

Volume 1



Part 1 - Introduction

Welcome to Buller District Council's Long Term Plan 2012/2022

This Long Term Plan supersedes the previous Ten Year Plan 2009-2019.

What is a Long Term Plan?

The "Long Term Plan" outlines the activities and the services Council is planning to provide over the coming ten years. The public has made submissions on the Long Term Plan and Council has adopted this Long Term Plan on 27 June 2012.

The Long Term Plan states the proposed vision for the District, the Community Outcomes, the services and activities Council is undertaking to contribute to those Outcomes, and the costs of Council providing those services and activities over the next ten years.

It is important to note that the financial information contained in this Long Term Plan is forecast information based on the assumptions which Council reasonably expects to occur. Actual results achieved are likely to vary from the information presented and these variations may at time be reasonably large. That being said, we have endeavoured to make sure that our financial forecasts are as accurate as we can reasonably make them based on the information we currently have.

The outcomes identified by the Council and community indicate how the District should promote community well-being - socially, culturally, economically and environmentally.

The end result, is an all-encompassing document that outlines the community's expectations and shows how Council, with the help of the community and other organisations, will work together to achieve community well-being and the outcomes.

Under the Local Government Act 2002, Buller District Council is required to produce a Long Term Plan. The first (interim) Long Term Council Community Plan was produced in 2004. The second was produced in 2006 and the third in 2009.

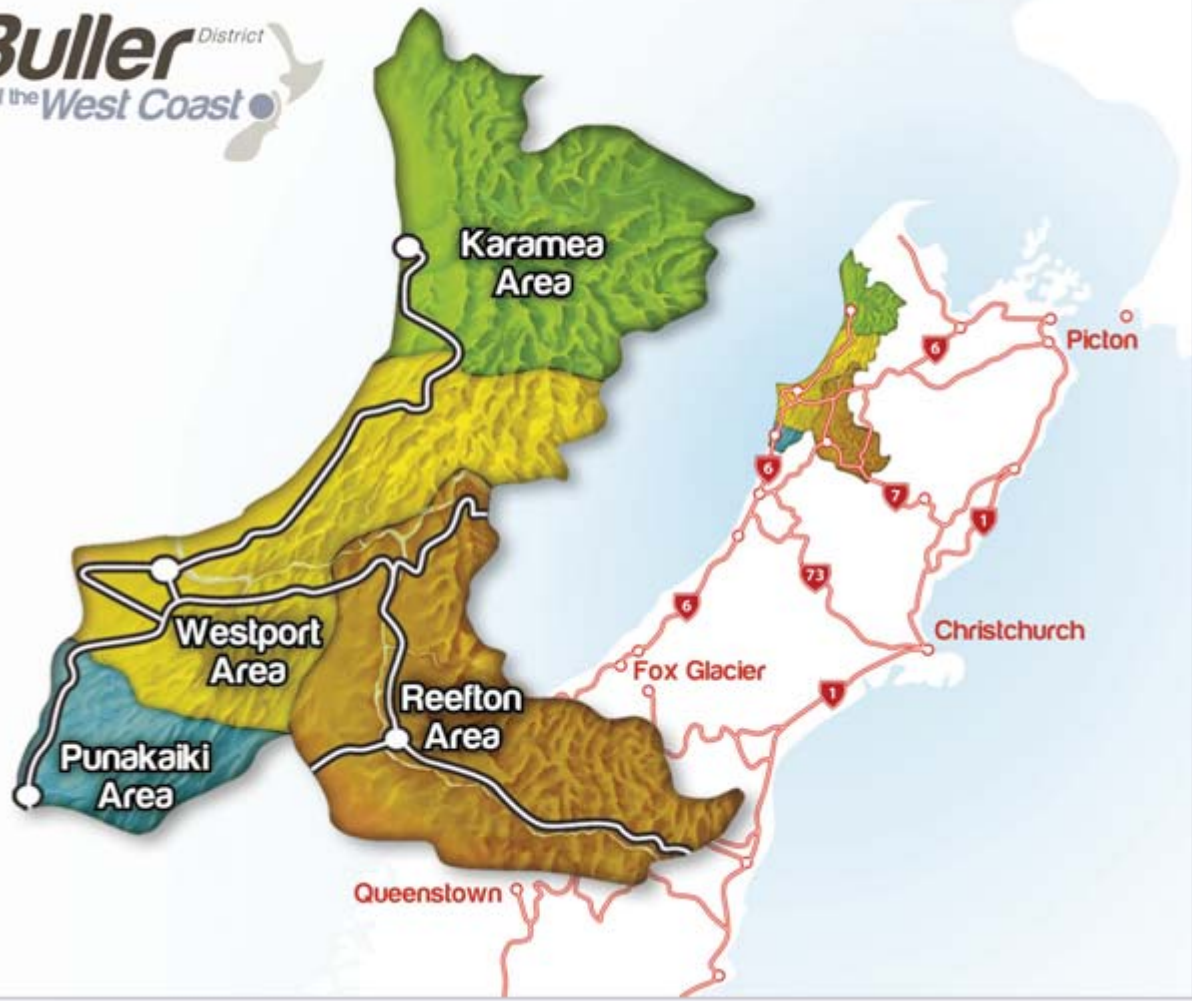
The Long Term Plan must be reviewed and re-evaluated once every three years. This Long Term Plan is part of the Council's three yearly review process.

Between the three yearly reviews, Council produces an Annual Plan, outlining what activities and services Council will be undertaking in that year and any changes from the Long Term Plan. Each year Council produces an Annual Report which outlines what Council actually did that year compared to what it was planning to do in the Long Term Plan or Annual Plan.

The Plan states the proposed Vision and Community Outcomes for the District and the services and activities Council is undertaking.....



Buller District
top of the *West Coast*





how to find your way around the Long Term Plan

For first time readers, this section provides a beginners guide to the Long Term Plan. For those who are more familiar with Council documents, reading this section will enable you to find the information you need more quickly.

We have done our best to keep jargon and abbreviations to a minimum, but there are some words that have been used because of legislation or the specialised activities that Council carries out. For example 'community outcomes' and 'community well-being' come from the Local Government Act.

Two volumes and a 'Summary' Document

The Long Term Plan comprises two volumes:

Volume 1 (this document) includes information on the Council vision, which details key aspects of the Council's work for the next 10 years. Volume 1 is where you will find:

- ▶ Council's vision and mission, and the community outcomes
- ▶ The key issues Council is planning to address over the next ten years
- ▶ The services Council plans to provide and to what level
- ▶ What key projects are proposed to be undertaken and when they are planned to occur
- ▶ How much Council plans to spend on its activities, services or projects

Volume 2 contains all the background policies that Council is required to include that relate to its financial position, such as:

- ▶ Significance Policy
- ▶ Revenue and Financing Policy
- ▶ Treasury Management Policy
- ▶ Rates Remission Policies
- ▶ Several other related policies and statements such as the Funding Impact Statement that sets out information on the rating system
- ▶ Council's Water and Sanitary Services Assessment and Waste Management and Minimisation Plan

Key changes to the policies are detailed above each policy in Volume 2.

Further detail on activities and when specific projects are planned to occur is contained in Council's Activity Management Plans, which are available for most of the activities Council undertakes. These Activity Management Plans are useful supplementary information as they provide the foundation for the Long Term Plan. The other reason for looking at them is that they outline Council's planned capital works or key projects for the next 10 years.

Please note that all budget figures in this Plan contain an allowance for inflation. All rates within the Plan are GST inclusive. Any exceptions to this inclusion of inflation, or GST, are expressly stated.

Mayor's message

As a person who was born and bred on the Coast, I care deeply about the future of the Buller. We all know that over the decades the Buller region has seen good times come and good times go. The economic tide rolls in and rolls out again, leaving those who remain behind, stranded and struggling to survive.

All the signals we see today indicate that the tide is on the rise. Our biggest industry, mining, is set for big expansion and then good times could return. That is fantastic for an area that has had to watch as our family members have previously had to leave to find work. But will it last? Not if we just do what we have always done.

This is a chance in a lifetime.

This time we have to ensure that the boom stays invested in the region to build a diversified economy. It will not be easy, and the Council cannot do it on its own. The whole community will have to pull together with the Council leading the way. We need to improve basic infrastructure up to scratch and we have to get the very best out of our natural advantages to build vibrant modern and long lasting communities.

This is not a short term plan and it will not happen overnight.

We will need all of the ten years on this plan to build the diversified economy that uses the coal boom as a springboard to benefit the whole region.

The Council spent considerable time developing this Long Term Plan and debating what services and projects need to be undertaken. Prioritising the services and activities was no easy task for Council. There are many deserving services and projects that Council would like to provide to our communities and which we are expected to provide by our residents and ratepayers.

In preparing this Long Term Plan the Council has done its very best to provide what we consider will be in the long term interests of the Buller District as a whole taking into account the varying needs and preferences of the residents in our region wide network of settlements.

Councillors listened to your views on the key issues we highlighted in our Plan, and were pleased that so many ratepayers attended our roadshows.



A handwritten signature in black ink, which appears to read 'Pat McManus'. The signature is written in a cursive, flowing style.

Pat McManus
Mayor

Chief Executive's overview

Buller District is at the crossroads

We need to look at our recent history before deciding the way forward over the next ten years.

Some years ago, the District's population peaked at about 11,000 inhabitants. Unfortunately, for a variety of reasons, economic activity subsequently declined, and the resident population fell away. The Councils of those days reacted by taking a very conservative approach to expenditure and maintenance of the basic Council infrastructure. This caution did help keep rates down at that time, but progressively the lack of reinvestment led to what engineers like to call an "infrastructure deficit". Core services such as water, sewerage, and roading gradually began to wear out, while upgrades and replacements were deferred to save money.

Eventually something had to give, and the District had to borrow to finance replacements. These costs were compounded in some cases by Central Government requirements to enhance services to meet new mandatory standards. Rates rose accordingly, and yet there were fewer people left in the district to share the burden.

Meanwhile, the outflow of residents looked so bleak that after the 2007 census, the Statistics Department predicted that the resident population for the entire Buller District would dip below the 9000 mark by 2030. Judging by the numbers available at that time, Buller District seemed headed for terminal stagnation. All that there would be left would be a bit of dairy farming, some residual mining, and a hand to mouth tourism industry based on the wild scenery, quaint history and photo opportunities of virtual ghost towns, where once there had been thriving communities in the "good old days".



The future did not look good. Buller District seemed destined to be stuck in some 1950's time warp with less and less permanent resident ratepayers left to pay the bills.

Fortunately the fall in economic activity seemed to bottom out about that time, as coal and other mining activities began to pick up in response to worldwide demand. New pasture techniques opened up more and more dairy farms on the back of the dairy boom. Some glimmers of hope started to emerge.

The Buller District Council's 2009/2019 Long Term Council Community Plan (the LTCCP) took the Statistics Department dire prediction and balanced it against the signs of recovery. The Council decided that the number of residents in the Buller District would stabilise at about 10,000 people.

The 2009/2019 LTCCP set out a plan to continue to work on the infrastructure deficit one bit at a time. Over the ten years, property and roads would be renewed, bridges put in place, and a start made on urban renewal. Drinking water upgrades were scheduled for Westport, Reefton, and Punakaiki. Wastewater projects were signalled for Westport, Reefton, and Little Wanganui. There would be various water renewals, and stormwater improvements. Replacement fire engines would be found for the three rural fire brigades.

The 2009/2019 LTCCP strategy also involved a series of projects designed to address the wider social, commercial and cultural needs of a modern Buller community. The Solid Energy Centre emerged as the biggest project, closely followed by the NBS Theatre, and the development of a "Cultural Hub" as a focal point in the middle of Westport. Playgrounds throughout the district would be upgraded to meet the new NZ standards. New pensioner housing units would be built at Karamea and the old ones at Reefton replaced with more modern facilities.

The aim was to lift the district and its communities to a new family friendly and future orientated level.

The 2009/2019 plan was a "big call", yet it is hard to see any real alternative, other than to have simply given up on any real future for the district.

None of this made the financial consequences any more palatable. Council costs had risen, and while service levels rose at the same time, there were few new permanent residents to take up additional shares of the ratepayer burden. The small recovery in population tended to largely take up the slack in the housing stock left over from the early peak. While there were more people on the streets, the number of ratepayers was only up slightly. Affordability became an even bigger issue.

The Council responded by putting more emphasis on the use of target rates, whereby the costs tended to fall on the beneficiaries of the service rather than the general population through the general rate. The Council also recognised the increased complexity of the rating system, which by now had a large number of "differentials" that impacted in a manner that was confusing and sometimes controversial.

Against that background, the 2009/2019 Plan announced an intention to undertake a formal rates review and consultation process that could lead to a changed rating system based on a mixture of land and capital values.

It was stressed that the changes from the rates review would not lead to the Council collecting any additional revenue.



Instead it was hoped that the rate burden would be reallocated in a manner that was more transparent and more equitable for the same static core of 10,000 permanent resident ratepayers.

Since the adoption of the 2009/2019 plan considerable progress has been made reducing the infrastructure deficit, but much remains to be done. While core infrastructure facilities are improved there is little spare capacity and there is still some way to go before the aims of the 2009/2019 plan will be achieved.

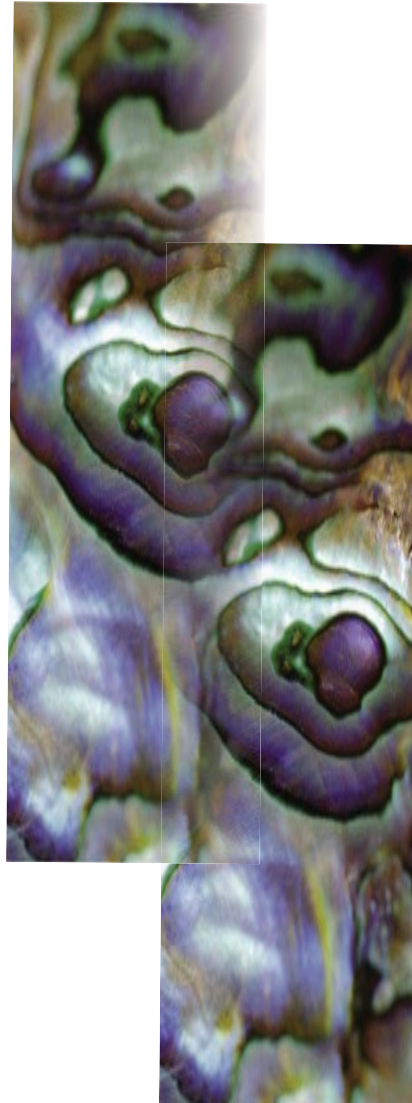
The popularity of facilities such as the Solid Energy Centre and the NBS Theatre is beyond dispute, but the scale of subsidies needed to keep admission prices within the reach of all members of the wider community, is a real concern.

The Cultural Hub projects are a work in progress, and the delays are placing great pressures on the Coaltown Museum and the I-site operations.

Economically, the winds of change have swung back in favour of the Buller District. Mining, especially coalmining, has grown rapidly with the Stockton plateau home to New Zealand's most profitable coal mining operations. Major expansions of activity have been planned and are poised to proceed once the legal and regulatory process has run its course. Dairying is still building momentum and tourism continues to play a vital supplementary role.

The inherited slack in the housing market has now been taken up. The additional people who have come into the district have become tenants and rents have risen to big city levels. Second hand houses, especially those at the lower end of the market tend to find quick sales. The district is becoming used to the phenomenon of the "drive in/ drive out" worker.

The subdivision and new housing market is better than it was but hardly booming, yet this is the source of new ratepayers.



More and more people are now dependent on Buller based jobs, but this has still not translated into much needed more permanent resident ratepayers.

Anecdotally, it seems that there is reluctance by the new workers to invest in the Buller District. The District has a perception problem.

- ▶ There is a fear that the coal will not last, and that investing in a house might be unwise if it could not be sold when the industry comes to a halt.
- ▶ Socially, "the Coast" still suffers from negative perceptions as a wet, wild and deprived locality.
- ▶ There is a concern that the health services are inferior and inadequate. Child care services are seen to be insufficient for the modern family that needs two incomes to service a mortgage on a new house.
- ▶ Parents worry that the District schools fail to offer enough opportunities.
- ▶ "There is nothing to do but to get into trouble."

Fortunately these are perceptions rather than reality.

- ▶ The coal industry and other mining activity are expanding rapidly and worldwide demand will continue into the future. Mining itself is now a highly regulated and controlled activity that addresses environmental concerns comprehensively and sustainably. Advances in technology will ensure that this abundant source of energy will continue to be sought out in the future.
- ▶ Modern communications and transport have removed the isolation problems of the past and it is now possible to participate in global commerce and enjoy the wonderful environment of the top of the Coast, without the need to be living in a crowded and expensive city. At the same time the District is fortunate in that it has extremely low costs of land and the ability for a young couple to build an affordable new home in the Buller is unequalled anywhere else.
- ▶ The pleasant reality of the top of the Coast near subtropical climate is a surprise to most visitors and is a story that needs to be told.
- ▶ Specialist health services may involve travel but are available without undue delay. The full range of primary health services is available within the District. A modern integrated health centre is in the wings, pending consultation with the community and the District Health Board.
- ▶ The District has an unparalleled natural recreation environment, and a wide range of affordable and accessible sporting and cultural activities. Schools rate highly in ERO reports and crime statistics are well below city levels in a community that cares and looks after its own. It is a great place in which to raise a family.

We are at the crossroads!

This brings us to the start point for this 2012/2022 Long Term Plan.

Coal mining is prosperous and set to expand considerably. This increased production is beyond the ability of the present rail tunnels to Lyttelton and as an alternative it is intended to ship much of the additional production from the Westport harbour to Port Taranaki from where it will be sent overseas. To enable this to happen the existing Westport port facilities will be greatly expanded and upgraded at a cost of up to \$30m. The financing of the development is external to this plan and is being progressed by Buller Holdings. This construction project, coupled with the probable construction of a hydro dam at Mokihinui, will also boost the number of jobs in the District in a manner that will seriously test the District's infrastructure capacity and wider social and cultural fabric.

While on one hand it can be said that the influx of new people is vastly better than observing a further decline, just how the District intends to handle the economic growth and the influx of workers, is crucial to the long term future of the Buller District and its communities.



In one direction lies the possibility of a sustained growth in a District that has a positive future in which gradual diversification builds on the back of the prosperous and sustainable coal industry. New subdivisions and permanent homes would come into being and the range of service industries and activities would expand in modern vibrant towns.

The number of permanent resident ratepayers would grow as the District's population passes 11,000 and climbs towards 12,000.

These new residents would see a long term future for themselves, and they would invest in permanent homes and businesses.

This additional permanent ratepaying population would share the burden and make the cost of expanded Council services economically viable.

In the other direction the District experiences a "boom" that is based on an increase in transient population numbers. Rents continue to rise, and the new housing stock is comprised of "re-locatables" rather than permanent homes. Wherever possible these temporary structures would be crammed onto existing rateable sections. Out of town providers would look after the services and expanded activities. Social problems would emerge.

There would only be a small increase in the number of ratepaying permanent residents. The cost of the necessary expansion of council services would fall on the original and largely static number of ratepayers. Rates would go up as the council scrambled to maintain services and meet demand.

Instead of investing in the District, the temporary residents would make no lasting contribution beyond what was needed to exploit the District, before moving on.



This Long Term Plan will decide which direction the Buller District takes.

The Buller District has taken many hits over the last few decades. The anticipated economic development from coal offers a chance in a lifetime.

It could lead to sustained growth and a brave new future for the District, provided a significant component of that wealth is captured and invested here, instead of evaporating away.

However this will only happen if the present community is prepared to adopt a Long Term Plan that is designed to encourage and enable permanent growth, in a manner that embraces change, while ensuring that the costs are spread to ensure inter generational equity.

In order to grow the ratepayer base, newcomers to the District will need to believe that their investment in the Buller District will be a sensible one. They will need to see that the full range of social and cultural activities is in existence. They will demand a clean green and healthy environment that is safe for their children. It will also mean addressing the manner in which rates are apportioned to ensure the ability to pay and equity issues are considered and that there is a consensus that rates are "fair".

To some this growth scenario is "fields of dreams" stuff, based on the notion that if we build it they will come.

The trouble is that "they" will be coming..... whether we like it or not.

The expansion of mining activity and the associated construction boom will come. We cannot turn back that reality. If we do not exploit that opportunity, then the market will find its own solution, as it has in other construction project towns and the "fly in/fly out" mining towns of Australia. The transient population will have no interest in investing in the District, nor in creating new forms of economic activity. The static permanent ratepayer population will shoulder all the costs of a churning socioeconomic situation.

While some will benefit dramatically in the short term from this artificial environment, and not mind the impact on rates, others who are not in that fortunate position will suffer. No amount of fiddling with the rating system will cure that ill.



This plan is based on the strategy that growth will occur and that the best long term interests of all communities and inhabitants of the District, both now and in the future, will be greatly enhanced if steps are put in place to build the permanent resident population from the existing 10,400 people to 11,229 people.

This plan assumes growth to 11,229 based on the expansion of Bathurst Mining activities. Although there is the potential for a greater increase, the plan has assumed a population increase to 11,229 in 2021/2022. The plan allows for an increase of 390 ratepayers over the next ten years.

The practical reality is that there will be an initial surge as the construction phase unwinds, followed by a gradual expansion, as confidence in the District's economic and social future consolidates. Whatever the Council does, there will still be some elements of transient population, and there will be better use of existing rateable properties especially if there is a degree of urban renewal as older housing stock is replaced.

Paul Wylie
Chief Executive Officer

Therefore a high growth scenario would aim at another 1,000 ratepayer properties over the ten years covered by the new Long Term Plan. An average of 390 new properties over the life of the Plan seems to be an achievable target.

The 2012/2022 Long Term Plan numbers anticipates this level of growth in an indicative fashion only, because that it all the data that is available at this time. We have therefore based all calculations in the Long Term Plan on the assumption that a 'most likely' growth scenario will see the growth pattern outlined on [page 52](#) of this Plan (being a population increase of 829 and a ratepayer increase of 390 properties). This growth is 'front end loaded' but does not achieve the 12,000 population figure within the next ten years. Over the next few months further work will be undertaken which may result in further enhancement and amendments to this plan. However the indicative figures will allow for an initial planning sequence to be established. This will allow for subsequent iterations of this plan to flexibly alter to complement the more refined population predictions that will become available over time. If the growth comes faster we will speed up, if it comes slower we will slow down.

Council will need community support and buy in for the changes necessary. This will place tremendous pressure on the resources of the Council and its community. Fortunately the 2009/2019 Long Term Plan foreshadowed much of the necessary work.

We have tried to put together a comprehensive package that will deliver a more secure future for the District. Nothing comes free and we have set out the costs and how we expect things to be funded.

This plan seeks to put all those matters transparently before the Buller community. We expect some controversy and hope that there will be constructive debate. This plan is about the future of your community and we do want to hear from all sections of the population. Council will consider that feedback carefully and by the end of June make the final decisions that set the direction.

Key Points in the Long Term Plan



- * The direction set out in the 2009/2019 Plan continues. The Vision 2010 projects will be completed, Buller 2050 reinvigorated, and the District Plan overhauled to proactively enable sustainable growth.
- * The infrastructure renewal and rebuild programme will see just over \$57.7m invested across the district over the next 10 years (see full programme on [page 229](#))
- * Council will borrow to fund the long term investments in infrastructure, but the net borrowings (Term bank debt less Term bank deposits) will stay low and decrease over time (See full table on [page 56](#))
- * The Council's net cost of operating generally only increases at a rate that is less than the Local Government cost index.
- * The average rate per capita stays within or close to inflation guidelines, but the effect of target rates and existing differentials will impact quite differently depending on property values and localities.
- * A full and formal version of the rating policies will be undertaken as soon as possible to ensure that future rates are assessed on a basis that remains logical and equitable.



Independent Auditor's Report

To the readers of Buller District Council's Long-Term Plan for the ten years commencing 1 July 2012

The Auditor-General is the auditor of Buller District Council (the District Council). The Auditor-General has appointed me, Scott Tobin, using the staff and resources of Audit New Zealand, to report on the Long Term Plan (LTP), on her behalf. We have audited the District Council's LTP incorporating volumes 1 and 2 dated 27 June 2012 for the ten years commencing 1 July 2012.

The Auditor-General is required by section 94(1) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the LTP complies with the requirements of the Act; and
- the quality of information and assumptions underlying the forecast information provided in the LTP.

Opinion

Overall Opinion

In our opinion the District Council's LTP incorporating volumes 1 and 2 dated 27 June 2012 provides a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.

In forming our overall opinion, we considered the specific matters outlined in section 94(1) of the Act which we report on as follows.

Opinion on Specific Matters Required by the Act

In our view:

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

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

Our report was completed on 27 June 2012. This is the date at which our opinion is expressed.

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

Basis of Opinion

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

Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTP does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves performing procedures to obtain audit evidence about the forecast information and disclosures in the LTP. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the information in the LTP. In making those risk assessments we consider internal control relevant to the preparation of the District Council's LTP. We consider internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

Our audit procedures also include assessing whether:

- the LTP provides the community with sufficient and balanced information about the strategic and other key issues, and implications it faces and provides for participation by the public in decision making processes;
- the District Council's financial strategy, supported by financial policies is financially prudent, and has been clearly communicated to the community in the LTP;
- the presentation of the LTP complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the LTP are compliant with the decision-making and consultation requirements of the Act;
- the information in the LTP is based on materially complete and reliable asset or activity information;
- the agreed levels of service are fairly reflected throughout the LTP;
- the District Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the LTP are based on best information currently available to the District Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;

- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the District Council's service delivery and performance; and
- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the LTP.

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

Responsibilities of the Council

The Council is responsible for preparing a LTP under the Act, by applying the Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The Council is also responsible for such internal control as it determines is necessary to enable the preparation of a LTP that is free from material misstatement

The Council's responsibilities arise from Section 93 of the Act.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the LTP and reporting that opinion to you based on our audit. This responsibility arises from section 15 of the Public Audit Act 2001 and section 94(1) of the Act.

It is not our responsibility to express an opinion on the merits of any policy content within the LTP.

Independence

When reporting on the LTP we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than this report and in conducting the audit of the LTP Statement of Proposal and the annual audit, we have no relationship with or interests in the District Council or any of its subsidiaries.



Scott Tobin
 Audit New Zealand
 On behalf of the Auditor-General
 Christchurch, New Zealand

About the Plan

As the name suggests, the Long Term Plan is a document put together by Council in consultation with the community, to guide our District towards 2022.

The Plan ties the threads of everything the Council does. It links into one overall guiding document the:

- ▶ Vision for the District
- ▶ Outcomes proposed on behalf of the community
- ▶ Services and activities the Council is planning to undertake to contribute to those outcomes
- ▶ Likely costs of the Council providing those services and activities over the next 10 years

The Plan gets reviewed every three years. In the years between the reviews, the Council produces Annual Plans.

When discussing rates revenue in the LTP (including rates increases), Council has not included projected water meter revenue amounting to \$277,000 in year 1 (increasing to \$419,000 in year 10) in the rates figure. Where the LTP discusses rates and the rates increases, an (*) has been included to refer readers to this treatment.

Community Outcomes

Community Outcomes are the goals of the Community. They reflect what the Community sees as important for its well-being and they help to build up a picture of the collective vision for the District's future. The outcomes guide decision-making by Council. The Council links its activities and services back to the outcomes.

Five community outcomes were developed following community involvement. The outcomes are:

- ▶ Well-being – a vibrant, healthy and safe community with access to quality facilities and services
- ▶ Learning – a district that values and supports learning with accessible relevant education and training opportunities
- ▶ Who we are – a happening district with a strong community spirit and distinctive lifestyle
- ▶ Sustainable environment – the distinctive character of the environment appreciated and retained
- ▶ Prosperity – a Thriving, resilient and innovative economy creating opportunities for growth and employment

For further details of the outcomes, please refer to [page 65](#).

Buller District Mission Statement

'To serve the residents of the Buller district, conscious of their needs, by providing facilities and services and creating an environment for progress and development while preserving the distinctive natural environment.'

Our Vision, Our Future

'Our Vision is for the Buller District to grow, and for the district to become a thriving community where families enjoy a great quality of life and the distinctive natural environment is treasured.'

To achieve the vision Council considers that population growth and economic growth are vital to the Districts success. The number of people in the District, where they choose to live and the growth in economic activity directly affects the demand for land for development, infrastructure, and the other services that Council provides. They underpin land use planning, infrastructure developments, where and when new services or facilities are required and how much things will cost. The Council is planning to achieve a minimum increase in the normally resident population increasing from 10,400 to 11,229 in 2022. These are minimum figures. If the economic boom comes to fruition, actual growth could be more rapid.

In order to manage population and economic growth, we need to deal with some key priorities over the next 10 years. Council is facing some major capital works to address the infrastructure "deficits".

Assumptions

In preparing the financial information contained in the Long Term Plan, we have had to make a number of assumptions. The assumptions underpinning this Plan are outlined on [pages 231-237](#).

Changes to Policies

Volume 2 of this Plan contains a number of amendments to policies. Policies that have been amended are the Revenue and Financing Policy, Treasury Management Policy, Rates Remission and Significance Policies.

The Significance Policy was rewritten and the threshold for significant assets was amended from 10% of operating expenditure to 5% of Council's budgeted turnover.

Changes were made to various funding mechanisms in the Revenue and Financing Policy as specified on [page 297](#) of this Long Term Plan.

Changes were also made to the Treasury Management

Key Issues

1. Financial Strategy

As a result of recent changes in legislation councils now have to prepare a financial strategy to demonstrate how they will:

- ▶ Provide for growth and manage changes in land use; ensure that the level of rates and borrowing are financially sustainable;
- ▶ Be accountable for maintaining the assets;
- ▶ Fund network infrastructure and maintain levels of service.

The full Financial Strategy is set out on [pages 51-63](#) of this Plan. The Strategy is a key part of this Plan and we encourage you to read it. Overall Council considers that the Long Term Plan is sustainable and will provide the most important services to residents, businesses and visitors.

Over the period of the Long Term Plan Council is budgeting on total revenue increasing from \$23.7 million in the current year to \$28.0 million in Year Ten of the plan. This is an increase of 18% over the ten years.

During the same ten year period Council is expecting that gross rates collected will rise from the current year's total of \$12 million (*) to a new total of \$15.3 million (*) in Year Ten. This is an increase of 25% over the ten years.

However, these figures all included allowances for inflation. The economic research agency BERL has predicted that the local Government cost index (inflation for Council's) will move by 36% by Year Ten of the Plan.

This means that Council is expecting that rates and revenue will be increasing at a rate that is less than the predicted rate of cost increases.

Council is planning on increasing operating expenditure from the current level of approximately \$23 million to just over \$28.5 million in Year Ten. This is an increase of 24%, which is significantly below the BERL prediction of 36%. Council's focus is on balancing affordability and long term financial prudence.

Essentially Council is in a sound financial position, with short term deposits growing over the duration of the plan from \$12.8 million to \$25.8 million. External term debt is projected to rise from a forecast \$29.5 million in 2011/2012, peaking in 2018/2019 at \$34 million, and then reducing to \$32.8 million in 2021/2022. The increase in debt is related to capital projects and funding of capital expenditure for Buller Recreation Limited. Debt servicing costs remain well below the Treasury Management policy threshold of 15%. Council is in compliance with all other Treasury Management ratios.

(*) Rates exclude water meter rate.

2. District Plan Review, Buller 2050 and Westport Plan

The Buller 2050 Strategic Plan aims to develop a strategy for actions that will determine where the region will be in 2050. The Council is aware that relying on extractive industries alone will not provide long term security for the region. Mining will provide the springboard, but other economic growth opportunities must be pursued to diversify our economic base. After a good start in 2010, work on the Buller 2050 plan has drifted over the last twelve months. The project will be reactivated during 2012/2013 with a view to developing a widespread community consensus on the way forward for the whole district.

This work must be complemented by an urgent review of the District Plan. The District Plan is the statutory document that sets out all the rules for land development in the entire district. The Plan enables some activities and restricts others. The original plan became operative in 2000, and is now due for a review to ensure that it is genuinely serving the districts current needs. Some changes will be needed to make sure that appropriate progress and development can occur without compromising the unique and special character and environment that is Buller.

Along side the District Plan review it is intended to create a "Westport Plan". This will not be a statutory document, but rather a concept plan for a new look Westport town. The expected increase in population will tend to be concentrated in Westport and there is a real risk that any benefit is only transitory. To avoid that Westport has to become attractive as a place where families invest their lifesavings in permanent homes. To achieve that goal we need to change the visual impression of a tired and uninspiring locality. The "Westport Plan" will address issues such as the roading hierarchy, streetscapes, tree planting, parking, land zoning, connections with the port and river, etc. This concept plan will be developed in conjunction with stakeholder groups and the Westport community during 2012/2013 with a view to implementing improvements from the following year. More details are contained on [page 86](#).

3. Changes in Solid Waste

From 1 July 2013, Council proposes changing from a Council delivered waste disposal system to an enhanced waste solution for the entire District where the refuse collection, recycling, landfills and transfer stations will be managed either by an "in house" Council contractor, or by an independent contractor. As the service will be provided across the District, this will result in an expansion of the current ratepayer base paying targeted rates. It is intended that from 1 July 2013 there will either be a two or three wheeled bin residential collection. One bin will be for rubbish and one for co-mingled recyclables. If it is viable a third bin will be provided for organics. The collection will be weekly with alternative separate collections for recycling and refuse a week apart. All fees for refuse and recycling collection and dumping fees will be paid directly to the contractor from 1 July 2013 onwards.

The cost to the resident will not necessarily be lower, however the resident will be given a choice as to how they wish to dispose of their waste

A two tiered rate will remain. All ratepayers throughout the District to whom the refuse and the recycling service is available will pay the higher tier rate. Part of this rate will be paid to the successful tenderer as a means of controlling prices and ensuring a comprehensive service. All ratepayers throughout the District to whom the service is not available and commercial ratepayers will pay the lower tier targeted rate. This targeted rate will be used to fund the District refuse costs associated with landfill monitoring, landfill development, waste minimisation, litter collection and asset management planning.

More details are contained on [pages 139-149](#).

With the move to a Contracted Managed Refuse and Recycling service it is envisaged that Council will be favourably impacted by \$134,000. These activities will no longer be funded from General Rates but by targeted rates.

If the cost efficiencies are not achieved then this could result in increases for Targeted Rates. We propose the Revenue and Financing Policy is amended so that from 2013 onwards no General Rate is applied to the Solid Waste activity.



4. Roading

Buller is a large district with numerous settlements and small towns along its coastline and in the hinterland. It is only able to function economically and socially because of a vital local roading network maintained by the Council. Just on 577 kms of Council roads link into the main State highways. Only half of those local roads are sealed with the other half unsealed. These local roads incorporate 153 bridges and large culverts.

As a result roading maintenance, renewals and improvements is probably the biggest single item of Council expense. About 25% of Council's operating costs go to roads etc. Fortunately some central government assistance is available when the New Zealand Transport Agency pays a percentage of the total cost of approved projects. Unfortunately the Agency plans to reduce this financial assistance rate (known as the "FAR").

Prior to 2006/2007 the assistance was 61% of the total cost. From 2006/2007 through to 2011/2012 the Agency paid 60% of the total cost. In 2012/2013 this subsidy drops to 59% and from the 2013/2014 year onwards we can only expect 58% of the total cost.

Each time the assistance rate drops the Council is left with a stark choice. Either make up the shortfall by increasing rates, or let the roads deteriorate. At present expenditure levels each 1% reduction will cost Buller ratepayers about \$35,000 extra each year just to maintain present levels of service.

New Zealand Transport Agency (NZTA) has indicated to Council that its base funding for the roading programme has been reduced for years 2012/2013 to 2014/2015 as well as having no inflation escalation for these three years. This has been applied for the full 10 years of the plan, resulting in a reduction in total funding from NZTA of \$4.4 million in subsidies. Ratepayers share of the total roading expenditure reduction of \$6.3 million in the plan has reduced by \$1.9 million.

This means Council has agreed to a lower level of service such as higher road roughness levels, less resealing and less roadside mowing. This service level decrease may be offset by potential efficiencies by working more closely with the roading contractor to identify service delivery savings.

More details are contained on [pages 97-107](#).

5. Rating Review

A review of the current Rating System is long overdue. The current system of rates, which has developed over time, is based on a complex system with over 40 differentials in place.

The complexity within our differential rates makes our rating system difficult for ratepayers to understand.

At the same time the large number of target rates has produced geographic distortions that raise questions of inequity and the role of district-wide responsibilities.

The rating review will address the rationale for how the rates burden has been allocated across the sectors and ratepayer classes. When calculating the rates for each sector and class of ratepayer, the rates review will consider how that sector and class of ratepayer receives benefits from and places demands on Council facilities and infrastructure. The intention will be to deliver a more transparent and equitable rating system. The review will take account of the *Report of the 2007 Independent Inquiry into Local Government Rating* (the Shand Report). This report advocated the removal of rating differentials and promotion of the capital value system as the basis for setting the general rate. Preliminary work to-date has suggested a rating model which is based on a mix of land and capital values. Once the review has been completed, there will be extensive consultation with the community, before any recommendations are adopted.

More details are contained on [pages 211-212](#).

6. Increases in Average Rates (General and Targeted Rates)

The annual average rate has increased in 2012/2013 due to inflationary pressures, reduction in financial assistance and increased levels of service. The annual average general rate in 2011/2012 was \$1,565.00 (*) (excluding GST). This has now risen to \$1,657.00 (*) (excluding GST), representing a 5.9% increase. The reduction in financial assistance as a result of the decrease in NZTA subsidies from 60% to 59% in 2012/2013 and to 58% in 2013/2014, has resulted in increased costs to the general ratepayer for the same level of service. In the interests of affordability, Council has made the decision to smooth the increase General Rates across the two financial years, being 2012/2013 and 2013/2014. The effect of this smoothing will result in the rate increase in 2012/2013 reducing from 7.7% to 3.3%, and to 2.6% from -5.7% in 2013/2014.

More details are contained on [pages 47-48](#).

(*) Rates exclude water meter rate.

7. Targeted Rates Increases and Associated Capital Upgrades

Increases in water targeted rates and sewerage targeted rates have occurred due to the Drinking Water Standard upgrades that are planned. The costs of financing the upgrades and the depreciation have caused the targeted rates to increase. In addition, the upgraded plants have introduced increased operational costs such as power and chemical costs.

Westport Water Upgrade

The Westport water supply has a significant upgrade costing \$10.6 million phased in over the duration of the ten year plan. This upgrade covers upgrading the treatment plant to meet Drinking Water Standards as revised in 2008, extending the treatment plant to create additional storage for treated water, improving the condition of the tunnel to enhance the security of supply and replacement of the trunk main. All of these upgrades are designed to improve the quality of the treated water and improve the reliability of the water supply. The targeted rate will change from \$621.00 (including GST) in 2012/2013 to \$977.50 in 2020/2021 as a result of inflationary increases, increased financing and depreciation costs associated with the Westport Water Upgrade.

More details are contained on [pages 109-121](#).

Rural Drinking Water Upgrades

There are planned upgrades for the Water supplies in Punakaiki, Waimangaroa, Ngakawau/Hector, Little Wanganui in 2011/2012 Annual Plan, and in Inangahua Junction and South Grinity in this Long Term Plan. Although these upgrades will result in the water supplies meeting the drinking water standards (as revised in 2008), the financing costs and the depreciation costs will result in the targeted rates increasing. With these smaller schemes, the main issue for the community to consider is whether the benefit of improved water quality is affordable. While the plan assumes that the upgrades will proceed, no final decision will be made without further consultation with the affected communities.

More details about targeted rates are contained on [page 48 and pages 109-121](#).

Westport Sewerage

Progressive upgrades over the next 4 years to underground services in Derby Street, pump replacements, sewer modelling and separation and upgrades to the Waste Water Treatment plant are planned. The financing costs and the depreciation costs associated with the upgrades have increased the targeted rate. In addition, running costs associated with operation of the Waste Water Treatment Plant have panned out higher than originally envisaged.

The targeted rate will change from \$862.50 (including GST) in 2012/2013 to \$1,012.00 (including GST) in 2021/2022.

More details about targeted rates are contained on [page 48 and pages 123-130](#).

8. Increases in fees and charges

The Council has agreed to move towards a full cost recovery on building, cemetery, environmental health and liquor licensing fees. These changes have been reflected in the Revenue and Financing Policy on [pages 297-308](#).

Dog licence fees for incompetent dog owners and pound fees have also been increased in order to meet the current Revenue and Financing policy.

9. Relocating the museum and the I-site into the Cultural Hub by 2012/2013

Council originally signalled in the 2006-2016 Long term Plan that the relocation of Coaltown Musuem and the i-site would cost \$1.5 million with Council's contribution capped at \$750,000. In 2009, Council agreed to increase the total budget to \$3 million and increase council's contribution to \$1.5 million. Final design has been completed and the costs have increased to \$4 million. The current position is that Council's contribution is to remain capped at \$1.5 million with fundraising for the shortfall. To-date external contributions totalling \$1.4 million has been raised and Council is optimistic that the funding shortfall of \$1.1 million will be achieved through fundraising.

More details are contained on [pages 157-167](#).

10. Building of additional pensioner housing units in Westport (2 units), Reefton (2 units) and Karamea (2 units)

Council currently provides 44 units for elderly pensioner housing, 2 units in Karamea; 16 units in Reefton and 26 units in Westport. After reviewing the demographic trend in the population, it is planned to construct two new units in Karamea in 2012/2013, two new units in Reefton on 2015/2016 and two new units in Westport in 2018/2019. The total cost of constructing these units is be \$1.5 million across the 10 year plan.

It is proposed that future rent rises for the unit will be linked to the percentage increase that National Superannuation beneficiaries receive.

More details are contained on [pages 187-194](#).

11. Vision 2010 projects

The plan includes ongoing capital funding totalling \$90,000 for the remaining Vision 2010 projects in Reefton and Karamea. The following projects are planned:

- ▶ Construction of a Karamea multi-purpose facility in 2014/2015 (\$240,000)
- ▶ Upgrading of the Reefton Community centre (\$197,000 in 2013/2014 and \$60,000 in 2015/2016)
- ▶ Ongoing funding for the Reefton Broadway project (\$40,000 in 2013/2014)
- ▶ Funding the Westport 'Streetscape' beautification project (\$250,000 in 2013/2014)

12. Punakaiki Camp

Council is currently considering the options available for the future operation of the Punakaiki Camping Ground.

At present the Camp is directly operated by Council. This may not be in the best long term interests of the ratepayers. However, the situation is complex. The land is classified as recreation reserve and belongs to the Crown. One proposal is to lease the reserve to an operator to develop, control and manage the camp ground rather than Council continuing to contract an operator. Other options could include allowing a Domain Board to manage the camp, or allowing the camp to revert back to a recreation reserve status. Council has established a working party to agree the viable options and there will be full consultation with the Punakaiki community before making any final decision. In the meantime, the camp will continue to operate under the present management.

More details are contained on [pages 187-194](#).

13. Area maintenance rate

Council proposes to only provide area maintenance activities in the Westport area.

This was a result of a submission from The Salvation Army. Council has funded a portion of a co-ordinator role in the Salvation Army in exchange for tidy-up activities (area maintenance) in Westport.

Area maintenance activities used to include a weekly tidyup of Karamea, Reefton, Waimangaroa, Hector/Ngakawau and the Granity areas. Now only Westport ratepayers will pay the targeted rate of \$5.00 (including GST) as the service is only proposed to be carried out in Westport. The service is only proposed to be carried out in Westport

14. Buller Recreation Limited

Council has agreed to fund the capital expenditure for Buller Recreation Limited for the next ten years. Council proposes to fund the capital expenditure in exchange for equity from Buller Holdings Limited.

15. Policy Changes

Changes have been made to the Significance Policy. The threshold for significant matters was changed to 5% of Council's budget. Changes were also made to various funding mechanisms as detailed in the Revenue and Financing Policy on [page 297](#) of this Long Term Plan.

Council has made the following changes in the Revenue and Financing Policy:

Activity	Current Funding Mechanism	Funding Mechanism Proposed Effective 01 July 2012
Theatre	Operating: 60% General Rates 40% Fees	Operating: 50% General Rates 50% Fees
Building Control	Operating: 10% General Rates 90% Fees	Operating: 100% Fees
Environmental Health - Food Premises	Operating: 80% General Rates 20% Fees	Operating: 100% Fees
Environmental Health -Liquor Licensing	Operating: 25% General Rates 75% Fees	Operating: 100% Fees
Emergency Services -Civil Defence	Operating: 95% General Rates 5% Fees	Operating: 100% General Rates

Activity	Current Funding Mechanism	Funding Mechanism Proposed Effective 01 July 2012
Reserves	Operating: 95% General Rates 5% Fees	Operating: 100% General Rates
Solid Waste	Capital: Loans Special Funds	Capital: Reserve Contributions Loans Special Funds
	01 July 2012: Council Managed Transfer and Landfill operations: 25% General Rates 75% Targeted Rates	Capital Loans Special Funds
	Refuse: Targeted Rates Bagsales	
	Recycling: Targeted Rates	
	01 July 2013: Council managed Refuse, Recycling and Management of Transfer Stations/Landfill: Targeted Rates only	Capital Loans Special Funds

The main driver of these changes was for Council to move to a user pays approach for Building, Environmental Health, Liquor Licensing, Libraries and Theatre.

The Treasury Management Policy was reviewed and the limits on external borrowings were amended.

10 year financial performance summary

We have considered the key issues and what Council could do about them. We have looked at what we may need to do to:

- ▶ Meet expected population growth
- ▶ Ensure core infrastructure is adequate for the expected population and household growth
- ▶ Meet legislative requirements

We have then prioritised the potential activities and projects.

The financial information in this Plan reflects the activities and projects the Council has identified as priorities and is planning to deliver over the coming 10 years.

	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Rates Revenue (*)	12,040	13,046	13,077	13,573	13,816	14,233	14,583	14,785	15,246	15,334
Finance Costs	1,339	1,544	1,613	1,736	1,787	1,839	2,036	2,162	2,139	2,129
Term Deposits	12,764	14,764	16,764	18,764	19,764	20,764	21,764	23,764	24,764	25,764
Gross Borrowings	27,544	28,045	28,453	28,676	30,655	30,442	34,042	33,629	33,218	32,845
Net Borrowings (after deducting term deposits)	14,780	13,281	11,689	9,912	10,891	9,678	12,278	9,865	8,454	7,081
Capital Expenditure	9,535	6,925	6,029	4,578	5,623	4,097	6,766	4,294	8,095	4,521
Depreciation	5,559	5,763	6,156	6,085	6,265	6,226	6,576	6,462	6,736	6,719

(All figures include inflation)

(*) Rates exclude water meter rate.

Net borrowings are calculated by reducing the gross external borrowings by the term deposits.

