**

Estimated Rateable differential Land Area (ha.)	Rates per hectare	Estimated to yield \$	GST Exclusive
Class A 618.2379000 25.80%	<b>14.3956460</b>	8,900	7,739
Class B 721.2259000 23.48%	<b>11.2321614</b>	8,101	7,044
Class C 1705.4410000 46.84%	<b>9.4747736</b>	16,159	14,052
Class D 708.1226000 3.88%	<b>1.8926142</b>	1,340	1,165
100%		<u>34,500</u>	<u>30,000</u>

- (r) 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 differential Capital Value		factor per \$ of capital Value	calculated yield \$	GST Exclusive
Class A	\$ 4,955,000	1.00	0.006320559	31,318	27,234
Class B	\$ 5,470,000	0.60	0.003792335	20,744	18,038
Class C	\$ 5,425,000	0.20	0.001264112	6,858	5,963
				<u>58,920</u>	<u>51,235</u>

- (s) 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 differential Capital Value		factor per \$ of capital Value	calculated yield \$	GST Exclusive
Class A	\$ 4,955,000	1.00	0.005551384	27,507	23,919
Class B	\$ 5,470,000	0.60	0.00333083	18,220	15,843
Class C	\$ 5,425,000	0.20	0.001110277	6,023	5,238
				<u>51,750</u>	<u>45,000</u>

- (t) 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 differential Capital Value		factor per \$ of capital Value	Estimated to yield \$	GST Exclusive
Buller District- Endemic Area	\$ 941,741,800	33.33%	0.00025869 }	243,616	211,840
Buller District- Non Endemic Area	\$ 85,824,000		0.00006467 }	5,550	4,826
Grey District-Endemic Area	\$ 940,879,800	33.33%	0.00026482 }	249,168	216,667
Westland District-Endemic Area	\$ 874,552,500		0.00027236 }	238,194	207,126
Westland District-Non Endemic Area	\$ 161,143,250	33.33%	0.00006809 }	10,972	9,541
	<u>\$ 3,004,141,350</u>	<u>100%</u>		<u>747,500</u>	<u>650,000</u>

- (u) 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 differential Capital Value		factor per \$ of capital Value	calculated yield \$	GST Exclusive
Area A	\$ 2,487,000	1.00	0.000522	1,299	1,130
Area B	\$ 2,649,000	0.10	0.000052	138	120
				<u>1,438</u>	<u>1,250</u>

- (v) 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 \$	GST Exclusive
	\$ 101,725,500		0.001130	<u>115,000</u>	<u>100,000</u>



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

**Lower Waiho 2010**

Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$	GST Exclusive
\$ 19,241,000	0.005021	96,600	84,000

- (x) 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 \$	GST Exclusive
\$ 10,516,000	0.000547	5,750	5,000

- (y) A Targeted rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002

The Targeted Rate will be a uniform rate in the dollar set for all rateable land within the region and calculated on the Capital value of each rating unit.  
The rate will be used to fund Emergency Management activities within the Region.

**Regional Emergency Management**

Rateable Value of Land in the Buller District Local authority Area	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$	GST Exclusive
	2,414,218,050			
Rateable Value of Land in the Grey District Local authority Area	2,624,343,050			
Rateable Value of Land in the Westland District Local authority Area	2,372,931,500			
	<b>7,411,492,600</b>	0.0000310	<b>230,000</b>	<b>200,000</b>

- (z) 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 \$	GST Exclusive
\$ 2,650,000	0.000130	345	300

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

**Mokihinui**

Estimated number of rating units	Amount per rating unit.	calculated yield \$	GST Exclusive
43	\$ 306.67	12,880	11,200

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

**Whataroa River**

Area	Estimated rateable Capital Value	differential	factor per \$ of capital Value	calculated yield \$	GST Exclusive
Area A	\$ 7,701,000	1.00	0.002575	19,831	
Area B	\$ 12,155,000	0.40	0.001030	12,521	
Area C	\$ 30,966,000	0.20	0.000515	15,948	
				<b>48,300</b>	<b>42,000</b>

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

**New River / Saltwater Creek Catchment**

Area	Estimated rateable Capital Value	differential	factor per \$ of capital Value	calculated yield \$	GST Exclusive
Area A	\$ 19,868,000	25.00	0.000097	1,926	
Area B	\$ 244,599,400	1.00	0.000004	949	
				<b>2,875</b>	<b>2,500</b>

- (ad) **Warm West Coast Targeted Rate**

A targeted rate in accordance with sections 16, 17 and 18 of the Local Government Rating Act 2002 on properties that have received Council funding to instal insulation and/or clean heating appliances.  
The rate is calculated as a % of the GST inclusive funding provided by Council to the property.  
Funding provided by Council includes interest at 5.25% from date of payment till 30 June 2013.  
The rate will be used to repay funding that Council has borrowed to fund this work and will be levied over a 10 year term from 1 July 2013 and 1 July 2014.

The total Council funding figure shown below is only indicative. The total amount of funding provided will not be known until all applications for the financial year to 30 June 2013 are processed.