Over the period of the Long Term Plan Council is budgeting on total revenue increasing from \$23.7 million in the current year to \$28.0 million in Year 10 of the Plan. This is an increase of 18% over the ten years.

During the same ten year period Council is expecting that gross rates collected will rise from the current year's total of \$12.0 million (*) to a new total of \$15.3 million (*) in Year 10. This is an increase of 27% over the ten years.

However, these figures all included allowances for inflation. The economic research agency BERL has predicted that the local government cost index (inflation for Council's) will move from 1,269 points in the current year to 1,729 points by the end of Year 10 of the plan. This is an increase of 36% over the ten years.

This means that Council is expecting that rates and revenue will be increasing at a rate that is less than the predicted rate of cost increases.

Council is planning on increasing operating expenditure from the current level of \$22.9 million to just over \$28.5 million in Year 10. This is an increase of 24.5% which is significantly below the BERL prediction of 36%.

Over the same ten year period Council is committed to maintaining a major capital expenditure programme.

Currently Council has term loans from the banks totalling \$23 million. At the same time Council has money sitting on deposit at the banks totalling a forecasted \$10 million. One offsets the other to leave Council with net debt of \$13 million at the present time.

Over the ten year period of the plan Council will take out more term loans from time to time, as well as repaying some principal as debt matures. However, as depreciation reserves build up, internal loans are repaid and investment properties are sold, more money will accumulate as deposits at the bank. As indicated above, one offsets the other, and at all times the net debt of Council is small, trending down from the current \$13 million to about \$7 million by the end of Year 10. At all times Council's Treasury Management Policy ensures that Council operates significantly inside the covenants which we have with the bank.

The proper use of debt is an important tool for Council. In setting rates at the appropriate level Council must balance what is affordable for both Council and the community. This is a balancing act which needs to take into account the services that Council delivers and whether the current or future ratepayers should pay for them. This is sometimes referred to as intergenerational equity.

Many Council assets have long service lives, and the benefits that these assets provide are available over a long period of time. It would be unfair to expect the current generation to pay the full cost of such assets 'up front' when the benefits will accrue to subsequent generations. To achieve equity, debt is used to spread the costs over many years, with every beneficiary taking their turn servicing the interest costs and repaying the principal.

Please refer to [pages 208-227](#) for Council's full statement of comprehensive income, balance sheet, cash flow statement, changes in equity and summary Funding Impact Statement.

(*) Rates exclude water meter rate.



examples of total rating changes for properties

To further clarify the rates changes between the 2011/ 2012 year to those for in 2012/2013, a selection of properties from throughout the District have been summarised to provide a guide. It is important to note that these properties are a sample of the total properties and do not cover all situations for the 7,240 rateable properties in the District.

Below are examples of the rates assessments for a sample of residential, commercial, rural residential and rural properties across the district. Please note these figures are indicative only and are included to give ratepayers an estimate of what their level of rates is likely to be in the coming financial year.

	<i>RES ~ Residential</i>				<i>COM ~ Commercial</i>			<i>RR ~ Rural Residential</i>			<i>RUR ~ Rural</i>		
Sector	RES 101	RES 103	RES 103	RES 103	RES 104	RES 104	RES 106	RES 106	RES 108	RES 113	RES 114	RES 101	
Location	Karamea	Little Wanganui	Mokihinui	Seddonville	Hector	Waimangaroa	Westport (Brougham)	Westport (Russell)	Carters Beach	Charleston	Punakaiki	Ikamatua	
Land Value	\$53,000	\$63,000	\$76,000	\$44,000	\$49,000	\$55,000	\$65,000	\$72,000	\$90,000	\$90,000	\$210,000	\$49,000	
General Rates	\$129.69	\$182.53	\$220.19	\$127.48	\$132.05	\$148.21	\$485.64	\$537.94	\$473.12	\$218.66	\$793.25	\$119.90	
UAGC	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	
EP Targeted Rate							\$5.00	\$5.00					
Targeted Water Rate		\$173.00	\$259.00		\$322.00	\$311.00	\$621.00	\$621.00	\$621.00		\$679.00		
Targeted Sewerage Disposal Rate		\$644.00					\$863.00	\$863.00	\$863.00				
Targeted Refuse Collection Rate			\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00	
Targeted Recycling Rate			\$121.00	\$121.00	\$121.00	\$121.00	\$121.00	\$121.00	\$121.00	\$121.00	\$121.00	\$121.00	
TOTAL Rates:	\$624.69	\$1,494.53	\$1,158.19	\$806.48	\$1,133.05	\$1,138.21	\$2,653.64	\$2,705.94	\$2636.12	\$897.66	\$2,151.25	\$798.90	
Comparison to Previous Year	\$612.40	\$1,481.78	\$1,162.13	\$811.20	\$1,097.73	\$1,038.76	\$2,419.33	\$2,471.19	\$2,406.91	\$902.80	\$2,155.63	\$803.69	
% change	2.01%	0.86%	(0.34%)	(0.58%)	3.22%	9.57%	9.68%	9.50%	9.52%	(0.57%)	(0.20%)	(0.60%)	

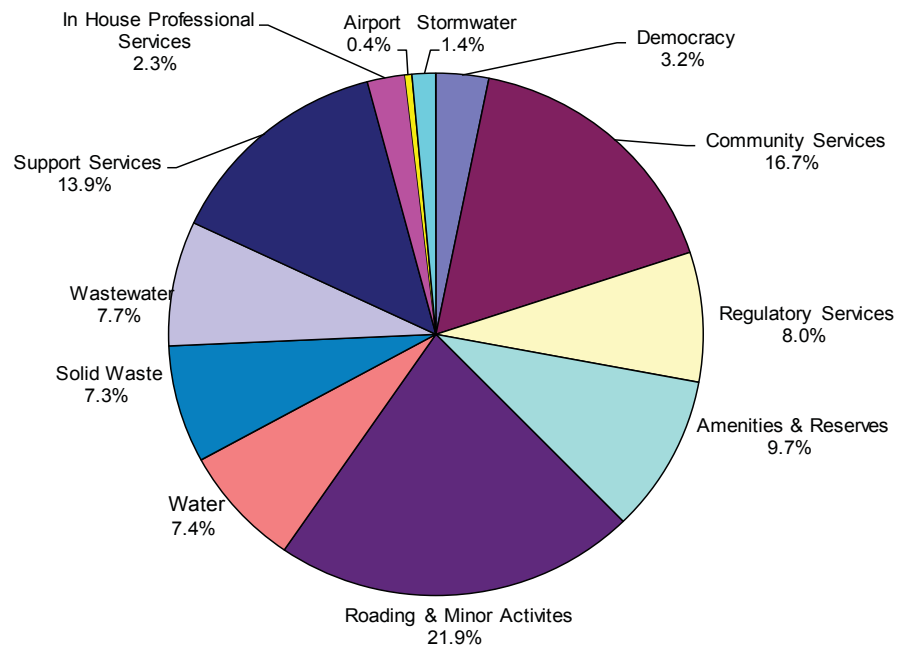
<i>RES ~ Residential</i>	<i>COM ~ Commercial</i>			<i>RR ~ Rural Residential</i>			<i>RUR ~ Rural</i>					
Sector	RES 115	RES 101	COM 131	COM 134	COM 140	RUR 141	RUR 143	RUR 141	RR 151	RR 152	RR 151	RR 152
Location	Reefton	Springs Junction	Karamea	Westport	Reefton	Karamea	Cape Foulwind	Grey Valley	Karamea	Granity	Fairdown	Alma Road
Land Value	\$43,000	\$38,000	\$105,000	\$195,000	\$90,000	\$850,000	\$1,550,000	\$1,865,000	\$131,000	\$125,000	\$145,000	\$165,000
Capital Value (for P&T rate)			\$1,100,000	\$540,000	\$150,000							
General Rates	\$198.85	\$92.99	\$1,324.85	\$5,855.16	\$993.17	\$1,415.44	\$2,084.30	\$3,105.63	\$397.68	\$353.66	\$440.17	\$466.83
UAGC	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00	\$495.00
EP Targeted Rate				\$5.00								
Targeted Water Rate	\$506.00			\$621.00	\$506.00							
Targeted Sewerage Disposal Rate	\$552.00			\$863.00	\$552.00							
Targeted Refuse Collection Rate	\$63.00			\$63.00	\$63.00					\$63.00		\$63.00
Targeted Recycling Rate	\$121.00			\$121.00	\$121.00					\$121.00		\$121.00
Targeted Promotion & Development Rate			\$1,468.20	\$1,041.48	\$244.30							
TOTAL Rates:	\$1,935.85	\$587.99	\$3,323.25	\$9,081.92	\$2,979.27	\$1,910.44	\$2,579.30	\$3,600.63	\$892.68	\$1,032.66	\$935.17	\$1,145.83
Comparison to Previous Year	\$1,820.89	\$576.00	\$3,259.60	\$8,810.10	\$2,854.40	\$1,894.93	\$2,561.75	\$3,579.98	\$880.26	\$1,037.39	\$922.63	\$1,150.21
% change	6.36%	2.08%	1.95%	3.09%	4.37%	0.82%	0.68%	0.58%	1.41%	(0.46%)	1.36%	(0.38%)

where do your rates go?

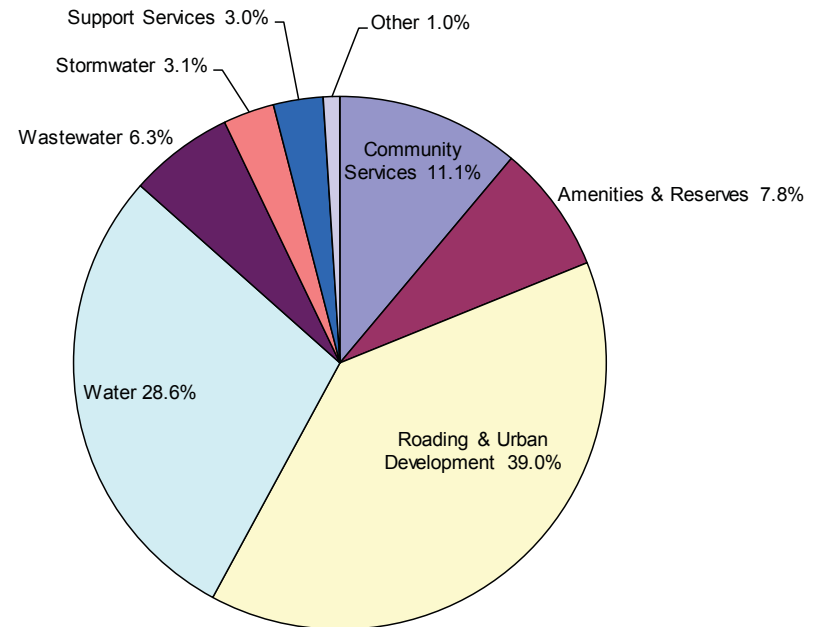
Council provides a wide range of services to the District's residents, business and visitors to Buller.

The following graphs show the services that Council provides and the proportion of rates proposed for these services in 2012/2013:

How Council Spends Its Money - Operating Costs (2012/13)



How Council Spends Its Money - Capital Projects (10 Years)



where your rates go?

major capital projects

We have some large capital projects planned over the next 10 years to address the infrastructure deficits.

The replacement costs of assets signalled through the asset management plans aggregate to a total capital works programme of \$57.7 million over the 10 years. \$22.9 million (40%) of the capital expenditure will be used to either improve existing levels of service or to provide new or additional services. \$34.8 million (60%) will be used to renew existing but worn out infrastructure.

Capital Projects include:

Community Services:

- ▶ Relocation of the Coaltown Museum and Westport i-site into the Cultural Hub (\$4 million)
- ▶ Capital funding for Vision 2010 projects in Inangahua, Karamea and Westport (\$0.75 million)

Water Supplies:

- ▶ Upgrade to the Westport Water Supply (\$10.6 million)
- ▶ Rural Water Upgrades (Little Wanganui, Inangahua Junction and South Granity Water Supply) (\$0.8 million)
- ▶ The Westport water supply upgrade is funded from a government subsidy totalling \$901,000, and the remainder by external loan.
- ▶ Interest costs on the loan are a large cost item and impact the targeted rate significantly.
- ▶ Increases in depreciation and interest rates are the main drivers of the increase in the Westport water targeted rate.
- ▶ Drinking water upgrades are largely funded by Government subsidy with the remainder being loan funded. Interest cost and depreciation are the largest drivers of the increases in targeted rates.

Amenities and Reserves:

- ▶ Construction of Pensioner Housing (totalling \$1.5 million) in Karamea (2 units) in 2012/2013, Reefton (2 units) in 2015/2016, Westport (2 units) in 2018/2019.

Roading:

- ▶ Road Upgrades (\$2 million), including the construction of the Rough River Bridge
- ▶ There is continuation of the ten year upgrade of Derby Street in Westport, where all underground services will be replaced.

Airport

- ▶ Mitigate erosion at the airport (\$0.350 million)

A full table of capital expenditure is shown on [page 229](#).

How we plan to pay for it all?

New borrowings will be used to fund the new assets, while existing depreciation reserves, and subsidies or grants from the Government and other parties will fund the balance. The aim is to spread responsibility for the costs over the life of the assets to ensure each generation pays its fair share. Council does this by using a mix of general and targeted rates as a means of funding both operating and capital expenditure.

The application of targeted rates is dependent on whether a particular activity can be clearly identified from other functions. Targeted rates are applied to a sub-set of the community which benefits from a particular service of function. Where services apply to the entire District and cannot be reasonably ring-fenced they are generally funded from General Rates.

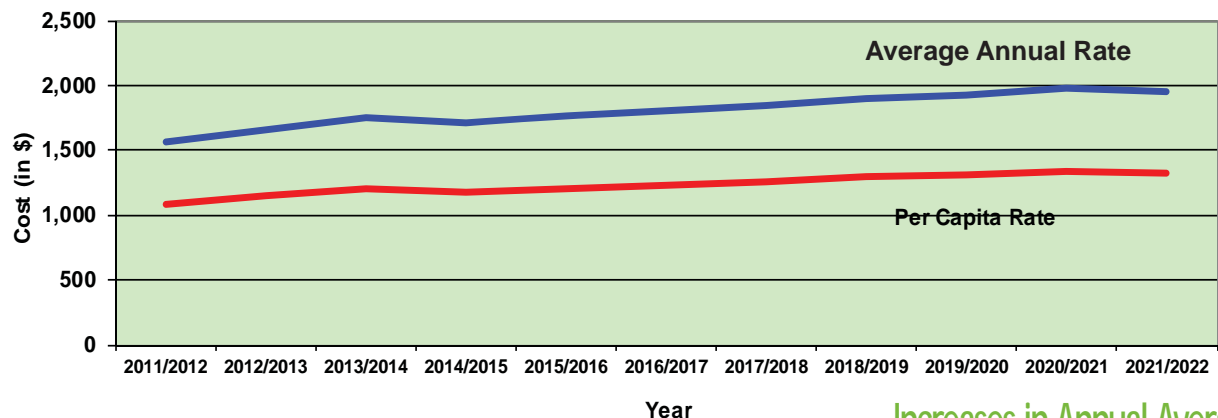
increases in rates

Just how much individual rates go up by is dependent on many factors. However an indicative 'average rate' can be calculated by dividing the expected gross rates by revenue in each year, by the number of rateable properties in each year.

Over the ten years of the plan, the average annual rate (exclusive of GST), after allowing for inflation and growth, will increase to \$2,010 (*) (2021/2022) from \$1,565 (*) (2011/2012). The Annual Average rate for 2012/2013 will be \$1,657 (*) (GST exclusive).

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Annual Average Rate (Low Growth) (*)	1,565	1,657	1,765	1,740	1,800	1,826	1,875	1,919	1,943	2,001	2,010
Per capita Rates (*)	1,089	1,152	1,213	1,189	1,228	1,245	1,277	1,306	1,321	1,360	1,366

Average and Per Capita Rate (*)



NOTE:

- ▶ The average annual rate is the sum of the General and Targeted rates, divided by the number of ratepayers.
- ▶ Per capita rate is the sum of the General and Targeted Rate, divided by the resident projected population.
- ▶ There will be properties that will pay less and others that pay more, depending on the services they receive.

Increases in Annual Average Rates (General Rates and Targeted Rates Combined)

The annual average rate has increased in 2012/2013 due to inflationary pressures, reductions in central Government financial assistance and increased levels of service. The annual average rates (general and targeted rates combined) in 2011/2012 were \$1,565 (*). The amount required has now risen to \$1,657 (*) representing a 5.9% increase. However, we do not have to absorb all this increase in one year. In the interests of affordability, Council will smooth the increase in General Rates across two financial years being 2012/2013 and 2013/2014. The increase in General Rates will only be 3.3% in 2012/2013 from 7.7% and 2.6% in 2013/2014 from -5.7%.

Rates examples by location and sector category are included on [page 42-43](#).

targeted rates

Targeted Rates are scheduled to increase over the next 10 years of the plan. Council considers that where direct beneficiaries of Council services are identified, a targeted rate provides more transparency and reduces cross subsidisation of those not directly benefiting from the service.

If you want to know what will be happening with your rates, please give us a call or go to our website for further information.

► **Don't forget the Rates Rebate Scheme is there to help people on lower incomes.**

Including GST	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Water:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Westport	500.00	621.00	667.00	713.00	747.50	793.50	828.00	897.00	920.00	920.00	977.50
Westport - metred water (*)	1.29	1.55	1.65	1.75	1.85	1.96	1.96	2.05	2.10	2.41	2.45
Reefton	414.00	506.00	506.00	529.00	540.50	552.00	563.50	586.50	609.50	667.00	667.00
Little Wanganui	173.00	173.00	184.00	299.00	322.00	345.00	356.50	379.50	391.00	414.00	431.25
Mokihinui	259.00	259.00	258.75	258.75	258.75	258.75	258.75	258.75	258.75	258.75	258.75
Ngakawau-Hector	282.00	322.00	345.00	345.00	356.50	368.00	379.50	391.00	408.25	419.75	431.25
Waimangaroa	207.00	311.00	322.00	333.50	339.25	345.00	356.50	373.75	385.25	396.75	414.00
Cape Foulwind (**)	0.58	0.63	0.63	0.66	0.66	0.69	0.69	0.75	0.75	0.81	0.81
Punakaiki Water	679.65	679.00	678.50	678.50	690.00	713.00	736.00	764.75	787.75	816.50	856.75
Inangahua Junction	299.00	265.00	264.50	264.50	471.50	506.00	517.50	540.50	552.00	575.00	598.00
South Granity	230.00	265.00	264.50	598.00	632.50	632.50	667.00	678.50	713.00	747.50	770.50
Solid Waste:											
Refuse	63.25	63.00									
Bag Costs	3.50	3.65									
Recycling:	138.00	121.00									
Contracted Rate	0.00	0.00									
Base Rate	0.00	0.00	232.30	232.30	232.30	232.30	232.30	232.30	232.30	232.30	232.30
Lower Rate	0.00	0.00	148.35	148.35	148.35	148.35	148.35	148.35	148.35	148.35	148.35
Sewerage:											
Westport	753.00	863.00	862.50	885.50	897.00	908.50	920.00	943.00	943.00	1,000.50	1,012.00
Reefton	523.00	552.00	575.00	598.00	609.50	621.00	644.00	661.25	678.50	701.50	713.00
Little Wanganui	644.00	644.00	862.50	862.50	862.50	862.50	862.50	862.50	862.50	862.50	1,092.50
Area Maintenance:											
Westport		5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00
Promotion & Development Rate											
Rate/Capital Value	0.00075	0.000794	0.000800	(Rate dependent on movement in (capital value) revaluations)							
Industrial/Commercial - Tier 1	130.00	130.00	130.00	140.00	140.00	140.00	150.00	150.00	150.00	160.00	160.00
Commercial - Tier 2	330.00	330.00	330.00	340.00	340.00	340.00	350.00	350.00	350.00	350.00	350.00
Commercial - Tier 3	630.00	630.00	630.00	640.00	640.00	640.00	650.00	650.00	650.00	650.00	650.00
Home-based	180.00	180.00	180.00	190.00	190.00	190.00	200.00	200.00	200.00	210.00	210.00

(*) This charge is per m³ above the threshold of 550m³

(**) This charge is per m³ of water supplied

Targeted Rate Increases and Associated Capital Upgrades

Increases in water targeted rates and sewerage targeted rates have occurred due to the upgrades. The costs of financing the upgrades and the depreciation have caused the targeted rates to increase. In addition, the upgraded plants have introduced increased operational costs such as power and chemical costs.

Westport Water Upgrade

Westport water has a significant upgrade (totalling \$ 10.6 million) planned over the duration of the ten year plan. This upgrade upgrades the treatment plant to meet Drinking Water Standards as revised in 2008, extends the treatment plant to create additional storage for treated water, improving the condition of the tunnel to enhance the security of supply and replacement of the trunk main. All of these upgrades are designed to improve the quality of the treated water and improve the reliability of the water supply.

Further Drinking Water Upgrades

There are planned upgrades for the Water supplies in Punakaiki, Waimangaroa, Ngakawau/Hector (in the 2011/2012 Annual Plan). Little Wanganui, Inangahua Junction and South Grantly in the Long Term Plan. Although these upgrades will result in the water supplies meeting the drinking water standards (as revised in 2008), the financing costs and the depreciation costs will result in the targeted rates increasing. With these smaller schemes, the main issue for the community to consider is whether the benefit of improved water quality is affordable. While the plan assumes that the upgrade will proceed, no final decision will be made without further consultation with the affected communities.

In addition, Council is assuming that subsidies will be received from the Ministry of Health. If these subsidies are not received then the planned upgrades will be impacted.

Westport Sewerage

Progressive upgrades are planned over the next 4 years to underground services in Derby Street, pump replacements, sewer modelling and separation and upgrades to the Waste Water Treatment plant. The financing costs and the depreciation costs associated with the upgrades have increased the targeted rate. In addition, running costs associated with operation of the Waste Water Treatment Plant have panned out higher than originally envisaged.



targeted rates



changes to draft long term plan

We really appreciated the feedback received from the ratepayers and residents of Buller to the Long Term Plan.

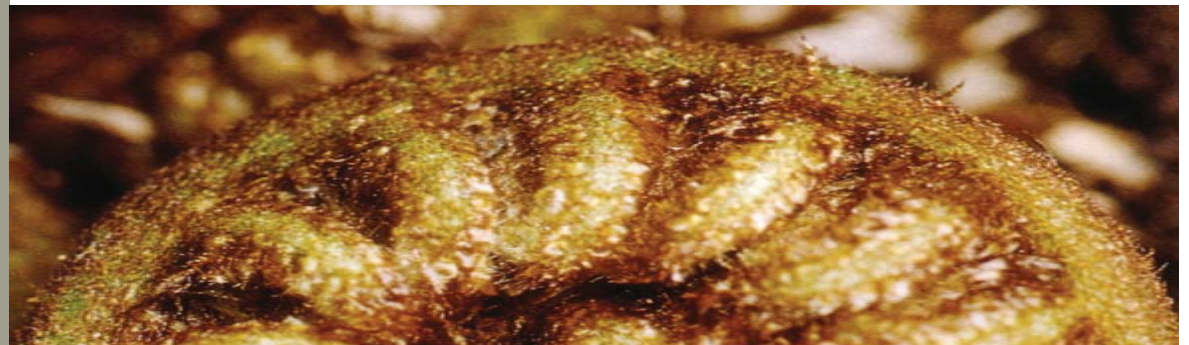
Council had in the Draft LTP indicated that:

- ~ A targeted berm rate was intended to be introduced for those ratepayers in Westport that did not maintain their grass frontages to the required standards.
- ~ That toilets situated outside the NBS Theatre and the Exeloo toilet at Victoria square were to be removed
- ~ Area Maintenance activities were no longer to be provided
- ~ The heating and audiovisual systems in the Clocktower Chambers were to be upgraded and the Council meeting room was to be extended

As a result of feedback contained in various submissions made by ratepayers, Council listened to the concerns raised and has made the following changes in the Long Term Plan:

- ~ It was decided not to introduce the targeted Berm rate in Westport
- ~ There was to be no reduction in the number of public toilets in central Westport
- ~ Area Maintenance activities were to be provided to the residents of Westport. This meant Westport ratepayers would be charged a targeted rate of \$5.00 for these services
- ~ The capital project to upgrade the heating and audio-visual systems in the Clocktower Chambers and to extend the meeting room was removed from the plan until a more holistic review of Councils' accommodation requirements are undertaken.

- * During the LTP submission period Council was advised that NZTA has reduced funding for roading expenditure as well as not providing for inflation in the financials years 2012/2013, 2013/2014 and 2014/2015. Council reduced its funding to match NZTA and has assumed that the reduced funding will continue over the period of the Long Term Plan. The total reduction in roading expenditure over the plan is \$6.3 million, with Council's share being \$1.9 million and NZTA's share \$4.4 million. The impact of this change is that roading levels of service will not be maintained to the level initially planned by Council.
- * Council also agreed to increase the Promotion and Tourism grants and to fund capital for the Westport Skatepark Upgrade.
- * Council reduced survey costs and has agreed to only fund surveys every second year.
- * Council adopted a tiered approach towards building consent fees, instead of levying the proposed 3% on building consents over \$50,000.
- * In addition, interest revenue was recalculated based on more up-to-date information resulting in more interest revenue in earlier years of the LongTerm Plan but less interest revenue in the last few years of the plan.
- * Also changes in depreciation resulted in additional expenses in years 2016 to 2022 of the Long Term Plan



Introduction

The Financial Strategy is a new requirement for the Ten Year Plan. The purpose of the financial strategy is to facilitate:

- ▶ Prudent financial management by the Council by providing a guide for the Council to consider proposals for funding and expenditure against; and
- ▶ consultation on Council's proposals for funding and expenditure by making transparent the overall effects of those proposals on the Council's services, rates, debt and investments.

In addition, information has been incorporated into the strategy to enable the reader to understand the proposals and provide feedback to the Council. Factors that will have a significant impact on work programmes and rating levels within the Ten Year Plan are provided below.

An overview of key issues relating to each group of activities is contained within the Ten Year Plan that includes a more detailed and in depth description of the issues that are affecting that particular activity and influencing work programmes, costs and revenue streams.

Summary of Council's Financial Performance

Council has produced a plan which demonstrates sustainable external debt levels. Net debt (being gross external debt) starts at \$13.2 million at the end of 2012/2013 and ends at \$7 million in 2021/2022. Council at the same time is committed to a major capital expenditure program totalling \$57.7 million, which it is to be funded from a mix of depreciation reserves, external and internal borrowings.

Council has a balanced budget for the first three years of the Long Term Plan with minor deficits occurring thereafter. These deficits are largely driven by decreases in Financial Assistance and the impairment of the investment in Buller Holdings Ltd (caused by Buller Recreation Ltd's operating issues).

Gross rates have increased from \$12 million * in 2012/2013 to \$15.3 million * in 2021/2022 but are increasing at a rate that is lower than the predicted rate of increase in the BERL Local Government Cost Index. The average rate per capita is slightly above the median according to the recently published figures from the Department of Internal Affairs. If Council achieves the forecasted financial performance, there is no reason why the Buller average per capita rate should not fall back to the National median figure, or lower.

Council believes that it is proposing a Ten Year Plan that is sustainable, affordable and fiscally prudent.

Factors that are expected to have a significant impact to the Ten Year Plan

Economic Growth within the District

In prior Long Term Plans, the Council accepted the predictions from Statistics New Zealand. However these predictions are based on historical data and take limited cognisance of future economic development within the District. It is our firm belief that Buller is set for growth with the impending growth in mining activities, and consent permitting.

In the 2010 annual regional performance indicators report by Business and Economic Research Limited (BERL), Buller District gained a fifth placing of all the 72 territorial authorities in New Zealand. Growth in employment over the last five years has increased by 5.9% which equates to around 221 jobs per year. Buller was rated at 7.2% GDP growth for the 2010 year which the report suggests is a direct impact from the increase in activities in the construction, coal mining and metal ore mining industries.

In the 2011 report from BERL, Buller District was the top performing Local Authority. Buller District topped four of the nine ranking indicators. Buller had the highest employment and business unit growth in 2011; and the best employment and GDP growth over the past five years of all districts.

Buller's ranking improved mainly due to employment growth and population growth. BERL indicated that they expect the District to forge ahead in strength as increasing demand for mineral resources grows.

Mining activity within the Buller District

During the December quarter 2010 Bathurst signed an agreement with L&M Coal Holdings to acquire the Buller project, through the acquisition of 100% of L&M Coal Limited. The Buller project area comprises two permits that cover over 10,000 hectares of the Buller Coalfield. The permits largely surround state-owned, Solid Energy's Stockton open cut mining operation. The majority of this resource is considered to be high quality hard coking coal used largely in the manufacture of steel. The Company is currently producing from the Cascade mine at an annual rate of approximately 100,000 tonnes per annum. Approximately 50% of this will be sold domestically with the balance being exported. In early 2012 it expects to commence development of the fully permitted Coal Brookdale underground. This will be at an initial rate of 150,000 tonnes per annum, lifting to a rate of approximately 250,000 per annum by the end of 2012. Once the Escarpment block has received all relevant permits, development of this block will lift the company's production profile to around 1.2 million tonnes per annum.

The Escarpment Mine will extract 4 million tonnes of coking coal and will become the country's second largest open cast mine, after Solid Energy's nearby Stockton mine. Bathurst has indicated that the mine will generate 224 direct jobs.

Subject to resource consents, Whareatea West is likely to be the next block developed in the South Buller project lifting production to just over 2 million tonnes per annum. The North Buller region is currently the subject of a scoping study. It is the Company's long term plan to develop this area to a similar production rate as that in the South Buller area to lift total coal production to over 4 million tonnes per annum.

Mining activities are set to expand in Reefton, both in coal and gold mining. Oceana Gold has increased production and the Reddale Mine has been re-opened by Solid Energy NZ Ltd.

From the above, it is clear that the coal mining and economic activity is set to expand considerably. Buller District is poised for a period of growth. This growth will place pressure on maintaining and creating infrastructure at an affordable rate. As highlighted in the overview to the plan, Buller is now at the crossroads and the assumption made within this plan is that the population and rateable properties will increase.

Cement Production

Holcim New Zealand operates a cement manufacturing plant at Cape Foulwind, Westport, which produces approximately 500,000 tonnes of cement each year. Today the Westport plant employs around 130 staff. It operates 24 hours a day, seven days a week. Holcim (New Zealand) Ltd proposes to build a new cement manufacturing plant at Weston near Oamaru, and is currently seeking approval to proceed from its parent company, Holcim Ltd. In October 2011, in the light of the uncertainty created by the current global economic environment Holcim announced that further consideration of the Weston Plant Project is now not expected before late 2012. We have assumed Holcim will continue its operation for the duration of the plan.

Dairy Industry

Both within Westport and Reefton economic growth has occurred within the dairy industry.

Population Projections

We have made the following assumptions in terms of population growth – a detailed explanation of this population model is provided in the Key Assumptions section (pages 231-237).

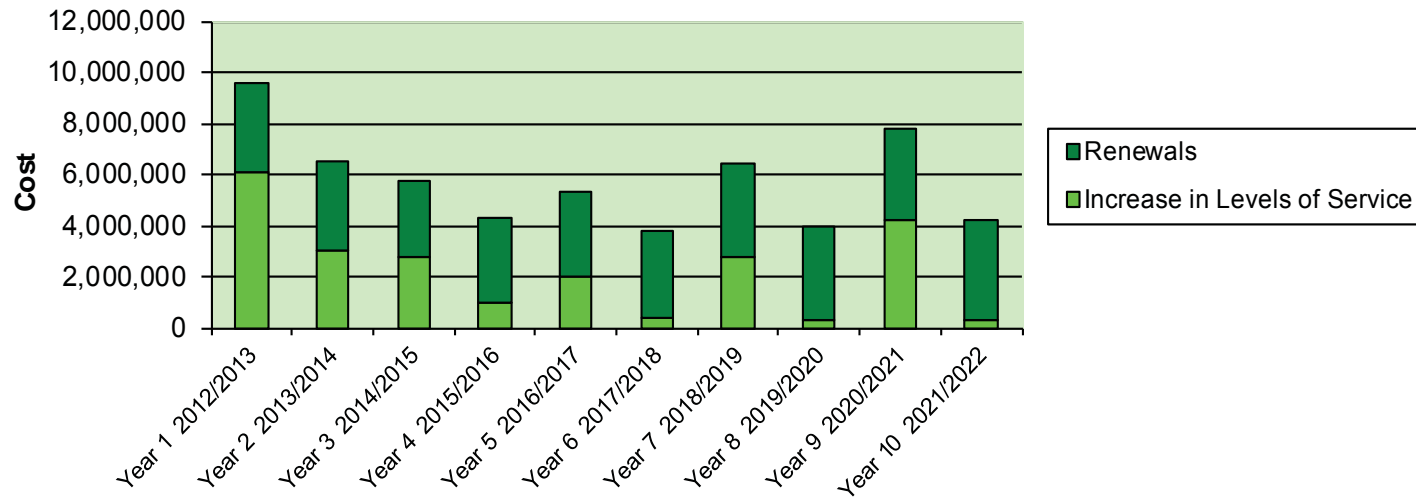
The growth in the population has been based on the high growth population trend from Statistics New Zealand and has been adjusted to take account of the growth of mining and ancillary industries within Buller. This growth in mining is dependent on Resource Consents being granted.

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Population	10,400	10,450	10,755	10,999	11,049	11,099	11,149	11,169	11,189	11,209	11,229
Rateable Properties	7,240	7,265	7,392	7,515	7,540	7,565	7,590	7,600	7,610	7,620	7,630

As permanent resident ratepayers grow and there is a growth in the number of rateable properties, this would spread the cost of Council services potentially resulting in a reduction in the cost each ratepayer would have to contribute.

A substantial capital programme to improve infrastructure

Capital Expenditure



The replacement costs of assets signalled through the asset management plans aggregate to a total capital works programme of \$57.7 million over the ten years. Capital expenditure totalling \$22.9 million (40%) is targeted at improving levels of services and \$34.8 million (60%) is used to fund asset renewals.

Projects improving levels of services include :

- ▶ Upgrade to the Westport Water Supply (\$10.6 million)
- ▶ Drinking Water Upgrades (Little Wanganui, Inangahua Junction and South Granity Water Supply) (\$0.8 million)
- ▶ Relocation of the Coaltown Museum and Westport i-site into the Cultural Hub (\$ 4 million)
- ▶ Construction of Pensioner Housing in Karamea (2 units) in 2012/2013, Reefton in 2015/2016, Westport (2 units) in 2018/2019 (\$1.5 million)
- ▶ Mitigate soil erosion at the airport (\$ 0.37 million - Council's share of the cost is \$0.350 million)
- ▶ Capital funding for Vision 2010 projects in Inangahua, Karamea and Westport (\$0.75)
- ▶ Road Upgrades (\$2 million) - including construction of the Rough River Bridge (\$0.2 million)

The funding of the capital costs to upgrading to Water Supplies to comply with Drinking Water Standards will result in increased targeted rates. This is due to increases in depreciation and interest costs.



Significant Changes in Land Use

The increase in activity in the coal mining and metal ore mining industries has led to an increased need for land for service industries related to mining in and around Westport. In order to be in close proximity to both the township and the mines they are servicing, some of these activities are looking to establish in areas which are zoned Rural and which have previously been used for rural or residential activities.

The increase in population has led to increased demand for a range of residential accommodation opportunities. While there is still a desire for 'lifestyle block' types of development there is also an increasing trend for smaller sections and 'infill' types of development in the townships, particularly in Westport. The increased population should lead to more ratepayers.

As coal mining is set to expand considerably, the increased production is beyond the ability of the present rail tunnels to Lyttelton and as an alternative it is intended to ship much of the additional production from the Westport harbour to Port Taranaki from where it will be sent overseas. To enable this to happen the existing Westport port facilities will be upgraded. Buller District Council is not proposing to fund this upgrade, instead it will be funded by the Holding Group.

The review of the District Plan and the Vision 2050 project will need to consider the impact of this growth on the District. Over the forthcoming year extensive time will be devoted to developing strategic and development plans for the District. Closely aligned with this strategic planning is the District Plan Review.

Other significant factors affecting the Ten Year Plan

New Zealand Transport Agency (NZTA)

The New Zealand Transport Agency advise Council on a three yearly basis what the rate of financial assistance will be for the next three years. The 'financial assistance' is the amount of government subsidy provided to pay for both road renewals and improvements or extensions. However three years ago no adjustments were made. The financial assistance rate is based on a formula that takes into consideration the size of the roading programme, land value and a constant that once all the financial assistance rates are aligned will mean that the average rate of all Councils is 50%. The minimum assistance rate regardless of the formula is 43%.

The formula has been used for a number of years and while over time there have been reviews of how the rate is calculated the reviews have generally kept the basis of the formula. The use of land value in the formula provides a means of showing the ability of Councils to meet their share.

The Councils roading programme over the last five years has remained pretty much the same with some fluctuations for inflation.

The current formula shows that the financial assistance rate for the Buller District should be 57%. The New Zealand Transport Agency has however advised that the rate will drop from the current 60% to 59% for 2012/2013 and to 58% for the remaining two years of this current cycle. The net impact of this change is that general ratepayers will be facing an increase in roading costs to maintain the current level of service, which Council is proposing to fund.

NZTA has indicated to Council that its base funding for the roading programme has been reduced for years 2012/2013 to years 2014/2015, as well as having no escalation for inflation paid for these three financial years. This has been applied for the full ten years of the plan, and results in a total reduction in NZTA funding of \$4.4 million over the plan.

What this means is that Council has agreed to a lower level of expenditure to match NZTA funding. This has resulted in a lower level of service such as higher road roughness levels, lower maintenance levels on lower volume rural roads, less resealing and less roadside mowing. This may be offset by potential efficiencies by working closely with the roading contractor to identify service delivery savings.

Price adjustments

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

Balancing the budget

The Council is required under the Local Government Act 2002 to ensure that each year's projected operating revenues are set at a level to meet each year's operating cost.

The Council is further required to manage its revenues, expenses, assets, liabilities and general dealings prudently and in a manner that promotes the current and future interests of our community.

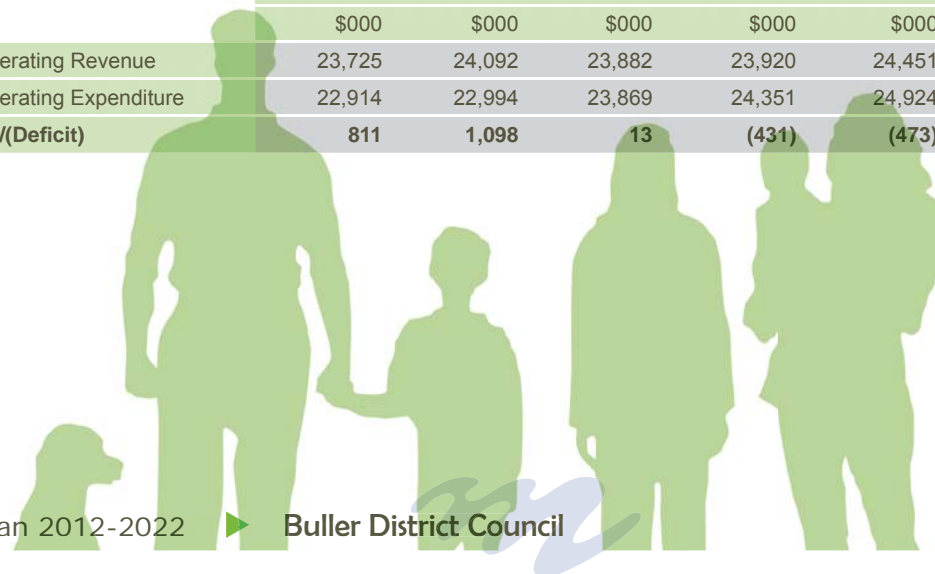
This requires a more holistic view of the costs and services that Council provides:

In assessing a financially prudent budget, consideration must be given to :

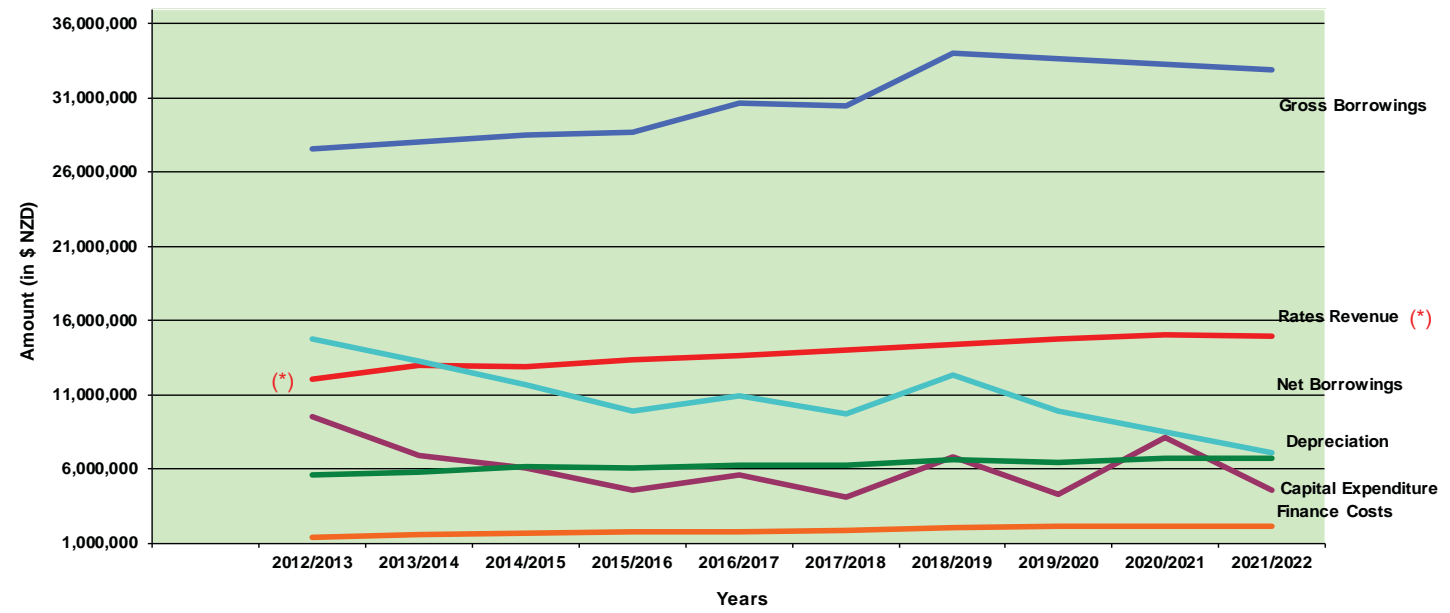
- ▶ Estimated expenses of achieving and maintaining the predicted levels of service contained in the 10 year plan, including the estimated expenses associated with maintaining the service capacity and integrity of the assets throughout their useful life.
- ▶ The projected revenue available to fund the estimated expenses associated with delivering services and maintaining the service capacity of assets throughout their useful life.
- ▶ The equitable allocation of responsibility for funding the provision and maintenance of assets throughout their useful life.
- ▶ The Councils funding and finance policies

The Statement of Comprehensive Income reflects a small deficit in 2012/2013 and in years 2015/2016, 2016/2017, 2017/2018, 2018/2019 and 2019/2020. The deficit is attributable to the impairment of the investment in Buller Holdings Limited caused by Buller Recreation Limited's operating losses. In addition, the financial assistance received from 2015/2016 onwards is lower as it is envisaged all Drinking Water Standard capital upgrades would be completed and therefore there are no subsidies from Central Government. Council is required under Section 100 of the Local Government Act 2002 to pass a resolution accepting the deficits as reflected below

	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Total Operating Revenue	23,725	24,092	23,882	23,920	24,451	25,169	26,019	26,706	27,532	27,992
Total Operating Expenditure	22,914	22,994	23,869	24,351	24,924	25,547	26,489	27,137	28,039	28,531
Surplus/(Deficit)	811	1,098	13	(431)	(473)	(378)	(470)	(431)	(507)	(539)



The graph below shows the trend for rates, borrowings and asset development expenditure which are the key financial aspects of the plan.

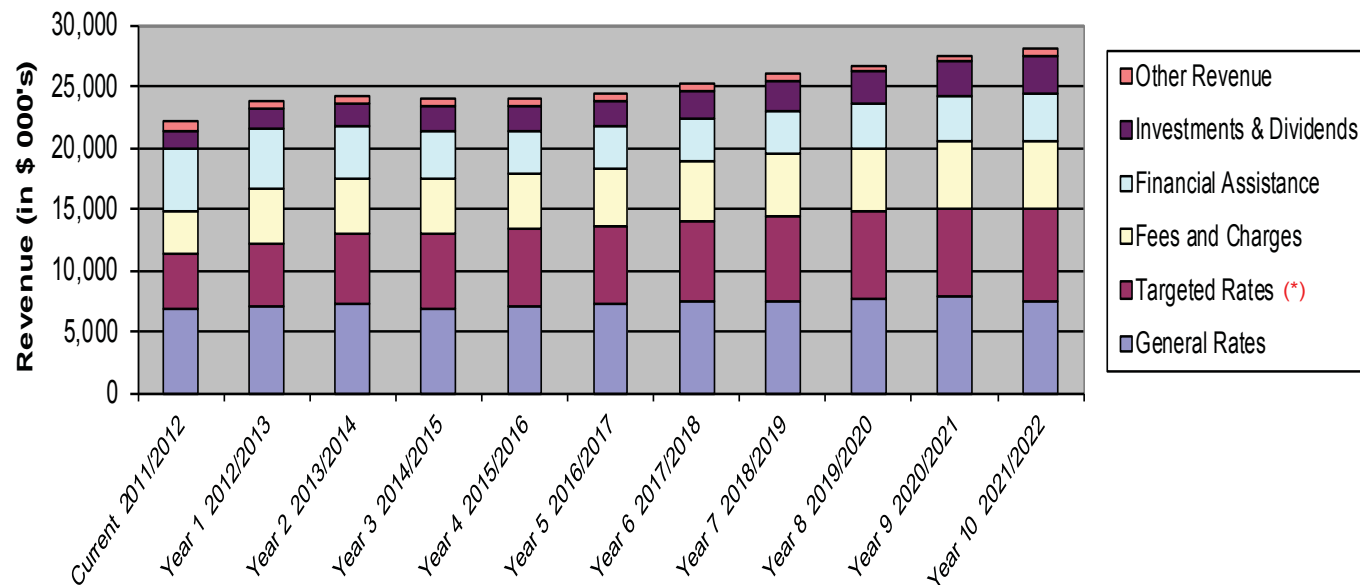


It is important to note that capital expenditure totalling \$57.7 million has been forecasted for this plan. This is funded from depreciation reserves, external borrowings and internal borrowings. Gross external borrowings have remained fairly static over the plan. Term deposits are, however, increasing from a forecast \$12.8 million in 2012/2013 to \$25.8 million in 2021/2022 due to the repayment of internal debt.

Financing projects with a mix of internal and external debt lowers the cost for the ratepayer. Repayment of internal loans to investments and ensures that investment funds are maintained to fund future projects. Building investment reserves are also considered prudent to fund any emergency expenditure that may arise from natural disasters.

(*) Rates exclude water meter rate.

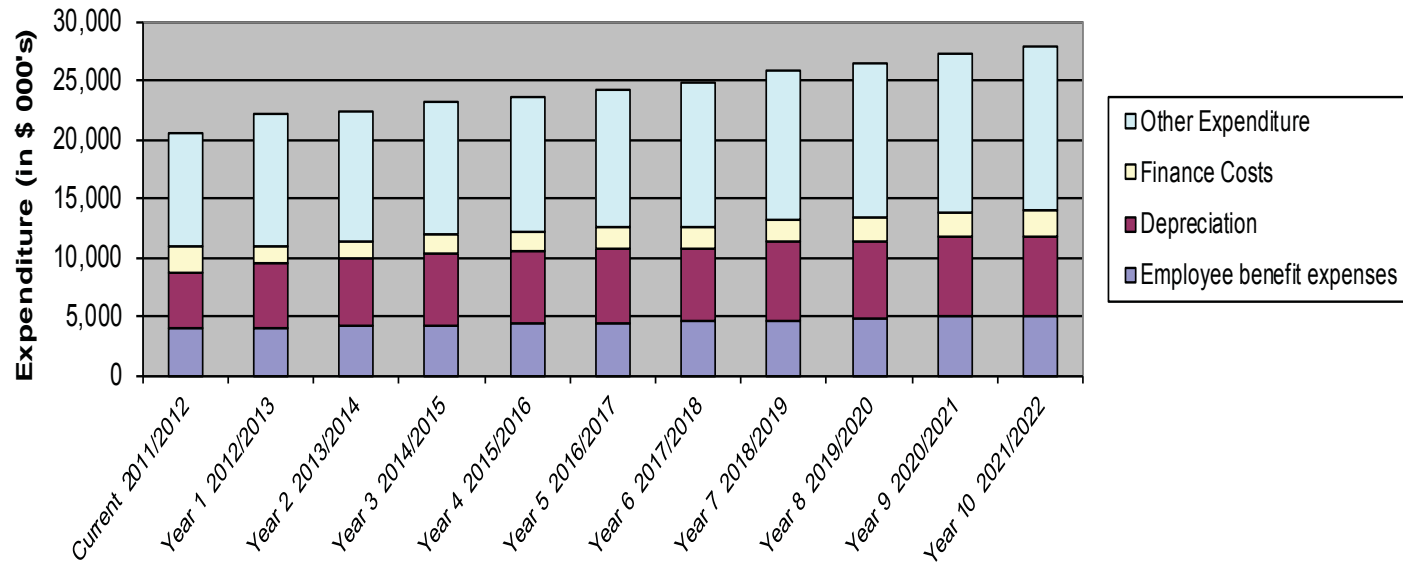
Operating Revenue: 2012 to 2022



Total Operating Revenue will increase by 6.9% from 2011/2012. Revenue will rise from \$23.7 million in 2011/2012 to \$28 million in 2021/2022 (18%) over the plan.

(*) Rates exclude water meter rate.

Operating Expenditure : 2012 to 2022



Total Operating expenditure will increase by 11.2% from 2011/2012 to 2012/2013. In total dollars operating expenditure will rise from \$22.9 million in 2012/2013 to \$28.5 million (24.5%).

These increases are as a result of:

- ▶ Growth – there are or will be more households in Buller based on the population growth assumptions.
- ▶ Price increases – the price adjustors used for Local Government are higher than predicted inflation and this means that it will cost more to provide services
- ▶ Service level changes. Water is the major activity where Council will be increasing their level of service by improving the quality of the water through capital upgrades to enable current water supplies to meet the latest Drinking Water Standards.
- ▶ Depreciation and Interest payments – the increased capital expenditure programme means corresponding increases in costs in these areas, depreciation is also affected by inflation.

What is a reasonable rates level?

In setting rates at the appropriate level the Council, must balance what is affordable for both the Council and the community. This is a balancing act which needs to take into account the services that the council delivers and whether the current or future ratepayers should pay for them. This is sometimes referred to as intergenerational equity. This is important for the Council given that many of its assets have long service lives and the benefits that these assets provide are over a long period of time. The main tool is the use of debt and then rating ratepayers to service that debt.

In assessing the right funding level Council has to consider the following:

- ▶ Have we set revenues at a level to cover all of our expenses
- ▶ Have we set revenue at a level so that we can afford an ongoing asset renewal and replacement programme?
- ▶ Is the number of projects and the total cost of the asset development programme affordable?
- ▶ Have we considered the needs of current and future ratepayers?

The preliminary increase in general rates was 7.7% in 2012/2013, however we do not have to absorb all of the rate increase in one year In the interests of affordability for the general ratepayer, Council is proposing to smooth the increase in General Rates across two financial years being 2012/2013 and 2013/2014. This means the increase in General Rates in 2012/2013 will be 3.3% instead of 7.7% and 2.6% instead of (5.7%) in 2013/2014. Council considers smoothing to be financially prudent as it is an effective mechanism to ensure that rate movements are contained to within acceptable limits.

Forecasted General Rate Increases across the Ten Year Plan

2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
3.3%	2.6%	(3.5%)	5.1%	1.0%	3.3%	1.2%	1.3%	3.3%	(1.4%)

What are the quantified limits on rates, rates increases and borrowings?

Council will endeavour to keep the income required from rates steady as well as creating predictability in the level of rates required. This will include taking a multi-pronged approach of managing the cost to the ratepayer (through efficiency gains and/or service reductions), increasing other revenue sources (to reduce dependency on rates revenue) and/or disposing of surplus assets. The Council is required by legislation to include a statement on quantified limits on rates. The Local Government Rates Inquiry suggested that around 50% of a council's operating revenue should be taken from rates. Currently, the Council draws about 50-55% from Rates because it does not have alternative revenue streams for example, significant financial investment funds or investments in corporate enterprises, and has taken a fairly low risk approach to borrowing.



Limit on Rates Collected

While the Council will continue its approach of allocating rates as a funding proportion based on who causes and benefits from its activities, it proposes endeavouring to limit the rates collected each year to a maximum of 65% of total Council revenue. We believe this would represent an equitable and prudent upper limit.

	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Total rates revenue collected (*)	12,040	13,046	13,077	13,573	13,816	14,233	14,583	14,785	15,246	15,334
Total revenue	23,726	24,092	23,882	23,922	24,452	25,171	26,018	26,706	27,533	27,992
Rates as % of Total Revenue	51%	54%	55%	57%	57%	57%	56%	55%	55%	55%

Ideally Council will seek to reduce the proportion of revenue collected through rates and a revenue Taskforce has been setup as a Council Sub-Committee to investigate alternate revenue streams. The Council's Revenue and Financing Policy sets out the sources of funding to be used, and how they will be applied to each activity - with a view to achieving this objective.

(*)	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
General Rates	6,790	7,013	7,207	6,962	7,299	7,365	7,623	7,710	7,810	8,072	7,949
Targeted Rates (*)	4,538	5,027	5,839	6,115	6,274	6,451	6,609	6,873	6,975	7,174	7,385
Total Rates revenue	11,328	12,040	13,046	13,077	13,573	13,816	14,233	14,583	14,785	15,246	15,334
Targeted Rates as % of Total Rates Revenue	40%	42%	45%	47%	46%	47%	46%	47%	47%	47%	48%
General Rates as a % of Total Rates Revenue	60%	58%	55%	53%	54%	53%	54%	53%	53%	53%	52%

Over the plan general rate as a percentage of total rates revenue decreases from 58% in 2012/2013 to 52% in 2021/2022, and targeted rates as a percentage of total rates revenue increases from 42% in 2012/2013 to 48% in 2021/2022. This indicates a trend to a userpays approach - those that receive the service pay.

(*) Rates exclude water meter rate.

Limits on Rate Increases

While the Council will continue to consider affordability issues when setting rate levels each year, Council is required by legislation to include a statement on quantified limits on rates increases. Limiting the increase to the Rates forecasted in the Long term Plan reflects the realities of higher local government costs i.e. the cost of doing Council business. It also recognises that from time to time Council will need to increase the level of service that it is providing to meet, for example, community needs and new resource consent requirements. Individual properties may experience smaller or larger increases depending on movements in property values, the services that they receive and their location.

Capital Expenditure

The Council currently has assets worth close to \$308 million and during the next 10 years Council is planning to undertake additional capital works of \$57.7 million. Asset development expenditure is for purchasing, building, replacing or developing Buller District assets (e.g. roads, water supplies, libraries etc). For each asset category asset management plans are in place which are the key planning tool for the maintenance, future renewal and additional assets required to meet the demand and levels of service in the district. These are prepared for 10 years. These asset management plans also inform how the planned expenditure will be paid for.

Renewals are the replacement programme for the existing assets. Level of service improvements relate to where Council believe the current assets do not provide an adequate level of service. Renewals of assets are generally funded from depreciation as over the Long Term Plan the level of renewals should be in line with depreciation. Increases in service are generally funded from external borrowings, capital subsidy or from capital contributions.

Council's policy mainly funds increases in service levels through borrowings, normally over 20 years but shorter or longer terms may be used for some assets depending on how long they are expected to last before being replaced.

Council funds depreciation for all activities except roading and stormwater, and uses depreciation reserves to fund asset renewals and so replace assets as they wear out. There are exceptions where depreciation is not funded and these are where Council has received financial assistance and expects finance assistance to be available in the future to fund asset replacements (eg, pensioner housing housing upgrades, rural fire vehicles).

This method provides for intergenerational equity and means that those people that receive the benefit of the asset generally pay for the asset.

While depreciation is accounted for, it is not directly funded for roading and stormwater, and there is no separate account held to accumulate funds during years when renewal expenditure is less than depreciation. As a result the annual rates burden will fluctuate depending on the value of the renewal work undertaken.

Council does not fund depreciation for these activities, as we feel it is more affordable to the ratepayer to fund the actual dollars spent, ie, renewals.

Debt and Interest Borrowings Table

Under section 100 of the Local Government Act 2002, Council considered its financial management responsibilities, where it must manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. The Council has also considered whether it is sustainable to undertake the level of capital works proposed in the Ten Year Plan together with the increased operating costs associated with the higher debt level. If the Council has too much debt then future ratepayers will subsidise current ratepayers. Conversely, too little and the reverse situation applies. The Council has considered the timing of this programme and the associated borrowings required to ensure that this best meets the needs of current and future generations.

In doing so the Council noted the following quote from the Local Government Rating Inquiry 2007 (Shand Report):

Impact of additional borrowing on rates:

10.76 - "Greater use of borrowing for long-life assets can enable rates to be held at a lower level over a considerable period of time, even allowing for interest costs. There is some aversion amongst ratepayers to the taking on of debt, which is seen by some as financially unsound. Reflecting this, some Councils perceive being debt-free as a virtue. This ignores the benefits of being able to undertake expenditures earlier than would otherwise be the case. It also ignores the interest cost that ratepayers bear by paying the rates earlier to fund the capital expenditures than would otherwise have been the case."

Council's gross debt is predicted at the end of the 10 years to be \$32.8 million with a peak in 2018/2019 of \$34 million. While the gross debt has increased, it is still at an affordable level in relation to our income. Our Treasury Management policy is well within our Banking Covenant which states that finance costs as a percentage of total Operating revenue must not exceed 15%. Council is in compliance with all other limits specified in the Treasury Management Policy.

The main increase in gross debt is to fund the asset development and programme proposed within this plan. Note that gross term debt is off-set by term deposits. The true net debt is the difference between the two.

Interest rates are historically very low, Council has taken external advice and has assumed that the average interest rate paid on its loans will increase over the 10 years of the plan from 4.9% to 6.5%.

Policy on giving Securities for Borrowings

Council proposes to continue to secure its borrowings and interest rate risk management instruments against rates and rates revenue.

Limits on Gross Borrowings

The limits for gross borrowings are based on debt servicing costs remaining below 15% of Total Operating Revenue. Debt starts in 2011/2012 at \$29.5 million, peaks in 2018/2019 to \$34 million reducing in 2021/2022 to \$32.8 million. Debt servicing costs are below 10%. Council is in compliance with all limits specified in the Treasury Management Policy.

The Treasury Management Policy has been aligned with external banking covenants. We are comfortable that debt levels are prudent and that debt servicing costs remain affordable across the plan. It should be noted that Council's investments grow considerably across the plan, so the net debt (being external borrowings, less term deposits), at the end of the plan will be \$7.0 million. In 2012/2013 the net debt is forecasted to be \$15.0 million.

This approval is considered prudent as the term deposits provide financial flexibility for Council and the repayment of external loans over an extended period facilitates intergenerational equity.

Investments

Council currently has term deposit investments of \$10.9 million and over the term of the Plan these term deposits are proposed to increase to \$25.7 million. This situation is kept under constant review and the balance of the gross debt to investment could change if relative interest rates change. It is also considered prudent to grow the term deposits to cater for any natural disasters.

Council has considered it the best approach to continue to grow the term deposit investments rather than repay debt. This is due to the fact that there is a core amount of debt related to the acquisition of shares in Buller Recreation Limited where it is tax effective to not repay this debt.

Council has a portfolio of other investments comprising:

- ▶ Term investments - over the duration of the plan, short term investments are set to increase to \$25.7 million due to the receipt from internal loans and sale of investment properties
- ▶ Equity investments - investments in Buller Holdings Limited remain fairly static over the duration of the plan. In 2012/2013 investments total \$19.8 million reduce marginally to \$19.4 million in 2021/2022 reflecting operating losses in Buller Recreation Limited and equity received in exchange for the funding of capital expenditure for Buller Recreation Limited which will increase the investment accordingly
- ▶ Asset investments
- ▶ Associated organisations
- ▶ Investment property - investment properties are forecasted to be \$9.7 million in 2012/2013 reducing to \$7.0 million in 2021/2022 as properties are sold over the duration of the plan

Council has breached its current investment policy which states that no more than \$1 million may be deposited with a Building Society. Currently Council has exceeded this. The reason for this breach is that the respective Building Society has provided sponsorship towards the Performing Arts Theatre. This will be reassessed by Council when the sponsorship agreement ends in 2015.

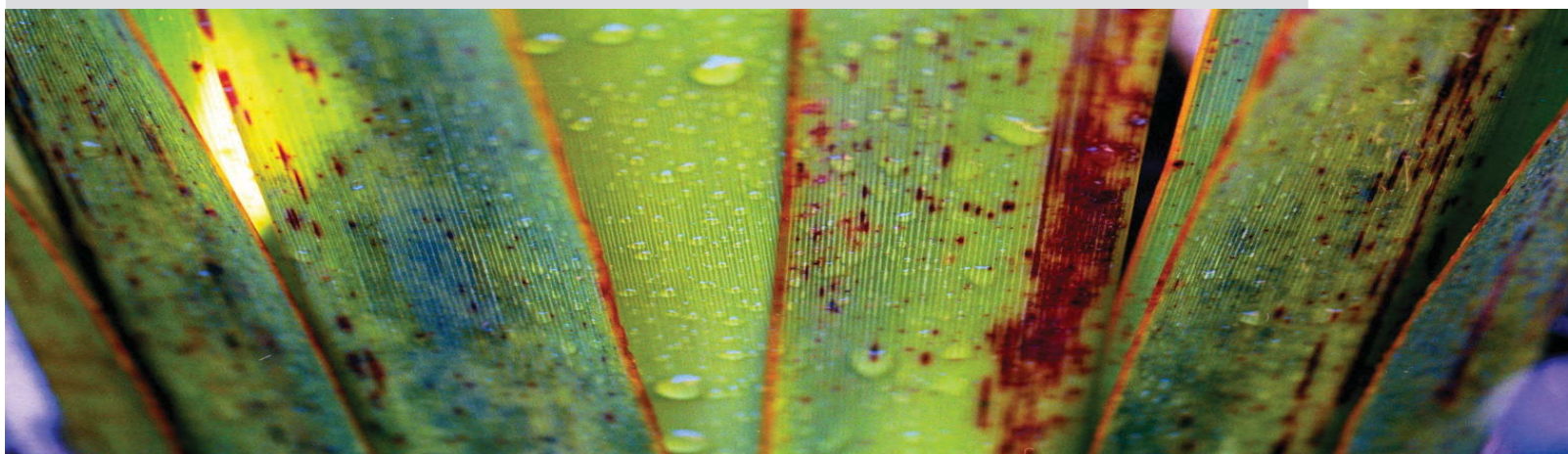
The full Treasury Management policy is included in Volume 2 and includes the rationale for holding these investments.

General Policy

Council has a conservative approach to investments with surplus funds generally being used for debt repayment rather than financial investment. It does not intend to undertake financial investments for the purpose of generating significant returns, now or in the future. Equity is held for strategic purposes such as holding equity in subsidiaries which enable councils to provide services more efficiently.

Council's main investment is the shareholding in Buller Holdings. The targets for their subsidiaries (WestReef Services Limited, Westport Harbour Limited and Buller Recreation Limited) are set out below.

Investment	Target Return
WestReef Services Limited	To achieve a pre-tax operating profit of at least 10% on gross revenues, before any subvention payments
Westport Harbour Limited	To achieve a post tax operating profit of 15% on BHL investment, before any subvention payments
Buller Recreation Limited	Achieve budget and expenditure
Buller Holdings Limited	To return the minimum forecasted distribution/dividend to Council
	2012/2013 - \$850,000
	2013/2014 - \$879,750
	2014/2015 - \$910,541



Part 2 - Community Outcomes

Planning for our community together:

Introduction

"Community Outcomes have been defined as what the community sees as important for the whole community now and looking forward."

These outcomes have been defined by the community and are not specifically restricted to Council functions, as they include everything the community sees as precedence for identifying who we are, how we stand, how we grow, what we value, and how we look after each other now and in the future.

How will the Council contribute to furthering the Community Outcomes?

The Community Outcomes have been identified as the areas of priority to the Buller district community for the next ten years. These are the community's goals. Council is not solely responsible for the delivery of these outcomes. Rather, our role is to work with the community, other organisations and groups to help us achieve these outcomes as a community. Council's role is to look at these outcomes and identify how we can assist the community meet these goals. When we develop our Long Term Plan and identify areas for funding and development we have these community's goals in mind.

Council fund a range of services or activities and these are identified later in this plan. You will see that each activity statement identifies how the services we are providing is contributing towards furthering the community outcomes.

Council has many roles in assisting the community and have listed some of these below. We have identified how we see Council's role in assisting the community to further each of their outcomes.

Outcome	Advocate	Funder	Service Provider	Regulator	Facilitator	Monitor
1. Well-being	●	●	●	●		
2. Learning	●		●			
3. Who we are		●	●	●		
4. Sustainable Environment		●	●	●		
5. Prosperity	●				●	●

This is a change that has arisen under the Local Government Act 2002. The Local Government Act 2002 requires Council to not just undertake particular tasks or activities, but to promote community well-being and to take a lead role in promoting the social, economic, environmental and cultural aspects of our district.



Achieving the Community's Goals

Although we have a key role to play, Community Outcomes are not solely the responsibility of Councils. Council will ensure these Community Outcomes are considered in all decision making, this will include all reports to Council and resolutions actioned. Council will work now on making decisions that have a positive affect on these Community Outcomes and for the future benefit of the community.

1 ~ Well-being

Council is directly involved in:

- ▶ Provide access to quality amenities for physical activity
- ▶ Quality drinking water
- ▶ Number of traffic accidents
- ▶ Improved safety in public places (dog attacks, liquor bans, security cameras)
- ▶ Emergency Management Programmes and preparedness
- ▶ Number of consents being processed & signed off for completion

Council advocates:

- ▶ Life expectancy
- ▶ Access to health care (services & programmes)
- ▶ New health initiatives that have been introduced
- ▶ Crime prevention measures introduced
- ▶ Youth offending rates
- ▶ Crime and crime resolution rates
- ▶ Unemployment & beneficiary recipient numbers

2 ~ Learning

Council is directly involved in:

- ▶ Professional library services & a wide range of resources

Council advocates:

- ▶ School rolls & decile ratings
- ▶ Levels of qualifications
- ▶ Number of education institutions
- ▶ Number of community education programmes being offered

3 ~ Who we are

Council is directly involved in:

- ▶ Number & usage of community facilities
- ▶ Subsidies for hire of Council facilities for community based events
- ▶ Voter turnout

4 ~ Sustainable environment

Council is directly involved in:

- ▶ Water management & quality
- ▶ Visitor level of appreciation
- ▶ Waste minimisation

5 ~ Prosperity

Council is directly involved in:

- ▶ Employment levels & opportunities
- ▶ Innovation & excellence
- ▶ Regional growth trends

Council advocates:

- ▶ Number of community activities and district events
- ▶ Youth achievements - educational & recreational
- ▶ Number of people involved in sporting, cultural & recreational activities
- ▶ Number of new community groups introduced to community

Council advocates:

- ▶ Natural environment valued & protected
- ▶ Quality of natural environment improved & maintained
- ▶ Access to natural features

Council advocates:

- ▶ Average incomes - compared with national average
- ▶ Retail & investment growth

Along with relevant measures provided by other agencies we will be utilising data obtained from sources such as Statistics NZ, 2006 Census Reports, BERL Regional Performance Indicators and the Social Report Regional Indicators.



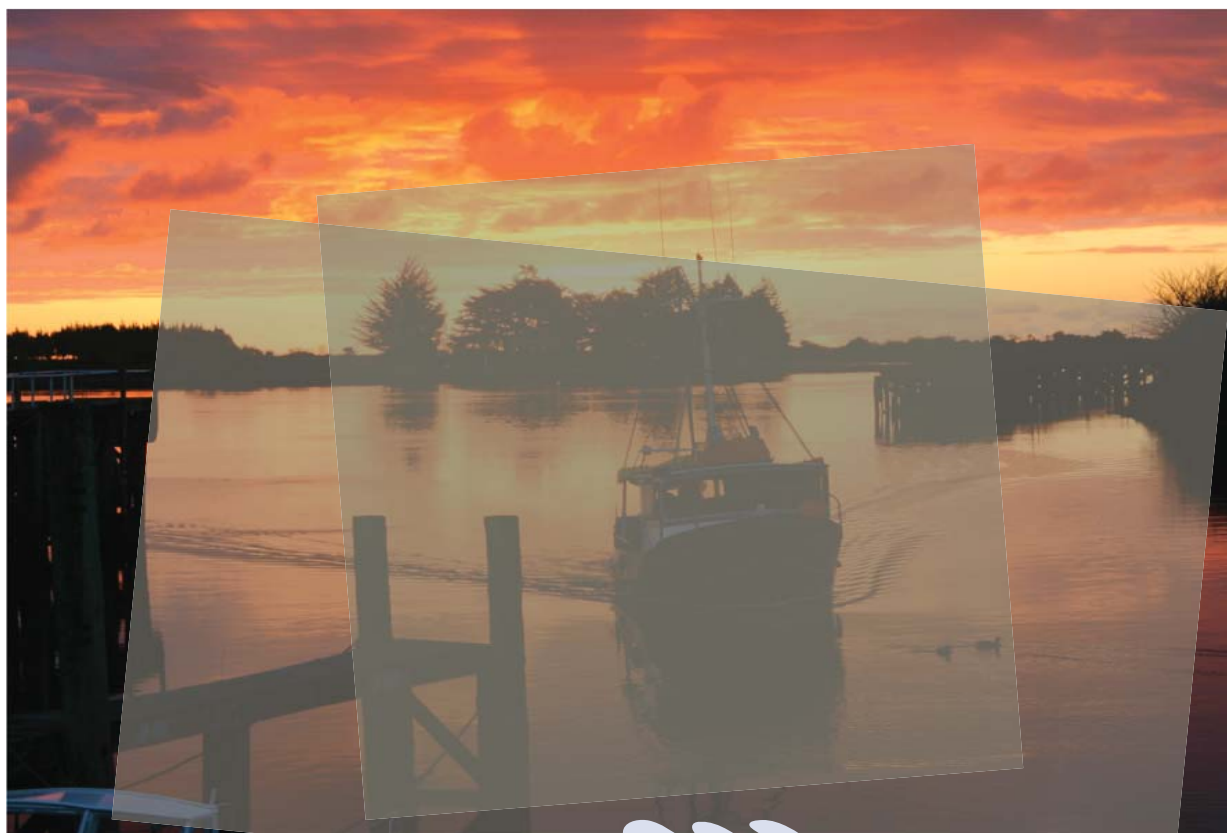
Maori Contribution to Decision Making

Under Section 81 of the Local Government Act 2002, Council must establish and maintain processes to provide opportunities for Maori to contribute to the decision making processes of the local authority. Council is also required to look at ways to foster the development of Maori capacity to have input into these processes.

The Buller District Council recognises and acknowledges that Ngai Tahu is the tangata whenua of Te Tai Poutini. The papatipu runanga for the Buller District is Te Runanga O Ngati Waewae. A relationship has been established with Te Runanga O Ngati Waewae and is continuing to strengthen as time progresses.

Council provides updates on Council projects to Te Runanga O Ngati Waewae and other local Maori organisations, to ensure that they are aware of current projects, issues and consultation opportunities. We also work with other service providers who have networks that can assist us in this role.

We are working on strengthening relationships with Maori through the establishment of a stakeholder database, regular updates, and invitations to participate in consultation processes. Feedback from these organisations is assisting Council to look at ways to ensure that the views of Maori that reside in Buller but are not tangata whenua, can be included in decision making.



1 ~ Well-being:

A vibrant, healthy & safe community with access to quality facilities & services

What does Council want to achieve?

- ▶ A healthy environment with services & infrastructure to support community health
- ▶ A place where people feel welcome & have a sense of belonging
- ▶ Increased community awareness & involvement in health issues
- ▶ Safer environments for residents, businesses & visitors to enjoy

How will Council contribute to achieving these objectives?

- ▶ Provide essential services to residents & businesses to support a healthy environment
- ▶ Provide & develop safe public places
- ▶ Promote opportunities for community access to health information & participation
- ▶ Advocate for the local community
- ▶ Establish an environment of support & assistance to health providers
- ▶ Recognise & support those with special needs & requirements
- ▶ Utilise Health Impact Assessments from Community & Public Health
- ▶ Provide library services which are safe & pleasant environments for the community to interact



What programmes & projects do we have or plan to have that will contribute to the achievement of this outcome?

- ▶ Food premises inspections
- ▶ Building Consent inspections & sign-offs
- ▶ Sewage disposal services
- ▶ Waste management
- ▶ Water supply
- ▶ Support alcohol & drug education initiatives
- ▶ Support for community health initiatives
- ▶ Sports & recreation facilities
- ▶ Cemetery management
- ▶ Animal control activities
- ▶ Liquor licensing & bans
- ▶ Enforcement & monitoring
- ▶ Health information provided at all libraries
- ▶ Work closely with West Coast District Health Board & Community & Public Health Nurse
- ▶ Elderly housing
- ▶ Council policies
- ▶ By-laws
- ▶ Emergency management
- ▶ Safety initiatives & projects
- ▶ Security cameras, street lighting, road cleaning & vegetation control
- ▶ Consultation policies & practices
- ▶ Disabled access, building control/priority paths
- ▶ Timely & positive decisions for new development

2 ~ Learning:

A district that values & supports learning with accessible, relevant education & training opportunities

What does Council want to achieve?

- ▶ Support for a community that values education
- ▶ An increase in knowledge & understanding of Local Government & Democracy
- ▶ Professional library services & a wide range of resources available

How will Council contribute to achieving these objectives?

- ▶ Provide a supportive environment for education providers
- ▶ Recognise & support education excellence & opportunity in the district
- ▶ Support the implementation of employment & training initiatives that offer improved employment, skill and income opportunities
- ▶ Make information easily available about Council, its functions & services

What programmes & projects do we have or plan to have that will contribute to the achievement of this outcome?

- ▶ Library services
 - ▶ Relationships with education providers
 - ▶ Support for literacy programmes
 - ▶ Education Programmes (Learn to Swim)
 - ▶ Provision of pool facilities & sports grounds
 - ▶ Outward Bound Scholarship
 - ▶ Youth voice development
 - ▶ Support for learning & education initiatives & competitions
 - ▶ Support for school programmes & curriculum
-



3 ~ Who we are

A 'happening' region with a strong community spirit & distinctive lifestyle

What does Council want to achieve?

- ▶ An increased awareness of & participation in cultural, social, recreational, sporting & community activities
 - ▶ Provision of high quality community spaces & facilities
 - ▶ Promotion of Buller, history, environment & cultural heritage
-

How will Council contribute to achieving these objectives?

- ▶ Support & encourage community groups & organisations providing events within the region
 - ▶ Provide opportunities for the community to work in partnership with Council
 - ▶ Provide a range of arts, cultural, recreation, sporting & social facilities throughout the district
 - ▶ Encourage & support other organisations in providing arts, cultural, sporting, recreational & social facilities throughout the district
 - ▶ Celebrate community & individual's achievements
 - ▶ Provision of appropriate infrastructure to support a vibrant community
 - ▶ Facilitate community grants process to assist in the provision of events & services that support a vibrant community
-

What programmes
& projects do
we have or plan
to have that will
contribute to
the achievement
of this outcome?

- ▶ Libraries, theatres, archives & heritage resources
- ▶ Sports facilities & community halls
- ▶ Community grants
- ▶ Administer Sport New Zealand grants
- ▶ Administer Creative New Zealand grants
- ▶ Support to cultural organisations, such as museums
- ▶ On-going support for events
- ▶ Provision of public toilets/facilities
- ▶ Maintenance of parks & reserves
- ▶ Roads & signage
- ▶ Urban design
- ▶ Cultural hub development
- ▶ Visitor information
- ▶ Camping ground
- ▶ Vision 2010
- ▶ Buller 2050



4 ~ Sustainable Environment

The distinctive character of the environment appreciated & retained

What does Council want to achieve?

- ▶ An appropriate balance between development & protection that promotes the diversity & sustainability of our natural environment
- ▶ The provision of services and infrastructure that support the district's environmental goals
- ▶ A built environment considered to be attractive, sustainable & healthy

How will Council contribute to achieving these objectives?

- ▶ Develop policies and implement practices that enhance our environmental sustainability & natural diversity
- ▶ Recognise & preserve the essential elements of the district's landscape that contribute to Buller's unique natural identity
- ▶ Ensure that planning processes enable effective public consultation over an appropriate balance between the natural & built environment
- ▶ Develop practices that help to improve the cleanliness & sustainability of the district's infrastructure
- ▶ Access central Government funds to support infrastructure development and improvement

What programmes & projects do we have or plan to have that will contribute to the achievement of this outcome?

- ▶ District Plan & view thereof
- ▶ Resource Consent process
- ▶ Monitoring & enforcement
- ▶ Waste management
- ▶ Tourism planning
- ▶ Road upgrade improvements
- ▶ Wastewater/sewerage projects
- ▶ Parks & reserves maintenance
- ▶ Maintenance & development of walkways
- ▶ Support/implement community projects, ie, beach clean-ups
- ▶ Town planning/urban design

5 ~ Prosperity:

A thriving, resilient and innovative economy creating opportunities for growth & employment

What does Council want to achieve?

- ▶ Provide an environment that supports the retention of current businesses & attracts new business & investment to the region
- ▶ Provide support for attracting & developing an available skilled workforce
- ▶ Support sustainable, responsible development, innovation & excellence
- ▶ Encourage economic growth

How will Council contribute to achieving these objectives?

- ▶ Improve communications between the Council & the business community
- ▶ Continue to develop & advocate for district-wide infrastructure that supports business & tourism growth
- ▶ Access central Government funds & programmes that can support development of infrastructure, tourism, employment, business & training
- ▶ Assist in strengthening links between schools, training opportunities & the business community
- ▶ Develop within a regulatory framework that supports sustainable economic growth without compromising the environment

What programmes & projects do we have or plan to have that will contribute to the achievement of this outcome?

- ▶ Support of Business Association & Buller Promotions Association & Inangahua Tourism Promotions
- ▶ Resource Consent & Building Consent liaison with businesses/developers
- ▶ Road improvements to support industry
- ▶ Relationships with key industries
- ▶ Film & business friendly strategies
- ▶ Street enhancements & urban design
- ▶ District Plan reviews
- ▶ Transport infrastructure: airport/harbour/roading & active transport
- ▶ Support to health & education providers



Part 3 - Council Activities

The following pages set out in detail the Activity Plans for each of the Activity Groups

-
- The Activities of Council have been grouped as follows:
- ▶ Regulatory Services
 - ▶ Emergency Management
 - ▶ Roading and Urban Development
 - ▶ Water Supplies
 - ▶ Wastewater
 - ▶ Stormwater
 - ▶ Solid Waste
 - ▶ In-house Professional Services
 - ▶ Community Services
 - ▶ Governance
 - ▶ Support Services
 - ▶ Property Management, Amenities & Reserves
-

This section of the Long Term Plan details what activities Council is planning to undertake to support the Community Outcomes, strategic goals and legislative requirements that we operate under.

Please note both our Targets and Significant Projects/Issues form part of the performance management framework against which actual levels of service performance will be assessed. Targets represent the levels of service to be met annually unless stated otherwise.



Overview of Activity

What we provide

These activities protect people and the environment by regulating and licensing aspects of commercial services and private behaviour where public well-being issues may arise, and in preparing for and responding to emergency situations in the District.

Plans, Policies and Guidance Documents

The Council provides a range of tools to guide the public in complying with rules, regulations and best practices. These range from regulatory tools such as the District Plan and Bylaws through to guidance tools such as policies and brochures.

There has been significant progress on the District Plan with numerous plan changes having been made in the last two years.

Compliance Management

Compliance Management includes the investigation of:

- ▶ Noise control complaints;
- ▶ non compliance of Council Bylaws;
- ▶ and any other complaint, eg, fly dumping

Incidents/complaints are investigated and non-compliances could result in an infringement being issued.

Provision of Consents

Council provides consents for activities to be carried out in accordance with regulatory requirements such as building, land use and subdivision consents and ensures that appropriate certification is achieved for buildings by way of Code Compliance Certificates, Certificates for Public Use and Warrants of Fitness.

Council also issues land and project information memoranda (LIM's and PIM's).

Liquor Licensing

For the purposes of the Sale of Liquor Act 1989 each local authority is the District Licensing Agency for its district and, except as otherwise provided in this Act, the Agency is governed by the provisions of the Local Government Act.

The Alcohol Reform Bill which the Justice and Electoral Committee has recommended be passed with some amendments, will result in the requirement for Council to form a Local Area Policy for alcohol and there will also be an increase in responsibility and consequences for holders of liquor licences

Emergency Management

Consistent with the National Civil Defence Emergency Management Plan, Council protects the community from large scale disasters through a range of strategies based on the 'Four R's' of emergency management:

- ▶ Reduction
- ▶ Readiness
- ▶ Response
- ▶ Recovery

Environmental Health

Environmental Health provides an effective permitting and inspection regime of registered food premises to ensure public health is maintained, statutory nuisances are managed and bylaws are enforced.

Animal Control

Animal Control manages dogs and wandering livestock, including the control of animals (excluding dogs) on public land and public roads.

Building

Building Services provide a compliance service to ensure the built environment throughout the District meets the minimum requirement of the Building Act 2004. Guidance is provided to customers as they navigate their way through the building consent process.

Assessment of building consent applications are required to meet the requirements of the Building Act 2004.

Rural Fire

Protection of people and the environment by regulating commercial services and private behaviour where public well-being is an issue.

Prepare for and respond to rural fire emergencies.



Why we do it

Emergency Management

Our community has told us they want a safe environment for all to live in; one where the risk to life and property is minimised and the community is well serviced by emergency services.

Animal & Stock Control

Protect the public from dangerous and nuisance animals.

Building

To control building work undertaken within the district to ensure it meets required standards and provides for community safety

Resource Management & Planning

Council undertakes its environmental management responsibilities to promote the sustainable management of the District's resources and manage the consequences of human activities on the environment.

Many of Council's documents are statutory documents required under Resource Management Act legislation. Council's environment monitoring and information work is undertaken to monitor progress to achieve environment outcomes to help target planning controls, consent conditions and educational programmes to identify new issues and to provide information regarding land use.

Council processes Resource Consent applications and undertakes compliance activities to reduce the impact of human activity or other people and the environment. Environment education and advocacy activities provide non regulatory means of encouraging good environmental practices and outcomes

Environmental Health

This activity ensures that operators meet required public health standards.

Liquor Licensing

Activities are governed by legislative requirements from the Sale of Liquor Act 1989.

Rural Fire

- ▶ To protect life and property through uncontrolled rural fires
- ▶ To ensure preparedness of the public to respond to rural fire emergencies

Changes in Fees and Charges

Dog Fees

Dog fees were changed in the 2009-2019 Long Term Plan to provide for two types of dog owner. Those with a record of complaints, mismanagement of dogs or non-payment of fees attract a higher registration fee than those with a clean clear history.

Council has changed the fees from 01 July 2012 to reflect and achieve the 85% user and 15% general rates policy that currently exists.

Building Fees

With effect from 01 July 2012 financial year building consent fees will be at full cost recovery.

A tiered approach will be adopted as reflected below:

BCA Levy	
< \$20,000	\$50.00
\$20,000 - \$49,999	\$150.00
\$50,000 - \$99,999	\$350.00
\$100,000 - \$199,999	\$750.00
\$200,000 - \$349,999	\$1,000.00
\$350,000 - \$499,999	\$1,500.00
\$500,000 - \$1,000,000	\$2,000.00
> \$1,000,000	\$2,500.00

This will enable the building activity to be funded 90% from Fees and Charges and 10% from the General Rates. There should always be an element of community good.

The levy covers things such as obtaining and maintaining accreditation, audits and staff assessments, manual updates to systems, public information updates and industry upskilling of tradesmen. This is deemed to represent public good as these elements cannot be on-charged.

Sale of Liquor Fees

Currently licence fees are set by statute, however the Alcohol Reform Bill is likely to result in changes to the fee system and Council will attempt to recover the full costs associated with this activity

Environmental Health Fees

Effective from 01 July 2012 Council has significantly increased fees as it attempts to recover full costs for this activity.

Fire Permits

Council will be introducing a new charge for Fire Permits, effective 1 July 2012. This is adopting a userpays approach to ensure that costs associated with issuing a fire permit are recovered.

Assumptions

The activities in the plan are based on current legislation. Council is aware of impending changes to legislations but until the impact of these changes are detailed Council is unable to determine impact on Council's activities and costs.

How Does The Council's Work Contribute Towards Our Community Outcomes?

Community Outcome	How The Council Contributes
<i>Well-Being</i>	<ul style="list-style-type: none"> ▶ Provide essential services to residents and businesses to support a healthy environment ▶ Provide and develop safe public places
<i>Learning</i>	<ul style="list-style-type: none"> ▶ Make information easily available about Council, its functions and services ▶ Recognise and support education excellence and opportunity in the District
<i>Who we are</i>	<ul style="list-style-type: none"> ▶ Support and encourage community groups and organisations providing events within the district ▶ Provide opportunities for the community to work in partnership with Council
<i>Sustainable Environment</i>	<ul style="list-style-type: none"> ▶ Develop policies and implement practices that enhance our environmental sustainability and natural diversity ▶ Recognise and preserve the essential elements of the Districts landscape that contributes to Buller's unique identity

What Does Council Plan To Do In The Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?	
To maintain quality of life through ensuring	Customer Services Principles	Providing customer service and advice on all aspects of Environmental Services	Continue to provide customer advice	Continue to provide customer advice	Continue to provide customer advice	Continue to provide customer advice	Customer satisfaction	
	► compliance with building and development regulations	Earthquake Prone, Dangerous and Insanitary Buildings Policy	Council's earthquake prone buildings were reviewed and a new policy adopted in 2009	Earthquake assessments will be requested when building consents for major work are issued	Earthquake assessments will be requested when building consents for major work are issued	Earthquake assessments will be requested when building consents for major work are issued	Continue to comply with current council policy and any legislative changes	Audit of buildings
	Buller District Council Building Quality Assurance Policy	Processing applications for PIM's, LIM's, building consents and Code Compliance Certificates	Continue to process consents for customers within statutory timeframes	Continue to process consents for customers within statutory timeframes	Continue to process consents for customers within statutory timeframes	Continue to process consents for customers within statutory timeframes	Continue to deliver consents to customers within statutory timeframes	Monitoring of reports on consents issued against statutory timeframes
		Ensuring regulations are met with building Warrants of Fitness	Continue with annual renewal processes	Continue with annual renewal processes	Continue with annual renewal processes	Continue with annual renewal processes	Continue with annual renewal processes	Results of annual audits
		Carrying out inspections of buildings to ensure work is consistent with consent conditions	Conduct building inspections in accordance with the Building Act requirements	Conduct building inspections in accordance with the Building Act requirements	Conduct building inspections in accordance with the Building Act requirements	Conduct building inspections in accordance with the Building Act requirements	Conduct building inspections in accordance with the Building Act requirements	Compliance with building code
		Conducting inspections within 24 hours of request	Conducting inspections within 24 hours of request	Conducting inspections within 24 hours of request	Conducting inspections within 24 hours of request	Conducting inspections within 24 hours of request	Conducting inspections within 24 hours of request	
	Buller District Plan	Processing applications for resource consents	Continue to process consents within statutory timeframes	Continue to process consents within statutory timeframes	Continue to process consents within statutory timeframes	Continue to process consents within statutory timeframes	Continue to deliver consents within statutory timeframes	Monitoring of reports on consent issued against statutory timeframes
		Monitoring resource consent conditions as required	Conduct monitoring as required	Conduct monitoring as required	Conduct monitoring as required	Conduct monitoring as required	Conduct monitoring as required	Consent conditions met

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
To maintain quality of life through ensuring <ul style="list-style-type: none"> ▶ the health and safety of licensed activities and ▶ the effects of dogs and livestock are minimised 	Health Act	Carrying out environmental health inspections ensuring all food premises meet the standards set by the Food Hygiene Regulations 1974	Continue to inspect all food premises	Continue to inspect all food premises	Continue to inspect all food premises	Continue to inspect all food premises	Continue to inspect all food premises
	Sale of Liquor Policy	Liquor licence in accordance with relevant legislation	Continue to process liquor licence applications and monitor compliance	Continue to process liquor licence applications and monitor compliance	Continue to process liquor licence applications and monitor compliance	Continue to process liquor licence applications and monitor compliance	Continue to process liquor licence applications and monitor compliance
		Existing Buller District Licensing Agency, Sale of Liquor Policy	Develop a new Local Alcohol Policy that meets legal requirements	Ensure appropriate structures are in place to handle likely liquor reforms	Ensure appropriate structures are in place to handle likely liquor reforms	Review Local Alcohol Policy and amend if required	Local Alcohol Policy in place by 2013
	Dog Control Policy	Providing education to animal owners to prevent adverse effects	Continue property and school visits	Continue property and school visits	Continue property and school visits	Continue property and school visits	Records of property and school visits undertaken
To address non-compliance or nuisance activities in ways that uphold the community outcomes	Council Policies	Investigate complaints and take appropriate action where non-compliance is found	Develop investigation and compliance management procedures	Develop investigation and compliance management procedures	Develop investigation and compliance management procedures	Develop investigation and compliance management procedures	Comprehensive records are maintained for investigations
	Council Bylaws		Conduct investigations and achieve closure within acceptable timeframes	Conduct investigations and achieve closure within acceptable timeframes	Conduct investigations and achieve closure within acceptable timeframes	Conduct investigations and achieve closure within acceptable timeframes	Appropriate enforcement action taken where required
	Health Act	Environmental health licences	Conduct investigations and achieve closure within acceptable timeframes	Conduct investigations and achieve closure within acceptable timeframes	Conduct investigations and achieve closure within acceptable timeframes	Conduct investigations and achieve closure within acceptable timeframes	Appropriate enforcement action taken where required
	Dog Control Policy	All animal related complaints are investigated	Continue to investigate all animal related complaints	Continue to investigate all animal related complaints	Continue to investigate all animal related complaints	Continue to investigate all animal related complaints	Continue to investigate all animal related complaints
Maintain quality of life in Buller and ensure that future planning rules reflect community needs and legislative requirements	Resource Management Act	Content review of District Plan completed Changes passed in 2010/2011 Areas for review identified District Plan changes 115-121 and 122-132 completed	On-going review of District Plan	On-going review of District Plan	Review of District Plan will be completed by 2014/2015	Rolling review of District Plan	District Plan operative

Measuring Our Achievements

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Meet earthquake policy objectives	This policy was revised and a new policy approved by Council on 16 December 2009	There will be compliance with any legislative requirements from the Royal Commission of Enquiry for the Christchurch Earthquake	100% compliance with Council policy	100% compliance with Council policy	100% compliance with Council policy
	Buildings will be identified when a consent application is received, change of use occurs or complaint received				
	Compliance with current consent policy, policy will be reviewed after the Royal Commission of Enquiry is finalised.				
	Given the recent earthquakes in Christchurch, Council expects that Department of Building and Housing will impose stricter standards				
Building consents and LIM's issued within statutory timeframes	465 building consents issued 98.5% (2010: 99%) completed within the statutory 20 working day timeframe	Target 100%	Target 100%	Target 100%	Target 100%
	Buller contributed to the response teams that assisted with the Christchurch earthquakes in both September 2010 and February 2011, building inspectors spent a week on rotational basis and this impacted on service delivery				
	217 LIM's issued 98% completed within the 10 working day timeframe, with an average of four days processing time (2010: 208 issued with 99% completed within timeframe)				
Building inspections carried out within 24 hours for urban and 48 hours for rural areas	Achieved 100% (2010: 100%)	Achievement of this level of services in the 90-100% range	Achievement of this level of services in the 90-100% range	Achievement of this level of services in the 90-100% range	Achievement of this level of services in the 90-100% range
	1,327 inspections have been recorded				
	Building inspections are scheduled and carried out in accordance with bookings made				
Audit compliance schedules	No sampling undertaken, not currently a requirement under the Building Act	10% sample	10% sample	10% sample	10% sample
Ensure quality assurance requirements for building consent authorities are met as required by Regulation 17 of Building Consent Authorities Regulation 2006.	Accreditation granted, Audit to be undertaken in 2011/2012 financial year	Continued compliance as required by Regulation 17	Continued compliance as required by Regulation 17	Continued compliance as required by Regulation 17	Continued compliance as required by Regulation 17
Process non-notified resource consents within statutory timeframes	100% achieved within statutory timeframes	Target 100%	Target 100%	Target 100%	Target 100%

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Inspect all food premises	100%, 90 food premises inspected (2010: 100%, 97 premises inspected)	Target 100%	Target 100%	Target 100%	Target 100%
	No significant findings				
	These premises met the standards set by the Food Hygiene Regulations 1974				
Carry out investigations into non-compliance and nuisance activities in acceptable timeframes	Achieved 161 simple investigations within 10 days 96% (2010: 142 investigations with 100% within timeframe)	Simple investigations to be carried out within 10 working days	Simple investigations to be carried out within 10 working days	Simple investigations to be carried out within 10 working days	Simple investigations to be carried out within 10 working days
	5 remain under investigation, awaiting court action (2010: nil)				
	21 complex investigations undertaken within 40 days 13.04% (2010: nil)				
Investigate all animal related complaints	100% 499 complaints investigated (2010: 100%, 653 complaints investigated)	Target 100%	Target 100%	Target 100%	Target 100%
	This is measured by the use of the service request system and all complaints are loaded through this system				
	Continued education for animal owners is required				
Respond to 90% of all noise complaints within 30 minutes	Achieved 95%, 340 complaints received with 323 being responded to within 30 minutes (2010: 95%, 285 complaints received, 272 responded to within 30 minutes)	Target 90%	Target 90%	Target 90%	Target 90%
Conduct a rolling review of the District Plan to ensure it reflects the changing needs of our community	Plan changes 122 - 132 initiated in the 2011 calendar year (2010 calendar year: Plan changes 115 - 121 initiated)	Initiate a plan change in each calendar year	Initiate a plan change in each calendar year	Initiate a plan change in each calendar year	Initiate a plan change in each calendar year

Significant Project

District Plan Review

The District Plan Review is an ongoing project looking at the efficiency and effectiveness of the Buller District Plan (BDP).