**Warm West Coast Funding Received During years to 30 June 2013 and 30 June 2014 (estimated)**

Council funding provided	factor as a % of Council funding provided	calculated yield \$	GST Exclusive
\$ 1,263,350	14.9286%	188,600	164,000

- (ae) **Hokitika Seawall**

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

	Estimated rateable Capital Value	differential	factor per \$ of capital Value	calculated yield \$	GST Exclusive
A	\$ 17,086,000	1.00	0.001440177	\$ 24,607	\$ 21,397
B	\$ 48,887,000	0.75	0.001080133	\$ 52,804	\$ 45,918
C	\$ 18,727,000	0.60	0.000864106	\$ 16,182	\$ 14,071
D	\$ 360,244,500	0.10	0.000144018	\$ 51,882	\$ 45,114
				<b>145,475</b>	<b>126,500</b>

Total Rates **4,899,157** **4,260,136**

### Rating Impact Ready Reckoner

<i>Rate type</i>	<i>Rate per \$100,000 of Capital value</i>
General Rate - Buller District area	\$31.01
General Rate - Grey District area	\$35.89
General Rate - Westland District area	\$30.53
Regional Emergency Management Rate	\$3.10

Additional targeted rates may also apply, depending on whether your property is located within a separate rating area. Separate rating areas include the Tb Pest Management Rating area which includes all rural properties greater than or equal to 2 hectares; and various special rating areas (25) that involve river, sea, drainage or erosion protection works. See page 20 for a full list of these rating districts. Maps and asset management plans for these rating districts can be found on council's website at [www.wcrc.govt.nz](http://www.wcrc.govt.nz).

## 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 sections 12 and 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	GST Inclusive
Land Use Consent & associated consents for dry bed gravel extraction	\$460.00
Land Use Consent & associated consents for river protection works	\$632.50
Discharge Permits for dairy effluent discharges	\$632.50
Land Use Consent & associated consents for humping & hollowing/flipping earthworks	\$862.50
Land Use Consent & associated consents for land based alluvial gold mining operations	\$1,035.00
Land Use Consent & associated consents for alluvial gold mining operations involving watercourse diversions	\$2,070.00
Coastal Permits for municipal sewage, industrial discharges, large scale infrastructure and marine farms	\$5,750.00
Application for a change or cancellation of consent conditions	\$345.00
Application for a Certificate of Compliance or an Existing Use Certificate	\$345.00
Application for Transfer of a Water Permit	\$460.00
Application to extend the lapsing period for a consent	\$345.00
All other Resource Consents	\$517.50

## 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	\$110 per hour
Council senior officers	\$130 per hour
Council managers	\$200 per hour
Council clerical support staff	\$90 per hour

Independent consultants at \$350 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 \$80 / hour for Councillors and \$100 / hour by the Chairperson of a hearing)

Independent Hearing Commissioners at (not more than) \$1400 per day/per Commissioner

Legal advice at \$350 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 5c/copy or 20c/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\*: \$100

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

Monitoring of whitebait stands: \$100 per annum

\* 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 \$110 per hour

Council senior officers \$130 per hour

Council managers \$200 per hour

Council clerical support staff \$90 per hour

Independent consultants engaged by the Council: Not more than \$350 per hour.

Legal advisers: Not more than \$350 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 5c/copy and 20c/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	\$110 per hour
Council senior officers	\$130 per hour
Council managers	\$200 per hour
Council clerical support staff	\$ 90 per hour

In addition:

- Vehicle mileage at 75 cents per kilometre
- Tolls at cost
- Photographs at cost
- Photocopying at 5c/copy or 20c/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 Sections 12 and 150 Local Government Act 2002**

**(A) Dairy Effluent Inspection**

Council charges \$250 plus GST for Dairy Shed inspections required under Rule 13 of the Regional Plan for Discharges to Land and Rule 73 of the proposed Land and water plan. In the event of an inspection revealing non-compliance with these rules, Council will charge any follow-up action in accordance with the costs specified in (D) below.

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

Council charges \$125 + 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 \$250 + 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	\$110 per hour
Council senior officers	\$130 per hour
Council managers	\$200 per hour
Council clerical support staff	\$90 per hour

Independent consultants at not more than \$350 per hour.

Legal advisors at not more than \$350 per hour.

In addition:

- Vehicle mileage at 75 cents per kilometre
- Laboratory charges at cost
- Tolls at cost
- Photographs at cost
- Photocopying at 5c/copy, or 20c/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	\$110 per hour
Council senior officers	\$130 per hour
Council managers	\$200 per hour
Council clerical support staff	\$90 per hour

Independent consultants at not more than \$350 per hour.

Legal advisors at not more than \$350 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 mitigating the effects of and cleaning up or remedying the environmental incident.
- Laboratory costs at cost
- Purchase, hire and maintenance of equipment specially required for the monitoring of the incident.
- Accommodation and meals at cost
- Photographs at cost
- Printing (including provision of information in electronic format) at cost.
- Photocopying at 5c/copy, or 20c/colour copy

**(E) Local Government Official Information Requests** (all amounts shown exclusive of GST)

The following charges are payable by persons requesting information under the Local Government Official Information and Meetings Act 1987 (first hour of staff time not charged)

Council officers	\$110 per hour
Council senior officers	\$130 per hour
Council managers	\$200 per hour
Council clerical support staff	\$90 per hour

- Photographs at cost.
- Printing (including provision of information in electronic format) at cost
- Photocopying at 5c/copy, or 20c/colour copy

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

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

Building Consent Applications for dams are 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	\$110 per hour
Council senior officers	\$130 per hour
Council managers	\$200 per hour
Council clerical support staff	\$90 per hour

In addition:

- Consultants at cost
- Legal advice at cost
- Vehicle mileage at 75 cents per kilometre
- Photocopying at 5c/copy, or 20c/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.



## **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.