It aims to ensure that the BDP remains relevant and meets the needs of our community in relation to the use of natural and physical resources, as well as meeting our responsibilities under the Resource Management Act 1991 (RMA). Under the RMA, Council must review every provision of the BDP at least once every 10 years and initiate "a plan change process" in relation to each, whether or not Council proposes to amend the provision. This process provides an opportunity for the community to have input into the BDP.

Council made its decision on the first set of BDP changes to come out of the review, Plan Changes 115-121, on 28 July 2011. Council's Hearings Committee made its decision on the second set of BDP changes to come out of the review, Plan Changes 122-132, on 28 July 2011.

Council is using the opportunity of the District Plan Review to update the BDP to take into account where the District is now and how the community would like to see it develop in the future.

It is important that the District Plan Review is closely aligned to the Buller Vision 2050 Strategic Plan to facilitate economic development.

The Westport Plan

Is an initiative that is designed to create a picture of what we want Westport to look like in the future. We would like to prevent ad-hoc development, and we believe that a cohesive plan will assist in the future development and growth of our community.

The Westport Plan will be discussed before Council in April 2012, and if there is agreement on the project approach we intend to map out a strategy, and then a project plan that promotes sustainable development to achieve the expected population growth.

The plan will include preferred zoning of land, landscaping, traffic movement and generally display Westport as a great place to live and invest in.

Negative Impacts and Key Issues - affecting the 10 year plan

- ▶ Proposed changes to the Building Act and any requirements that may arise from the Royal Commission into the Christchurch earthquake, will result in the need to review Council's earthquake prone building policy. There are expectations that the regulations will require buildings to be strengthened considerably.
- ▶ Quality of life for residents can be affected if noise or animal related problems are not addressed
- ▶ Appeals against resource consent and plan change decisions can result in substantial costs to Council
- ▶ Legal challenges can result in high defence costs for all areas of Environmental Service functions
- ▶ Quality of life for residents can be affected if noise or animal related problems are not addressed.
- ▶ The new Food Bill (currently before Central Government) will, if adopted, impose higher compliance requirements on operators.
- ▶ The new Alcohol Reform Bill before Government will, if adopted, require greater consultation with the community regarding location, opening hours, operating conditions and density of liquor outlets in their neighbourhood.

What key assets are associated with provision of environmental services?

- ▶ Dog Pound building and land

How Do We Fund Environmental Services?

Activity	Funding Mechanism		
	General Rate	Fees	Capital Spend
Resource Management Planning	100%	Nil	Nil
Resource Consents	Nil	100%	Nil
Building Control	Nil	100%	Nil
Animal Control - Dogs	15%	85%	Nil
Animal Control - Stock	60%	40%	Nil
Environmental Health - Food Premises	Nil	100%	Nil
Environmental Health - Liquor Licensing	Nil	100%	Nil
Environmental Health - Noise	95%	5%	Nil

A photograph of a family walking on a dirt path. In the foreground, a woman in a black tank top and a man in a dark t-shirt carrying a baby in a blue carrier are walking towards the camera. The path leads through tall grass towards a coastal area with waves and a person standing near the water. The background features rolling green hills under a blue sky with scattered clouds.

These activities protect people and the environment by regulating and licensing aspects of commercial services and private behaviour where public well-being issues may arise...

Funding Impact Statement - regulatory services

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

Operating Funding

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	812	768	563	650	884	860	867	883	874	869	885
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	19	15	15	16	17	17	18	18	19	20	20
Local authorities fuel tax, fines, infringements fees and other receipts	1,112	1,362	1,660	1,671	1,514	1,569	1,622	1,676	1,731	1,793	1,856
TOTAL Operating Funding	1,943	2,145	2,238	2,337	2,415	2,446	2,507	2,577	2,624	2,682	2,761

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	1,572	1,603	1,656	1,692	1,742	1,663	1,709	1,755	1,805	1,861	1,917
Finance Costs	11	12	11	14	12	10	9	7	6	5	4
Internal charges and overheads applied	445	490	528	587	619	593	603	623	611	604	621
Other operating funding applications	12	12	12	13	13	14	14	15	15	16	16
TOTAL Applications of Operating Funding	2,040	2,117	2,207	2,306	2,386	2,280	2,335	2,400	2,437	2,486	2,558

SURPLUS/ (DEFICIT) of Operating Funding	\$(97)	\$28	\$31	\$31	\$29	\$166	\$172	\$177	\$187	\$196	\$203
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Capital Funding

	Budget 2011/2012 \$000	Budget 2012/2013 \$000	Budget 2013/2014 \$000	Budget 2014/2015 \$000	Budget 2015/2016 \$000	Budget 2016/2017 \$000	Budget 2017/2018 \$000	Budget 2018/2019 \$000	Budget 2019/2020 \$000	Budget 2020/2021 \$000	Budget 2021/2022 \$000
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	(11)	(18)	43	(28)	(29)	(31)	(24)	(16)	(17)	(18)	(8)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	(11)	(18)	43	(28)	(29)	(31)	(24)	(16)	(17)	(18)	(8)
CAPITAL EXPENDITURE											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	62	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase/ (decrease) in reserves	(108)	10	12	3	0	135	148	161	170	178	195
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	(108)	10	74	3	0	135	148	161	170	178	195
Surplus/ (deficit) of Capital Funding	97	(28)	(31)	(31)	(29)	(166)	(172)	(177)	(187)	(196)	(203)
Funding Balance REGULATORY SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Overview of Activity

What we provide

Civil Defence Preparedness

Council recruits and trains volunteers to ensure that in the event of a disaster a work force can be maintained to deliver services to residents in need. The Council works with regional and Government representatives to develop plans and processes.

Rural Fire Control

Council participates in the West Coast Rural Fire Committee to manage the fire district. This involves issuing of fire permits, training and maintenance of volunteer fire forces and the maintenance of a comprehensive fire plan.

Vehicles have been purchased for the Inangahua Fire Brigade (July 2010) and Charleston Fire Brigades (May 2011).

A fire permit fee has been introduced to recover the costs of issuing fire permits.

Civil Defence

Exercises have been conducted and both volunteers and staff have participated.

There are currently 160 volunteers on the Council's Civil Defence database. Eighteen staff have all been through the Co-ordinated Incident Management System trainings.

Extensive work was undertaken in the 2010/2011 financial year, in upgrading the Civil Defence Operation Room and information systems. This means the Buller District is prepared for a natural disaster.

Sound relationships are in place with the West Coast Regional Council and other District Councils, and local Search and Rescue Organisations.

Why we do it

Council provides services to assist people in the event of Civil Defence emergencies or wild fires in rural areas.

Provision of these services is governed by legislation and supported by Central Government and Regional Council.

How does the council's work contribute towards our community outcomes?

Community Outcome	How The Council Contributes
Well-being	Emergency management is a key function in ensuring that we are prepared and ready in the event of a natural disaster
	The safety of people and their property is the paramount concern of emergency management plans and processes.

Risk/Assumptions

- ▶ Significant loss of life and property if preparedness is not at the desired level
- ▶ Lack of volunteers could pose a risk to our ability to respond. This is, however, mitigated by the continual training of volunteers and ongoing work to ensure readiness in the event of a natural disaster.



What does council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
To establish an effective level of preparedness for Civil Defence disasters	National Civil Defence Emergency Management Plan	Participating in the Regional Co-ordinating Executive Group to develop regional preparedness in the event of a natural disaster	Increasing community awareness, understanding, preparedness and participation in Civil Defence Emergency Management	Increasing community awareness, understanding, preparedness and participation in Civil Defence Emergency Management	Increasing community awareness, understanding, preparedness and participation in Civil Defence Emergency Management	Increasing community awareness, understanding, preparedness and participation in Civil Defence Emergency Management	Training and evaluation after exercises
			Improve this through education and consultation	Improve this through education and consultation	Improve this through education and consultation	Improve this through education and consultation	
	West Coast Civil Defence Emergency Management Group Plan	Recruiting and training volunteers for Buller	Continue with activities	Continue with activities	Continue with activities	Continue with activities	Trained volunteers will be available
			Memo of Understanding with Buller Electricity Ltd maintained	Memo of Understanding with Buller Electricity Ltd maintained	Memo of Understanding with Buller Electricity Ltd maintained	Memo of Understanding with Buller Electricity Ltd maintained	Memo of Understanding in place with Buller Electricity
			Ensure Operation Centre available and ready for use	Ensure Operation Centre available and ready for use	Ensure Operation Centre available and ready for use	Ensure Operation Centre available and ready for use	Operation centre ready for use in case of a disaster
			Continual improvement in information systems	Continual improvement in information systems	Continual improvement in information systems	Continual improvement in information systems	Maintain preparedness to respond
	Buller Civil Defence Emergency Management Plan	Review Recovery Plan and ensure preparedness	Regular exercises undertaken	Regular exercises undertaken	Regular exercises undertaken	Regular exercises undertaken	Plan up-to-date, and regular exercises conducted
	Buller Civil Defence standard operating procedures	Developing resources and networks to provide higher quality emergency management	Continue to work with Regional and West Coast District Councils on Civil Defence Emergency Management Group Plan	Continue to work with Regional and West Coast District Councils on Civil Defence Emergency Management Group Plan	Continue to work with Regional and West Coast District Councils on Civil Defence Emergency Management Group Plan	Continue to work with Regional and West Coast District Councils on Civil Defence Emergency Management Group Plan	On-going involvement on CDEM with West Coast Council's

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
To respond to and control wildfires to protect property and conservation values	West Coast Rural Fire District Fire Plan	<p>Attending meetings of West Coast Rural Fire Committee</p> <hr/> <p>Maintaining the annual fire plan</p> <hr/> <p>Contributing to the employment of the Principal Rural Fire Officer for the West Coast</p> <hr/> <p>Providing funding and support to volunteer rural fire forces</p> <hr/> <p>Providing vehicles and equipment for the fighting of fires</p> <hr/> <p>Issuing fire permits</p>	Continue with these activities	Continue with these activities	Continue with these activities	Continue with these activities	Maintain preparedness to respond

Measuring our achievements

Measures & Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Maintain three teams of trained volunteers	Achieved	Maintain training for all three teams Database of volunteers is kept up to date for all areas (Westport, Reefton and Karamea) to ensure	Maintain training for all three teams Database of volunteers is kept up to date for all areas (Westport, Reefton and Karamea) to ensure	Maintain training for all three teams Database of volunteers is kept up to date for all areas (Westport, Reefton and Karamea) to ensure	Maintain training for all three teams Database of volunteers is kept up to date for all areas (Westport, Reefton and Karamea) to ensure
	Karamea, Westport and Reefton teams in place				
Develop Civil Defence, ICT and Recovery Plans	160 volunteers and staff trained in various roles (2010: 60 volunteers)				
	Information Technology review of the Emergency Operations Centre was completed in 2010/2011	Continue to review and improve systems	Continue to review and improve systems	Continue to review and improve systems	Continue to review and improve systems
	Emergency power, additional phone line and internet connection has been installed				
	A Memorandum of Understanding (MoU) is in place with Buller Electricity Ltd to ensure access to their generator in the event of an emergency				
	The Community Response and Recovery Plan has been updated and Buller Civil defence plans have aligned with the Civil Defence Emergency Management (CDEM) Group Plan. The CDEM group was re-written and published in 2010.	Continually review the recovery plan and improve where necessary	Continually review the recovery plan and improve where necessary	Continually review the recovery plan and improve where necessary	Continually review the recovery plan and improve where necessary
	A draft rewrite of the local arrangement has been finalised. We have worked very closely with the Regional Council for the group plan, and Westland and Grey District Councils for local arrangements. The intent is to have aligned plans to the extent that each Council is able to assist each other and at least be comfortable with the format and content of localised plans.	Regular exercises undertaken to ensure readiness	Regular exercises undertaken to ensure readiness	Regular exercises undertaken to ensure readiness	Regular exercises undertaken to ensure readiness
	There is an on-going review of all plans against best practices	Review all plans against best practice	Review all plans against best practice	Review all plans against best practice	
A meeting with key stakeholders was held in June 2011					
Annually review fire plan	Draft review has been distributed by the Principal Rural Fire Officer	Annual review	Annual review	Annual review	Annual review

Measures & Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Maintain trained volunteers, fire engines and equipment	New appliance purchase for Charleston Rural Fire Authority	We have budgeted to purchase a new fire appliance for the Seddonville Rural Fire Brigade, this will receive 66% assistance of the purchase from the National office.	We have budgeted to purchase a new fire appliance for the Seddonville Rural Fire Brigade, this will receive 66% assistance of the purchase from the National office.	We have budgeted to purchase a new fire appliance for the Seddonville Rural Fire Brigade, this will receive 66% assistance of the purchase from the National office.	Continued training of volunteers and maintenance of fire engines and equipment
Maintain restricted fire season and fire education	On-going training of all rural firefighters and ensuring equipment met compliance requirements Fire permits issued	Continue	Continue	Continue	Continue

Significant Project

Purchase of truck for Seddonville Rural Fire Brigade (2013/2014: \$61,920)

Negative effects/impacts

- ▶ Significant loss of life and property could occur if preparedness is not at the desired level
- ▶ Lack of volunteers presents risk to our ability to respond to events

What key assets are associated with provision of emergency management?

- ▶ Emergency Operations Centre
- ▶ Fire appliances and headquarters
- ▶ As part of the complete review of information and communication technology, we have made a number of changes.

Over three years we have successfully received funding from the Ministry for Civil Defence and Emergency Development Resilience Fund for the installation and operating of a satellite broadband solution.

With assistance from our local Search and Rescue group we have upgraded the VHF (land and marine) and HF radio aerials on top of the civil defence building.

We have also installed a wireless back to the Council building.

How do we fund emergency services?

Activity	Funding Mechanism		
	General Rates	Fees	Capital Spend
Emergency Services - Civil Defence	100%	Nil	Nil
Emergency Services - Rural Fire	100%	Fire attendance on cost recovery	Loans and Special Funds

Overview of Activity

What we provide

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

Council provides, maintains and renews sealed and unsealed roads, bridges and culverts, footpaths, seats and shelters to enable people and businesses to move around for employment, recreation, shopping, social activities and business purposes. It also provides road signs, markings and street lighting to ensure that travel is safe and convenient. Council improves the road network to meet changing needs and develops plans to ensure the road network is able to cater for future growth. Council also provides support for the continued operation of the Westport Taxi service.

Urban Design is undertaken to provide a more pleasant environment for our communities by use of plantings, street treatment and decorative measures.

Why do we do it?

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

How we contribute to strategic goals and community outcomes

This activity supports the following community outcomes.

Community Outcome:	How The Council Contributes:
Sustainable Environment	By providing a safe roading system. By helping reduce energy consumption in our community.
Prosperity	By providing everyone easy access to roading network by providing links to sustain rural communities
Learning	By providing education programmes.

The assets we look after

As at 01 July 2012 the network comprises approximately 301km of sealed roads, 285km of unsealed roads, 146 bridges, 81km of footpaths, streetlights, traffic signs to support the passenger transport system, 15.5% of urban roads and 85% of rural roads are sealed.

The value of our roading assets are \$184.109 million as at 30 June 2011.



What Does Council Plan To Do In The Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 1	What will we do in year 1	What will we do in years 4 to 10	How will we know if we achieve our Objective?
Provide a safe road network	NZ Transport Strategy District Transport Strategy Safety Management System	Road safety audit undertaken in urban Reefton and Westport Work covered 57.25km which is 10% of the network (2010: 64.7km, 11%) The audit recommended that a number of the signs required replacement to improve the reflectivity. The audit also highlighted some areas where trees or plantings were obstructing the clear visibility of signs - the replacement of these signs has been completed.	Monitor and ensure road safety audits undertaken over approximately 10% of network	Monitor and ensure road safety audits undertaken over approximately 10% of network	Monitor and ensure road safety audits undertaken over approximately 10% of network	Monitor and ensure road safety audits undertaken over approximately 10% of network	Annual Road Safety audits undertaken with standard over approximately 10% of network
Maintain roading infrastructure to required standard	Roading Asset Management Plans	Upgrade undertaken to optimum level as per Asset Management Plan	Upgrades undertaken as per Asset Management Plan	Upgrades undertaken as per Asset Management Plan	Upgrades undertaken as per Asset Management Plan	Changes to Asset Management Plan as a result of population growth changes will be agreed through the Annual Plan process	Completion of Asset Management Plan with any changes adopted by Council through the Annual Plan process
Provide a comfortable road network	Roading Asset Management Plans	Measuring roughness of sealed roads Road roughness survey was not undertaken in 2010/2011 because of gear malfunction - survey was completed in July/August 2011 Sealed road roughness 88.3 which meets the target of less than 120 (2010: no change) The roughness of a good sealed road is 70 NASSRA and 170 NASSRA for unsealed roads	Measure sealed road roughness	Measure sealed road roughness	Measure sealed road roughness	Measure sealed road roughness	Monitor and record road roughness

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 1	What will we do in year 1	What will we do in years 4 to 10	How will we know if we achieve our Objective?
Provide useable footpaths	Roading Asset Management Plans	<p>Footpaths were rated according to condition on a scale of 1 to 5</p> <p>From these ratings the forward programme of remedial work for footpaths is determined - rating undertaken in April 2011</p> <p>Maintenance programme for footpaths are based on rating - 1.7km of footpaths were refurbished by reseal or slurry seals, this represents 2% of the footpath length</p> <p>New footpath constructed in Wakefield Street, Westport and The Strand, Reefton - were designed for wheelchair and pram use</p>	Continue to do the same	Continue to rate the condition of footpaths and undertake remedial work as required	Continue to rate the condition of footpaths and undertake remedial work as required	Continue to rate the condition of footpaths and undertake remedial work as required	Continual improvement in condition rating
Minimise the effects of road works	Roading Asset Management Plans Maintenance Contract	<p>Approving temporary traffic management plans for working on local roads in accordance with the Code of Practice for Temporary Traffic Management - local roads supplement</p> <p>The contractor responded to notification of all slips from call centre logs within the response times required</p> <p>Compliance checks were undertaken randomly at construction sites to check compliance with the NZ Code of Practice for Temporary Traffic Management - Local Road Supplement</p>	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Monitor Contractor actions
Provide roads with the minimum environmental impact	Roading Asset Management Plans Maintenance Contract	Compliance with Resource Consents - none for 2010/2011	Compliance with Resource Consent conditions	Compliance with Resource Consent conditions	Compliance with Resource Consent conditions	Compliance with Resource Consent conditions	Approvals provided for all roading contracts

How We Measure Progress

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10	
<u>Public Safety</u> Annual Road Safety Audit Reducing trend in the number of fatal and injury accidents and accident contributing behaviour as measured by statistics published by NZTA	Road safety audit undertaken in urban Reefton and Westport	Audit undertaken on 10% of the network	Audit undertaken on 10% of the network	Audit undertaken on 10% of the network	Continue to do the same	
	Work covered 57.25km which is 10% of the network (2010: 64.7km, 11%)				Reducing trend	
	The audit recommended that a number of the signs required replacement to improve the reflectivity - the replacement of these signs has been completed					
	The audit also highlighted some areas where trees or plantings were obstructing the clear visibility of signs					
Maintenance of roading in compliance with Asset Management Plan	Update upgrades as per Asset Management Plan	Compliance with Asset Management Plan	Compliance with Asset Management Plan	Compliance with Asset Management Plan	Compliance with Asset Management Plan	
		Changes ratified through the Annual Plan process	Changes ratified through the Annual Plan process	Changes ratified through the Annual Plan process	Changes ratified through the Annual Plan process	
<u>System Usability</u> Maintain current road roughness levels	Road roughness survey was undertaken in 2010/2011 because of gear malfunction - survey was completed in July/August 2011	Average sealed road NASSRA roughness less than 120	Average sealed road NASSRA roughness less than 120	Average sealed road NASSRA roughness less than 120	Average sealed road NASSRA roughness less than 120 (a worsening road NASSRA roughness trend over time).	
	Sealed road roughness 88.3 which meets the target of less than 120 (2010: no change)					
	The roughness of a good sealed road is 70 NASSRA					

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
<u>Footpaths</u> Undertake condition rating of footpaths Design all new footpaths for accessibility	Footpaths were rated according to condition on a scale of 1 to 5 From these ratings the forward programme of remedial work for footpaths is determined - rating undertaken in April 2011 Maintenance programme for footpaths are based on rating - 1.7km of footpaths were refurbished by reseal or slurry seals, this represents 2% of the footpath length New footpath constructed in Wakefield Street, Westport and The Strand, Reefton - were designed for wheelchair and pram use	Remedial work programmed for all footpaths with a Level 4 and 5 rating This programme is assessed every two years by an independent consultant New footpaths designed for wheelchair and pram usage	Remedial work programmed for all footpaths with a Level 4 and 5 rating This programme is assessed every two years by an independent consultant New footpaths designed for wheelchair and pram usage	Remedial work programmed for all footpaths with a Level 4 and 5 rating This programme is assessed every two years by an independent consultant New footpaths designed for wheelchair and pram usage	Remedial work programmed for all footpaths with a Level 4 and 5 rating This programme is assessed every two years by an independent consultant New footpaths designed for wheelchair and pram usage
<u>System Disruption</u> To attend to all slips and obstructions in a timely manner and undertake road works in accordance with code of practice for temporary traffic management	Records on response times not complete Road works checked against code of practice for temporary traffic management during site visits	80% compliance with the contracted response times Road works checked against national standards during site inspections	80% compliance with the contracted response times Road works checked against national standards during site inspections	80% compliance with the contracted response times Road works checked against national standards during site inspections	80% compliance with the contracted response times (was previously 90%) Road works checked against national standards during site inspections
<u>Environmental Impact</u> To comply with resource consent conditions	100% compliance	100% compliance	100% compliance	100% compliance	100% compliance

Assumptions

That the New Zealand Transport Agency will provide financial assistance for 2012/2013 at 59% for maintenance activities where costs have not been adjusted for inflation for three years. Thereafter the rate for financial assistance will decrease to 58%. This is due to a change in funding from central Government.

Council assumes that fuel tax rates from New Zealand Transport Agency remain the same.

Subsidisation of footpath and cycling facilities by the New Zealand Transport Agency.

Following a review of likely population and demographic changes throughout the district, it has been assumed no significant upgrades are required for the increased population. It is not expected that the increased usage due to population growth will be significant requiring roading network upgrades. It is believed that there is adequate capacity in the current network for any future growth. It is expected that new roads will be built by developers during the subdivision process.

There are currently no resource consents required for stormwater discharges from roading and there is no specific treatment of the stormwater currently required. The low volumes of traffic on Council roads and the passage of road run off through grass berms or grass swales minimises any environmental impact.

Major Projects

- ▶ Footpaths progressively renewed/resurfaced to provide a safe environment.
- ▶ Staged upgrade over 10 years of Derby Street (a major street in Westport) in conjunction with the replacement of services - from Salisbury Street to railway line on Derby Street.
- ▶ Upgrading of Denniston Track in association with Buller Coal Limited to provide safety improvements associated with the company's intention of trucking coal from the Plateau.

The depreciation associated with each category of roading was determined as part of the formal revaluation undertaken as of 30 June 2010 and is summarised as follows:

Asset Group	Replacement Costs	Annual Depreciation	Life Remaining
	(\$000's)	(\$000's)	
Carriageway Formation	\$90,005	-	100%
Carriageway Base	\$61,892	\$465	73%
Carriageway Surfacing	\$16,006	\$1,554	43%
Bridges	\$43,774	\$463	44%
Footpaths	\$7,927	\$167	65%
Drainage and Surface Water Channels	\$29,243	\$300	62%
Traffic Facilities (signs)	\$531	\$38	50%
Street Lighting	\$962	\$32	23%
TOTAL	\$234,877	\$2.870	

Significant Negative Effects

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

Key Issues

Roading

Buller is a large district with numerous settlements and small towns along its coastline and in the hinterland. It is only able to function economically and socially because of a vital local roading network maintained by the Council. Just on 577 kms of Council roads link into the main State highways. Only half of those local roads are sealed with the other half unsealed. These local roads incorporate 153 bridges and large culverts.

As a result roading maintenance, renewals and improvements is the biggest single item of Council expense. About 25% of Councils operating costs go to roads etc. Fortunately some central government assistance is available when the New Zealand Transport Agency pays a percentage of the total cost of approved projects. Unfortunately the Agency plans to reduce this financial assistance rate (known as the "FAR")

Prior to 2006/2007 the assistance was 61% of the total cost. From 2006/2007 through to 2011/2012 the Agency paid 60% of the total cost. In 2012/2013 this subsidy drops to 59% and from the 2013/2014 year onwards we can only expect 58% of the total cost.

Each time the assistance rate drops the Council is left with a stark choice. Either make up the shortfall by increasing rates, or let the roads deteriorate. At present expenditure levels each 1% reduction will cost Buller ratepayers about \$35,000 extra each year just to maintain present levels of service. The draft plan assumed that ratepayers would continue to pick up any cost shares dropped by the Government.

New Zealand Transport Agency has now indicated to Council that the funding has been based on roading expenditure has been reduced for three years 2012/2013 to 2014/2015 and has also not being escalated for these financial years. This reduction in funding from NZTA has been applied to the full ten years of the plan and has the following implications on roading service levels. **Council has therefore decided to reduce its roading level of service to ensure that roading expenditure matches the funding received and is consistent with its Revenue and Financing Policy.**

This has meant there will be a total reduction in the level of funding from NZTA of \$4.4 million in subsidies, \$2.3 million in operating and \$2.1 million in capital expenditure over the ten years of the plan. Consequently to maintain the same funding policy and the ratepayers share of roading has decreased by \$1.9 million also.

The total amount spent on roading has reduced by \$6.3 million from 2012/2013 to 2021/2022 costs compared to what was proposed in the Draft Long Term Plan.

This will result in some levels of service being reduced. An increase in road roughness will be expected, with the gap between actual road roughness and targeted road roughness expected to narrow over the ten year plan. In addition, the extent to which roads are resealed will also need to be reduced if the inflation factor of the cost of bitumen increases. Maintenance of unsealed roads will reduce principally by reducing grading and metaling cycles on rural roads with low traffic volumes. There will be a change in the standard of vegetation control. Vegetation control will continue to provide for safe sight distances but roadside mowing intervals will invariably be increased.

Council intend to also work closely with its roading contractor to identify if levels of service can be maintained by exploring efficiencies in how the roading programme is delivered.



Further Impacts

Road accidents can and will occur on roading networks. Council takes an active role in the West Coast Road Safety Co-ordinating Committee to promote programmes to reduce the number and severity of accidents. Council also has a Safety Management System to improve the management of safety.

Dust from unsealed roads can have a negative impact on properties including enjoyment, health and production.

The Land Transport Programme has been prepared in accordance with guidelines from the New Zealand Transport Agency legislation and strategies. Any change in the thrust of those documents will necessitate changes to the programme.

Major Partners

There are also a number of stakeholders who have an interest in the management and/or operation of Council's roading network. Key stakeholders include, but are not limited to:

- ▶ Elected representatives (Councillors and Community Boards)
- ▶ Buller district property owners, residents and ratepayers
- ▶ Tangata Whenua
- ▶ Regulatory and monitoring bodies including the Ministry of Health, Ministry for the Environment, Department of Conservation
- ▶ New Zealand Transport Agency
- ▶ New Zealand Police
- ▶ West Coast Regional Land Transport Committee
- ▶ Environmental and Recreation Interest Groups including Fish and Game New Zealand, Royal Forest and Bird Protection Society
- ▶ Buller District Council employees
- ▶ Consultants and contractors

Funding Allocations

Activity	Funding Mechanism				
	General Rate		Fees		Capital Spend
Roading	2012/2013	41%	2012/2013	59%	Special fund Loans Subsidy from NZTA
	2013/2014 onwards	42%	2013/2014 onwards	Decreasing to 58%	
Urban Development	100%		Nil		Special fund Loans Subsidy from NZTA



Funding Impact Statement - roading & urban development

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	2,171	2,245	2,297	2,347	2,417	2,486	2,549	2,641	2,714	2,800	2,887
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	1,911	1,695	1,673	1,673	1,725	1,776	1,833	1,897	1,968	2,035	2,106
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	170	175	182	190	200	207	216	222	232	241	252
TOTAL Operating Funding	4,252	4,115	4,152	4,210	4,342	4,469	4,598	4,760	4,914	5,076	5,245

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	2,790	2,736	2,739	2,743	2,828	2,913	3,006	3,111	3,227	3,336	3,453
Finance Costs	0	0	0	14	13	13	13	12	12	11	11
Internal charges and overheads applied	597	596	625	652	674	691	700	728	732	753	771
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding	3,387	3,332	3,364	3,409	3,515	3,617	3,719	3,851	3,971	4,100	4,235
Surplus/ (deficit) of Operating Funding	\$865	\$783	\$788	\$801	\$827	\$852	\$879	\$909	\$943	\$976	\$1,010

CAPITAL FUNDING

	Budget 2011/2012 \$000	Budget 2012/2013 \$000	Budget 2013/2014 \$000	Budget 2014/2015 \$000	Budget 2015/2016 \$000	Budget 2016/2017 \$000	Budget 2017/2018 \$000	Budget 2018/2019 \$000	Budget 2019/2020 \$000	Budget 2020/2021 \$000	Budget 2021/2022 \$000
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SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	1,134	1,251	1,236	1,236	1,274	1,312	1,354	1,402	1,454	1,503	1,556
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	0	0	232	(6)	(7)	(7)	(7)	(8)	(8)	(9)	(9)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	1,134	1,251	1,468	1,230	1,267	1,305	1,347	1,394	1,446	1,494	1,547

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	167	165	397	165	170	176	181	188	194	201	208
- to replace existing assets	1,832	1,869	1,859	1,866	1,924	1,981	2,045	2,116	2,195	2,269	2,349
Increase/ (decrease) in reserves	0	0	0	0	0	0	(0)	(0)	0	0	(0)
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	1,999	2,034	2,256	2,031	2,094	2,157	2,226	2,304	2,389	2,470	2,557

SURPLUS/ (DEFICIT) of Capital Funding	\$(865)	\$(783)	\$(788)	\$(801)	\$(827)	\$(852)	\$(879)	\$(910)	\$(943)	\$(976)	\$(1,010)
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Funding Balance ROADING & URBAN DEVELOPMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Overview of Activity

What we provide

Council provides the management of the water supply to support the health and wellbeing of the community.

Council is currently responsible for water supply services for a number of townships in the district including Little Wanganui, Ngakawau-Hector, Waimangaroa, Westport, Cape Foulwind, Reefton, South Granity and Punakaiki. The Westport and Reefton supplies are the only supplies providing treated water. Water conservation programmes are used to ensure the long term availability and quality of the town water supply.

Council provides water supplies for various communities within the District. Each scheme provides varying level of service in terms of quality, capacity, reliability and affordability of the service. All schemes are managed through Asset Management Plans and are operated in accordance with resource consent conditions.

The table on [pages 117-118](#) details the timelines to upgrade the various water supplies to comply with the Drinking Water Standards.

The timetable for the upgrades as envisaged in the 2009-2019 Long Term Plan has changed. This was due to consultation with the various communities and time required to apply to the Ministry of Health for approval of the upgrade.

To date the upgrade for the Reefton town water supply has been completed, and in November 2011 Council agreed a long term solution for the Westport water upgrades. Approval from the Ministry of Health has been received for the Waimangaroa and Ngakawau-Hector Drinking Water Supply upgrades.

It should be noted that the capital costs associated with the upgrades to meet Drinking Water Standards will result in an increases in the targeted rates. With water schemes for the smaller rural communities one of the issue for the communities to consider would be the on-going affordability of these water schemes against the benefit derived from the improved quality of the upgraded water supply.

Communities have the option to remain with the existing scheme at the existing level of service they currently receive. This would mean that water supplies would remain untreated and targeted rates would be increased for water supply only.

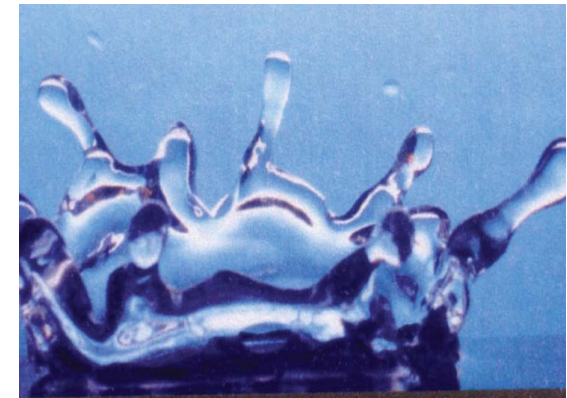
In November 2010 Council considered various options and agreed to a phased upgrade of the existing water supply over the 10 years of this Plan (details of the Westport water upgrade options considered are provided on [page 117](#)).

Why Do We Do It?

Water is an essential need for individuals and commercial operations. Council provides sufficient quantities of potable water for domestic and commercial needs, public amenities and to avoid the risk of public borne diseases affecting public health.

Community Outcome:	How the Council Contributes
Well-being	Provision of a reticulated water supply to support a healthy community.
	Provision of water for sanitary services.
	By maintaining sufficient water for fire fighting purposes.
Environment	By conserving water and encouraging others to do the same.
Learning	By providing water conservation education.
Prosperity	By meeting commercial water needs and meeting community needs at affordable costs and equal access to water.

For these reasons the objective of retaining ownership of the water supplies is to keep Council in a position whereby it can exercise some control over the supply of water to communities within the district. The goal of ownership is to use that control wisely and in the best interests of the affected communities.



What Does Council Plan To Do In The Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4-10	How will we know if we achieve our Objective?
Provide an adequate quality of water	Water Supply Asset Management Plans Public Health Risk Management Plans	Supplying treated water to Westport and Punakaiki	Provide treated water up to New Zealand Drinking Water Standards for Reefton, Punakaiki, Waimangaroa and Ngakawau-Hector	Provide treated water up to New Zealand Drinking Water Standards for Reefton, Punakaiki, Waimangaroa and Ngakawau-Hector	Provide treated water up to New Zealand Drinking Water Standards for all water supplies except Mokihinui	Provide treated water up to New Zealand Drinking Water Standards for all water supplies except Mokihinui	Assessment by a Ministry of Health Drinking Water Assessor
			Undertake upgrade in Westport to address raw water quality, seismic upgrade to the flocculation tanks	Upgrade filtration system for Westport water supply	Upgrade treatment plant and treatment system	<p>2016/2017: Excavate the raw ponds and remove material</p> <p>2018/2019: Undertake piping of tunnels 1, 2 and 3 securing reliability of supply</p> <p>2020/2021: Trunk main upgrades to be carried out</p>	
	Water Supply Asset Management Plans	Providing an adequate flow of water for domestic activities, such as taking a shower Providing bulk water supplies to businesses Providing hydrants for fire fighting	Continue to deliver current quantities of water	Continue to deliver current quantities of water	Continue to deliver current quantities of water	Continue to deliver current quantities of water	Continue to deliver current quantities of water

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4-10	How will we know if we achieve our Objective?
Provide a reliable supply of quality water	Water Supply Asset Management Plans	Supplying water to households and businesses with minimal disruptions to supply	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Proportion of time that the water source is available Number of unplanned shutdowns Time to respond to failures Number of shutdowns exceeding four hours
Provide water with the minimum environmental impact	Resource Consents	Monitoring water supplies and meeting resource consent requirements	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Assessment by Regional Council Compliance Officers

How We Measure Progress

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Water Quality No potential for illness due to unwholesome water	A total of 10 e-coli tests were recorded showing contamination - one at Punakaiki, one at Westport and eight at Reefton (2010: 7 tests)	No confirmed E coli contamination	No confirmed E coli contamination	No confirmed E coli contamination	No confirmed E coli contamination
	In total there were 169 individual samples taken from Westport, Carters Beach, Reefton and Punakaiki water supplies - e-coli or faecal coliforms come from the gut of warm blooded animals (possums, deer, goats and birds) (2010: 7 tests)				
	For the one transgression for the Westport supply, and one transgression for the Punakaiki supply, all consecutive day tests (3) were clear of contamination - the remaining 8 transgressions for the reefton supply resulted in Council initiating a permanent 'boil water' notice to consumers, this will remain in place until the Water Treatment Plan is completed in early 2012				
	The Council programme in the Long Term Plan allows for all seven water supplies to be upgraded to meet the Drinking Water Standards in accordance with the Health Act, this will, however, only be achievable if Council receives financial assistance 2016/2017: Excavate the raw ponds and remove material 2018/2019: Undertake piping of tunnels 1, 2 and 3 securing reliability of supply 2020/2021: Trunk main upgrades to be carried out	The water supplies in Reefton, Punakaiki, Waimangaroa and Ngakawau-Hector will comply with Drinking Water Standards as revised in 2008	Westport Drinking Water Standard upgrade will be in progress.	Continue to comply with Drinking Water Standards, except Mokihinui The affordability of water treatment upgrade to a small water supply is prohibitive for Mokihinui	Continue to comply with Drinking Water Standards, except Mokihinui The affordability of water treatment upgrade to a small water supply is prohibitive for Mokihinui
The Waimangaroa, Punakaiki and Reefton water supplies have funding approved and are programmed for 2011/2012	Reefton, Punakaiki, Waimangaroa and Ngakawau-Hector compliance	All supplies except Westport and Mokihinui will comply with Drinking Water Standards	All supplies except Westport and Mokihinui will comply with Drinking Water Standards	All supplies except Mokihinui will comply with Drinking Water Standards	

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Water Quantity - Westport and Reefton Supplies To be able to fill a ten litre bucket three times within a minute All fire hydrants to be operational	No request for pressure tests (2010: one property did not meet the minimum flow)	No more than ten recorded failures per annum throughout the district	No more than ten recorded failures per annum throughout the district	No more than ten recorded failures per annum throughout the district	No more than ten recorded failures per annum throughout the district
	All hydrants were operational Waimangaroa and Granity Fire Brigades check Waimangaroa and Ngakawau/Hector supply	100% compliance	100% compliance	100% compliance	100% compliance
Water Reliability To provide water into the system virtually all of the time To minimise disruption caused by unplanned shutdowns To permit gardens to be maintained in a healthy state all year	Water was supplied for 99.8% of the time - mains only (2010: 99.7%)	Water supplied 99% of the time	Water supplied 99% of the time	Water supplied 99% of the time	Water supplied 99% of the time
	Measurement of the availability to individual laterals not currently measured				
	There were six occasions when water was provided on low pressure because of repairs being undertaken on the 354mm trunk main				
	0.95 leaks per km (2010: 0.75 leaks per km)	No more than three shutdowns per kilometre	No more than three shutdowns per kilometre	No more than three shutdowns per kilometre	No more than three shutdowns per kilometre
	One shutdown on Carters Beach supply (Westport Zone) for 30 minutes				
	As service requests are received, Council assess the priority of the request and advises the contractor accordingly - Contractors responded to these priorities 90% of the time (85%)	All unplanned shutdowns less than four hours	All unplanned shutdowns less than four hours	All unplanned shutdowns less than four hours	All unplanned shutdowns less than four hours
	12 days of restrictions for Reefton (high usage pumps at capacity)	No more than five days of water restrictions per year	No more than five days of water restrictions per year	No more than five days of water restrictions per year	No more than five days of water restrictions per year
	7 days of restrictions for Ngakawau/Hector (high usage low flows from creek) 8 days of restrictions for Waimangaroa (storm damage at intake) 17 hours of 'no water' at Inangahua Junction (problem at pump station and main highways closed with storm damage)				
Environmental Impact To comply with resource consent conditions as assessed by Regional Council consents	100% compliance (2010: 100%)	100% compliance	100% compliance	100% compliance	100% compliance

Assumptions

Following a review of population and demographic growth throughout the district, it has been assumed that there will be no significant change to current water demand from any of the Council water supplies.

Assistance will be available through the Ministry of Health to provide financial assistance to all Council water supplies where treatment upgrades have been provided for. However it should be noted that there can be no certainty regarding the receipt of the subsidy from the Drinking Water Assistance Programme (DWAP) and should the subsidy not materialise, there would need to be consultation with the community and the decision to upgrade or not would be based on affordability.

Council has been successful with an application to the Ministry of Health for funding assistance for the upgrade of the Punakaiki Water Supply, Reefton, Waimangaroa and Ngakawau-Hector water supplies.

Significant Projects & Issues

A lifecycle management approach is used to identify the issues/projects related to the different water supplies. The Asset Management Plan (AMP) provides details specific to each water supply, but the significant issues are summarised below:

Asset Operation/Maintenance: This is the ongoing work required to ensure an asset remains operative and able to reach its full design life. Formal contracts have been established for the operation of the Little Wanganui, Westport, Cape Foulwind, Reefton and Punakaiki supplies, while the day-to-day operation of the Mokihinui, Ngakawau-Hector, South Granity and Waimangaroa supplies is undertaken by local residents. Operational costs are expected to increase significantly following the proposed upgrade of the water treatment systems. These cost increases will arise from both the direct costs associated with the treatment plant operation and the indirect costs associated with loan financing and depreciation of the new assets.

Asset Renewal: This is the capital expenditure required to restore, rehabilitate or replace an asset once it has reached the end of its useful life. The most significant challenge associated with renewal management is the accurate prediction of when the assets will reach the end of their useful life. Risk Management principles are employed to determine how accurate the end of life predictions need to be, based on the consequences of unforeseen failure. Details are provided within the body of the Asset Management Plan on the actual renewal projects identified over the next ten years.

Asset Upgrade: This is the work that increases the capacity, performance or the functionality of the water supply. This includes the creation/acquisition of additional assets or the improvement of an existing asset beyond its existing design capacity. There is no anticipated need for significant expansion of the water supplies, so the majority of the upgrades over the next ten years are associated with improvements to the water quality. Upgrades to the water treatment are required if Council is to achieve compliance with the New Zealand Drinking Water Standards for New Zealand 2005 (revised 2008). Estimated upgrade costs are outlined below and have been included in financial forecasts. If necessary the Asset Management Plan will be amended following these investigations.

Drinking water supplies administered by Council with the exception of the Mokihinui supply are planned to be upgraded to meet drinking water standards in line with amendments to the Health Act.

Water Services Funding

Water Services are funded from Targeted Rates and Fees and Charges (metered water) on a user pays basis by those receiving the service. This is augmented by external borrowing for significant capital projects. Each individual water supply is managed as a separate account, so the activities (including the use of external debt) can be tracked for each water supply.

The forecast targeted rates for the next four years are:

Forecasted Targeted Rates	2012/13	2013/2014	2014/2015	2015/2016
Water Supplies:	GST Inclusive			
Westport	621.00	667.00	713.00	747.50
Reefton	506.00	506.00	529.00	540.50
Little Wanganui	172.50	184.00	299.00	322.00
Mokihinui	258.75	258.75	258.75	258.75
Ngakawau-Hector	322.00	345.00	345.00	356.50
Waimangaroa	310.50	322.00	333.50	339.25
Cape Foulwind **	0.63	0.63	0.66	0.66
Punaikaiki	678.50	678.50	678.50	690.00
Inangahua Junction	264.50	264.50	264.50	471.50
South Granity	264.50	264.50	598.00	632.50

** Footnote: This charge is per m³ of water supplied

The main drivers of the increases in targeted rates are associated with the financing and increased depreciation charges associated with the drinking water upgrades. Operation costs such as electricity and chemicals have also increased.

The depreciation associated with each water supply was determined as part of the formal revaluation undertaken as of 30 June 2010 and is summarised below:

Asset Group	Replacement Costs	Annual Depreciation	Life Remaining
	(\$000's)	(\$000's)	
Collection	\$13,551	\$122	33%
Treatment	\$1,668	\$46	42%
Distribution	\$25,960	\$359	47%
Total:	\$41,179	\$527	

Funding Allocations

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

Significant Negative Effects

The drinking water upgrades will result in residents of the smaller communities facing increases in the targeted rates. Given the cost to the ratepayers, consultation with these communities will need to be undertaken. Communities may opt not to comply with the Drinking Water Standards if the cost of the treatments upgrades result in affordability issues.

There is potential for significant negative environmental effects associated with the abstraction of the water for these water supplies. However, water abstraction is subject to a resource consent process and the effects of each abstraction are identified. Where risk exists, there are conditions placed on that abstraction to manage the potential effects.

There is potential for significant negative public health effects if contaminated water is consumed. Public Health Risk Management Plans, for each of the supplies, will be developed to assess this risk and propose any necessary management.

Major Partners

There are also a number of stakeholders who have an interest in the management and/or operation of Council's water supplies. Key stakeholders include, but are not limited to:

- ▶ Elected representatives (Councillors and Community Boards)
- ▶ Buller district property owners, residents and ratepayers
- ▶ Tangata Whenua
- ▶ Regulatory and monitoring bodies including the Ministry of Health, Ministry for the Environment, Department of Conservation
- ▶ Environmental and Recreational Interest Group including Fish and Game New Zealand, Royal Forest and Bird Protection Society
- ▶ Buller District Council employees
- ▶ Consultants and contractors



Significant Projects - Planned Upgrades

Water Supply	Current Standard	Target Standard	Upgrade Required	Target Date	Estimated Cost
					(\$000's)
Westport	Ungraded	Satisfactory, low level of risk for source, treatment and distribution (Bb)	Existing treatment with the addition of ultra violet disinfection	Phased upgrade over the 10 year plan	\$10,638
Punakaiki	Unsatisfactory, high level of risk at source, treatment and distribution (Ed)	Marginally satisfactory, moderate level of risk for source, treatment. Satisfactory, low level of risk for distribution (Cc)	New source, reticulation and treatment	2011-2012 May possibly be deferred to 2012/2013	\$259
Reefton	Unsatisfactory level of risk for source and treatment. Unacceptable level of risk for distribution (Ee)	Marginally satisfactory, moderate level of risk for source, treatment and distribution (Cc)	Cover reservoir and disinfection	2011/2012 <i>Completed</i>	\$745
Waimangaroa	Ungraded	Marginally satisfactory, moderate level or risk for source, treatment and distribution (Cc)	Covered storage, filtration and disinfection	2011/2012 May possibly be deferred to 2012/2013	\$245
Ngakawau / Hector	Ungraded	Marginally satisfactory, moderate level of risk for source, treatment. Satisfactory, low level of risk for distribution (Cc)	Covered storage, filtration and disinfection	2011/2012 May possibly be deferred to 2012/2013?	\$315
Inangahua Junction	Ungraded	Marginally satisfactory, moderate level of risk for source, treatment and distribution (Cc)	Disinfection and filtration	2013/2014	\$260
Little Wanganui	Ungraded	Marginally satisfactory, moderate level or risk for source, treatment and distribution (Cc)	Covered storage, filtration and disinfection	2013/2014	\$291
South Granity	Ungraded	Marginally satisfactory, moderate level or risk for source, treatment and distribution (Cc)	Covered storage, filtration and disinfection	2013-2014	\$260

- ▶ Costs for upgrades planned after 2012/2013 may increase due to clarity of design and more detailed investigations.
- ▶ The upgrades are also dependent on funding being available from the Drinking Water Assistance Programme Subsidy.

Long Term Solution for Westport Water

Council clearly identified this as its highest priority. The provision of consistent, safe, potable water is a fundamental service for any local authority. The current supply has been in place since 1903 and the treatment plant constructed in 1985 is no longer able to meet the latest drinking water standards. Council is committed to determine a long term solution that will meet the needs of the Westport community for the next 50-100 years.

Extensive upgrades and repairs were required in 2009/2010 and 2010/2011 financial years following disruption to Westport's primary water source network. The dependence on an aging infrastructure combined with the impact on the availability of the Council's service delivery and cost of running Westport's backup supply led to a review of Westport's water supply. Council considered the report which was prepared by Opus International Consultants, in April 2010, and embarked on further investigation into the long term options to upgrade the Westport Supply.

Council was provided with three options:

1. Upgrade the existing supply (\$10.638 million)
2. Buller River supply - gravity fed (\$15.641 million)
3. Buller River supply - pumped fed (\$13.423 million)

A decision was made by Council in November 2010 to upgrade the existing supply.

The proposed upgrade includes:

- ▶ Extending the intake to the north branch of the Orowaiti River
- ▶ Improving the tunnels condition to improve/enhance security of supply in a phased approach over ten years
- ▶ Upgrading the treatment plant
- ▶ Expanding the treatment plant to create additional storage for treated water
- ▶ Replacement of the bulk water main

The Long Term Plan has phased this upgrade in as follows:

Year	Cost	Details
2012/2013	\$856,700	<ul style="list-style-type: none"> ▶ Raw water quality ▶ Flocculation tanks ▶ Foundation <p>Subsidy: \$350,000</p>
2013/2014	\$988,089	<ul style="list-style-type: none"> ▶ Filters refurbishment ▶ Seismic upgrade ▶ Provision for filtered water storage for backwashing filters ▶ Filter to waste system <p>Subsidy: \$223,000</p>
2014/2015	\$1,501,746	<ul style="list-style-type: none"> ▶ New plant and buildings ▶ Upgrade monitoring and control system ▶ UV disinfection and building ▶ Alkalinity correction system <p>Subsidy: \$327,000 (anticipate to receive)</p>
2016/2017	\$1,562,665	▶ Raw ponds excavate material and remove material
2018/2019	\$1,859,962	▶ Piping of tunnels 1, 2 and 3
2020/2021	\$3,868,188	▶ Trunk main upgrade

Notes

- ▶ The target grading is considered appropriate for a town of Westport's size under the revised standards.
- ▶ Cape Foulwind and Mokihinui are rural water supplies which are not required to meet Drinking Water Standards.
- ▶ The targets are based on the minimum acceptable gradings recognising both public health and cost considerations.

Community Size	Source and Treatment	Distribution
Greater than 10,000	B	a
From 5,001 to 10,000	B	b
5000 or less	C	c

- ▶ Upgrades will be funded from reserves or loans serviced by way of targeted rates.

Major Projects

Rural Projects

Year	Cost	Details
2013/2014	\$291,000	Little Wanganui: <ul style="list-style-type: none">▶ Design and construct treatment upgrade Subsidy: \$247,000
2013/2014	\$260,000	Inangahua Junction: <ul style="list-style-type: none">▶ Investigate treatment requirements▶ Design and construct treatment upgrade Subsidy: \$221,000
2013/2014	\$260,000	South Granity <ul style="list-style-type: none">▶ Design and construction treatment upgrade Subsidy: \$224,000

No upgrade is planned for the Mokihinui Water Supply Scheme



Funding Impact Statement - water supplies

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	1,531	1,889	2,027	2,194	2,300	2,429	2,531	2,721	2,800	2,845	2,995
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges and targeted rates for water supply	234	277	290	307	321	339	340	356	364	412	419
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
TOTAL Operating Funding	1,765	2,166	2,317	2,501	2,621	2,768	2,871	3,077	3,164	3,257	3,414

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	842	1,056	1,097	1,146	1,191	1,238	1,282	1,328	1,380	1,437	1,497
Finance Costs	136	183	207	232	292	279	359	341	434	411	618
Internal charges and overheads applied	174	219	237	255	267	276	283	297	301	315	329
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
TOTAL Applications of Operating Funding	1,152	1,458	1,541	1,633	1,750	1,793	1,924	1,966	2,115	2,163	2,444

SURPLUS/ (DEFICIT) of Operating Funding	\$613	\$708	\$776	\$868	\$871	\$975	\$947	\$1,111	\$1,049	\$1,094	\$970
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Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	

CAPITAL FUNDING

SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	1,393	350	925	327	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	3,015	409	648	1,016	(200)	1,350	(269)	1,574	(354)	3,492	(505)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	4,408	759	1,573	1,343	(200)	1,350	(269)	1,574	(354)	3,492	(505)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	4,064	857	1,799	1,502	1	1,563	1	1,861	1	3,869	1
- to replace existing assets	732	483	574	469	616	576	470	568	489	380	452
Increase/ (decrease) in reserves	225	127	(24)	240	54	186	207	256	205	337	12
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	5,021	1,467	2,349	2,211	671	2,325	678	2,685	695	4,586	465

SURPLUS/ (DEFICIT) of Capital Funding	\$(613)	\$(708)	\$(776)	\$(868)	\$(871)	\$(975)	\$(947)	\$(1,111)	\$(1,049)	\$(1,094)	\$(970)
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Funding Balance WATER SUPPLIES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Overview of Activity

What we provide

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

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

Why do we do it?

Council intends to retain ownership of the sewer systems for the following reasons:

- ▶ The provision of wastewater services is considered to be a core function.
- ▶ The ability to exclude or disconnect properties from the sewer reticulation had economic and public health implications. Public ownership can prevent the sewer system from being controlled in an exclusive manner.
- ▶ The majority of properties have limited disposal options.

For these reasons the objective of retaining ownership of the wastewater system is to use that control wisely and in the best interests of the affected communities.

How we contribute to strategic goals and community outcomes

This activity supports the following community outcomes.

Community Outcome	How The Council Contributes
Well-being	By providing a sanitary wastewater collection and treatment service
Sustainable Environment	By protecting the environment through the wastewater treatment
Learning	By providing water conservation programmes
Prosperity	By meeting commercial wastewater needs and meeting community needs at affordable costs

What Does Council Plan To Do In The Future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
Provide safe facilities for both the community and the operators	Wastewater Asset Management Plans Protection of public health	Supplying reticulated sewer systems that support public health and operator safety	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	The communities will remain healthy and the operators free from injury
Provide adequate capacity	Wastewater Asset Management Plans Support growth within the communities	Supplying reticulated sewer systems to Little Wanganui, Westport, Carters Beach and Reefton	Operate current systems without any increase in the number of overflows	Operate current systems without any increase in the number of overflows	Operate current systems without any increase in the number of overflows	Operate current systems without any increase in the number of overflows	Monitor and record overflows Ensure all new systems are designed to standard
Provide a reliable sewer system	Wastewater Asset Management Plans Support growth within the communities	Supplying wastewater collection from households and businesses with minimal disruptions	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Monitor and record blockages
Provide sewer collection and disposal with the minimum environmental impact	Resource Consents	Monitoring sewer systems and meeting resource consent requirements	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Comply with Resource Consents

How We Measure Progress

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Public Safety					
No accidents, injuries or public contact with sewerage	No reported injury or illness attributed to the sewer systems	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same
Number of public health issues attributed to the wastewater system	Zero reported by the Ministry of Health	Maintain zero reports	Maintain zero reports	Maintain zero reports	Maintain zero reports
No intrusions or injuries	Zero reported by the Ministry of Health				
System Capacity					
Maintain capacity of existing combined systems	Eleven overflows during last twelve months	No more than ten overflows throughout the district	No more than ten overflows throughout the district	No more than ten overflows throughout the district	Continue at same level
Design all new systems to New Zealand Standard: 4404:2010	All new sewers designed to cope with a one in ten year event	All new sewers designed to cope with a one in ten year event	All new sewers designed to cope with a one in ten year event	All new sewers designed to cope with a one in ten year event	Continue at same level
System Reliability					
To accept sewage from properties virtually all of the time	No more than one blockage per kilometre of pipeline	No more than one blockage per kilometre of pipeline	No more than one blockage per kilometre of pipeline	No more than one blockage per kilometre of pipeline	No more than one blockage per kilometre of pipeline
	All blockages cleared within four hours response time required as part of service requirement	All blockages cleared within four hours	All blockages cleared within four hours	All blockages cleared within four hours	All blockages cleared within four hours
	Forty lateral blockages in last twelve months	No more than forty blockages in laterals	No more than forty blockages in laterals	No more than forty blockages in laterals	Continue at same level
Environmental Impact					
To comply with resource consent conditions	100% compliance	100% compliance	100% compliance	100% compliance	100% compliance

Assumptions

Following a review of likely population and demographic growth throughout the district, it has been assumed that there will be no significant capacity change required for infrastructure to meet to demands.

Resource Consents will be renewed for Westport sewerage for emergency discharge.

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

Significant Projects/Issues

Westport Sewerage:

- ▶ Continue with plan to upgrade sewerage systems in Derby Street (\$550,000 2012/2013, 2013/2014, 2014/2015 and 2015/2016)
- ▶ Pump replacements in Westport over the duration of the Long Term Plan (\$86,000)
- ▶ Finalise the sewer modelling and separation project (\$665,000) over the duration of the Plan
- ▶ Replacement of the UV lights at the Westport Water Treatment Plant on a cyclical basis (\$127,000 2013/2014, 2017/2018 and 2021/2022)

Reefton Sewerage:

- ▶ Reticulation renewals (\$487,000 over the duration of the plan)
- ▶ Manhole replacements (\$118,000 over the duration of the plan)

Little Wanganui:

- ▶ Asset renewals \$202,000 over the duration of the plan

Significant Negative Effects

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

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

Funding Allocations

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

Sewerage Disposal is funded from Targeted Rates and Trade Waste Charges on a user pays basis by those receiving the service. This is also augmented by external borrowing for significant capital projects. Each individual sewer system is managed as a separate account, so the activities can be tracked for each system.

The Forecast Targeted Rates for the next four years are:

Forecast Targeted Rates	2012/2013	2013/2014	2014/2015	2015/2016
	GST Inclusive			
Westport Sewerage	862.50	862.50	885.50	897.00
Reefton Sewerage	552.00	575.00	598.00	609.50
Little Wanganui Sewerage	644.00	862.50	862.50	862.50

A summary of the asset's value and the associated annual depreciation is provided with the Lifecycle Management Plan Section of the Asset Management Plan for each individual sewer system.

A summary of the replacement costs and annual depreciation is provided in the following table. The average remaining life is also shown to give an indication of the current depreciated value.

Asset Group	Replacement Cost	Annual Depreciation	Life Remaining
	(\$000's)	(\$000's)	
Little Wanganui	\$695	\$12	55%
Westport	\$25,786	\$403	74%
Carters Beach	\$3,101	\$41	82%
Reefton	\$6,100	\$87	46%
Total:	\$35,682	\$543	

Long

Major Partners

There are also a number of stakeholders who have an interest in the management and/or operation of Council's sewer systems. Key stakeholders include, but are not limited to:

- ▶ Elected representatives (Councillors and Community Boards)
- ▶ Buller district property owners, residents and ratepayers
- ▶ Tangata Whenua
- ▶ Regulatory and monitoring bodies including the Ministry of Health, Ministry for the Environment, Department of Conservation
- ▶ Environmental and Recreational Interest Groups including Fish and Game New Zealand, Royal Forest and Bird Protection Society
- ▶ Buller District Council employees
- ▶ Consultants and contractors
- ▶ Ministry of Health
- ▶ Crown and Public Health
- ▶ West Coast Regional Council

Funding Impact Statement - wastewater / sewerage

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	1,895	2,156	2,212	2,305	2,343	2,382	2,426	2,489	2,501	2,644	2,691
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	243	26	85	88	91	94	97	101	104	108	112
TOTAL Operating Funding	2,138	2,182	2,297	2,393	2,434	2,476	2,523	2,590	2,605	2,752	2,803

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	927	985	1,019	1,054	1,093	1,134	1,175	1,216	1,260	1,309	1,360
Finance Costs	376	317	305	292	278	264	249	233	216	198	179
Internal charges and overheads applied	231	213	225	238	246	250	254	264	266	273	281
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
TOTAL Applications of Operating Funding	1,534	1,515	1,549	1,584	1,617	1,648	1,678	1,713	1,742	1,780	1,820

SURPLUS/ (DEFICIT) of Operating Funding	\$604	\$667	\$748	\$809	\$817	\$828	\$845	\$877	\$863	\$972	\$983
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Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

CAPITAL FUNDING

SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	(203)	(217)	(229)	(242)	(256)	(270)	(285)	(301)	(318)	(336)	(355)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	(203)	(217)	(229)	(242)	(256)	(270)	(285)	(301)	(318)	(336)	(355)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	110	114	118	123	127	0	0	0	0	0
- to replace existing assets	398	246	218	193	242	179	402	349	375	414	447
Increase/ (decrease) in reserves	3	94	187	256	196	252	158	227	170	222	181
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	401	450	519	567	561	558	560	576	545	636	628

SURPLUS/ (DEFICIT) of Capital Funding	\$(604)	\$(667)	\$(748)	\$(809)	\$(817)	\$(828)	\$(845)	\$(877)	\$(863)	\$(972)	\$(983)
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Funding Balance WASTEWATER / SEWERAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Overview of Activity

What we provide

Stormwater management systems are an integrated set of procedures and physical assets designed to manage the surface runoff from urbanised catchments.

Council manages open drain stormwater systems in Hector/Ngakawau, Seddonville, Granity, Waimangaroa, Westport, Carters Beach and Reefton. In addition there is a piped stormwater system in Westport.

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

In Punakaiki, the only public stormwater drain is maintained by Transit as part of their roading network. In other townships, such as Mokihinui or Little Wanganui, there are no formal stormwater systems at all - stormwater simply soaks to ground naturally.

Why do we do it?

Council provides stormwater systems to manage surface water runoff from urbanised catchments in a way that achieves a balance between the level of protection and the cost to the community. Council intends to retain ownership of the stormwater systems. This continued ownership is justified on the following grounds:

Community Outcome	How The Council Contributes
Well-being	The service is deemed to provide a public benefit, through the protection of property
	The provision of stormwater systems reduces the risk of death or injury resulting from flooding on private property



What does council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
Provide adequate stormwater capacity	Stormwater Asset Management Plan: Protection of Public Health	Managing reticulated stormwater systems and/ or open drainage system throughout the district	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Monitor and record inundation of houses resulting from inadequate stormwater disposal
Provide a reliable stormwater system	Stormwater Asset Management Plan: Protection of Public Health	Provide stormwater collection from properties with minimal disruptions	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Reduction in blockages
Provide a stormwater system with minimal environmental impact	Resource Management Act:	Meet resource consent requirements	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Comply with resource consents

How do we measure progress?

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Provide adequate stormwater capacity	Maintain capacity of existing systems and have all new systems designed with a minimum 1 in 10 year event without ponding, and a 1 in 50 year event without inundation of dwellings	All designs conform with New Zealand Standard 4404:2010	Continue to do the same	Continue to do the same	Continue to do the same
Compliance with design standards		No more than five houses inundated by stormwater flooding per annum, by a 1 in 50 year event	Continue to do the same	Continue to do the same	Continue to do the same
No houses inundated with stormwater (2010: Nil)					
Provide a reliable stormwater system	To accept stormwater from properties virtually all of the time	90% compliance with response times as stated in the service request	Continue to do the same	Continue to do the same	Continue to do the same
	Minimise disruption caused by obstructions	No more than one blockage per 1km of pipeline	Continue to do the same	Continue to do the same	Continue to do the same

Service outcomes

The most significant outcome supported by the provision of stormwater systems is a healthy community. Uncontrolled stormwater runoff can be destructive and represent an immediate risk to life. Over the longer term, stagnating pools of water can become a breeding ground for disease.

Two other service outcomes supported by the stormwater systems are prosperous and sustainable communities, through the minimisation of stormwater damage and the protection of the environment.

Significant issues/projects

Lifetime management approach is used to identify the issues/projects relating to stormwater.

- ▶ Ongoing renewals in Derby and Brougham Streets, Westport total \$1.8 million, over the duration of the plan
- ▶ Also includes continuation of increasing number of manholes

Asset Operation/Maintenance

This is the ongoing work required to keep the asset operative and to enable the asset to reach its design life. Formal contracts have been established for the maintenance of stormwater. Open drain maintenance has no set maintenance intervals because the factors that cause their degradation vary considerably. Regular inspection is made on these assets and the performance monitored following rainfall.

Asset Renewal

There are over 43km of stormwater mains installed as part of the stormwater systems. Stormwater assets are typically only prone to failure through gradual loss of capacity / performance. The condition of the stormwater assets can also deteriorate considerably before their performance is significantly reduced.

Since the need to renew stormwater assets can be easily predicted in the short to medium term, based simply on routine observation of condition/performance, renewal decisions are typically very accurate. However, there is room to improve the longer term renewal planning by developing more sophisticated asset deterioration models.

Asset Upgrade

There are no plans to extend the coverage of the reticulated stormwater network or pipe any existing open drains.

The primary improvement proposed for this stormwater system is the addition of more manholes to improve the ability to inspect and maintain the pipe network in both Westport and Reefton.

The piped stormwater system within Westport and Reefton has been captured within a computerised asset management system (BizeAsset). Over the following years, data on condition and performance will be progressively entered into BizeAsset to begin building the history required to improve predictive deterioration modelling. One element of this work will be the filming of the inside of the pipes using CCTV, as part of defect identification and condition grading.

The benefits of more sophisticated deterioration modelling come from improved estimates on how long an asset can be expected to remain useful. This improves long-term financial planning and ensures that the collection of depreciation funding over the life of the asset better matches the future costs.

Aside from the CCTV surveys, data will be captured by modifying existing inspection practices. This approach minimises the capital outlay required to develop the computerised asset management system.



Funding allocations

Stormwater Services Funding

Stormwater is funded from General Rates as this activity is not seen as benefiting a particular individual or group of individuals but the community as a whole. The valuation is summarised in the following table. The financial information for stormwater is included in the wastewater financials section on page 117.

<i>Asset Group</i>	Replacement Cost	Annual Depreciation	Life Remaining
	(\$000's)	(\$000's)	
<i>Pipelines</i>	\$13,371	\$147	52%
<i>Structure</i>	\$822	\$8	58%
Total	\$14,193	\$155	

Assumptions

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

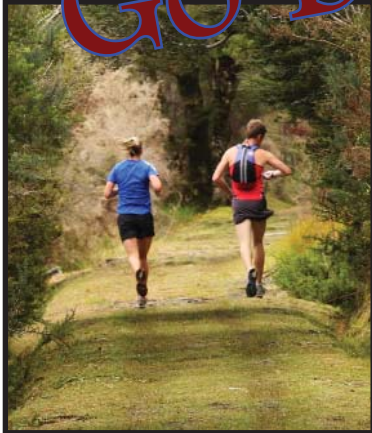
Significant negative effects

The urbanisation of land disrupts natural drainage patterns, increases peak runoff flows and introduces contaminants into the stormwater. The purpose of the stormwater management systems is to minimise these effects, while still providing a safe platform for development.

While there are no direct negative effects associated with stormwater management, there can be significant negative effects if development is allowed to proceed and the stormwater systems used are inadequate or under-maintained.

A stormwater system is designed for a certain level of surface water, occasionally extreme weather events can cause isolated flooding.

Go Buller...



Funding Impact Statement - stormwater

	Budget 2011/2012 \$000	Budget 2012/2013 \$000	Budget 2013/2014 \$000	Budget 2014/2015 \$000	Budget 2015/2016 \$000	Budget 2016/2017 \$000	Budget 2017/2018 \$000	Budget 2018/2019 \$000	Budget 2019/2020 \$000	Budget 2020/2021 \$000	Budget 2021/2022 \$000
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OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	340	348	459	397	428	433	476	428	448	522	570
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges and targeted rates for water supply	8	8	9	8	8	9	10	11	10	10	10
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
TOTAL Operating Funding	348	356	468	405	436	442	486	439	458	532	580

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	129	135	140	144	149	154	159	165	170	176	182
Finance Costs	29	42	41	39	37	35	34	32	29	27	24
Internal charges and overheads applied	43	51	53	56	58	60	61	63	64	65	67
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
TOTAL Applications of Operating Funding	201	228	234	239	244	249	254	260	263	268	273

SURPLUS/ (DEFICIT) of Operating Funding	\$147	\$128	\$234	\$166	\$192	\$193	\$232	\$179	\$195	\$264	\$307
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Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	

CAPITAL FUNDING

SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	215	(22)	(24)	(25)	(27)	(29)	(31)	(33)	(35)	(37)	(40)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	215	(22)	(24)	(25)	(27)	(29)	(31)	(33)	(35)	(37)	(40)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	362	106	210	141	165	164	201	146	160	227	267
Increase/ (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	362	106	210	141	165	164	201	146	160	227	267

SURPLUS/ (DEFICIT) of Capital Funding	\$(147)	\$(128)	\$(234)	\$(166)	\$(192)	\$(193)	\$(232)	\$(179)	\$(195)	\$(264)	\$(307)
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Funding Balance STORMWATER	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Overview of Activity

What we provide

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

Council currently provides domestic refuse (rubbish) and recycling collections to houses in Westport and Reefton and most rural areas. However some areas have no collection service. An estimated 3,020 tonnes of refuse is currently transported out of the District to landfills in Nelson, as this is the most cost effective option.

Council currently operates transfer stations and recovery parks in Westport and Reefton. These sites are used by all District residents and businesses for the disposal of separated recyclable materials, household hazardous waste and garden waste.

Council also operates two active landfills at Karamea and Mauria.

Council provides the aftercare of the Council's closed landfill sites at Birchfield, Westport, Charleston, Inangahua, Reefton, Springs Junction and Ikamatua, and monitors groundwater quality at these sites as required under resource consent conditions.

Council also has a role in facilitating waste minimisation behaviours within communities. This is put into effect by providing resources for education programmes into schools about sustainability and waste minimisation. Support is also provided to businesses to develop more sustainable practices.



Changes in how we deliver the Solid Waste Services

The costs of disposing of solid waste in all its forms has risen dramatically over recent years. Modern landfills are highly regulated, expensive to build and operate, and continue to cost money even after they have been closed. Governments response to Climate Change concerns and a general move to "polluter pays" measures, means the arrival of new taxes and levies and even more cost increases in the future. This escalation will happen no matter who provides the service, be it an "in house" Council service or an independent contractor. Recycling, in all its forms, is the best way for Council to mitigate cost increases while still meeting its environmental obligations.

Council is changing from the present style of Council delivered waste disposal system, to an enhanced and environmentally sustainable waste solution for the entire District.

Changes in the industry now allow for co-mingled recycling of recyclables. This change in delivery will increase the focus on recycling and a two bin wheelie bin system that will mean that glass and cardboard may be collected as part of kerbside recycling. This means that a complete service can be provided with two bins, one for rubbish and one for co-mingled recyclables.

While that new measure will markedly increase the amount recycled, the Council will also actively set out to reduce the amount of organic waste currently being sent to landfill. Burying organics in landfills creates methane which is a harmful greenhouse emission. Under new legislation continuing this practice will attract new taxes and levies that will significantly increase disposal costs. This could mean that a third wheelie bin may be offered to collect all organic matter including kitchen waste and garden waste. The separate organic collection will allow for more environmentally friendly alternatives and could save on costs.

This enhanced new service could be funded and operated "in house" as a Council service or the District could move to a service where the refuse collection, recycling, landfills and transfer stations will be operated by an independent contractor. Prospective operators will be encouraged to offer prices for both options (2 bin versus 3 bin), as part of a tender process.

As the new service will now be provided across the whole District, this will result in an expansion of the current ratepayer base paying for the service in some form or other. This Long Term Plan proposes that there still be some targeted rates for solid waste. A large portion of the rates will be applied to a subsidy to be paid to either an "in house" council operator, or any independent contractor. To get access to this ratepayer funded subsidy, any successful independent contractor will have to satisfy Council that it can provide at least as good a service and supplementary user prices regime, as any tentative new "in house" Council service. The Council will use access to the subsidy as a mechanism to control the amounts that the contractor can collect as supplementary charges from residents.

What does this proposal mean for the ratepayer?

Refuse Collection and Recycling

- ▶ With effect from 1 July 2013, there will be either a two or three wheelie bin residential collection service across the whole District. One bin will be for rubbish and one for co-mingled recyclables, and if viable, a third bin for organic waste.
- ▶ The contractor will need to offer a choice of bin sizes for residual rubbish (80 litres and 120 litres). The contractor may charge a differential to pick up the larger bin. This will be an arrangement between the contractor and the resident as no charges for wheelie bins or their pickup will be paid to Council. While there will still be a solid waste rate collected by the Council all supplementary charges will be charged to residents by the operator.
- ▶ If there is a two bin system, the bin provided for recycling will be a 240 litre bin. The larger bin will encourage recycling and be in support of our waste minimisation strategy. If there is a three bin system this may change depending on the offers made by prospective contractors.
- ▶ The collection will change to a two-weekly collection for residual rubbish and recycling. There will be separate collections for recycling and residual refuse a week apart.
- ▶ The contractor will offer a commercial service for rubbish and recycling and Council will have no direct involvement in commercial rubbish or recycling.
- ▶ All fees paid at the transfer stations and landfills will be paid directly to the contractor.
- ▶ A two tiered targeted rate will be levied:
 - o \$232.30 (including GST) will be charged to all residential ratepayers throughout the District to whom the refuse and recycling service is available
 - o \$148.35 (including GST) will be levied to all residential and commercial ratepayers throughout the District to whom the refuse and recycling service is not available. This targeted rate will be used to fund the District's refuse costs associated with landfill monitoring, landfill development, waste minimisation, litter collection, asset management planning.

Transfer Stations

It is proposed that Reefon would be open for four half days (no changes) and Westport transfer station would be open for five half days (with the transfer stations not being closed for more than two days at a time).

Landfill

Council has assumed no further development of the Westport Landfill will be undertaken.

Council's landfills at Karamea and Maruia will not be used for the disposal of the District's residual refuse but can be used by ratepayers for refuse generated within the catchment area for each landfill. The contractor will be responsible for the maintenance and operation of these two small landfills.



Council Functions

Council will retain involvement in the following functions:

- ▶ Asset Management planning for all Solid Waste facilities
- ▶ Landfill monitoring in accordance with resource consents
- ▶ Ongoing education to reduce residual waste
- ▶ Emission Trading Scheme and waste levy scheme
- ▶ Contractor Management (via the subsidy)

It is envisaged that the contract will be tendered in December 2012 with a start date for the new service being July 2013.

Council will start preparing service specifications and initiate an “expressions of interest” process, to be followed by the actual tender process. This will establish the detail of just what each prospective contractor could offer by way of a complete enhanced service, and the scale of supplementary charges the contractor expects to implement.

Next Steps...

At the same time the Council will develop its own “in house” proposals to provide the same two or three bin district wide service to the same specification, including the schedule of supplementary charges. The “in house “ proposal will be used to verify the authenticity of the independent contractors offers and as a contingency if the independent contractors offers do not provide the benefits expected.

Note that as this “in house” alternative will be 100% Council owned and operated, the Council will need to fund the purchase of the large number of bins required plus all associated trucks and equipment. The Council will have to take responsibility for all operating costs, taxes and levies, cartage to Nelson, and pay Nelsons landfill charges. The Council also have to accept all the recyclables collected and find acceptable markets. In total the Council and its ratepayers will be required to accept 100% of the business risk in those fluctuating markets. Alternatively, if a private contractor is selected, then all those risks shift to the private contractor.

Why do we do it?

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

Council has reviewed its 2009 Waste Minimisation Plan (WMP) and has prepared a new document (the Waste Management and Minimisation Plan) A series of investigations are proposed, and the outcomes of these could result in changes to the levels of service provided by Council's kerbside collection services, resource recovery park and transfer stations, and other waste management services, over the Ten Year Plan period.

The assets we look after

The physical assets comprise the resource recovery park in Reefton and the resource recovery park in Westport. Assets include monitoring bores associated with, and fencing around the closed landfills, access roads, hardstand areas, fencing, landscaping, signage, water supply services, clean and contaminated stormwater drainage systems, buildings, storage facility for some hazardous paints at the resource recovery park and transfer station, plus two weighbridges (including the weighbridge software and computers) in Reefton and Westport.

The review of the Solid Waste Management Plan in 2012 will review the levels of service for the District and storage facility for some hazardous wastes, ie, paint and oil.

2012/2013

- ▶ Changes to fees and charges, including rubbish bags, are proposed
- ▶ Emissions Trading Scheme charges will be applied at landfills from 01 January 2013.

2013/2014 onwards

The current plans assume that in the 2013/2014 financial year Council will move to a fortnightly collection of refuse and recycling, using a wheelie bin service which is managed and operated either by an "in house" council operator or by an independent contractor. This change will bring about a greater emphasis on recycling in support of our waste minimisation strategy.

The Council bag sale cost to ratepayer will disappear, but ratepayers will still have to pay a targeted rate as highlighted above. After allowing for the subsidy from Council, separate supplementary charges will be levied to individual residents by the contractors for the refuse and recycling collection and for dumping charges at the transfer stations and landfills.

The collection of refuse and recycling will gradually become more cost effective as the volume of residual waste to be transported out of the District decreases and the volume of recycling increases.

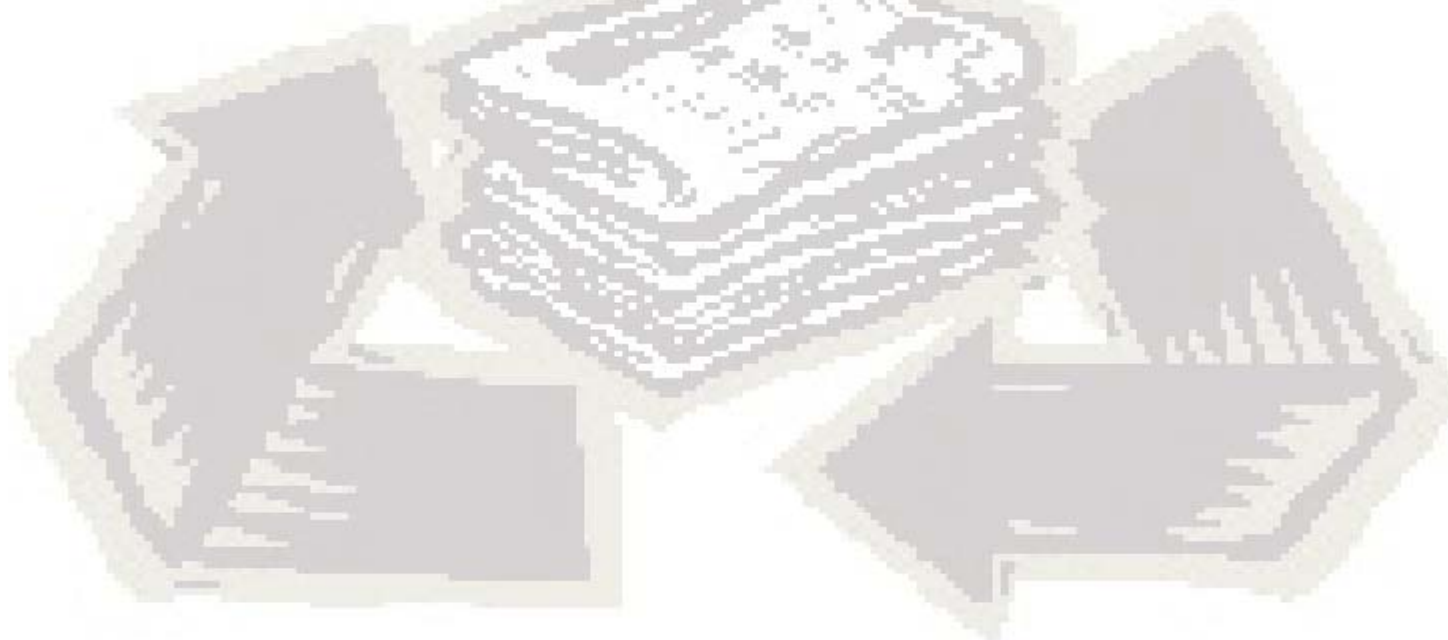
Potential negative effects

- ▶ Potential for environmental harm from solid waste facilities may affect residents and public health if not managed properly
- ▶ Risk is managed by compliance with resource consents and monitoring of waterways in the vicinity of landfills
- ▶ Landfill sites have the potential for environmental harm from gas and leachate if not managed properly

How we contribute to strategic goals & community outcomes

This activity supports the following community outcomes.

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



What does council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in years 1 ?	What will we do in years 2 ?	What will we do in years 3 ?	What will we do in years 4 - 10	How will we know if we achieve our Objective?	
To provide a safe and environmentally sound solid waste collection, treatment and disposal service	Drivers - population demographics	Transfer station at Westport operates 5 days per week	Continue to do the same	Transfer station open for 5 half days a week	Transfer station open for 5 half days a week	Transfer station open for 5 half days a week	Number of days transfer station is open	
	Number of properties	Reefton transfer station operates 4 x half days per week	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Number of days transfer station is open	
	Economic activity	Maruia landfill open two days a week	Continue to do the same	Landfill closed for contractor usage but open for usage within catchment area	Landfill closed for contractor usage but open for usage within catchment area	Landfill closed for contractor usage but open for usage within catchment area	Number of days landfill is open	
		Karamea landfill open three days a week	Continue to do the same	Landfill closed for contractor usage but open for usage within catchment area	Landfill closed for contractor usage but open for usage within catchment area	Landfill closed for contractor usage but open for usage within catchment area	Number of days landfill is open	
		Providing a weekly kerbside refuse collection to all properties rated for kerbside refuse and recycling collection	Continue to do the same	Move to an independently managed fortnightly wheelie bin collection service	Move to an independently managed fortnightly wheelie bin collection service	Move to an independently managed fortnightly wheelie bin collection service	All kerbside collections provided as scheduled	
		Monitor of Council waste facilities	Continue to monitor and provide reports to the West Coast Regional Council	Continue to do the same	Continue to do the same	Continue to do the same	Monitoring undertaken and reports provided	
		Minimising the risks of waste being inappropriately or dangerously disposed of by participating in a regional landfill facility	Transporting residual waste to the regional landfill in Nelson, with no significant incidences of non-compliant materials in the waste sent	Continue to do the same	Successful tenderer will dispose of residual rubbish and recycling	Successful tenderer will dispose of residual rubbish and recycling	Successful tenderer will dispose of residual rubbish and recycling	Number of significant incidences of non-compliant materials
		Managing adverse environmental effects on land and water through best practice management at the regional landfill and District disposal sites	Managing closed landfill sites at Birchfield, Westport, Charleston, Inangahua, Reefton and Springs Junction in accordance with the consent conditions, with 100% compliance with consent conditions for the closed landfills	100% compliance with Resource Consent conditions	100% compliance with Resource Consent conditions	100% compliance with Resource Consent conditions	100% compliance with Resource Consent conditions	Percentage of compliance with consent conditions
			Operating transfer stations in accordance with consent conditions, with 100% compliance over conditions					Percentage of compliance with consent conditions

How we measure progress

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Monitoring of Council's solid waste facilities	Regular monitoring and reporting to West Coast Regional Council Annual Landfill report filed to West Coast Regional Council	Continue to monitor and provide reports to West Coast Regional Council	Continue to monitor and provide reports to West Coast Regional Council	Continue to monitor and provide reports to West Coast Regional Council	Continue to monitor and provide reports to West Coast Regional Council
Publication of information and articles for community members	Four articles published per annum	Four articles	Four articles	Four articles	Four articles
Provide programmes to schools on waste care, re-use and recycling	Seven schools given presentations	Every school in the district	Every school in the district	Every school in the district	Every school in the district

Assumptions

- ▶ No change in delivery of service for 2012/2013
- ▶ Fortnightly wheelie bin collections in place from 2014 onwards with no bag sales
- ▶ Council has secured a site for the development of a landfill near Westport and designations will be obtained for the site
- ▶ Resource consents and construction of the landfill would only proceed if that is the best economic and environmental solution to dispose of residual refuse for the district, however no development for the Westport Landfill has been allowed for in the current plan and it is assumed that refuse will continue to be accepted at Nelson
- ▶ Nelson City Council will continue to accept refuse from the Buller District in 2012/2013 - thereafter the contractor will be responsible for the disposal of rubbish and recycling
- ▶ That Council will update its Waste Management Plan in 2012 and that Council will continue to support waste minimisation objectives
- ▶ Emission Trading Scheme will cost approximately \$27.50 per tonne, however this is market driven

Significant projects/issues

- ▶ Proposal to move towards a contracted solution for refuse and recycling collection
- ▶ Obtaining of resource consent for the Westport Landfill should development prove to be a cost effective solution in the future

Funding allocations

Funding allocations are as per the Revenue and Finance Policy

Activity	Funding Mechanism		
		Operating	Capital
Landfill Monitoring	2012/2013	General Rates	Special Funds Loans
Landfill development	2014 onwards	Targeted rate	Special Funds Loans
Landfill Operations	2012/2013	50% General Rates	Special Funds Loans
	2014 onwards	Targeted rate	
Refuse Collection	2012/2013	100% Targeted Rates	Special Funds Loans
		Bag sales	
	2014 onwards	100% targeted rate No bag sales Fee paid directly to contractor for wheelie bin	Special Funds Loans
Recycling	2012/2013	100% Targeted Rates	Special Funds Loans
	2014 onwards	100% Targeted Rates Fee paid directly to contractor for wheelie bin	Special Funds Loans

The Forecast Targeted Rates for the next four years are:

Forecasted Targeted Rates	2012/2013	2013/2014	2014/2015	2015/2016
	GST Inclusive			
Solid Waste:				
Refuse Collection	\$63.25	Not applicable	Not applicable	Not applicable
Recycling	\$120.75	Not applicable	Not applicable	Not applicable
Bag Costs	\$3.65	Not applicable	Not applicable	Not applicable
Contracted Refuse/Recycling Operations:				
Basic Rate	Not applicable	\$232.30	\$232.30	\$232.30
Serviced Rate	Not applicable	\$148.35	\$148.35	\$148.35

Negative effects

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

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

Major partners

There are also a number of stakeholders who have an interest in the management and/or operation of Council's Solid Waste. Key stakeholders include, but are not limited to:

- ▶ Elected representatives (Councillors and Community Boards)
- ▶ Buller district property owners, residents and ratepayers
- ▶ Tangata Whenua
- ▶ Regulatory and monitoring bodies including the Ministry of Health, Ministry for the Environment, Department of Conservation, West Coast Regional Council
- ▶ Environmental and Recreational Interest Groups including Fish and Game New Zealand, Royal Forest and Bird Protection Society
- ▶ Buller District Council employees
- ▶ Consultants and contractors
- ▶ Ministry of Health
- ▶ Community and Public Health



Funding Impact Statement - solid waste

	Budget 2011/2012 \$000	Budget 2012/2013 \$000	Budget 2013/2014 \$000	Budget 2014/2015 \$000	Budget 2015/2016 \$000	Budget 2016/2017 \$000	Budget 2017/2018 \$000	Budget 2018/2019 \$000	Budget 2019/2020 \$000	Budget 2020/2021 \$000	Budget 2021/2022 \$000
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OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	525	709	111	112	114	115	116	118	119	121	123
Targeted rates (other than a targeted rate for water supply)	746	688	1,298	1,307	1,315	1,316	1,318	1,320	1,320	1,321	1,322
Subsidies for operating purposes	33	33	34	35	36	37	39	40	41	43	44
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	718	690	8	8	8	10	9	9	10	9	9
TOTAL Operating Funding	2,022	2,120	1,451	1,462	1,473	1,478	1,482	1,487	1,490	1,494	1,498

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	1,451	1,560	805	830	859	853	882	911	941	975	1,009
Finance Costs	175	132	129	126	153	120	116	114	108	103	112
Internal charges and overheads applied	241	228	172	178	184	183	187	192	195	199	205
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
TOTAL Applications of Operating Funding	1,867	1,920	1,106	1,134	1,196	1,156	1,185	1,217	1,244	1,277	1,326

SURPLUS/ (DEFICIT) of Operating Funding	\$155	\$200	\$345	\$328	\$277	\$322	\$297	\$270	\$246	\$217	\$172
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Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

CAPITAL FUNDING

SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	3	(70)	(74)	(79)	(83)	(88)	(93)	(99)	(105)	(111)	(118)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	3	(70)	(74)	(79)	(83)	(88)	(93)	(99)	(105)	(111)	(118)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	65	5	31	6	6	6	6	7	38	7	7
Increase/ (decrease) in reserves	93	125	240	243	188	228	198	164	103	99	47
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	158	130	271	249	194	234	204	171	141	106	54

SURPLUS/ (DEFICIT) of Capital Funding	\$(155)	\$(200)	\$(345)	\$(328)	\$(277)	\$(322)	\$(297)	\$(270)	\$(246)	\$(217)	\$(172)
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Funding Balance SOLID WASTE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Overview of Activity

What we provide

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

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

Why do we do it?

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

How we contribute to strategic goals and community outcomes

This activity supports the following community outcomes:

Community Outcome	How The Council Contributes
Well-being	By monitoring the conditions of Council assets and issuing requests for maintenance in time
Sustainable environment	By monitoring landfills and wastewater treatment plants
Prosperity	By requesting necessary maintenance in time



What does council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
To provide engineering advice to Council and administer contracts	Asset Management Plans	Prepare annual work programmes for the Chief Executive Officer on Work Programme progress	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Programme reports provided to Chief Executive Officer and all delays/overruns explained

How we measure progress

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Provide monthly reports on annual work programmes, monitor contract works and prepare monthly contract progress reports	Monthly reports to the Chief Executive Officer on Work Programme progress	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same

Assumptions

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

Funding allocations

Funding allocations are as per the Revenue and Finance Policy

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

Significant projects/issues

Maintenance and updating of databases held for the continued management of the assets.

Negative effects

There are no negative effects associated with this activity.



Funding Impact Statement - in-house professional services

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	653	705	727	751	776	803	831	858	886	918	950
Local authorities fuel tax, fines, infringements fees and other receipts	9	0	0	0	0	0	0	0	0	0	0
Total Operating Funding	662	705	727	751	776	803	831	858	886	918	950

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	480	514	527	540	555	570	585	599	616	633	651
Finance Costs	2	2	1	1	1	0	0	0	0	0	0
Internal charges and overheads applied	93	108	118	140	149	142	143	149	141	137	140
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
TOTAL Applications of Operating Funding	575	624	646	681	705	712	728	748	757	770	791

SURPLUS/ (DEFICIT) of Operating Funding	\$87	\$81	\$81	\$70	\$71	\$91	\$103	\$110	\$129	\$148	\$159
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Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

CAPITAL FUNDING

SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	(5)	(5)	(6)	(6)	(6)	(7)	0	0	0	0	47
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	(5)	(5)	(6)	(6)	(6)	(7)	0	0	0	0	47

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	47
Increase/ (decrease) in reserves	82	76	75	64	65	84	103	110	129	148	159
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	82	76	75	64	65	84	103	110	129	148	206

SURPLUS/ (DEFICIT) of Capital Funding	(87)	(81)	(81)	(70)	(71)	(91)	(103)	(110)	(129)	(148)	(159)
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Funding Balance IN-HOUSE PROFESSIONAL SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Overview of Activity

Why is the Council involved in community services?

A community is enhanced through the provision of services that deliver to the cultural and recreational needs of residents.

These services are vital to the quality of life of residents and provide the infrastructure that enables the building of social, cultural and sporting associations within the community. The community also has a vital role to play in contributing to the district's success by being informed about and involved in decisions and projects.



What activities are included in community services?

Community grants & funding

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

Organisations are provided with KPI's and quarterly performance reports are submitted to Council.

District promotion & development, event, tourism and business support

Council introduced a District Promotion and Development Targeted Rate in the 2009/2010 financial year based on a tiered flat rate in conjunction with a capital charge, targeting tourism operators who advertise and all commercial/industrial ratepayers.

- ▶ The Buller Visitor Strategy that was included in the 2006-2009 Long Term Plan has been used as frame-work for promotion and development projects. The recommendations in the Strategy were used as a starting point to create the Buller Promotion and Development Strategy, Buller Promotion and Development 2011-2015 Marketing Plan and Special Project Plan. These plans are being executed over the next five years in a goal to improve Buller's outside perception, increase visitor numbers and increase the number of people relocating to Buller.
- ▶ The Promotion and Development Coordinator meets regularly with stakeholders and the promotion and development committee to communicate operational activities and obtain ongoing support and direction.
- ▶ Initiated the Collective Tourism Promotion Project which gathered widespread support. This is creating a strong core suite of promotion material (strong promotional libraries, district-wide tourism website and touring guide), inspired landscaped district and town entrances, increased promotion, conference and schools promotion, events support, better integration and consistency in district messaging and a distribution plan that positions Buller as a visitor destination.
- ▶ The Promotion and Development office supports improved infrastructure such as improved broadband services, backing for community facilities and health services where helpful.
- ▶ Assists in local business start-ups and support. We provide business advice and networks to support local businesses and organisations.
- ▶ Involvement in promoting investment in the Buller.

Development of a cultural hub

- ▶ Council consulted with the Community on a proposal to establish a Cultural Hub consisting of a relocated Library, I-site and Museum in 2005. The first stage of his project (I-Site and Museum relocation) was included in the 2006 LTCCP. Plans to revitalise the town centre through the creation of a Cultural Hub, linking these two services and the new Performing Arts Centre, are underway.
- ▶ Council originally signalled in the 2006-2016 Long Term Plan that the relocation of Coaltown and the I-Site would cost \$1.5 million with Council's contribution capped at \$750,000. In 2009 Council agreed to increase the total budget to \$3 million and increase the council's contribution to \$1.5 million. Final design has been completed and the costs increased to \$4 million. Council's contribution will remain capped at \$1.5 million with fundraising for the shortfall of \$1.1 million.
- ▶ Fundraising to-date totals \$1.4 million and Council has optimistic expectations to achieve the funding shortfall of \$1.1 million.
- ▶ Tenders were called for in April 2012 and it is envisaged that construction will commence in 2012/2013.

Libraries

Libraries provide access to life-long learning and recreational reading as well as space for the community to meet and interact. Our libraries cater for all age groups – from early childhood to senior citizens. Access to information is in a variety of formats including books, media and electronic databases. Buller District libraries promote life-long learning and support literacy.

Information services are available during all opening hours with qualified staff to help users to find the information they seek. Westport library operates a 6 days a week and Reefton 5 days a week .

Access to library holdings, borrower accounts and electronic information is available online via the council libraries web pages. The physical collection consists of currently 32,000 items. The District Library in Westport provides interloan services for books not held in own collection.

Free internet access is provided through Aotearoa People's Network while downloadable audio books and eBooks are available via a library consortium.

Sport, recreation & cultural facilities & services

Council currently provides and manages facilities for sporting and recreational users. These include swimming pools, indoor and outdoor sports surfaces, fitness and events spaces. Council transferred ownership of the Solid Energy Centre to the holding company on 01 July 2009 for improved commercial focus and continues to contribute towards funding of this recreation and aquatic centre.

Community engagement

Council provides community newsletters, media releases, specialist working groups and consultation programmes to inform and involve residents in Council activities and decisions.

Vision 2010 projects

- ▶ Capital funding has been included in this Ten Year Plan for the Reefton Community Centre in 2013/2014 (\$197,000) and in 2015/2016 (60,000) and for the Karamea Multi-purpose Facility in 2014/2015 (240,000).
- ▶ Provision has also been made for Westport Streetscape (\$250,000 in 2013/2014) which is to be used for beautification projects within Westport



How does the council's work contribute towards our community outcomes?

Community Outcome	How The Council Contributes
Well-being	By providing facilities that allow people to play sport and achieve their fitness and recreational goals. Providing grants, facilities and spaces that assist in developing the community cohesion that supports mental and social well being.
Learning	Assisting in the development of lifelong learning and literacy through the Library network. Providing performance space for use in artistic and cultural performance. Working with educational institutions on collaborative projects.
Prosperity	Providing high quality community facilities to attract people to live and work in the Buller. Provide opportunities and funding that assist with tourism development and district promotion.
Who we are	- Provision of community grants to support community organisations.
	- Provision of high quality community spaces and facilities
Sustainable Environment	By providing an environment that reflects the lifestyle that is required and expected by residents, visitors and Central Government

What does council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
To contribute to community development through liaison, funding and support to vital community organisations	Grants Policy	Implementing Council's own Grants Policy and community funding programme	Grants distributed twice per annum	Grants distributed twice per annum	Grants distributed twice per annum	Grants distributed twice per annum	Grants will be distributed and projects completed
		Facilitating Creative New Zealand funding distribution	Distribution of grants from Creative NZ Funding twice per annum	Distribution of grants from Creative NZ Funding twice per annum	Distribution of grants from Creative NZ Funding twice per annum	Distribution of grants from Creative NZ Funding twice per annum	Buller will have a strong and vibrant arts community, offering a range of opportunities for artists and residents
	Regional Activity Strategy	Facilitating Sport New Zealand funding distribution Facilitating Ministry of Justice funding support for Townwatch Supporting Buller REAP in the provision of youth transition services for the Buller	Distribution of grants twice per annum	Distribution of grants twice per annum	Distribution of grants twice per annum	Distribution of grants twice per annum	Reporting for grant facilitation and distribution
		Providing funding for rural projects and overseeing project completion	Capital funding for Inangahua, Seddon and Streetscape projects	Capital funding for Inangahua, Seddon and Streetscape projects	Capital funding for Inangahua, Seddon and Streetscape projects	No projects planned beyond 2015	All V2010 projects completed with agreed timeframes and budget
To provide services and facilities that meet information, learning, recreational and cultural needs	Library Policies Library Collection Plan	Providing a District Library in Westport and Branch Library in Reefton and supporting five Community Libraries throughout the district Providing a wide range of free information services and opportunities through the Libraries Providing reference and archive services	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Progress towards achievement of national standards for collection items per capita Overall satisfaction with Library services Completion of projects Satisfaction with recreational opportunities and service delivery Maintain or increase annual number of visitors to the Library
	Digital Strategy						



Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
To support the development and sustainability for district tourism	Successfully implementing Tourism Promotional and Development Plan 2012-2015	Engage in joint district promotional activities in conjunction with tourism operators and key stakeholders	Continued engagement with industry operators and Governance group regarding the Collective Tourism Project and Buller Marketing Plan	Continued engagement with industry operators and Governance group regarding the Collective Tourism Project and Buller Marketing Plan	Continued engagement with industry operators and Governance group regarding the Collective Tourism Project and Buller Marketing Plan	Continued engagement with industry operators and Governance group regarding the Collective Tourism Project and Buller Marketing Plan	Implementation of collective Tourism action plans and Buller Marketing Plan
	Creating a core set of promotional material including websites, Buller Touring Guide, branding and photographic library	Development of Website	Stage 2 of Buller Website	Stage 3 of Buller Website	Stage 4 of Buller Website	Continue to do the same	Visitor numbers increase either by growth in visitors or increased duration of bed nights
		Providing financial and other support for events	Ongoing involvement with event organisers, operators and development of website	Ongoing involvement with event organisers, operators and development of website	Ongoing involvement with event organisers, operators and development of website	Ongoing involvement with event organisers, operators and development of website	Numbers of events and attendance levels Sustainability of events Ongoing collaboration with operators
	Key Performance indicators agreed with all grant recipients and monitored	Providing tourism grants and monitoring of agreed KPI's	Continue to monitor KPI's	Continue to monitor KPI's	Continue to monitor KPI's	Continue to monitor KPI's	Quarterly reports by Community Services Officer
	Vision 2010 Projects including Streetscape and development of a Cultural Hub	Detailed finalised design and costs for the Cultural Hub	Completion of Reefton Community Centre and Westport Streetscape Project	Completion of Karamea Sport Centre and further upgrades to Reefton Community Centre	Completion of Karamea Sport Centre and further upgrades to Reefton Community Centre	Monitoring of KPI's for both organisations pending construction of Cultural Hub	Coaltown Museum and I-Site relocated to the Clocktower Increased museum visits with the objective of reducing reliance on Council funding overtime
Complete fundraising and aim to construct Cultural Hub by 2012/2013 Governance structure finalised Agree and monitor KPI's			Monitoring of KPI's for both organisations pending construction of Cultural Hub	Monitoring of KPI's for both organisations pending construction of Cultural Hub			
To keep the community informed		Distribution of newsletters and community information emails, provision of media releases also required	Distribution of newsletter, emails and media releases	Distribution of newsletter, emails and media releases	Distribution of newsletter, emails and media releases	Distribution of newsletter, emails and media releases	Distribution of newsletters, emails and media releases

Measuring our achievements

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Year 4 to 10
Community Grants and Funding:					
Community Grants and Funding:					
Distribution of national funding in accordance with policies	100% achieved (2010: 100%) Over \$40,000 distributed in contestable funding from Creative New Zealand, Sport New Zealand and Ministry of Justice (2010: \$34,000 distributed)	100%	100%	100%	100%
Council Grants distributed and monitored in accordance with our policies	100% achieved (2010: 100%)	100%	100%	100%	100%
District Promotion, Tourism Support and Events:					
Key Performance Indicators (KPI's) agreed with all identified grant recipients and monitored	KPI's have been set per organisation by Council and agreed by the relative parties	90 - 100% range of targets set for organisations	90 - 100% range of targets set for organisations	90 - 100% range of targets set for organisations	90 - 100% range of targets set for organisations
	Quarterly reports are provided to the Community Services Officer on agreed KPI's from grant recipients	KPI's monitored and achieved in quarterly report to Council	KPI's monitored and achieved in quarterly report to Council	KPI's monitored and achieved in quarterly report to Council	KPI's monitored and achieved in quarterly report to Council
Monitor achievement of strategic promotional objectives	Implement District Promotion and Marketing Plan	The successful implementation of the District Promotion and Marketing Plan should result in increased visitor bed nights	The successful implementation of the District Promotion and Marketing Plan should result in increased visitor bed nights	The successful implementation of the District Promotion and Marketing Plan should result in increased visitor bed nights	The successful implementation of the District Promotion and Marketing Plan should result in increased visitor bed nights
	Quarterly reports from District Promotion Co-ordinator to full Council	Monthly reports from District Promotion Co-ordinator	Monthly reports from District Promotion Co-ordinator	Monthly reports from District Promotion Co-ordinator	Monthly reports from District Promotion Co-ordinator
Completion of Cultural Hub Project	Detailed design completed but further work on the project has been suspended until clarity regarding external fundraising has been obtained	Construction of Cultural Hub completed	KPI's monitored	KPI's monitored	Monitor successful operation of Cultural Hub with a view to reducing reliance on Council funding from Tourism Trants
	Tenders were called for in April 2012	KPI's agreed			
Community Services and Facilities:					
Quality of sport and recreation service provision via the Solid Energy Centre	Service level agreement finalised between Buller District Council and Buller Recreation Limited	Compliance with KPI's and targets agreed in Statement of Intent	Compliance with KPI's and targets agreed in Statement of Intent	Compliance with KPI's and targets agreed in Statement of Intent	Compliance with KPI's and targets agreed in Statement of Intent
	Statements of Intent are submitted and approved by Council	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same
	Quarterly reports are submitted to Council				
	Levels of service are monitored in the half yearly reports submitted by Buller Holdings Ltd to Council Ad Hoc presentations as required				
Community engagement - provision of information to community	Distribution of newsletters, emails and media releases	Distribution of communications as required	Distribution of communications as required	Distribution of communications as required	Distribution of communications as required



Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Year 4 to 10
NBS Theatre:					
Number of cinema screenings per week	45 per week (2010: KPI's not yet set for NBS Theatre)	26 per week	26 per week	26 per week	26 per week
	21.30% occupancy per month	25% occupancy	25% occupancy	25% occupancy	25% occupancy
	Occupancy is lower than planned due to factors which are beyond the control of the Theatre Manager The Rialto cinema shows received low attendance				
Number of shows/performances	37 days per year	30 days per year	30 days per year	30 days per year	30 days per year
	25.39% occupancy per show	40% occupancy	40% occupancy	40% occupancy	40% occupancy
	90.00% occupancy for local shows Occupancy is lower than planned due to factors which are beyond the control of the Theatre Manager	It is planned in year 1 to undertake analysis of audience attendances to understand how occupancy can be improved	It is planned in year 1 to undertake analysis of audience attendances to understand how occupancy can be improved	It is planned in year 1 to undertake analysis of audience attendances to understand how occupancy can be improved	Track and monitor occupancy levels
Room hire	4.2 hours per week	4 hours per week	4 hours per week	4 hours per week	4 hours per week
Library:					
Satisfaction with Library services	88.7% according to independent residents survey (Research First) for the Buller District Council (2010: 95%) Libraries achieved highest rated satisfaction and a mean score of 4.35 on a five-point scale for Council services Residents opinions reflected a well-accepted service facility but expressed desire to expand in terms of updated and diversified collections and extended opening hours	80% satisfaction	85% satisfaction	90% satisfaction	95% satisfaction
Number of active members	3,145 active members, increased by 8% (2010: 2,913)	Maintain or increase 0 - 4% per annum	Maintain or increase 0 - 4% per annum	Maintain or increase 0 - 4% per annum	Maintain or increase 0 - 4% per annum
Number of items borrowed	77,769 items borrowed per annum, increased by 3.6% (Target 72,000) (2010: 75,097)	Issues maintained or increased	Issues maintained or increased	Issues maintained or increased	Issues maintained or increased
Number of physical items added to the Library collection per year	2,796 items added (2010: 2,605)	Not less than 2,000 items per year	Not less than 2,000 items per year	Not less than 2,000 items per year	Not less than 2,000 items per year
Number of visitors to the Library	67,613 visitors to the library	64,000 per annum	64,000 per annum	64,000 per annum	Maintain or increase 0 - 4% per annum

What negative effects or risks can occur in relation to community services?

- ▶ Economic downturn or natural disaster
- ▶ Change of Government/economic constraints could result in reviews of national funding pools - this could impact grants distributed
- ▶ Expectations from community groups of ongoing financial and resource support

Should there be a change in economy or changes in Government, Council would need to re-assess Community and other Grants

Assumptions

- ▶ Fundraising for Cultural Hub shortfall is attained in 2012/2013 and construction of the Hub will commence in 2012/2013
- ▶ No changes to funding from central Government and national organisations

Significant capital projects/issues

Cultural Hub:

- ▶ To establish a cultural hub consisting of a relocated I-site and Coaltown Museum
- ▶ This will be funded in excess from 50% from external contributions
- ▶ Main issue surrounding the Cultural Hub is the need to raise adequate external contributions to enable the project to proceed
- ▶ Cost of the project is budgeted to be \$4 million with the Council contribution being capped at \$1.5 million.
- ▶ Fundraising to-date totals \$1.4 million with a funding shortfall of \$1.1 million
- ▶ Council is optimistic about receiving external funding for the shortfall

Vision 2010 Projects:

- ▶ Karamea Multi-purpose Facility (2014/2015: \$240,000)
- ▶ Reefton Community Centre (2013/2014: \$197,000; 2015/2016: \$60,000)
- ▶ Reefton Broadway Project (2013/2014: \$40,000)
- ▶ Westport Streetscape Project (2013/2014: \$250,000)

Kotui Shared Services

The library system will get updated to Kotui shared library software system in 2012/13. It is the first subscription-based shared service (costing \$15,000 per annum, escalated with inflation over the plan) offering that enables public libraries from across New Zealand to collaborate regardless of geographical location.

Kōtūi makes it possible to search most resources of a public library – books, electronic journals, DVDs, magazines etc - from a single search.

Libraries' customers benefit from using the resource discovery tools easily finding what they want from their library's physical and electronic content when searching from home, school, work or on their smartphone as well as from inside their library.

Library staff benefit from access to reliable future-proofed systems. The library no longer has to manage their own library systems, freeing them up to spend more time with their customers. This will be backed up with expert support provided by the Aotearoa People's Network Kaharoa & Kōtūi (APNK&K) group within the National Library of New Zealand for all Kōtūi services.

Council benefit from providing a substantially improved service to citizens, at a price they would not be able to achieve without this collaboration.

How do we fund community services?

Activity	Funding Mechanism		
	General Rate	Fees	Capital Spend
Tourism and Promotion	40%	60%	Nil
		Targeted District Promotion and Marketing rate based on capital value	
Libraries	90%	10%	Loans, Special Funds, Grants
Recreation Facilities	100%	Nil	Loans, Special Funds, Grants, Reserves
Theatre	50%	50%	Loans, Special Funds, Grants
Community Development and Support	100%	Nil	Nil



Funding Impact Statement - community services

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	3,644	3,542	3,806	3,884	4,081	4,087	4,236	4,543	4,698	4,749	4,817
Targeted rates (other than a targeted rate for water supply)	274	293	302	308	315	324	334	344	353	364	376
Subsidies for operating purposes	26	25	25	25	25	25	25	25	25	25	25
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	22	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	451	748	783	836	859	882	905	927	952	978	1,005
TOTAL Operating Funding	4,417	4,608	4,916	5,053	5,280	5,318	5,500	5,839	6,028	6,116	6,223

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	2,137	2,278	2,322	2,360	2,415	2,486	2,588	2,676	2,768	2,870	2,955
Finance Costs	1,278	1,069	1,242	1,296	1,351	1,406	1,464	1,661	1,762	1,749	1,737
Internal charges and overheads applied	442	516	555	623	658	639	649	671	656	647	663
Other operating funding applications	363	378	421	389	398	408	418	428	438	450	462
TOTAL Applications of Operating Funding	4,220	4,241	4,540	4,668	4,822	4,939	5,119	5,436	5,624	5,716	5,817

SURPLUS/ (DEFICIT) of Operating Funding	\$197	\$367	\$376	\$385	\$458	\$379	\$381	\$403	\$404	\$400	\$406
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CAPITAL FUNDING

	Budget 2011/2012 \$000	Budget 2012/2013 \$000	Budget 2013/2014 \$000	Budget 2014/2015 \$000	Budget 2015/2016 \$000	Budget 2016/2017 \$000	Budget 2017/2018 \$000	Budget 2018/2019 \$000	Budget 2019/2020 \$000	Budget 2020/2021 \$000	Budget 2021/2022 \$000
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	451	2,286	(56)	(324)	(267)	(174)	(185)	(104)	(215)	(217)	(230)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	550	1,566	350	400	100	0	0	0	0	0	0
TOTAL Sources of Capital Funding	1,001	3,852	294	76	(167)	(174)	(185)	(104)	(215)	(217)	(230)
Capital Expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	1,080	4,000	447	240	60	0	0	0	0	0	0
- to replace existing assets	186	107	357	73	223	107	81	297	124	90	209
Increase/ (decrease) in reserves	(68)	112	(134)	148	8	98	115	2	65	93	(33)
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	1,198	4,219	670	461	291	205	196	299	189	183	176
SURPLUS/ (DEFICIT) of Capital Funding	\$(197)	\$(367)	\$(376)	\$(385)	\$(458)	\$(379)	\$(381)	\$(403)	\$(404)	\$(400)	\$(406)
Funding Balance COMMUNITY SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



Overview of Activity

What we provide

“Council is an elected body that provides a governance structure for effective leadership, advocacy and accountable stewardship of the Council's assets and resources. The Council is made up of ten elected Councillors, Mayor and the Inangahua Community Board. They are supported by a Chief Executive and staff.”

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

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

Why we do it

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

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



What does council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
To provide a governance structure and to develop strategic direction for the future of the Buller District	Local Electoral Act 2001	By providing support for meetings (eg agendas and minutes)	All meetings notified as per legislative requirements (Local Government Official Meetings Act "LGOIMA" and Standing Orders	All meetings notified as per legislative requirements (Local Government Official Meetings Act "LGOIMA" and Standing Orders	All meetings notified as per legislative requirements (Local Government Official Meetings Act "LGOIMA" and Standing Orders	All meetings notified as per legislative requirements (Local Government Official Meetings Act "LGOIMA" and Standing Orders	Council meetings are publicly notified on time
	Local Government Act 2002		<ul style="list-style-type: none"> ▶ Minimum notification period of five days but this notification period must not exceed 14 days ▶ If meeting after the 21st day of the month, minimum notification is five days but notification period not to exceed 10 days 	<ul style="list-style-type: none"> ▶ Minimum notification period of five days but this notification period must not exceed 14 days ▶ If meeting after the 21st day of the month, minimum notification is five days but notification period not to exceed 10 days 	<ul style="list-style-type: none"> ▶ Minimum notification period of five days but this notification period must not exceed 14 days ▶ If meeting after the 21st day of the month, minimum notification is five days but notification period not to exceed 10 days 	<ul style="list-style-type: none"> ▶ Minimum notification period of five days but this notification period must not exceed 14 days ▶ If meeting after the 21st day of the month, minimum notification is five days but notification period not to exceed 10 days 	
	Code of Conduct						
	Standing Orders						
	Form appropriate Committees and Working Groups encouraging community involvement						
		Ad-hoc meeting with Ngati Waewae	At least two formal meetings with Ngati Waewae per annum	At least two formal meetings with Ngati Waewae per annum	At least two formal meetings with Ngati Waewae per annum	At least two formal meetings with Ngati Waewae per annum	Meetings held and minuted

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
To engage and educate members of the community in matters of importance in our district	<p>Consultation Policy</p> <p>Public Forum Guidelines</p> <p>Local Government Act 2002</p> <p>Local Government Official Information and Meetings Act 1987</p> <p>Standing Orders</p> <p>Code of Conduct</p>	<p>Arranging and providing support for meetings</p> <p>Providing public forum opportunities</p> <p>Preparing consultation documents, collecting and collating submissions</p> <p>Providing hearing opportunities</p> <p>Providing policy assistance and advice around petitions, hearings etc</p>	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	<p>Agendas and minutes meet statutory timeframes and are easily accessible</p> <p>All consultations are held in full compliance with legislation</p> <p>Levels of engagement continue to grow</p>
Co-ordination of annual budgeting and financial planning processes and preparation of Long Term Council Community Plan and Annual Plan	Statutory compliance	Compliance with Local Government Act 2002	Continue compliance	Continue compliance	Continue compliance	Continue compliance	Adopt on time and with unqualified audit opinions
Provide timely and accurate financial information to Management and Council to enable effective monitoring and reporting of financial performance	To provide clear and well researched advice to Council to facilitate good decisions	<p>Provide required information on time to Council</p> <p>Provide information to the Finance and Audit Committee</p>	Continue to provide	Continue to provide	Continue to provide	Continue to provide	<p>Decisions supported with information.</p> <p>Reports produced for Finance and Audit Committee</p>

How we measure progress

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
<p>All meetings notified as per legislative requirements (Local Government Official Information Meetings Act "LGOIMA" and Standing Orders)</p> <ul style="list-style-type: none"> ▶ Minimum notification period of five days but this notification period must not exceed 14 days ▶ If meeting after the 21st day of the month, minimum notification is five days but notification period not to exceed 10 days 	100% - all meetings notified as required (2010: no change)	100%	100%	100%	Ongoing target 100%
% of agendas and reports available from Council two clear working days prior to each meeting	100% (2010: no change)	100%	100%	100%	Ongoing target 100%
% attendance of Council members at various Committee and Working Group meetings	94% at Council meetings (2010: 92% at Council meetings)	90%	90%	90%	Ongoing target 90%
% Residents who are satisfied with the way Council involves people in decision making	<p>Survey was undertaken in November 2010</p> <p>400 Buller residents shared their opinion of Council and its performance. Council contracted Research First, a Christchurch-based company, to conduct a residents opinion phone-based survey every second year. The full survey is available online via Council's website www.bullerdc.govt.nz</p> <p>As a result of the survey Council formalised a list of priorities at the November 2010 meeting which includes a 'long term view' of the Westport Water Supply upgrade and a long term solution for Buller refuse</p>	No survey undertaken	75% satisfaction	No survey undertaken	75% satisfaction (survey undertaken every second year)
Number of meetings held with Maori	One meeting was held to discuss a cultural assessment for the proposed landfill site (2010: nil meetings held)	Two formal meetings per annum	Two formal meetings per annum	Two formal meetings per annum	Two formal meetings per annum

<i>Measures and Targets</i>	<i>Current Performance</i>	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Years 4 to 10</i>
% of Council meetings that are run according to statutory requirements	All Council meetings are run according to statutory requirements. Nil breaches of legislation noted (2010: no change)	100%	100%	100%	100%
% of consultations undertaken in compliance with legislation through evaluation of consultation procedure	100% - consultations were undertaken and all legislative requirements were met (2010: no change)	100%	100%	100%	100%
Adoption of Long Term Council Community Plan and Annual Plan within statutory timeframes with an unqualified opinion on Long Term Plan	Council met required statutory deadlines for adoption of required reports (2010: no change)	Meet required statutory deadlines for adoption of required reports	Meet required statutory deadlines for adoption of required reports	Meet required statutory deadlines for adoption of required reports	Meet required statutory deadlines for adoption of required reports
Adoption of Annual Report	Council met required statutory deadlines for adoption of Annual Report (2010: no change)	Meet required statutory deadlines for adoption of required reports	Meet required statutory deadlines for adoption of required reports	Meet required statutory deadlines for adoption of required reports	Meet required statutory deadlines for adoption of required reports

Significant projects & issues

Buller 2050

The Buller 2050 Plan is intended to develop a strategic plan for the development of the District within a 50 year horizon. The strategic plan will be looking at economic development of the District and planning for that growth.

To-date a Steering Group and an Advisory Group has been established. Council recognises that the development of the plan will involve extensive community engagement. Initial community workshops were held in Karamea, Westport and Reefton.

Council in November 2010 adopted their Top 10 priorities which were aimed at addressing long standing issues that posed barriers to the development and growth of the District. These goals included finalising and agreeing to a long term solution for Westport Water, agree on a long term solution for refuse within the District and providing treated water supplies for the rural communities.

All of these priorities are being tackled and these projects are included in the current Long Term Plan.

Councillors have been working closely with the West Coast District Health Board and the Ministry of Health to ensure integrated health centres are established with no loss of service to residents.

The next steps of the Buller 2050 plan will be to:

- ▶ Reconfirm the values
- ▶ Finalise a future vision for the District that encourages further economic development
- ▶ Develop key strategic goals and action plans in support of this growth

The strategic plan must focus on how the Buller District can take advantage of the economic growth in the District and use it as a springboard to benefit the region.

It is important that the review of the District Plan works closely with the Buller 2050 Plan, to ensure alignment between the two projects.

The District Plan Review will focus on significant Resource Management issues facing the District. It is important that the Buller 2050 Steering Group provide guidance, support and direction for the Plan Review as the development of the District Strategic Plan and District Plan Review must support and facilitate long term economic development objectives.

Assumptions and negative effects

We have assumed that there will be no significant legislation changes that may affect this activity. There are no significant negative effects associated with this activity. No change in the governance structure of Council as a result of the Representation Review has been assumed.

Funding allocations

Activity	Funding Mechanism		
	General Rate	Fees	Capital Spend
Democracy	100%	Recoveries from triennial elections	Nil



Citizenship
Ceremony



Funding Impact Statement - governance

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	785	873	976	1,017	943	970	1,108	992	1,052	1,159	1,074
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	10	10	41	0	0	34	0	0	38	0	0
TOTAL Operating Funding	795	883	1,017	1,017	943	1,004	1,108	992	1,090	1,159	1,074

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	228	232	238	243	250	256	262	268	275	283	290
Finance Costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	316	456	504	504	510	523	542	542	555	569	577
Other operating funding applications	251	195	275	270	183	225	304	182	260	307	207
TOTAL Applications of Operating Funding	795	883	1,017	1,017	943	1,004	1,108	992	1,090	1,159	1,074

SURPLUS / (DEFICIT) of Operating Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	

CAPITAL FUNDING

SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	0	0	0	0	0	0	0	0	0	0	0

CAPITAL EXPENDITURE											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase/ (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL Applications of Capital Funding	0	0	0	0	0	0	0	0	0	0	0

Surplus/ (deficit) of Capital Funding	0	0	0	0	0	0	0	0	0	0	0
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Funding Balance GOVERNANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Overview of Activity

What we provide

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

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

Why do we do it?

The activity is intrinsic to the support and functioning of all Council's activities and service provision.

How we contribute to strategic goals and community outcomes

Support services supports all the community outcomes as it provides the administrative and operational capacity to achieve them.



What does council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What is Council Already Doing?	What will we do in year 1	What will we do in year 2	What will we do in year 3	What will we do in years 4 to 10	How will we know if we achieve our Objective?
Prioritise and manage operating expenditure and capital expenditure.	Accountability to provide sound governance and financial management. Compliance with stated strategies in Annual Plan and Long Term Plan.	Expenditure within overall budgets.	Continue with compliance.	Continue with compliance.	Continue with compliance.	Continue with compliance.	Council expenditure within 5% of budget.
		Provision of financial information to Council and the Finance and Audit Committee					Timely accurate reports provided to Council and the Finance and Audit Committee
Maintenance of rating information database in compliance with Local Rating Act 2002.	Compliance with Rating Act.	Information available to public at Westport and Reefton offices and on website.	Continue with compliance.	Continue with compliance.	Continue with compliance.	Continue with compliance.	100% availability of rating information.
Maintenance of Council's Information systems including GIS and financial and regulatory systems.	Systems maintained and operated within budget.	Available of systems to support provision of Councils service.	Continue to improve system to change efficiency and effectiveness of Council services and operations.	Continue to improve system to change efficiency and effectiveness of Council services and operations.	Continue to improve system to change efficiency and effectiveness of Council services and operations.	Continue to improve system to change efficiency and effectiveness of Council services and operations.	Continue to improve systems to improve efficiency and effectiveness of council services and operations.
Customer Services provides the first point of contact for customers. The service includes a website (www.bullerdc.govt.nz), telephone service and face to face contact through the Customer Services desk in Westport.	To provide high level of response at the first point of contact regarding all aspects of Council's operations.	Logging and monitoring of service requests to ensure all matters are resolved within agreed deadlines	Logging and monitoring of service requests with escalation where appropriate	Logging and monitoring of service requests with escalation where appropriate	Logging and monitoring of service requests with escalation where appropriate	Logging and monitoring of service requests with escalation where appropriate	Compliance with agreed deadlines except in exceptional circumstances These service requests will be dealt with individually by the respectivity activity Manager's
To reduce the incidence of work related accidents and to ensure that Council complies with Health and Safety legislation.	Compliance with health and safety policies and legislation: Safety and Health in Employment Act 1992, Safety and Health in Employment Legislation 1995 and Employment Relations Act 2000.	Ongoing review of all health and safety plans	Ongoing compliance	Ongoing compliance	Ongoing compliance	Ongoing compliance	Ongoing development of policies and procedures to ensure compliance with legislative requirements
		Compliance with health and safety legislation					
		Secondary accreditation with WSMP programme	Maintain accreditation	Maintain accreditation	Maintain accreditation	Maintain accreditation	Maintain ACC accreditation with WSMP Programme

How we measure progress

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Net operating results and net capital results within overall budget	Within overall budgets with exceptions hve been noted and explanations provided	Regular analysis of budgets and results with the Management Team to identify, explain and address any overruns in expenditure	Regular analysis of budgets and results with the Management Team to identify, explain and address any overruns in expenditure	Regular analysis of budgets and results with the Management Team to identify, explain and address any overruns in expenditure	Regular analysis of budgets and results with the Management Team to identify, explain and address any overruns in expenditure
	Council deficit of \$647,000 (2010: \$2.0 million surplus)				
	Net capital expenditure \$5.5 million (2010: 8.9 million)	Quarterly reports to the Finance and Audit Committee with all significant matters being referred to Council for discussion	Quarterly reports to the Finance and Audit Committee with all significant matters being referred to Council for discussion	Quarterly reports to the Finance and Audit Committee with all significant matters being referred to Council for discussion	Quarterly reports to the Finance and Audit Committee with all significant matters being referred to Council for discussion
		Operate within 5% of budgets	Operate within 5% of budgets	Operate within 5% of budgets	Operate within 5% of budgets
Statutory compliance and availability of rating information to public in Westport and Reefton	Continued availability of rating information to all members of the public	Continue to provide updated rating information available to public at Westport and Reefton Offices and on website	Continue to provide updated rating information available to public at Westport and Reefton Offices and on website	Continue to provide updated rating information available to public at Westport and Reefton Offices and on website	Continue to provide updated rating information available to public at Westport and Reefton Offices and on website
Availability of financial and operational systems including GIS systems to support provision of Council services for effective decision making	99% availability with no extended downtime on all critical applications (2010: 99%)	99% availability with no extended downtime on all critical applications	99% availability with no extended downtime on all critical applications	99% availability with no extended downtime on all critical applications	99% availability with no extended downtime on all critical applications
Customer information services are available to all customers. The activity employs highly trained and skilled staff who have local and Council knowledge and can provide clear, consistent and accurate information	Annual report	Monthly logging and monitoring of all service requests	Monthly logging and monitoring of all service requests	Monthly logging and monitoring of all service requests	Monthly logging and monitoring of all service requests
		Expediate all overdue service requests for resolution within agreed deadlines	Expediate all overdue service requests for resolution within agreed deadlines	Expediate all overdue service requests for resolution within agreed deadlines	Expediate all overdue service requests for resolution within agreed deadlines
		Monthly reporting on overdue Service Requests	Monthly reporting on overdue Service Requests	Monthly reporting on overdue Service Requests	Monthly reporting on overdue Service Requests
		Compliance with agreed deadlines except in exceptional circumstances	Compliance with agreed deadlines except in exceptional circumstances	Compliance with agreed deadlines except in exceptional circumstances	Compliance with agreed deadlines except in exceptional circumstances
		These service requests will be dealt with individually by the respective activity managers	These service requests will be dealt with individually by the respective activity managers	These service requests will be dealt with individually by the respective activity managers	These service requests will be dealt with individually by the respective activity managers

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
Health and Safety	Achieve Secondary Level ACC Accreditation	Secondary accreditation achieved	Secondary accreditation achieved	Secondary accreditation achieved	Achieve and maintain ACC accreditation - measure savings achieved via rebates on ACC Levies
		<p>Work has been undertaken on improving the principal contractor relationship, health and safety procedures and processes</p> <p>Setting up systems to ensure that all contracts and contractors comply with legislative requirements</p>	Monitoring of contractors safety and compliance procedures to ensure compliance with Council policies and statutory requirements	Monitoring of contractors safety and compliance procedures to ensure compliance with Council policies and statutory requirements	Monitoring of contractors safety and compliance procedures to ensure compliance with Council policies and statutory requirements

Assumptions

It is anticipated that the size of the Support Services team will remain more or less at current levels in spite of the workload required in meeting increased expectation.

Significant projects/issues

- ▶ Ongoing improvement and development of information systems
- ▶ Finalise a rating system review
- ▶ Engagement with a Revenue Taskforce to review Council expenditure whilst seeking opportunities to reduce expenditure without impacting ratepayer service delivery. The taskforce will also be seeking additional revenue streams
- ▶ Complete enhancement of 2012/2022 Long Term Plan by June 2013

Funding allocations

Support Services are charged as an overhead across Council's activities.

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

Negative effects

No negative implications are foreseen.



Funding Impact Statement - support services

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

OPERATING FUNDING

Sources of Operating Funding

General rates, Uniform Annual General Charge, Rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	3,497	3,848	4,066	4,388	4,578	4,555	4,646	4,786	4,764	4,793	4,915
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
TOTAL Operating Funding	3,497	3,848	4,066	4,388	4,578	4,555	4,646	4,786	4,764	4,793	4,915

Applications of Operating Funding

Payments to Suppliers and staff	2,633	2,851	2,953	3,152	3,287	3,355	3,456	3,544	3,646	3,760	3,874
Finance Costs	142	142	145	145	180	179	177	176	174	172	171
Internal charges and overheads applied	574	639	691	778	823	800	813	841	819	808	828
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
TOTAL Applications of Operating Funding	3,349	3,632	3,789	4,075	4,290	4,334	4,446	4,561	4,639	4,740	4,873

SURPLUS/ (DEFICIT) of Operating Funding	\$148	\$216	\$277	\$313	\$288	\$221	\$200	\$225	\$125	\$53	\$42
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CAPITAL FUNDING

	Budget 2011/2012 \$000	Budget 2012/2013 \$000	Budget 2013/2014 \$000	Budget 2014/2015 \$000	Budget 2015/2016 \$000	Budget 2016/2017 \$000	Budget 2017/2018 \$000	Budget 2018/2019 \$000	Budget 2019/2020 \$000	Budget 2020/2021 \$000	Budget 2021/2022 \$000
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	462	55	(7)	600	(24)	(25)	(27)	(28)	(30)	(22)	(23)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	462	55	(7)	600	(24)	(25)	(27)	(28)	(30)	(22)	(23)
CAPITAL EXPENDITURE											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	604	412	105	699	45	80	92	84	47	119	55
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase/ (decrease) in reserves	6	(141)	165	214	219	116	81	113	48	(88)	(36)
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	610	271	270	913	264	196	173	197	95	31	19
SURPLUS/ (DEFICIT) of Capital Funding	\$(148)	\$(216)	\$(277)	\$(313)	\$(288)	\$(221)	\$(200)	\$(225)	\$(125)	\$(53)	\$(42)
Funding Balance SUPPORT SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Overview of Activity

What we provide

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

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

The provision and maintenance of parks and reserves create a pleasant environment in which to live, work and play, which is an important part of the Vision for the district.

The provision of public toilet facilities assists with promoting the health and well being of the district and environment.



What do we do?

Amenities & reserves

Council provides and maintains active and passive recreational facilities in the Buller district to meet community and environmental needs.

These include parks, reserves and sports facilities.

Public toilets

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

In the 2009-2019 Long Term Plan Council agreed to increase the level of service for public toilets, which has meant that the associated ratepayer costs have increased

Property management

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

\$50,000 has been budgeted in this plan to obtain Engineer Reports on all Council owned buildings.

Cemeteries

Council operates the following cemeteries:

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

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

Effective from 2012/2013 all interment fees and charges will be based on a full cost recovery.

Punakaiki Beach Camp

The Punakaiki Beach Camp is located in a picturesque setting on the beach, and adjoins the Paparoa National Park.

The camp provides various sized cabins, 20 powered sites and 30 tent sites.

Council is considering various options regarding the Punakaiki Beach Camp. One proposal is to lease the reserve to an operator to develop, manage and control the camp. Other proposals include establishing and allowing a Domain Board to run the camp or allowing the camp to revert back to a recreation reserve status. A working group has been established comprising of representatives of the community and elected members to agree the viable options.

The community has expressed a need for a community facility and this will be taken into account by the working group.

Consultation with the community will occur before committing to any final decision.

Pensioner Housing

Council provides 44 housing for the elderly units:

- ▶ 2 in Karamea
- ▶ 16 in Reefton
- ▶ 26 in Westport

Two new units are scheduled to be built in Karamea in 2012/2013 and two in Reefton (2015/2016), and two new units are to be built in Westport in 2018/2019.

Future rent rises for housing for the elderly will be automatically increased annually at the same percentage increase that National Superannuation beneficiaries receive.



How we contribute to strategic goals and community outcomes

This activity supports the following community outcomes.

<i>Community Outcome</i>	How The Council Contributes:
Well-Being	By ensuring our parks and reserves are healthy and safe.
	By providing areas for people to engage in healthy activities.
Environment	By offering opportunities for people to contribute to projects that improve our district's environment.
Learning	By providing the opportunity to learn through social interaction and recreation.
Prosperity	By contributing to the district's image and attracting businesses, skills and tourism.
Who we are	By organising community events and providing people with opportunity to interact with different communities and by creating a unique image of the district.

What does council plan to do in the future?

Objective	What Policies Strategies or Drivers Supports these Objectives?	What Council provides	Measuring performance in year 1	Measuring performance in year2	Measuring performance in year 3	Measuring performance in years 4 to 10	How will we know if we achieve our Objective?
Providing parks and reserves that enable many recreation opportunities for communities	Resource Management Act 1991	Providing parks and reserves maintained to standards specified in the Parks and Reserves Activity Management Plan	100% of playgrounds comply with New Zealand Standard 5828	100% of playgrounds comply with New Zealand Standard 5828	100% of playgrounds comply with New Zealand Standard 5828	Continue at the same level	Compliance achieved
	Reserves Act 1977	Maintaining parks in a clean and tidy condition Providing a variety of recreation opportunities and facilities in parks	95% compliance per annum with maintenance standards specified in the Parks and Reserves Maintenance Contract	95% compliance per annum with maintenance standards specified in the Parks and Reserves Maintenance Contract	95% compliance per annum with maintenance standards specified in the Parks and Reserves Maintenance Contract	95% compliance per annum with maintenance standards specified in the Parks and Reserves Maintenance Contract	Compliance with Maintenance Standards as specified in the Parks and Reserves Maintenance Contract
To provide and manage cemeteries that meet community needs	Burial and Cremation Act 1964	Providing cemeteries which can meet the district's burial needs	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Council cemeteries continue to meet current and future burial demands by operating cemeteries at Karamea, Mokihinui, Westport, Boatmans and Reefton
To provide affordable, well maintained elderly housing	Tenancy Act	Providing elderly housing opportunities	90% occupancy	90% occupancy	90% occupancy	90% occupancy	90% occupancy achieved
Managing Council property to enable service delivery and safety for its users		Maintaining and administering buildings and properties	Responding to 100% of service requests received for the maintenance or management of Council property within the agreed timeframe of 10 working days	Responding to 100% of service requests received for the maintenance or management of Council property within the agreed timeframe of 10 working days	Responding to 100% of service requests received for the maintenance or management of Council property within the agreed timeframe of 10 working days	Continue to do the same	100% of service requests responded to within 10 working days
			Maintenance expenditure carried out in accordance with the Asset Management Plan	Maintenance expenditure carried out in accordance with the Asset Management Plan	Maintenance expenditure carried out in accordance with the Asset Management Plan	Continue to do the same	Number of instances where expenditure is not carried out in accordance with the Asset Management Plan
Provision of public toilets has health and economic benefits supporting local communities, businesses and visitor destinations	Public health and safety	Provides toilet facilities in a clean and tidy condition to meet the Districts needs	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same	Continue to provide current and future toilet needs by way of Council owned and operated facilities and by working in partnership with other providers

How we measure progress

Measures and Targets	Current Performance	Year 1	Year 2	Year 3	Years 4 to 10
% checks on contractors standard of maintenance on active recreation area	90%	95%	95%	95%	100%
Weekly safety and maintenance inspections of playground equipment	The contractor completed weekly safety checks on all playground equipment Survey undertaken was before upgrade carried out to determine what playground equipment needed to be upgraded	100% compliance with New Zealand Standard 5825	100% compliance with New Zealand Standard 5825	100% compliance with New Zealand Standard 5825	100% compliance with New Zealand Standard 5825
% of occupancy of Elderly Persons Housing	100%	90%	90%	90%	90%
% customer satisfaction on provision of elderly housing	Questionnaire sent to the occupiers of all 44 units - 34 (75%) were returned	Continue to undertake annual survey	Continue to undertake annual survey	Continue to undertake annual survey	Complaints investigated and all remedial action taken
	Analysis of survey undertaken	Analysis of survey undertaken	Analysis of survey undertaken	Analysis of survey undertaken	Analysis of survey undertaken
Providing and managing cemeteries to provide for community health	Maintaining cemetery facilities to the appropriate national standard with public records available on request	Continue to do the same	Continue to do the same	Continue to do the same	Continue to do the same
To have sufficient plots available in all wards	Plan and access plot demand and acquire and designate land accordingly	Providing adequate plots and land to meet the District's burial needs	Continue to ensure sufficient plots are available	Continue to ensure sufficient plots are available	Providing adequate plots and land to meet the District's burial needs
Maintain and administer Council properties for its users	Respond to service requests for maintenance within agreed timeframe of 10 working days	100% of service requests responded to in 10 working days	100% of service requests responded to in 10 working days	100% of service requests responded to in 10 working days	100% of service requests responded to in 10 working days
Provide sufficient toilet facilities to meet the district needs	Facilities remain available for a daily duration that meets user requirements	Facilities are cleaned, inspected and maintained to serviceable standard Reduction in public toilet facilities in central Westport	Continue to do the same	Continue to do the same	Council toilets are cleaned and maintained to 90% compliance with the appropriate contract specification as

Significant Projects

- ▶ Council has upgraded playgrounds in 2010/2011, and any future upgrades will only be undertaken if reserve contributions are available. Council will investigate the provision of playground facilities at Punakaiki.
- ▶ Capital expenditure has been allowed for within each year of the plan for the cyclical replacement of bark at the playgrounds (\$50,000 per annum).
- ▶ Council has purchased additional land at the Orowaiti Cemetery and has plans to purchase additional land at Karamea in 2012/2013 (\$20,000).
- ▶ Two new pensioner housing units are planned for Karamea during 2012/2013 (\$400,000), Reefton in 2015/2016 (\$543,000), and two new units will be built in Westport in 2018/2019 (\$594,000). General refurbishment are planned during 2016/2017.
- ▶ Council is considering options regarding the Punakaiki Beach Camp. Various options are being considered as detailed on [page 187](#) by the joint working group comprising Councillors and community representatives. The working party will also take into account the request from the community for a community facility.
- ▶ Council has removed the project to extend and upgrade the Clocktower Chambers. A full report will be brought back to Council taking a holistic view of the Council's accommodation requirements.

Negative Effects

There are no negative effects from the provision of parks and reserves.

Assumptions

- ▶ It is assumed that the Parks and Reserves will be maintained at their current level.
- ▶ That an agreement is being negotiated with landowners to allow the development at the Flagstaff Road in Karamea to allow public access to the beach.
- ▶ That the demographics for elderly residents in the district remain at a similar level.
- ▶ That the current standard of sports field management is maintained at the current level.

Funding allocations

Activity	Funding Mechanism		
	General Rates	Fees	Capital Spend
Reserves	100%	Nil	Special Funds / Loans
Public Toilets	100%	Nil	
Cemeteries	75%	25%	
Property - Community	95%	5%	
Elderly Persons Housing	Nil	100%	
Property - Private	Nil	100%	
Punakaiki Camping Ground	Nil	100%	

Funding Impact Statement - property management, amenities & reserves

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	1,001	1,210	1,308	1,319	1,376	1,437	1,491	1,550	1,603	1,599	1,621
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	321	345	376	379	366	377	399	397	412	438	427
Local authorities fuel tax, fines, infringements fees and other receipts	783	1,246	1,293	1,391	1,433	1,493	1,537	1,582	1,637	1,690	1,742
TOTAL Operating Funding	2,105	2,801	2,977	3,089	3,175	3,307	3,427	3,529	3,652	3,727	3,790

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	1,533	1,908	1,975	2,046	2,110	2,184	2,275	2,335	2,412	2,508	2,588
Finance Costs	47	57	74	71	74	102	96	97	126	120	113
Internal charges and overheads applied	209	213	227	237	246	250	259	266	271	273	279
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
TOTAL Applications of Operating Funding	1,789	2,178	2,276	2,354	2,430	2,536	2,630	2,698	2,809	2,901	2,980

SURPLUS/ (DEFICIT) of Operating Funding	\$316	\$623	\$701	\$735	\$745	\$771	\$797	\$831	\$843	\$826	\$810
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Capital Funding

	Budget 2011/2012 \$000	Budget 2012/2013 \$000	Budget 2013/2014 \$000	Budget 2014/2015 \$000	Budget 2015/2016 \$000	Budget 2016/2017 \$000	Budget 2017/2018 \$000	Budget 2018/2019 \$000	Budget 2019/2020 \$000	Budget 2020/2021 \$000	Budget 2021/2022 \$000
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SOURCES OF CAPITAL FUNDING

Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	44	278	(56)	53	472	(90)	20	484	(112)	(112)	(114)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	44	278	(56)	53	472	(90)	20	484	(112)	(112)	(114)

CAPITAL EXPENDITURE

- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	320	500	83	77	598	57	117	655	63	65	67
- to replace existing assets	403	388	234	213	131	325	211	196	297	132	78
Increase/ (decrease) in reserves	(363)	13	328	498	488	299	489	464	371	517	551
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	360	901	645	788	1,217	681	817	1,315	731	714	696

Surplus/ (deficit) of Capital Funding	\$(316)	\$(623)	\$(701)	\$(735)	\$(745)	\$(771)	\$(797)	\$(831)	\$(843)	\$(826)	\$(810)
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Funding Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROPERTY MANAGEMENT, AMENITIES & RESERVES											

Part 4 - Financial Statements

Financial Statements for Council have been grouped as follows:

- ▶ Funding Impact Statement
- ▶ Rating Review
- ▶ Notes to the Financial Statements
- ▶ Financial Statements
- ▶ Reserve Funds
- ▶ Summary of Changes to Fees & Charges
- ▶ Fees & Charges
- ▶ Council Controlled Trading Organisations
- ▶ Other Council Controlled Trading Organisations
- ▶ Governance

Inflation Adjusted Accounts

The Financial Reporting Standard 42 - 'Prospective Financial Information' requires Council's to incorporate the effects of inflation into their Ten year financial forecasts.

This means that all financial figures shown in this document for Year 1 onwards incorporate inflation adjustments companding annual. For example, this means that what costs \$1.00 for maintenance in Year 1 is expected to cost \$1.36 by year ten

Inflation data for the Local Government sector is provided by Business and Economic Research Ltd (BERL). The data is prepared to assist Council's with planning models, particularly their Ten year plans.

Council used the BERL figures as the inflation adjusters.



All figures in this policy are GST inclusive.

Please Note:

At various points in this policy a level of rate or charge is specified. These figures are indicative only and are included to give ratepayers an estimate of what the level of rates is likely to be in the coming financial year. The actual level of rates that will be assessed will not be known until the rating information database is finalised.

1. General Rates

General Rates includes both the general rate and a uniform annual general charge. General Rates are used to fund Democracy, Economic Development, Community Services, Regulatory Services, Amenities and Reserves, Roading, Solid Waste and Stormwater and Airport activities.

Rating sources detailed in this FIS will be applied in each year of the plan.

For targeted rate details refer to page 48.

1.1 General Rate

The general rate is assessed on the land value of each rating unit in the district, being set on a differential basis based on location and land use, or designated land use as per the District Plan.

Differentials Based on Land Use

Residential - rating units, or portions of rating units, being less than 4,000 square metres in area, having no more than one residential unit, and being primarily used for, or designated for the use of, residential living.

Multi Residential - rating units that have more than the one dwelling unit on a single valuation assessment, excluding farm properties and communal residences. Where practicable, Council may have the rating unit divided into each of its separately used or inhabited portions, with each division being considered as a separate rating unit.

Commercial - rating units, or portions of rating units, used primarily for, or designated for the use of, carrying out a commercial or trading enterprise, including retail and/or wholesale, community, personal, business and repair services, offices, hotels, motels, camps and air transport.

Rural - properties being 10 hectares or greater, used exclusively or principally for agricultural, horticultural, and/or pastoral purposes, including forestry, or vacant land that is designated for such purposes of this size.

Rural Residential - properties being greater than 4,000 square metres but less than 4 hectares, primarily used for the purpose of residential living, or other lands.

Rural Small Holding - properties being greater than 4 hectares but less than 10 hectares, used exclusively or principally for agricultural, horticultural and/or pastoral purposes, including forestry, or other lands of this size.

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

Industrial Coal - properties used primarily in the extraction, storage, and/or distribution of coal.

Industrial Other - properties used primarily in the following, as well as all associated land and buildings related to:

- ▶ transport (road, rail, sea), excepting those properties defined as Industrial Harbour;
- ▶ utility services (communications, electricity, gas, water, sanitation);
- ▶ the manufacture of food, drink, and tobacco;
- ▶ the processing of textiles, leather, and fur;
- ▶ the processing of timber products, including manufacturing and storage sites (ie sawmills and timber yards, wooden articles of manufacture such as furniture);
- ▶ all other types of mining, not included in the sectors defined as Industrial Clay-Cement or Industrial Coal;
- ▶ engineering, metalwork appliances, and machinery works;
- ▶ chemicals, plastics, rubber, and paper manufacture;
- ▶ other manufacturing industries not defined in (1) to (8) above;
- ▶ depots and yards of contractors, central and local government; demolition, and fumigation and pest control firms; and
- ▶ vacant land designated for the primary purpose of industrial use

Industrial Harbour - Properties owned or occupied by the Westport Harbour Authority and used for harbour and associated activities.

SUIP Definition

For the purposes of this provision, a separately used or inhabited part of a rating unit is defined as:

A separately used or occupied part of a rating unit includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use. Separately used or inhabited parts include:

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

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

- ▶ Where a business, farm, orchard, vineyard or horticultural operation contains accommodation on a rent-free basis for the owner, staff or sharemilkers associated with the enterprises productive operation.

Where a residential property contains not more than one additional separately inhabited part, or where members of the owners family inhabit the separate part on a rent-free basis.

Where an orchard, vineyard or horticultural operation contains a staff for the sale of goods produced solely by the operation or residence that provides accommodation on a rent-free basis for the owner and staff of the operation.

Sectors

The following are the sectors further defining each of the differential rating categories. These definitions are indicative of the sectors, with the full list of properties (by valuation reference) being available from Council's Office.

Residential 101 - includes residential rating units, or portions of rating units, within the valuation rolls 18780 (but excluding the Little Wanganui Subdivision), 18800 (but excluding the township of Granity), 18820, 18830 (but excluding the townships of Waimangaroa and Conns Creek), 18840 (but excluding the settlement of Snodgrass, and those properties in the greater Westport area to the west of the Orowaiti River), 19000, 19010, 19040, 19080, and 19081.

Residential 102 - includes residential rating units, or portions of rating units, within the valuation roll numbered 18810, plus the settlement of Snodgrass.

Residential 103 - includes the residential rating units, or portions of rating units, within the valuation roll 18790 (but excluding the township of Hector), plus the Little Wanganui Subdivision, and Conns Creek.

Residential 104 - includes the residential rating units, or portions of rating units, on the inland side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity, plus the township of Waimangaroa.

Residential 105 - includes the residential rating units, or portions of rating units, on the seaward side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity.

Residential 106 - includes the residential rating units, or portions of rating units, within the valuation rolls 18840, 18950, 18960, and 18970 (but not including any properties to the east of the Orowaiti River or south of Stafford Street, and those properties on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shellswell Streets, and selected properties at the northern end of Derby Street).

Residential 107 - includes the residential rating units, or portions of rating units, on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shellswell Streets, and selected properties at the northern end of Derby Street.

Residential 108 - includes the residential rating units, or portions of rating units, within the township of Carters Beach (but excluding those properties located on Marine Parade).

Residential 109 - includes the residential rating units, or portions of rating units, within the township of Carters Beach located on Marine Parade.

Residential 110 - includes the residential rating units, or portions of rating units, within the valuation roll 18850 (but excluding the townships of Carters Beach, Oroua, and Tauranga Bay and valuation reference 1885022301).

Residential 111 - includes the residential rating units, or portions of rating units, within the valuation roll 18860 (but excluding the townships of Charleston and Punakaiki and the Ross Subdivision).

Residential 112 - includes the residential rating units, or portions of rating units, within the townships of Oroua and Tauranga Bay, plus selected Punakaiki properties and includes 1885022301.

Residential 113 - includes the residential rating units, or portions of rating units, within the township of Charleston.

Residential 114 - includes the residential rating units, or portions of rating units, within the township of Punakaiki and the Ross Subdivision (but excluding those nominated Punakaiki properties defined in Sector Residential 112 above).

Residential 115 - includes the residential rating units, or portions of rating units, within the valuation roll 19050.

Multi Residential 121 - includes those rating units under valuation references 1878011803 and 1908009900.

Multi Residential 122 - includes the rating unit under valuation reference 1878037247.

Multi Residential 123 - includes the multi-residential rating units within the valuation rolls 18840 (excluding 1884000500, 1884001900 and 1884001903), 18950, 18960, and 18970.

Multi Residential 124 - includes those rating units under valuation references 1884000500, 1884001900, 1884001903, and within the valuation roll 18860.

Multi Residential 125 - includes those multi-residential rating units within the valuation roll 18850.

Multi Residential 126 - includes those multi-residential rating units within the valuation roll 19050.

Commercial 131 - includes commercial rating units, or portions of rating units, within the valuation rolls 18780, 18820, 19000, 19010, 19040, 19080, and 19081, and those rating units under valuation references 1884018600 and 1884018701.

Commercial 132 - includes commercial rating units, or portions of rating units, within the valuation rolls 18790, 18800, 18810, and 18830.

Commercial 133 - includes commercial rating units, or portions of rating units, within the valuation rolls 18840 (excluding 1884018600 and 1884018701), 18960, and 18970, and those rating units under valuation references 1895009100, 1895021600 and 1895032100.

Commercial 134 - includes commercial rating units, or portions of rating units, within the valuation roll 18950 (excluding 1895009100, 1895021600 and 1895032100).

Commercial 135 - includes the rating unit under valuation references 1885002400 and 1885022400C.

Commercial 136 - includes commercial rating units, or portions of rating units, within the valuation roll 18850 (excluding 1885002400 and 1885022400C).

Commercial 137 - includes the rating unit under valuation references 1886031200 and 1886032401.

Commercial 138 - includes the rating unit under valuation references 1886014901, 1886014903, 1886015102, 1886015200A and 1886015301.

Commercial 139 - includes commercial rating units, or portions of rating units, within the valuation roll 18860 (excluding 1886014901, 1886014903, 1886015102, 1886015200A, 1886015301, 1886031200 and 1886032401).

Commercial 140 - includes commercial rating units, or portions of rating units, within the valuation roll 19050.

Rural 141 - includes rural rating units, or portions of rating units, within the valuation rolls 18780, 18810, 18820, 18830, 18840, 18950, 18960, 18970, 19000, 19010, 19040, 19050, 19080, and 19081.

Rural 142 - includes rural rating units, or portions of rating units, within the valuation rolls 18790, and 18800.

Rural 143 - includes rural rating units, or portions of rating units, within the valuation rolls 18850, and 18860.

Rural Residential 151 - includes rural residential rating units, or portions of rating units, within the valuation rolls 18780, 18810, 18820, 18830, 18840, 18950, 18960, 18970, 19000, 19010, 19040, 19050, 19080, and 19081.

Rural Residential 152 - includes rural residential rating units, or portions of rating units, within the valuation rolls 18790, 18800, 18850, and 18860.

Rural Small Holding 161 - includes rural small holding rating units, or portions of rating units, within the valuation rolls 18780, 18810, 18820, 18830, 18840, 18850, 18950, 18960, 18970, 19000, 19010, 19040, 19050, 19080, and 19081.

Rural Small Holding 162 - includes rural small holding rating units, or portions of rating units, within the valuation rolls 18790, and 18800.

Rural Small Holding 163 - includes rural small holding rating units, or portions of rating units, within the valuation rolls 18860 (but excluding those units within the valuation reference ranges 1886003000 to 1886003600 and 1886023800 to 1886027700).

Rural Small Holding 164 - includes rural small holding rating units, or portions of rating units, within the valuation reference ranges of 1886003000 to 1886003600 and 1886023800 to 1886027700.

Industrial 171 - includes those industrial rating units, or portions of rating units, that fall within the definition of Industrial Clay-Cement above.

Industrial 172 - includes those industrial rating units, or portions of rating units, that fall within the definition of Industrial Mining above.

Industrial 173 - includes those industrial rating units, or portions of rating units, that fall within the definition of Industrial Other above.

Industrial 174 - includes those industrial rating units, or portions of rating units, that fall within the definition of Industrial Harbour above.

Please note that subject to the rights of objection to the rating information database set out in Section 28 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories applied to a rating unit.

General Rates

General Rate Differentials	Percentage of General Rate	General Rate <i>(Cents per \$ Land Value)</i>
Residential 101	0.924%	0.24470c
Residential 102	0.162%	0.20714c
Residential 103	0.654%	0.28973c
Residential 104	0.823%	0.26948c
Residential 105	0.360%	0.16065c
Residential 106	18.989%	0.74714c
Residential 107	1.268%	0.66050c
Residential 108	1.145%	0.52568c
Residential 109	0.643%	0.38804c
Residential 110	0.340%	0.41363c
Residential 111	0.198%	0.20702c
Residential 112	0.466%	0.26399c
Residential 113	0.299%	0.24296c
Residential 114	1.035%	0.37774c
Residential 115	2.635%	0.46245c
Multi Residential 121	0.017%	0.96041c
Multi Residential 122	0.008%	0.55536c
Multi Residential 123	1.338%	1.63652c
Multi Residential 124	0.135%	0.79686c
Multi Residential 125	0.139%	0.94751c
Multi Residential 126	0.123%	1.25146c
Commercial 131	0.989%	1.26176c
Commercial 132	0.254%	0.92875c
Commercial 133	1.947%	1.97912c
Commercial 134	10.572%	3.00265c
Commercial 135	0.090%	1.13660c

General Rate Differentials	Percentage of General Rate	General Rate <i>(Cents per \$ Land Value)</i>
Commercial 136	0.332%	0.70853c
Commercial 137	0.304%	0.99963c
Commercial 138	0.023%	0.32001c
Commercial 139	1.210%	1.04290c
Commercial 140	0.973%	1.10352c
Rural 141	17.647%	0.16652c
Rural 142	1.228%	0.15031c
Rural 143	3.649%	0.13447c
Rural Residential 151	3.864%	0.30357c
Rural Residential 152	2.676%	0.28293c
Rural Small Holding 161	1.426%	0.21806c
Rural Small Holding 162	0.090%	0.13177c
Rural Small Holding 163	0.178%	0.14313c
Rural Small Holding 164	0.053%	0.06751c
Industrial 171	3.010%	5.21611c
Industrial 172	10.029%	3.85475c
Industrial 173	5.192%	1.73516c
Industrial 174	2.564%	9.84159c
	100.0%	

1.2 Uniform Annual General Charge

Each rating unit is levied a separate uniform annual general charge.

Where a rating unit has been apportioned into its separate used or inhabited divisions, each division shall be considered a separate rating unit and will be levied a uniform annual general charge.

For 2012/2013 the Uniform Annual General Charge is \$495.00.

2. Area Maintenance Targeted Rate

Council agreed to only provide area maintenance activities in the Westport area and this will result in the targeted rate for this activity being applicable only for Westport residents. The rate will be \$5.00 (including GST) per ratepayer.

3. Water

A targeted water supply rate is set for each separately used or inhabited portion of a rating unit connected or, within certain scheme areas, able to be connected to a water supply scheme (excluding the Cape Foulwind Rural Water Supply).

A differential is applied based on the number of separately used or inhabited portions within the rating unit.

A differential is also applied based on the availability of the service. The categories applied are rating units connected to the supply, and rating units which are not connected but are able to be connected ('serviceable'). A rating unit is regarded as serviceable if the rating unit lies within 50 metres of the water reticulation system.

A nil rate is applied to serviceable properties not connected to the Westport, Reefton, Mokihinui, Ngakawau/Hector and Waimangaroa water supplies.



Water Supply Scheme	Number Of SUIP's	Differential (based on unit rate)	Targeted Rate (GST Inclusive)
Westport Multi-residential only	1	1.00	\$621.00
	2	1.00	\$621.00
	3	1.70	\$1,055.70
	4	2.30	\$1,428.30
	5	2.80	\$1,738.80
	6	3.20	\$1,987.20
	7	3.60	\$2,235.60
	8	4.00	\$2,484.00
	9	4.40	\$2,732.40
	10	4.80	\$2,980.80
	11	5.20	\$3,229.20
	12	5.60	\$3,477.60
Westport All other rating sectors	1	1.00	\$621.00
	2	1.70	\$1,055.70
	3	2.30	\$1,428.30
	4	2.80	\$1,738.80
	5	3.20	\$1,987.20
	6	3.60	\$2,235.60
	7	4.00	\$2,484.00
	8	4.40	\$2,732.40
	9	4.80	\$2,980.80
	10	5.20	\$3,229.20
	11	5.60	\$3,477.60
	12	6.00	\$3,726.00

Water Supply Scheme	Number Of SUIP's	Differential (based on unit rate)	Targeted Rate (GST Inclusive)
Reefton Multi-residential only	1	1.00	\$506.00
	2	1.00	\$506.00
	3	1.70	\$860.20
	4	2.30	\$1,163.80
	5	2.80	\$1,416.80
	6	3.20	\$1,619.20
	7	3.60	\$1,821.60
	8	4.00	\$2,024.00
	9	4.40	\$2,226.40
	10	4.80	\$2,428.80
	11	5.20	\$2,631.20
	12	5.60	\$2,833.60
Reefton All other rating sectors	1	1.00	\$506.00
	2	1.70	\$860.20
	3	2.30	\$1,163.80
	4	2.80	\$1,416.80
	5	3.20	\$1,619.20
	6	3.60	\$1,821.60
	7	4.00	\$2,024.00
	8	4.40	\$2,226.40
	9	4.80	\$2,428.80
	10	5.20	\$2,631.20
	11	5.60	\$2,833.60
	12	6.00	\$3,036.00

Water Supply Scheme	Number Of SUIP's	Differential (based on unit rate)	Targeted Rate (GST Inclusive)
Mokihinui	1	1.00	\$259.00
Ngakawau Hector	1	1.00	\$322.00
Waimangaroa	1	1.00	\$311.00
Punakaiki Connected	1	1.00	\$680.00
Punakaiki Serviceable	1	0.50	\$340.00
Little Wanganui Connected	1	1.00	\$173.00
Little Wanganui Serviceable	1	0.50	\$86.50
Inangahua Junction Connected	1	1.00	\$265.00
Inangahua Junction Serviceable	1	0.50	\$132.50
Granity South Connected	1	1.00	\$265.00

3.1 Metered Water Supplies

3.1.1 Cape Foulwind Rural Water Supply

A targeted rate is set to fund the Cape Foulwind Rural Water Supply. Each farm connection is charged for consumption at a rate of \$0.63 per m3 for 2012/2013..

3.1.2 Westport Metered Water Supply

A targeted rate is set for each separately used or inhabited portion of a rating unit connected to a metered water supply. A differential is applied based on the number of metered water connections.

Number of Metered Water Connections	Targeted Rate
1	\$621.00
2	\$1,242.00
3	\$1,863.00
4	\$2,484.00
5	\$3,105.00
6	\$3,726.00
7	\$4,347.00
8	\$4,968.00

Each separately used or inhabited portion of a rating unit is then charged at a rate of \$1.71 per cubic metre for consumption over 550 cubic metres per connection. Where a rating unit uses more than 550 cubic metres per connection, they may agree with Council to pay more than one targeted rate and receive an entitlement of 550 cubic metres per targeted rate.

3.1.3 Reefton Metered Water Supplies

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

3.2 Major Users

The following rating units are considered major users within water supply areas that do not have metered supplies. A targeted rate for major users is assessed on a differential basis on each rating unit or portion of a rating unit as the case may be.

Water Supply Area <i>(based on unit rate for particular water supply)</i>	Valuation Reference	Differential	Targeted Rate <i>(GST Inclusive)</i>
Little Wanganui Subdivision	1878035600	15.00	\$2,595.00
Mokihinui	1879001700	8.00	\$2,072.00
Ngakawau-Hector	1880006300	20.00	\$6,440.00
Waimangaroa	1883044300	3.00	\$933.00
Punakaiki	1886031200	26.00	\$17,680.00
Inangahua Junction	1901009300	3.00	\$795.00
Reefton	1905006101	2.00	\$1012.00
Reefton	1905023800	2.00	\$1012.00
Reefton	1905043500	2.00	\$1012.00
Reefton	1905044200	2.00	\$1012.00
Reefton	1905050000	2.00	\$1012.00
Reefton	1905036800	40.00	\$20,240.00

4. Sewage Disposal

A targeted sewage disposal rate is set for each separately used or inhabited portion of a rating unit connected or able to be connected to a sewerage scheme.

A differential is applied based on the number of separately used or inhabited portions within the rating unit.

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

A nil rate is applied to serviceable properties not connected to the Westport, Reefton and Carters Beach sewerage schemes.

Sewerage Scheme	Number of SUIP's	Differential (based on unit rate)	Targeted Rate (GST Incl)
Westport and Carters Beach Multi-residential only	1	1.00	\$863.00
	2	1.00	\$863.00
	3	1.70	\$1,467.10
	4	2.30	\$1,984.90
	5	2.80	\$2,416.40
	6	3.20	\$2,761.60
	7	3.60	\$3,106.80
	8	4.00	\$3,452.00
	9	4.40	\$3,797.20
	10	4.80	\$4,142.40
	11	5.20	\$4,487.60
	12	5.60	\$4,832.80
Westport and Carters Beach Multi-residential only	1	1.00	\$863.00
	2	1.70	\$1,467.10
	3	2.30	\$1,984.90
	4	2.80	\$2,416.40
	5	3.20	\$2,761.60
	6	3.60	\$3,106.80
	7	4.00	\$3,452.00
	8	4.40	\$3,797.20
	9	4.80	\$4,142.40
	10	5.20	\$4,487.60
	11	5.60	\$4,832.80
	12	6.00	\$5,178.00

Sewerage Scheme	Number of SUIP's	Differential (based on unit rate)	Targeted Rate (GST Incl)
Reefton Multi-residential only	1	1.00	\$552.00
	2	1.00	\$552.00
	3	1.70	\$938.40
	4	2.30	\$1,269.60
	5	2.80	\$1,545.60
	6	3.20	\$1,766.40
	7	3.60	\$1,987.20
	8	4.00	\$2,208.00
	9	4.40	\$2,428.80
	10	4.80	\$2,649.60
	11	5.20	\$2,870.40
	12	5.60	\$3,091.20
Reefton All other rating sectors	1	1.00	\$552.00
	2	1.70	\$938.40
	3	2.30	\$1,269.60
	4	2.80	\$1,545.60
	5	3.20	\$1,766.40
	6	3.60	\$1,987.20
	7	4.00	\$2,208.00
	8	4.40	\$2,428.80
	9	4.80	\$2,649.60
	10	5.20	\$2,870.40
	11	5.60	\$3,091.20
	12	6.00	\$3,312.00
Little Wanganui Connected	1	1.00	\$644.00
Little Wanganui Serviceable	1	0.50	\$322.00

5. Refuse Collection

A targeted refuse rate is set for each separately used or inhabited portion of a rating unit to which a refuse collection service is provided. A rating unit is regarded as being provided with this service if the property is within 100m of the route the collection vehicle travels in the normal course of picking up refuse bags.

A differential is applied based on the number of separately used or inhabited portions within the rating unit.

Refuse Collection	Number of SUIP's	Differential (unit rate)	Targeted Rate (GST Incl)
Multi-Residential only	1	1.00	\$63.00
	2	1.00	\$63.00
	3	1.70	\$107.10
	4	2.30	\$144.90
	5	2.80	\$176.40
	6	3.20	\$201.60
	7	3.60	\$226.80
	8	4.00	\$252.00
	9	4.40	\$277.20
	10	4.80	\$302.40
	11	5.20	\$327.90
	12	5.60	\$352.80
All other Rating Sectors	1	1.00	\$63.00
	2	1.70	\$107.10
	3	2.30	\$144.90
	4	2.80	\$176.40
	5	3.20	\$201.60
	6	3.60	\$226.80
	7	4.00	\$252.00
	8	4.40	\$277.20
	9	4.80	\$302.40
	10	5.20	\$327.90
	11	5.60	\$352.80
	12	6.00	\$378.00

6. Recycling

A targeted recycling rate is set for each separately used or inhabited portion of a rating unit to which the recycling service is provided. A rating unit is regarded as being provided with this service if the property is within 100m of the route the collection vehicle travels in the normal course of picking up recycled goods.

A differential is applied based on the number of separately used or inhabited portions within the rating unit.

Recycling Collection	Number of SUIP's	Differential (unit rate)	Targeted Rate (GST Incl)
Multi-residential only	1	1.00	\$121.00
	2	1.00	\$121.00
	3	1.70	\$205.70
	4	2.30	\$278.30
	5	2.80	\$338.80
	6	3.20	\$387.20
	7	3.60	\$435.60
	8	4.00	\$484.00
	9	4.40	\$532.40
	10	4.80	\$580.80
	11	5.20	\$629.20
	12	5.60	\$677.60
All other rating sectors	1	1.00	\$121.00
	2	1.70	\$205.70
	3	2.30	\$278.30
	4	2.80	\$338.80
	5	3.20	\$387.20
	6	3.60	\$435.60
	7	4.00	\$484.00
	8	4.40	\$532.40
	9	4.80	\$580.80
	10	5.20	\$629.20
	11	5.60	\$677.60
	12	6.00	\$726.00

7. District promotion & development rate

A targeted rate based on capital value has been introduced effective 01 July 2009. The rate will be a flat tiered rate (uniform charge) as detailed below plus a targeted rate of \$0.000794 applied to capital value. The rate is aimed at all commercial and industrial rating categories.

Commercial:	Capital Value	Rate:
Tier 1 -	\$0 - \$300,000	\$130.00
Tier 2 -	\$300,001 - \$500,000	\$330.00
Tier 3 -	Greater than \$500,001	\$630.00

NOTE:

Ratepayers with contiguous properties which are used as one will only be targeted for the above uniform charge once.

Industrial:	To be rated \$130.00 per rating unit plus a targeted rate on capital value of \$0.000794
Home-based Businesses:	Any home-based business that advertises or who are registered with a tourism organisation will pay a flat rate of \$180.00



Funding Impact Statement

Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	

OPERATING FUNDING

SOURCES OF OPERATING FUNDING

General rates, Uniform Annual General Charge, Rates penalties	6,790	7,013	7,206	6,962	7,299	7,366	7,623	7,711	7,810	8,072	7,949
Targeted rates (other than a targeted rate for water supply)	4,447	5,026	5,839	6,114	6,273	6,451	6,609	6,874	6,974	7,174	7,384
Subsidies for operating purposes	1,970	1,753	1,732	1,733	1,786	1,838	1,897	1,962	2,034	2,103	2,175
Fees, charges and targeted rates for water supply	234	277	291	307	320	339	339	356	364	413	418
Interest and dividends from investments	1,551	1,553	1,786	1,944	2,080	2,167	2,297	2,534	2,691	2,756	2,843
Local authorities fuel tax, fines, infringements fees and other receipts	3,723	4,520	4,320	4,454	4,377	4,563	4,664	4,798	4,986	5,103	200
TOTAL Operating Funding	18,715	20,142	21,174	21,514	22,135	22,724	23,429	24,235	24,859	25,621	26,034

APPLICATIONS OF OPERATING FUNDING

Payments to Suppliers and staff	13,634	14,735	14,283	14,731	15,241	15,530	16,050	16,556	17,105	17,695	18,301
Finance Costs	1,490	1,339	1,544	1,613	1,736	1,787	1,839	2,036	2,162	2,139	2,129
Other operating funding applications	626	585	708	672	594	647	736	625	713	773	685
TOTAL Applications of Operating Funding	15,750	16,659	16,535	17,016	17,571	17,964	18,625	19,217	19,980	20,607	21,115

SURPLUS/ (DEFICIT) of Operating Funding	\$2,965	\$3,483	\$4,639	\$4,498	\$4,564	\$4,760	\$4,804	\$5,018	\$4,879	\$5,014	\$4,919
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CAPITAL FUNDING

	Budget 2011/2012 \$000	Budget 2012/2013 \$000	Budget 2013/2014 \$000	Budget 2014/2015 \$000	Budget 2015/2016 \$000	Budget 2016/2017 \$000	Budget 2017/2018 \$000	Budget 2018/2019 \$000	Budget 2019/2020 \$000	Budget 2020/2021 \$000	Budget 2021/2022 \$000
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	2,817	1,601	2,161	1,563	1,274	1,312	1,354	1,402	1,454	1,502	1,556
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	3,971	2,994	256	410	224	1,981	(212)	3,604	(411)	(409)	(370)
GROSS proceeds from sale of assets	0	480	494	508	523	540	555	570	587	607	627
Lump Sum contributions	550	1,566	350	400	100	0	0	0	0	0	0
TOTAL Sources of Capital Funding	7,338	6,641	3,261	2,881	2,121	3,833	1,697	5,576	1,630	1,700	1,813
CAPITAL EXPENDITURE											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	6,235	6,044	3,007	2,801	997	2,003	391	2,788	305	4,254	331
- to replace existing assets	3,979	3,554	3,483	2,961	3,307	3,338	3,416	3,679	3,678	3,519	3,856
Increase/ (decrease) in reserves	89	98	1,122	1,650	1,196	1,349	1,440	1,410	1,142	1,360	919
Increase/ (decrease) in investments	0	428	288	(33)	1,185	1,903	1,254	2,717	1,384	(2,418)	1,626
TOTAL applications of Capital Funding	10,303	10,124	7,900	7,379	6,685	8,593	6,501	10,594	6,509	6,715	6,732
SURPLUS/ (DEFICIT) of Capital Funding	\$(2,965)	\$(3,483)	\$(4,639)	\$(4,498)	\$(4,564)	\$(4,760)	\$(4,804)	\$(5,018)	\$(4,879)	\$(5,015)	\$(4,919)
FUNDING BALANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The Background

In 2006, the Government announced it had established an Independent Inquiry into local government rates.

The Inquiry reported in August 2007, making 97 recommendations to the Government and local Councils for changes to the way local government is funded, the way councils manage their finances, and the way councils plan and explain their plans to the public.

Rating Review

A review of the current Rating System is long overdue. The current system of rates, which has developed over time, is based on a complex system with over 40 differentials in place.

The complexity within our differential rates makes our rating system difficult for ratepayers to understand.

The rating review will ensure that the burden for rates clearly sets out the rationale for how the rates burden has been allocated across the sectors and ratepayer classes. When calculating the rates for each sector and class of ratepayer, the rates calculation will consider how that sector and class of ratepayer receives benefits from and places demands on Council facilities and infrastructure. The rating system will be more transparent and the end result of this review will be a system where the burden for rates is distributed in an equitable manner. This approach is in line with the recommendation of the Shand enquiry in 2007 which advocated for the removal of rating differentials and promotion of the capital value system as the basis for setting the general rate. The review will consider what basis for setting rates and preliminary work to-date has suggested a rating model which is based on a mix of land and capital values. Once the review has been finalised, there will be extensive consultation with the community.

Council's Response

Although there is still further work to be made on various characteristics of the review, Council's Finance and Audit Committee have so far settled on some basic assumptions to find a rating system that is fair and equitable across the district. Essentially Council has undertaken preliminary work on a rating model which is based on a mix of capital and land values. In the interim, the status-quo regarding rating will remain, but it is proposed to change. Once the rating review has been completed and after extensive consultation with the affected communities.

However Council would want to consider all the possible rating bases and ensure that incidence for the burden of rates is equitably distributed across the sectors of our community.

The committee thus settled on the following:

"That communities of interest be based on the electoral boundaries of the three wards, as set by Local Government Commission upon amalgamation back in 1989, having remained unchanged, and therefore, having stood the 'test of time'."



The district is split into three wards, being (approximately):

Seddon

From the northern boundary at Kahurangi Point through to Powerhouse and Beach Roads at Fairdown, and bounded by the mountain ranges to the east;

Inangahua

From Berlins in the Buller Gorge through to the eastern boundary at the Lewis Pass, north at Newtons Flat, and south at Ikamatua, bounded on the west by the Paparoa Range; and

Westport

From the Seddon ward in the north, the Inangahua ward in the east, and through to the southern boundary at the Punakaiki River.

Further to this was the need to distinguish 'urban' and 'rural' areas, with the most readily available differentiation being with Council's own District Plan, which has been approved after thorough public consultation and approved in accordance with the legislation under the Resource Management Act and any further policy set by the Environment Court.

However, when considering the rates, these wards may be further segmented into their settlements.

Thus, the third premise in the review was:

“That the use of the designated zonings used in the District Plan be used for any differentiation required between various uses of lands within the district.”

Of course, the committee saw that the strict use of these premises could result in some anomalies, so that there will also need to be some tolerance to address any oddities with regard to the use of certain lands for purposes other than the designated zoning as shown in the District Plan.

To this end, there will be “special rating zones” defined to cover any peculiarity that may arise by adhering strictly to the premises – and these will be addressed when notifying the public of any intended change(s) to the current system.

This would affect such properties that may have “existing use rights” (such as a commercial enterprise in a residential zoning, or a rurally-zoned property being used for industrial purposes such as mining), or any future use of a property outside those designated by the District Plan.

Next Steps

This Council has initiated the rating review, based on the scenario that the majority of the recommendations will at some point in time be applicable, so that, at this time, it will have the necessary background to complete the evaluation of the proposals, and publicly consult on its decisions.

In the meantime, there is nothing definite that Council is able to report in its deliberations, meaning that it cannot clarify any impact (if applicable) the proposals would have on any individual property or any current rating sector. The current rating system will remain in place until the new system, based on a mixture of land and capital values, is proposed. Consultation will be undertaken with both individual and sectors of ratepayers when the new rating model is finalised and the change in rating system can be accurately quantified.

financial statements

- ▶ Statement of comprehensive income
- ▶ Statement of changes in equity
- ▶ Statement of financial position
- ▶ Statement of cashflows
- ▶ Schedule of capital expenditure



	Notes	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
OPERATING REVENUE												
General Rates	1	6,790	7,013	7,206	6,962	7,299	7,366	7,623	7,711	7,810	8,072	7,949
Targeted Rates other than for water supply	2	4,538	5,026	5,839	6,114	6,273	6,451	6,609	6,874	6,974	7,174	7,384
Metered Water Charges		234	277	291	307	320	339	339	356	364	413	418
Rates Penalties		170	200	200	200	200	200	200	200	200	200	200
Financial Assistance	3	5,014	4,920	4,243	3,696	3,160	3,151	3,251	3,364	3,488	3,605	3,731
Fees & Charges	4	3,271	4,351	4,154	4,289	4,214	4,399	4,501	4,637	4,827	4,946	5,109
Vested Assets		350	100	103	107	110	114	118	122	126	130	135
Revaluation of Investment Properties		389	285	270	263	264	264	231	221	226	236	223
Dividend Income		825	850	880	911	943	975	1,009	1,044	1,081	1,119	1,159
Interest Income	7	619	703	906	1,033	1,137	1,192	1,288	1,490	1,610	1,637	1,684
TOTAL Operating Revenue		22,200	23,725	24,092	23,882	23,920	24,451	25,169	26,019	26,706	27,532	27,992
OPERATING EXPENDITURE												
Employee Benefit Expenses		3,892	4,019	4,116	4,216	4,327	4,440	4,548	4,653	4,776	4,905	5,040
Depreciation and Amortisation	9	4,803	5,559	5,764	6,157	6,083	6,264	6,225	6,577	6,461	6,736	6,719
Finance Costs	8	1,490	1,339	1,544	1,613	1,736	1,787	1,839	2,036	2,162	2,139	2,129
Other Expenses		10,427	11,301	10,874	11,187	11,509	11,737	12,239	12,527	13,042	13,563	13,947
Impairment of Assets		0	696	696	696	696	696	696	696	696	696	696
TOTAL Operating Expenditure	6	20,612	22,914	22,994	23,869	24,351	24,924	25,547	26,489	27,137	28,039	28,531
Net Surplus (Deficit) Before Taxation		1,588	811	1,098	13	(431)	(473)	(378)	(470)	(431)	(507)	(539)
Income Tax Expense		0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit) After Taxation		1,588	811	1,098	13	(431)	(473)	(378)	(470)	(431)	(507)	(539)
Comprehensive Income												
Increase in Infrastructure Revaluation Reserve		4,596	0	18,000	0	18,211	0	18,554	0	22,076	0	23,704
TOTAL Comprehensive Income		\$6,184	\$ 811	\$ 19,098	\$ 13	\$ 17,780	\$ (473)	\$ 18,176	\$ (470)	\$ 21,645	\$ (507)	\$ 23,165

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
EQUITY as at 1 JULY	321,240	331,651	332,462	351,560	351,573	369,353	368,880	387,056	386,586	408,231	407,724
Total Comprehensive Income	6,184	811	19,098	13	17,780	(473)	18,176	(470)	21,645	(507)	23,165
TOTAL Equity at End of Year	\$327,424	\$332,462	\$351,560	\$351,573	\$369,353	\$368,880	\$387,056	\$386,586	\$408,231	\$407,724	\$430,889

COMPONENTS OF EQUITY											
Accumulated Funds	187,271	184,451	184,885	183,413	181,955	180,307	178,670	176,975	175,592	173,924	172,672
Reserves	739	(17)	646	2,131	3,159	4,334	5,593	6,818	7,770	8,931	9,645
Asset Revaluation Reserve	139,414	148,028	166,029	166,029	184,239	184,239	202,793	202,793	224,869	224,869	248,572
TOTAL Equity at End of Year	\$327,424	\$332,462	\$351,560	\$351,573	\$369,353	\$368,880	\$387,056	\$386,586	\$408,231	\$407,724	\$430,889

Closing equity for 2011/2012 (Annual Plan) differs from the opening equity reflected in 2012/2013 (Long Term Plan) due to adjustments processed. Adjustments were processed to improve the accuracy of the Opening Equity Balance, taking account of more up-to-date information on capital expenditure, debt levels and investment property sales.

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
CURRENT ASSETS											
Cash and Bank	628	1,629	913	703	972	981	2,710	2,649	3,227	1,264	2,833
Trade and Other Receivable	3,747	4,093	4,156	4,117	4,123	4,216	4,341	4,487	4,607	4,744	4,825
Tax Receivable	100	109	111	110	110	112	116	120	123	127	129
Inventories	12	14	14	14	14	14	14	15	15	16	16
Other Current Assets	9	9	9	9	9	9	9	9	9	9	9
Short Term Investments	10,764	12,764	14,764	16,764	18,764	19,764	20,764	21,764	23,764	24,764	25,764
TOTAL Current Assets	15,260	18,618	19,967	21,717	23,992	25,096	27,954	29,044	31,745	30,924	33,576
NON CURRENT ASSETS											
Investments in CCO's	24,744	19,822	19,208	18,607	17,971	19,579	18,891	21,487	20,799	20,110	19,422
Investment Properties	16,125	9,799	9,575	9,330	9,071	8,796	8,471	8,122	7,761	7,390	6,986
Infrastructural Assets	285,236	294,403	313,372	313,278	330,199	330,156	347,209	347,342	367,784	369,678	391,615
Other Non Current Assets	22,556	25,293	25,283	24,680	24,504	23,867	23,210	23,224	22,585	21,870	21,208
Intangible Assets	68	433	305	717	512	382	237	101	20	9	40
TOTAL Non Current Assets	348,729	349,750	367,743	366,612	382,257	382,780	398,018	400,276	418,949	419,057	439,271
TOTAL ASSETS	363,989	368,368	387,710	388,329	406,249	407,876	425,972	429,320	450,694	449,981	472,847
CURRENT LIABILITIES											
Trade and Other Payables	4,978	5,534	5,553	5,764	5,881	6,019	6,170	6,397	6,554	6,771	6,890
Derivative and Financial Instruments	50	55	56	58	59	60	62	64	66	68	69
Employee Benefits	403	448	450	467	476	487	499	518	531	548	558
Current Portion of Term Debt	1,338	263	567	645	378	323	335	375	419	416	426
TOTAL Current Liabilities	6,769	6,300	6,626	6,934	6,794	6,889	7,066	7,354	7,570	7,803	7,943
NON CURRENT LIABILITIES											
Environmental Provisions	1,372	1,906	1,872	1,839	1,628	1,596	1,563	1,531	1,499	1,467	1,407
Bond Deposits	82	82	82	82	82	82	82	82	82	82	82
Employee Entitlement	109	161	161	161	161	161	161	161	161	161	161
Term Debt	28,233	27,457	27,409	27,740	28,231	30,268	30,044	33,606	33,151	32,744	32,365
TOTAL Non Current Liabilities	29,796	29,606	29,524	29,822	30,102	32,107	31,850	35,380	34,893	34,454	34,015

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
EQUITY											
Accumulated Funds	187,271	184,451	184,885	183,413	181,955	180,307	178,670	176,975	175,592	173,924	172,672
Reserves	739	(17)	646	2,131	3,159	4,334	5,593	6,818	7,770	8,931	9,645
Asset Revaluation Reserve	139,414	148,028	166,029	166,029	184,239	184,239	202,793	202,793	224,869	224,869	248,572
TOTAL Equity	327,424	332,462	351,560	351,573	369,353	368,880	387,056	386,586	408,231	407,724	430,889
	\$363,989	\$368,368	\$387,710	\$388,329	\$406,249	\$407,876	\$425,972	\$429,320	\$450,694	\$449,981	\$472,847

2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

CASHFLOWS FROM OPERATING ACTIVITIES

Cash will be provided from:

Rates	11,498	12,239	13,245	13,276	13,772	14,017	14,432	14,785	14,984	15,446	15,533
Other Income	8,519	9,549	8,687	8,290	7,695	7,889	8,093	8,358	8,681	8,966	9,259
Interest Received	619	703	906	1,033	1,137	1,192	1,288	1,490	1,610	1,637	1,684
Dividend Income	824	850	880	911	943	975	1,009	1,044	1,081	1,119	1,159
	21,460	23,341	23,718	23,510	23,547	24,073	24,822	25,677	26,356	27,168	27,635

Cash will be applied to:

Payments to Suppliers and Employees	13,363	15,185	15,068	15,168	15,926	16,153	16,783	17,115	17,801	18,410	18,998
Interest Paid	1,490	1,339	1,544	1,613	1,736	1,787	1,839	2,036	2,162	2,139	2,129
Income Tax Paid	0	0	0	0	0	0	0	0	0	0	0
	14,853	16,524	16,612	16,781	17,662	17,940	18,622	19,151	19,963	20,549	21,127

Net Cash From Operating Activities	\$6,607	\$6,817	\$7,106	\$6,729	\$5,885	\$6,133	\$6,200	\$6,526	\$6,393	\$6,619	\$6,508
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CASHFLOWS FROM INVESTING ACTIVITIES

Cash will be provided from:

Sale of investment properties	439	480	494	508	523	540	555	570	587	607	627
	439	480	494	508	523	540	555	570	587	607	627

Cash will be applied to:

Purchase of Fixed Assets	10,207	9,598	6,490	5,762	4,304	5,341	3,807	6,467	3,983	7,773	4,187
Purchase of Long Term Investments	0	18	82	95	60	2,304	7	3,293	7	7	8
Purchase of Short Term Investments	0	2,000	2,000	2,000	2,000	1,000	1,000	1,000	2,000	1,000	1,000
	10,207	11,616	8,572	7,857	6,364	8,645	4,814	10,760	5,990	8,780	5,195

Net Cash From Investing Activities	\$ (9,768)	\$ (11,136)	\$ (8,078)	\$ (7,349)	\$ (5,841)	\$ (8,105)	\$ (4,259)	\$ (10,190)	\$ (5,403)	\$ (8,173)	\$ (4,568)
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2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

CASHFLOWS FROM FINANCING ACTIVITIES

Cash will be provided from:

Loans Raised	4,530	3,257	823	1,055	603	2,304	123	3,978	7	7	55
	4,530	3,257	823	1,055	603	2,304	123	3,978	7	7	55

Cash will be applied to:

Repayment of Loans	260	263	567	645	378	323	335	375	419	416	426
	260	263	567	645	378	323	335	375	419	416	426

Net Cash From Financing Activities	\$ 4,270	\$ 2,994	\$ 256	\$ 410	\$ 225	\$ 1,981	\$ (212)	\$ 3,603	\$ (412)	\$ (409)	\$ (371)
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NET Increase (Decrease) in Cash	1,109	(1,325)	(716)	(210)	269	9	1,729	(61)	578	(1,963)	1,569
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OPENING Cash as at 1 July	(481)	2,954	1,629	913	703	972	981	2,710	2,649	3,227	1,264
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CLOSING Cash as at 30 June	\$628	\$1,629	\$913	\$703	\$972	\$981	\$2,710	\$2,649	\$3,227	\$1,264	\$2,833
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notes to the financial statements

Note:

1. Required from General Rates
2. Targeted Rates
3. Financial Assistance
4. Fees & Charges
5. Internal Recoveries
6. Operating Expenditure
7. Interest Income
8. Finance Costs
9. Depreciation



NOTE 1: REQUIRED FROM GENERAL RATES

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
Democracy	785	873	976	1,017	943	970	1,108	992	1,052	1,159	1,074
Community Services	3,599	3,542	3,806	3,884	4,081	4,087	4,236	4,543	4,698	4,749	4,817
Regulatory Services	812	768	563	650	884	860	867	883	874	869	885
Property Management, Amenities & Reserves	1,001	1,210	1,308	1,319	1,376	1,437	1,491	1,550	1,603	1,599	1,621
Roading & Urban Development	2,170	2,245	2,297	2,347	2,417	2,485	2,549	2,641	2,715	2,800	2,887
Water	0	0	0	0	0	0	0	0	0	0	0
Solid Waste	525	709	111	112	114	115	116	118	119	121	123
Wastewater	0	0	0	0	0	0	0	0	0	0	0
In House Professional Services	(79)	(73)	(73)	(61)	(65)	(91)	(102)	(109)	(128)	(147)	(158)
Airport	65	57	68	68	68	67	66	44	33	22	21
Stormwater	341	348	459	397	428	433	476	428	448	522	570
Rates Smoothing Adjustment		(300)	300								
	9,219	9,379	9,815	9,733	10,246	10,363	10,807	11,090	11,414	11,694	11,840
LESS											
Interest Income	(1,434)	(1,316)	(1,529)	(1,660)	(1,805)	(1,822)	(1,974)	(2,134)	(2,323)	(2,303)	(2,533)
Other Income - Dividends	(825)	(850)	(880)	(911)	(942)	(975)	(1,010)	(1,045)	(1,081)	(1,119)	(1,158)
	(2,259)	(2,166)	(2,409)	(2,571)	(2,747)	(2,797)	(2,984)	(3,179)	(3,404)	(3,422)	(3,691)
Rates Penalties	(170)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
TOTAL General Rates Requirement	\$6,790	\$7,013	\$7,206	\$6,962	\$7,299	\$7,366	\$7,623	\$7,711	\$7,810	\$8,072	\$7,949

NOTE 2: TARGETED RATES

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
Roading & Urban Development	46	0	0	0	0	0	0	0	0	0	0
Water	1,531	1,889	2,027	2,194	2,300	2,429	2,531	2,721	2,800	2,845	2,995
Solid Waste	746	688	1,298	1,307	1,315	1,316	1,318	1,320	1,320	1,321	1,322
Wastewater	1,895	2,156	2,212	2,305	2,343	2,382	2,426	2,489	2,501	2,644	2,691
Community Services	320	293	302	308	315	324	334	344	353	364	376
TOTAL Targeted Rates	\$4,538	\$5,026	\$5,839	\$6,114	\$6,273	\$6,451	\$6,609	\$6,874	\$6,974	\$7,174	\$7,384

NOTE 3: FINANCIAL ASSISTANCE

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
Community Services	576	1,591	375	425	125	25	25	25	25	25	25
Property Management, Amenities & Reserves	0	0	0	0	0	0	0	0	0	0	0
Roading & Urban Development	3,045	2,946	2,909	2,909	2,999	3,089	3,187	3,299	3,422	3,537	3,662
Water	1,393	350	925	327	0	0	0	0	0	0	0
Solid Waste	0	33	34	35	36	37	39	40	41	43	44
TOTAL Financial Assistance	\$5,014	\$4,920	\$4,243	\$3,696	\$3,160	\$3,151	\$3,251	\$3,364	\$3,488	\$3,605	\$3,731

NOTE 4: FEES AND CHARGES

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
Democracy	10	10	41	0	0	34	0	0	38	0	0
Community Services	451	747	782	835	859	881	904	927	951	978	1,005
Regulatory Services	788	1,360	1,660	1,671	1,515	1,570	1,622	1,676	1,731	1,793	1,856
Property Management, Amenities & Reserves	791	1,245	1,293	1,391	1,433	1,493	1,537	1,582	1,638	1,690	1,743
Roading & Urban Development	170	175	183	191	199	206	216	223	233	241	252
Solid Waste	751	723	43	44	45	46	48	49	50	52	53
Wastewater	251	25	85	88	91	94	97	100	104	107	111
Support Activities	0	0	0	0	0	0	0	0	0	0	0
Professional Services	9	0	0	0	0	0	0	0	0	0	0
Stormwater	0	8	8	8	9	9	9	10	10	10	11
Airport	50	58	59	61	63	66	68	70	72	75	78
TOTAL Fees & Sundry	\$3,271	\$4,351	\$4,154	\$4,289	\$4,214	\$4,399	\$4,501	\$4,637	\$4,827	\$4,946	\$5,109

NOTE 5: INTERNAL RECOVERIES

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
Community Services	22	0	0	0	0	0	0	0	0	0	0
Regulatory Services	22	15	15	16	17	17	18	18	19	20	20
Property Management, Amenities & Reserves	313	345	376	379	366	377	399	397	412	438	427
Support	3,497	3,848	4,066	4,388	4,578	4,555	4,646	4,786	4,764	4,793	4,915
Professional Services	653	705	727	751	776	803	831	858	886	918	950
TOTAL Internal Recoveries	\$4,507	\$4,913	\$5,184	\$5,534	\$5,737	\$5,752	\$5,894	\$6,059	\$6,081	\$6,169	\$6,312

NOTE 6: OPERATING EXPENDITURE AS PER ACTIVITY

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
Democracy	795	883	1,017	1,017	943	1,004	1,108	992	1,090	1,159	1,074
Community Services	4,453	4,647	4,976	5,101	5,219	5,299	5,473	5,804	5,985	6,066	6,164
Regulatory Services	2,071	2,221	2,315	2,417	2,497	2,381	2,408	2,463	2,500	2,541	2,611
Property Management, Amenities & Reserves	2,098	2,702	2,873	2,983	3,065	3,190	3,305	3,396	3,511	3,576	3,624
Roading & Minor Activities	6,053	6,079	6,104	6,333	6,428	6,715	6,808	7,124	7,235	7,590	7,718
Water	1,725	2,066	2,186	2,377	2,509	2,627	2,777	2,898	3,068	3,231	3,558
Solid Waste	1,944	2,017	1,215	1,233	1,279	1,232	1,262	1,293	1,317	1,351	1,398
Wastewater	2,132	2,141	2,169	2,244	2,271	2,319	2,335	2,411	2,432	2,513	2,546
Support Services	3,497	3,848	4,066	4,388	4,578	4,555	4,646	4,786	4,764	4,793	4,915
In House Professional Services	582	632	654	690	712	713	729	749	758	771	792
Airport	114	115	128	129	131	132	133	114	105	97	99
Stormwater	363	397	401	422	426	444	448	468	470	490	495
	25,827	27,748	28,104	29,334	30,058	30,611	31,432	32,498	33,235	34,178	34,994
<i>PLUS</i> Impairment of Assets	0	696	696	696	696	696	696	696	696	696	696
<i>LESS</i> Internal Interest	(708)	(617)	(622)	(627)	(666)	(631)	(687)	(646)	(713)	(666)	(847)
<i>LESS</i> Internal Recoveries	(4,507)	(4,913)	(5,184)	(5,534)	(5,737)	(5,752)	(5,894)	(6,059)	(6,081)	(6,169)	(6,312)
TOTAL Operating Expenditure	\$20,612	\$22,914	\$22,994	\$23,869	\$24,351	\$24,924	\$25,547	\$26,489	\$27,137	\$28,039	\$28,531

NOTE 7: INTEREST INCOME

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
Interest	1,327	1,320	1,528	1,660	1,803	1,823	1,975	2,136	2,323	2,303	2,531
LESS Internal Interest	(708)	(617)	(622)	(627)	(666)	(631)	(687)	(646)	(713)	(666)	(847)
	\$619	\$703	\$906	\$1,033	\$1,137	\$1,192	\$1,288	\$1,490	\$1,610	\$1,637	\$1,684

NOTE 8: FINANCE COSTS

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
Interest Expenses	2,198	1,956	2,166	2,240	2,402	2,418	2,526	2,682	2,875	2,805	2,976
LESS Internal Interest	(708)	(617)	(622)	(627)	(666)	(631)	(687)	(646)	(713)	(666)	(847)
	\$1,490	\$1,339	\$1,544	\$1,613	\$1,736	\$1,787	\$1,839	\$2,036	\$2,162	\$2,139	\$2,129

NOTE 9: DEPRECIATION

	2011/2012 \$000	2012/2013 \$000	2013/2014 \$000	2014/2015 \$000	2015/2016 \$000	2016/2017 \$000	2017/2018 \$000	2018/2019 \$000	2019/2020 \$000	2020/2021 \$000	2021/2022 \$000
Democracy	0	0	0	0	0	0	0	0	0	0	0
Community Services	232	406	436	434	397	360	354	368	361	349	347
Regulatory Services	22	104	108	112	111	101	73	63	63	55	53
Amenities & Reserves	310	524	597	629	635	654	675	698	702	675	644
Roading & Minor Activities	2,621	2,747	2,742	2,921	2,914	3,095	3,089	3,274	3,262	3,491	3,483
Water	574	608	645	744	760	835	853	932	952	1,068	1,114
Solid Waste	75	96	109	98	83	77	77	76	73	74	72
Wastewater	598	626	620	661	653	671	657	699	691	734	727
Support Services	148	216	277	313	288	221	200	225	125	53	42
In House Professional Services	7	8	8	8	6	1	0	0	0	0	0
Stormwater	55	54	54	54	54	54	53	34	25	16	15
Airport	161	170	168	183	182	195	194	208	207	221	222
	\$4,803	\$5,559	\$5,764	\$6,157	\$6,083	\$6,264	\$6,225	\$6,577	\$6,461	\$6,736	\$6,719

Capital Expenditure Projects

Department	Project	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Totals	Refer to Section:
		2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	\$,000	
		\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	
Community Services	Westport Cultural Hub	4,000	0	0	0	0	0	0	0	0	0	4,000	Page 157
	Urban Streetscape, Vision 2010 Projects in Inangahua and Seddon Districts	0	447	240	60	0	0	0	0	0	0	747	
	Theatres, Recreation Facilities and Libraries	107	357	73	223	107	81	297	124	90	209	1,668	
Regulatory Services	Rural Fire Assets	0	62	0	0	0	0	0	0	0	0	62	Page 79
Property Management, Amenities & Reserves	Reserves, Playgrounds, Camping Grounds	137	132	121	108	97	122	103	107	111	115	1,153	Page 187
	Cemetaries	32	0	12	0	7	64	19	7	6	0	147	
	Council Properties & Buildings, Public Toilets	264	114	41	74	172	80	130	211	24	25	1,135	
	Pensioner Housing	455	71	116	547	106	62	599	35	56	5	2,052	
Roading & Urban Development	Roading	1,836	2,068	1,836	1,893	1,950	2,012	2,083	2,160	2,233	2,312	20,383	Page 97
	Footpaths, Security Cameras, Street Banners	198	188	195	201	207	214	221	229	237	245	2,135	
Solid Waste	Refuse, Litter & Recycling	5	31	6	6	6	6	7	38	7	7	119	Page 139
Water Supplies	Westport Water	1,231	1,421	1,886	491	2,053	330	2,336	350	4,153	352	14,603	Page 109
	Reefton Water	95	105	75	77	74	83	80	78	82	86	835	
	District Water	14	847	10	49	12	58	13	62	14	15	1,094	
Wastewater / Sewerage	Westport Sewer	311	264	233	278	248	281	266	255	320	313	2,769	Page 123
	Reefton Sewer	44	51	69	55	57	93	82	73	92	96	712	
	Little Wanganui Sewer	1	17	9	32	1	28	1	47	2	38	176	
Stormwater	Stormwater Upgrades & Replacements	106	210	141	165	164	201	146	160	227	267	1,787	Page 131
In-house Professional Services	Vehicles	0	0	0	0	0	0	0	0	0	47	47	Page 151
Airport	Erosion Protection	350	0	0	0	0	0	0	0	0	0	350	Page 270
Support Services	Information Technology, Vehicle Replacement	412	105	699	45	80	92	84	47	119	55	1,738	Page 179
TOTAL Capital Projects		\$9,598	\$6,490	\$5,762	\$4,304	\$5,341	\$3,807	\$6,467	\$3,983	\$7,773	\$4,187	\$57,712	

schedule of capital expenditure

Assumptions

The Buller District Plan is based on a number of significant forecasting assumptions. These assumptions include assessments of a number of factors that might impact on Council and the community including a consideration of how the population may change over the next ten years, funding of Council services, and the financial environment.

The assumptions are the best reasonable assessment based on current information, but actual results may differ and these differences could be large. Council has therefore, included an assessment of how likely the actual may vary from the assumptions and what impact the variances would have on Council and the community. These are overarching assumptions relating to Council's activities. In addition to these assumptions, activity specific assumptions are found within each of the activity sections.



Assumption	Description of Risk	Level of Uncertainty	Impact																				
<p>1. Population growth:</p> <p>Council has undertaken an assessment of population increase. The overall population of Buller is expected to increase to 11,229 in 2022 from 10,400 in 2011. The population growth figures have been based on the high end growth rates of Statistics New Zealand and adjusted for anticipated economic growth within the District.</p> <p>As highlighted in the financial strategy, Buller expects significant economic growth in mining activities. BERL has predicted that this growth will be sustained as this demand for mineral resources continues to grow. For this reason we believe that the high end growth rates from Statistics NZ are most applicable.</p> <table border="1"> <tr><td>2012/2013</td><td>10,450</td></tr> <tr><td>2013/2014</td><td>10,755</td></tr> <tr><td>2014/2015</td><td>10,999</td></tr> <tr><td>2015/2016</td><td>11,049</td></tr> <tr><td>2016/2017</td><td>11,099</td></tr> <tr><td>2017/2018</td><td>11,149</td></tr> <tr><td>2018/2019</td><td>11,169</td></tr> <tr><td>2019/2020</td><td>11,189</td></tr> <tr><td>2020/2021</td><td>11,209</td></tr> <tr><td>2021/2022</td><td>11,229</td></tr> </table>	2012/2013	10,450	2013/2014	10,755	2014/2015	10,999	2015/2016	11,049	2016/2017	11,099	2017/2018	11,149	2018/2019	11,169	2019/2020	11,189	2020/2021	11,209	2021/2022	11,229	<p>That growth may be higher or lower than projected. A higher number might result if more people decided to migrate to Westport and Reefton as result of the growth in employment, principally in mining activities. Conversely a lower growth rate may result if delays are experienced due to obtaining Resource Consents.</p>	<p>Medium</p>	<p>Council will need to reassess the growth rates and whether its projects need to be brought forward or delayed as part of each years Annual Plan or Long Term Plan</p>
2012/2013	10,450																						
2013/2014	10,755																						
2014/2015	10,999																						
2015/2016	11,049																						
2016/2017	11,099																						
2017/2018	11,149																						
2018/2019	11,169																						
2019/2020	11,189																						
2020/2021	11,209																						
2021/2022	11,229																						
<p>2. Inflation/Price Changes:</p> <p>In preparing the Long Term Plan Council has utilised the inflation factors as provided by Business and Economic Research Limited (BERL) to be the inflation factors used to escalate expenses.</p> <p>Refer to page 237</p>	<p>That inflation is higher or lower than predicted.</p>	<p>Medium to low</p>	<p>There is likely to be some variation in the actual rates of inflation from those assumed and this will impact on the financial results of Council.</p> <p>If the variances are significant, Council may need to consider either increasing or decreasing rates and charges or the levels of services for activities. This would be considered through the Annual Plan process. Council plans to spend \$251 million in operating expenditure and \$60 million in capital over the term of the plan. A 1% movement in inflation could increase or decrease costs by an average of approximately \$310,000 pa. There would also be an impact on debt levels.</p> <p>No escalation has been applied to Roading for the following financial years: 2012/2013 2013/2014 2014/2015</p> <p>Therefore escalation has been undertaken using the BERL indices.</p>																				

Assumption	Description of Risk	Level of Uncertainty	Impact
<p>3. Emissions Trading Scheme: Councils assumes that ETS cost will arise.</p> <p>It has been assumed that ETS cost per tonne will be \$27.50 for a constant tonnage level.</p>	That costs will be higher than forecast	Medium	If costs are higher than forecast then Council may need to increase rates or fees and charges to fund the increase
<p>4. New Zealand Transport Agency Funding: An underlying assumption of the budget figures is that the Government subsidy through the Financial Assistance Rate change in 2012/2013 from 60% to 59%, and from 2013/2014 the subsidy rate will reduce to 58%. Funding rates used for the preparation of this Plan are based on information from the New Zealand Transport Agency.</p> <p>NZTA has indicated that funding for years 2012/2013 to 2014/2015 has decreased and will also not be escalated for inflation. The reduction in funding has been applied to the full ten years of the plan.. This means levels of funding will not increase to take account of rising costs of providing the service. Therefore NZA funding remains constant for years 1-3 of the Plan (2012/2013 to 2014/2015). Thereafter Council assumes there will be no catchup in the level of funding from NZTA but the assumption is that inflation adjustments will be reinstated from year 4 of the Plan (2015/2016) onwards. The Funding Impact Statement for roading on pages 110-111 reflect this.</p>	That the Government will reduce the subsidy available to Councils	Medium	<p>Any decrease in NZTA funding will require Council to make a decision of whether to increase funding from rates, reduce service levels, remove projects from the Long Term Plan or apply a mix of these options.</p> <p>This means levels of funding will not increase to take account of rising costs of providing the service. Therefore service levels in roading will reduce, this will be particularly evident in higher road roughness levels, maintenance of low volume rural roads and a reduction in vegetation control including mowing.</p>
<p>5. Financial Contributions: That Council will receive external lump sum contributions totalling \$2.5 million over the term of the Plan towards the capital projects.</p>	Lump sum contributions could be lower or higher than anticipated	Medium	This may mean that Council would need to reassess the projects and either delay the projects or agree to manage the shortfall through the Annual Plan process.
<p>6. Useful lives of significant assets: Council has made a number of assumptions about the useful life of its assets. These assumptions affect the depreciation charge contained within the Plan. The detail for each asset category is reflected in the Statement of Accounting Policy on pages 277-286 of this document. Council's assets depreciation rates are contained within of the Statement of Accounting Policies.</p>	That the lives of assets are materially different from those contained within the Plan	Low	If the life of the assets are materially different from those contained within the Plan, the asset values stated in the prospective balance sheet and the profit contained in the prospective statement of financial performance would be affected. If the life was shorter than expected then Council might need to replace the asset sooner than planned and this would need to be funded. Council has a long history of managing assets and has asset management practices in place which reduce the likelihood of assets being very different to projections.

Assumption	Description of Risk	Level of Uncertainty	Impact																														
<p>7. Significant Asset Condition:</p> <p>Council understanding of condition of its assets underpins the renewal forecasts in the Long Term Plan (and also the significant lives of assets discussed above). Council has sufficient information about the condition of its assets to forecast their probably replacement periods. However, further more detailed information is desirable to further reduce the risk that actual condition varies from the assumed condition.</p>	That condition information is not a sufficiently accurate representation of the actual condition of assets	Medium	If the asset condition is substantially worse than expectations then there is an increased risk of unexpected asset failure and the increased costs of repairing assets would need to be funded. These costs are not in the Long Term Plan and Council would need to consider how they should be funded - higher rates, use of cash reserves or debt would be options.																														
<p>8. Vested Assets:</p> <p>Council will receive \$100,000 vested assets per annum. Vested assets are engineering assets such as roads, sewers and water mains paid for by developers and vested to Council in completion of the subdivision.</p>	That Vested Assets may vary from budget.	Medium	Vested assets must be maintained by Council, so if growth is higher than forecast Council will need to increase its budget to maintain those assets. The impact of higher or lower growth is not considered significant.																														
<p>9. Insurance Costs:</p> <p>It has been assumed that insurance premiums will continue at the level paid for 2011/2012, plus inflation, using the BERL adjusters. Council has also made an assumption that it will be able to obtain insurance cover.</p> <p>Costs for 2010/2011 were \$151,000. In 2011/2011 these costs increased to \$321,000. Increases were as a result of the Canterbury earthquake.</p>	That premiums increase above inflation and/or Council cannot obtain 100% cover	High	Any increase in premiums above the level assumed in this Plan will have an impact on rates or the level of cover that Council adopts. If insurance costs increase by 10% then this would translate into a 0.5% increase in Rates.																														
<p>10. Return on Investments:</p> <p>It is assumed that the return on investments, including dividends from Council Controlled Organisations and retained earnings on subsidiaries will continue at current levels.</p>	That returns are lower than expected.	Medium	Lower returns will impact on rates as the income will need to be raised from other sources. Alternatively Council could consider reducing levels of service.																														
<p>11. Interest Rates - External Borrowings:</p> <p>Council has assumed:</p> <table border="0"> <tr> <td>2012/2013</td> <td>4.86%</td> <td>4.86%</td> </tr> <tr> <td>2013/2014</td> <td>5.49%</td> <td></td> </tr> <tr> <td>2014/2015</td> <td>5.70%</td> <td></td> </tr> <tr> <td>2015/2016</td> <td>6.09%</td> <td></td> </tr> <tr> <td>2016/2017</td> <td>5.86%</td> <td></td> </tr> <tr> <td>2017/2018</td> <td>6.07%</td> <td></td> </tr> <tr> <td>2018/2019</td> <td>6.01%</td> <td></td> </tr> <tr> <td>2019/2020</td> <td>6.45%</td> <td></td> </tr> <tr> <td>2020/2021</td> <td>6.46%</td> <td></td> </tr> <tr> <td>2021/2022</td> <td>6.50%</td> <td></td> </tr> </table>	2012/2013	4.86%	4.86%	2013/2014	5.49%		2014/2015	5.70%		2015/2016	6.09%		2016/2017	5.86%		2017/2018	6.07%		2018/2019	6.01%		2019/2020	6.45%		2020/2021	6.46%		2021/2022	6.50%		The prevailing interest rate may differ significantly from those estimated.	Medium	Increases in interest rates flow through to higher debt servicing costs and higher rates funding requirements. Council has mitigated these risks with a prudent hedging programme developed within the limits of Council's Treasury Management Policy.
2012/2013	4.86%	4.86%																															
2013/2014	5.49%																																
2014/2015	5.70%																																
2015/2016	6.09%																																
2016/2017	5.86%																																
2017/2018	6.07%																																
2018/2019	6.01%																																
2019/2020	6.45%																																
2020/2021	6.46%																																
2021/2022	6.50%																																

Assumption	Description of Risk	Level of Uncertainty	Impact																				
<p>12. External Borrowings - Renewability: It has been assumed that Council will be able to renew existing external loan facility.</p>	Higher interest rates or delay of capital projects	Medium	If the loan could not be renegotiated with the current bank, a change in provider could alter finance costs																				
<p>13. Interest Rates - Term Deposits: Interest rates on term deposits:</p> <table border="1"> <tr><td>2012/2013</td><td>4%</td></tr> <tr><td>2013/2014</td><td>4.75%</td></tr> <tr><td>2014/2015</td><td>5%</td></tr> <tr><td>2015/2016</td><td>5%</td></tr> <tr><td>2016/2017</td><td>5%</td></tr> <tr><td>2017/2018</td><td>5%</td></tr> <tr><td>2018/2019</td><td>5.5%</td></tr> <tr><td>2019/2020</td><td>5.5%</td></tr> <tr><td>2020/2021</td><td>5.5%</td></tr> <tr><td>2021/2022</td><td>5.5%</td></tr> </table>	2012/2013	4%	2013/2014	4.75%	2014/2015	5%	2015/2016	5%	2016/2017	5%	2017/2018	5%	2018/2019	5.5%	2019/2020	5.5%	2020/2021	5.5%	2021/2022	5.5%	The prevailing rate may differ from those estimated	Medium	Decreases in term deposit interest rates would lower investment income which would ultimately lead to increased General Rates
2012/2013	4%																						
2013/2014	4.75%																						
2014/2015	5%																						
2015/2016	5%																						
2016/2017	5%																						
2017/2018	5%																						
2018/2019	5.5%																						
2019/2020	5.5%																						
2020/2021	5.5%																						
2021/2022	5.5%																						
<p>14. Rates and Rate Increases: Limits on rates and rate increases, as required by the Local Government Act 2002, are set out in the Financial Strategy on pages 51 to 63. This plan assumes that Council will remain within these limits.</p>	That rate increases are above the limits set by Council	Low	Annual Plan - reality check and rates will change but this will not happen without consultation as required by the Local Government Act																				
<p>15. Disasters: It is assumed that there will be limited events during the term of this Plan, but that these events will not be significant.</p>	That there is a significant natural disaster in the District, such as flooding, earthquake or fire	Low	Council had adequate insurance to cover natural disasters. However, in the event of a significant event Council will need to re-evaluate its work programme and implement disaster recovery plans.																				
<p>16. Climate Change: Council uses the Ministry for the Environment (MFE) guidelines set out in "Preparing for Climate Change, March 2009" for estimating Sea Level Rise (SLR). The next guidelines are expected to be released in 2013 and will be considered as part of the 2015 Long Term Plan.</p>	Climatic events might lead to increased costs for Council in both responding to events and building greater resilience into infrastructure	Medium	<p>Climate change is likely to increase the magnitude of some hazards, therefore it is important to incorporate risk management in the design of infrastructure supporting new developments to maintain the same level of service throughout the design lifetime. The design of infrastructure for land development and subdivision needs to provide for the impact of sea level rise and the increased frequency of extreme weather events.</p> <p>Council has not made any provision for climate change in this plan</p>																				

Assumption	Description of Risk	Level of Uncertainty	Impact
<p>17. Resource Consents:</p> <p>It is assumed that Resource Consents held by Council will not be significantly altered and any due for renewal during the life of the Plan can be renewed accordingly.</p>	<p>That conditions of Resource Consents are significantly altered and there are accordingly significant new compliance costs or consents cannot be renewed</p>	<p>Low</p>	<p>Budgets are in place for renewal of resource consents. Any increased compliance costs will be managed through the Annual Plan process.</p> <p>If Resource Consents are not renewed then Council will need to considered how it delivers these services. These costs could be significant, for example if water extraction rights are not approved.</p>
<p>18. Potential Impact of Societal Changes:</p> <p>Council assumes population will grow faster than the national average due to the expansion in mining activities.</p>	<p>Most significant societal change is an increasing population, and demand for housing.</p>	<p>Medium</p>	<p>The Plan has assumed a population increase and has allowed for further development of the Buller 2050 Strategic Plan, Westport Plan and District Plan Review.</p> <p>Revenue has also increased to allow for increased building consents.</p>
<p>19. External Assumptions - Government Legislation:</p> <p>It is assumed that there will be no material changes to existing legislation or additional activity or compliance requirements imposed by Central Government, that has not already been allowed for in this document.</p>	<p>That Central Government requires Council to undertake further activities, without corresponding funding or imposes additional compliance costs on Local Government.</p>	<p>Medium</p>	<p>If changes in legislation require Council to provide further services, or significantly increases, levels of compliance or operating costs then this will need to be offset by increases in fees and charges, and/or in increases in rates.</p> <p>It is unlikely that Government will reduce compliance or legislative costs incurred by Council, but if there was a reduction this would enable Council to reduce rates or fees and charges.</p>

Assumption	Description of Risk	Level of Uncertainty	Impact
20. Repayment of Loans: It has been assumed that the loan from Council to Buller Holdings Limited will not be repaid over the term of the Plan.	Inability to service the loan	Low	Debt will be rolled over on an annual basis.
21. Port Development: It has been assumed that there will not be any funding from Council in respect of the Westport Port development.	Funding assistance required may not be adequate.	Medium	Inability to secure adequate funding will impact the Port development. For this plan we have assumed that there will be no change to current Holcim operations.

Price Adjustments for Inflation

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

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

Adjustors: % per Annum Change Per Expense Type

Year ending:	June 2013	June 2014	June 2015	June 2016	June 2017	June 2018	June 2019	June 2020	June 2021	June 2022
Roading	1.038	1.031	1.035	1.031	1.030	1.032	1.035	1.037	1.034	1.035
Property	1.030	1.029	1.029	1.030	1.031	1.028	1.028	1.030	1.033	1.033
Water	1.042	1.039	1.035	1.037	1.038	1.035	1.035	1.038	1.041	1.041
Energy	1.048	1.047	1.047	1.050	1.051	1.046	1.045	1.050	1.054	1.054
Staff	1.025	1.024	1.024	1.026	1.026	1.024	1.023	1.026	1.027	1.027
Other	1.024	1.032	1.032	1.034	1.035	1.034	1.033	1.033	1.036	1.035
Private Sector Wages	1.021	1.023	1.032	1.034	1.035	1.034	1.035	1.033	1.036	1.035

Source : Business and Economic Research Limited

Adjustors: % per Annum Change (Cumulative) Per Expense Type

reserve funds

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

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

Reserve	Purpose of Reserve	Projected Opening Balance 2012/2013	Transfer to Reserves	Transfer from Reserves	Balance 2021/2022
Amenities Reserve	Proceeds from general ratepayer to fund various infrastructure where there was no government subsidy available	365	0	0	365
Community Development - Other	Funds from depreciation used for the upgrade and construction of replacement Council assets	635	61,204	57,185	4,654
Reserve Contributions	Proceeds from subdivision for public reserve upgrades	370	1,025	361	1,034
Miles Bequest	Funds set aside for the purchase of engraved seats at the Westport cemetery	2	0	0	2
Powell Bequest	Funds bequested to Council for the purchase of public seating in Westport	3	0	0	3
Mayor's Relief Fund	Funds for providing grants for relief at the discretion of the Mayor	5	0	0	5
Boiler Replacement Fund	Funds set aside to go toward replacement of boiler at Brougham Street offices	7	0	0	7
Development Contributions	Proceeds from commercial and industrial development to provide for social and recreation need of the area	14	0	0	14
Sale of Gifted Property	Funds set aside from the sale of property gifted to Council	11	0	0	11
Infrastructure Contributions	Funds set aside for upgrading infrastructure where appropriate	76	0	0	76
Refuse Collection	Separates all funding and expenditure and surpluses or deficits for each targeted activity	(163)	449	373	(87)
Recycling	Separates all funding and expenditure and surpluses or deficits for each targeted activity	88	530	516	102
Contracted Refuse/Recycling Operations	Separates all funding and expenditure and surpluses or deficits for each targeted activity	0	11,967	10,447	1,520
Westport Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	(531)	22,825	22,334	(40)
Reefton Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	(21)	3,439	3,284	134
Little Wanganui Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	26	468	444	50
Mokihinui Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	19	151	105	65
Ngakawau Hector Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	139	829	565	403
Waimangaroa Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	20	442	427	35
Cape Foulwind Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	309	992	600	701
Punakaiki Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	(25)	768	621	122
Inangahua Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	17	351	351	17
South Granity Water	Separates all funding and expenditure and surpluses or deficits for each targeted activity	13	436	370	79
Westport Sewerage	Separates all funding and expenditure and surpluses or deficits for each targeted activity	(1,412)	21,467	19,976	80
Reefton Sewerage	Separates all funding and expenditure and surpluses or deficits for each targeted activity	19	3,440	3,001	458
Little Wanganui Sewerage	Separates all funding and expenditure and surpluses or deficits for each targeted activity	(2)	451	437	12
Punakaiki Camp	Separates all funding and expenditure and surpluses or deficits for each targeted activity	(119)	3,254	3,300	(165)
Dog Control	Separates all funding and expenditure and surpluses or deficits for each targeted activity	(135)	2,268	2,155	(22)
Promotion & Development	Separates all funding and expenditure and surpluses or deficits for each targeted activity	10	5,330	5,330	10
TOTAL Reserves		\$(260)	\$142,086	\$132,182	\$9,645

Long Term Plan 2012-2022

Westport District Council

reserve funds

fees & charges

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1.0 Library

All Fees and Charges inclusive of 15% GST unless stated

1.1 Archives				
Initial Research (for search conducted by Library Staff)				\$18.00 first 15 minutes
Search Fee (for search conducted by Library Staff)				\$71.50 per hour
1.2 Rentals:				
Books - large print				\$0.50
Books - rental titles other than Bestseller Collection				\$1.00
Books - Bestseller Collection (two week loan only)				\$3.00
Magazines (first issue year)				\$0.50
Jigsaws				\$1.00
DVD				\$3.00
1.3 Late Returns (per item, fees accumulating):				
	Age: 18+	Age: 15-18	Under 15 years	
1 - 7 days	\$0.80	\$0.70	no charge	
8 - 42 days	\$3.00	\$2.50	\$2.50	
43 days and over	\$6.00	\$5.50	\$5.50	
Bestsellers overdue per day	\$0.80 per day	\$0.70 per day	\$0.70 per day	
<i>Plus Invoicing Fee if applicable</i>				
1.4 Lost/Damaged Items:				Replacement Costs
1.5 Requests:				
Interloan				\$7.00
Reserves Own Collection Per Book <i>(free for online customer services)</i>				\$1.00
Replacement Cards				\$5.00
1.6 Sales:				
Books				From \$1.00 - \$5.00
Book Covering				\$7.00
Internet Printing (from People's Network)				\$0.30

1.7	Photocopying:	
	A4 single sided	\$0.30 per sheet
	A4 double sided	\$0.40 per sheet
	A3 single sided	\$0.40 per sheet
	A3 double sided	\$0.50 per sheet
	Colour A3 or A4	\$3.50 per sheet
1.8	Laminating Costs:	
	A4	\$3.00 each
	A3	\$5.00 each
1.9	Hire of Meeting Room:	
	Per day	\$115.00
	Per half day	\$57.50
1.10	Non Resident Subscription:	
	Holiday Card (valid up to one month)	\$10.00
	Subscription Membership Card (valid six months)	\$40.00
	Subscription Membership Card (valid 12 months)	\$60.00

2.0 NBS Theatre

All Fees and Charges inclusive of 15% GST unless stated

2.1	Movie Admission:	
	Adults	\$14.00
	Student (With ID)	\$11.00
	Children (primary)	\$8.50
	Senior Citizens (60+)	\$9.00
	Family Ticket (Two Adults and Two Children)	\$40.00
	3-D Glasses	\$2.00 per pair
2.2	Theatre Hire:	
	Variable at discretion of Theatre Manager, plus other direct costs - wages, heating	\$37.00 per hour
2.3	Daily Theatre Hire Rate:	
	Professional	\$650.00
	Local	\$390.00
	Arts Council and Public Meetings	\$330.00
	Two day hire	\$760.00
2.4	Green Room Hire Rate:	
	Per hour	\$30.00
	Per four hours	\$120.00
2.5	Fred Gregory Screen Room Hire Rate:	
	Per hour	\$40.00
	Daily rate	\$150.00
2.6	Equipment Usage Charges:	
	Lights	\$16.00 per day
	Dimmer Packs	\$27.00 per day
	Speakers	\$27.00 per day
	Microphones, Stands, Light Trees, Tape Deck, CD Player	\$10.50 per day
	Staff Technician, Usher, Front of House	\$27.00 per hour per person
	Laptop	\$30.00 per day
	Commission	\$1.50 per ticket
	Additional Charges	At the discretion of Theatre Manager

3.0 Reefton Cinema

3.1 Movie Admission:

Adults	\$12.50
Children (Under 16)/Senior Citizen 65+	\$8.50

All Fees and Charges inclusive of 15% GST unless stated

4.0 Reefton Community Hall

4.1 Hire Rate

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

4.2 Reefton Community Hall - Sports

U16 Training	\$6.00 per hour
Senior Training and U16 Competition	\$11.00 per hour
Senior Competition	\$22.00 per hour
Full night hire	\$220.00

4.3 Auditorium

Visiting Shows 3.00 pm to 1.00 am	\$550.00
Others 3.00 pm - 1.00 am	\$415.00
Rehearsals	\$15.00 per hour

5.0 Reserves

All Fees and Charges inclusive of 15% GST unless stated

5.1 Victoria Square:

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

5.2 Kilkenny Park:

Buller Women's Hockey Association	\$167.00 per year
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5.3 Rayner Park:

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

5.4 North Beach:

Westport Pony Club	\$84.00 per year
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6.0 Westport & Reefton Cemeteries

All Fees and Charges inclusive of 15% GST unless stated

6.1 Burial:

Adult interment (opening fee)	\$599.00
Child aged 12 years or over interment (opening fee)	\$599.00
Child aged under 12 years <i>interment in area specially provided</i> (opening fee)	\$154.00
Stillborn child (<i>buried in area provided or in previously purchased existing plot</i>)	\$55.00
Extra Depth, over 1.8 m	\$110.00
Interments taking place on Saturdays or on a Monday or day following a public holiday before 11.00am an additional fee of	\$250.00
Interment of Ashes	\$110.00 \$148.00 for two
Disinterment	\$599.00
Re interment	\$599.00

6.2 Other Cemetery Fees:

Purchase of right of burial in perpetuity each single plot	\$353.00
- includes adult and child aged 12 years or under	
- excludes stillborn child in area provided	
Pre-purchase of Ashes plot	\$61.00
Perpetual maintenance of each single lawn plot	\$631.00
Perpetual maintenance (child under 12) in special area provided	\$166.00
Perpetual maintenance (ashes berm)	\$73.00
Plaque permit on berm (grave)	\$128.00
Plaque permit on berm (ashes)	\$64.00
Burial fee adjustment - in case of double bereavement in one family	Opening fee reduced by 33.3%
Issue of duplicate of any document or certificate	\$46.00
Cemetery burial records search exceeding 10 minutes of staff time	\$39.00

7.0 Rubbish

All Fees and Charges inclusive of 15% GST unless stated

7.1 Rubbish Bags Purchased:

Purchase per bag (plastic)	\$3.65
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7.2 Dumping Charges - Refuse Tips:

Official Refuse Bags	No Charges
Minimum charge for any refuse	\$8.50
All Refuse	\$225.00/per tonne
All Greenwaste	\$10.00 - single trailer \$15.00 - tandem trailer
All prepared car bodies	\$30.00 per car
[Council will advertise 4 dates per calendar year where fully-prepared car bodies can be dumped free of charge at all landfill sites throughout the Buller District]	
All unprepared car bodies	\$60.00 per car
All car tyres	\$3.00 per tyre
All truck tyres	\$6.00 per tyre
All tractor or loader tyres	\$25.00 per tyre
Booking Fee per month	\$10.50

Note - All refuse charges calculated by weight from 1 July 2008

8.0 Service Connections

All service connections shall be on a cost recovery. The work involved shall be installed to Council Specifications and the installations must be undertaken by an Approved Contractor following the application being approved by Council.

9.0 Housing for the Elderly

Single Unit	\$103.00 (GST Exempt)
Double Unit	\$135.00 (GST Exempt)
Garage (if available)	\$6.00 (GST Exempt)



10.0 Room Rental

The Operations Division will provide rental rates upon application.

11.0 Grazing of Legal Road Reserve

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

12.0 Vehicle Crossings

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

13.0 Schedule 1C - Trade Waste Charges

Fees and charges are set annually by Council resolution and notified in the Annual Plan. The following charging categories apply to non-domestic/trade waste consumers.	
A1 Connection/Annual Charge	This is an annual charge made for every connection to the Westport Sewerage System. This is the minimum charge per rateable lot with a connection to the system
A2 Additional Trade Waste Charge	This is an annual charge for recovery of the marginal cost of providing additional trade waste capacity. This charge will be made using the methodology defined in Schedule 1D. This charge will be made on the basis of multiples of domestic dwelling equivalents
A3 Provisional Application Fee	No Charge
A4 Trade Waste Consent Application Fee	This is payable with each Trade Waste Consent Application
A5 Compliance or Extraordinary Application Processing Costs	Time and disbursement costs, as incurred on at a rate identified in the Annual Plan. Extraordinary application processing or compliance costs will subsequently apply

14.0 Schedule 1D - Methodology for calculating additional Trade Waste Charges

All Fees and Charges inclusive of 15% GST unless stated

The following methodology will be used to apply the fees and charges set out in Schedule 1C. This methodology is based on principles outline in the Introduction to the Bylaw.

1. The Council will prepare a schedule of non-domestic consumers from their rating database.
2. Using best available information and local knowledge, the Council will assess the business function or activity and estimate the relevant local capacity of usage criteria of each non-domestic consumer on the schedule.
3. From load factors for the generic business functions or activities, an average daily flow will be estimated. In special cases, organic load may be considered, if relevant to that activity or if it may have an implication to the sewerage system.
4. From the estimate of daily flows (or organic load in special cases), the ratio of flow estimated from the activity (or organic load) to that expected from a domestic dwelling and as identified will be calculated.
5. As the assessment is not necessarily highly accurate, the calculated ratio will be averaged into one of the following groups and the appropriate charge concluded.

Ratio	Group	Charge
1 - <2	A	1 Domestic Charge
2 - <5	B	1 Domestic Charge plus 3 additional Trade Waste Charges
5 - <10	C	1 Domestic Charge plus 7 additional Trade Waste Charges
10 - <20	D	1 Domestic Charge plus 15 additional Trade Waste Charges
20 - 30	E	1 Domestic Charge plus 25 additional Trade Waste Charges
>30	F	1 Domestic Charge plus ratio x additional Trade Waste Charges
>70	G	Formal Trade Waste Consent Application required

6. The assessment will be forwarded to the applicant as a Provisional Trade Waste Consent, with procedures defined in Section 3.2 of the Bylaw.
7. For application assessed or known to have a maximum flow greater than 50m³/day, a formal Trade Waste Consent Application shall be required to be submitted by the consumer.

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

15.0 Environmental Services - Resource Management

All Fees and Charges inclusive of 15% GST unless stated

15.1 Basis of Charges

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

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

15.2 Timing of Payments

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

15.3 Deposits

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

Statutory timeframes will be suspended until the Council is satisfied that all necessary information has been received.

Since resource consent applications can vary significantly in their content and nature, the Council cannot set a fixed charge that would be fair and reasonable in every case. The deposit shown in the schedule is the minimum deposit for that particular application category. A deposit higher than the minimum could be required and this would be dependent on the nature and scale of each specific application.

15.4 Final Costs

When the processing of an application has been completed and a decision has been made, Council will then finalise the cost of processing the application.

(a) Refund of Charges

Pursuant to Section 36(5) of the RMA, the Council, at its discretion may remit the whole or any part of the charges listed in this schedule where the deposit paid is greater than the costs incurred by Council in processing the application. Any refunds due will be paid after Council has assessed the final cost of processing the application.

(b) Additional Charges

Additional charges may be required under Section 36(3) of the RMA where the deposit is inadequate to cover costs, to enable Council to recover its actual and reasonable costs relating to any particular application.

(c) Discount on Charges

Pursuant to Section 36AA the Council will give discounts on administration charges to applicants whose resource consents have exceeded the prescribed timeframes where the responsibility for the failure rests solely with Council. The refund will be in accordance with the recommendation of the Minister for the Environment.

15.5 Policy

As a basis for additional costs under Section 36(3) of the RMA 1991, Council will assess such costs on the following basis:

- (a) Staff costs will be charged out at their hourly charge out rates as determined by the Department Manager from time to time.
- (b) Vehicle mileage rates will be charged at \$1.00 per kilometre plus GST for external charging.
- (c) Site visits involving more than an hour total travelling time will be charged at a flat rate of one hour of staff time in addition to charges under (b) above.
- (d) Advertising, materials and laboratory costs will be charged at cost.
- (e) Costs for Hearing Commissioners and their disbursements will be recovered at actual rates.
- (f) Legal charges / peer reviews will be recovered at actual rates.

15.6 List of Charges

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

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

Consents administration fee	\$100.00
Monitoring administration fee	\$100.00



16.0 Category A - Land Use Consents

All Fees and Charges inclusive of 15% GST unless stated

Description of Service	Minimum Deposit/Fixed Charge
Non notified (other than below)	\$800.00 deposit with full cost recovery
Non notified - Electric Line Installation - Minor bulk, height and location matters - Signs	\$500.00 deposit with full cost recovery
Notified	\$1,200.00 deposit with full cost recovery (eg hearings and joint hearings with the Regional Council)

17.0 Category B - Subdivision Consents

Non notified	\$800.00 deposit plus \$50.00 per additional lot with full cost recovery
Notified	\$1,200.00 deposit with full cost recovery
Boundary Adjustment	\$500.00 deposit with full cost recovery

18.0 Category C - Survey Plan and Related Subdivision Processing

Section 223 Sealing of Plan Subdivision 1-4 Lots	\$150.00 flat fee
Section 223 Sealing of Plan Subdivision 5+ Lots	\$150.00 deposit with full cost recovery
Signing under Section 224(c) where no conditions are imposed on the subdivision	\$80.00 flat fee
Signing under Section 224(c) where minor conditions are imposed	\$160.00 flat fee
Signing under Section 224(c) which includes the following: - Covenant - Consent Notice - Geotech Report Checking - Checking Engineering Plans - Site visit or visits by Planning/Engineering/Building/Environmental Health Staff	\$200.00 deposit with full cost recovery
Section 226 Certificates	\$150.00 deposit with full cost recovery
Right of Way and Easement Amendments (Section 348 of LGA 1974)	\$300.00 deposit with full cost recovery
Resolution for no frontage access to a lot (Sec 321 of LGA 1974)	\$300.00 deposit with full cost recovery
Authenticated Copy of Section 321 Resolution	\$130.00 deposit with full cost recovery
Easements and encumbrances including lifting building line restrictions	\$255.00 deposito plus recovery of fuel costs
Other services (eg building, engineering advice)	At Cost

19.0 Category D - General Consent Processing

All Fees and Charges inclusive of 15% GST unless stated

Compliance monitoring on a Resource Consent where a breach of consent condition or conditions are identified - Sec 35(2)(d)	At cost, invoiced on completion of investigations
Random compliance monitoring of Resource Consent conditions, including Compliance Certificate for completion of conditions	At cost, invoiced on completion of investigations
Objection on Resource Consent Decision - Sec 357	\$200.00 deposit with full cost recovery
Lapsing/cancellation/change/review of conditions - Sections 125, 126, 127, 128-132	\$450.00 deposit with full cost recovery
Notified review of condition - Sec 128	Full cost recovery
Bond preparation by Council Solicitor	At cost
Legal costs associated with consent application	At cost
Title Search	\$20.00 per title

20.0 Category E - Other RMA Functions

Existing Use Rights - Sec 10	\$650.00 deposit with full cost recovery
Certificate of Compliance - Sec 139	\$450.00 deposit with full cost recovery
Requirement for Designation - Secs 168-173 (Heritage Order Secs 189-191)	Non-notified \$1,000.00 deposit with full cost recovery
	Notified \$2,000.00 deposit with full cost recovery
Approval of Outline Plan - Sec 176(a)	\$200.00 deposit with full cost recovery
Waiver of Outline Plan - Sec 176	\$100.00 flat fee
Requirement for alteration of a designation - Sec 181	Non-notified \$300.00 deposit with full cost recovery
	Notified \$800.00 deposit with full cost recovery
Application to determine that a designation should not lapse - Secs 184(1)(b) and (2)(b)	Non-notified \$300.00 deposit with full cost recovery
	Notified \$1,000.00 deposit with full cost recovery
Searching and compiling information in respect of plans, resource consent records, planning files, involving more than 30 minutes and per half hour or part thereof	\$25.00 deposit with full cost recovery
Consultation of more than 30 minutes regarding information in respect of District Plan or Proposed District Plan interpretation on any one project. This charge excludes explanations associated with the statutory process for processing a consent	Invoiced on completion of consultation
Written response to interpretations sought on District Plan or any Proposed District Plan rule/s	Invoiced on completion of investigations
Request for Private Plan Change	\$5,000.00 deposit with full cost recovery



21.0 Category F - Miscellaneous

Preparation of any documents for the purposes of the Overseas Investment Commission	At Cost
Resource Management Planning Certificate under the Sale of Liquor Act 1989	\$150.00 deposit with full cost recovery
Information requests under the Official Information and Meetings Act 1987	At cost for requests that take longer than 30 minutes to answer
Application for Class 4 Gambling Venues	\$250.00 deposit with full cost recovery

22.0 Category G - District Plans

Buller District Plan Folder	\$100.00 flat fee
Buller District Plan CD	\$26.00 flat fee
Buller District Plan Maps	\$150.00 flat fee

23.0 Category H - Charge Out Rates

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

Chief Executive	\$200.00 per hour
All Divisional Managers	\$180.00 per hour
Processing Officer	\$110.00 - \$200.00 per hour
Planning Assistant	\$90.00 per hour
Other Staff	Hourly rate set by Manager of the respective department, but not less than \$90.00 per hour
Cost of Commissioners attending Hearings	Actual Costs
Consultants	Actual Costs

The Manager Environmental Services shall have the right to:

1. Reduce deposits to the level of expected cost in circumstances where they consider that this is appropriate; and
2. Vary charges for Heritage Order Requests if, in their opinion, some of the benefits are to the community as a whole.

24.0 Category I - Charge Out Rates Mining Privileges

All Fees and Charges inclusive of 15% GST unless stated

Chief Executive	\$200.00 per hour
All Divisional Managers	\$180.00 per hour
Processing Officer	\$110.00 - \$200.00 per hour
Planning Assistant	\$90.00 per hour
Other Staff	Hourly rate set by Manager of the respective department, but not less than \$90.00 per hour
Consultants	Actual Costs

Copying, vehicle costs and other administration charges are applicable as prescribed for the whole of Council's operations.

Notes:

1. The Council may charge a late default fee of \$100.00 if a resource consent application is withdrawn within five (5) working days of an appointed hearing, in addition to costs.
2. Consent monitoring charges will be included as conditions on resource consents where appropriate.
3. Every other certificate, authority, approval, consent, service given or inspection made by the Council under any enactment or regulation not specifically mentioned in the resolution above, where such enactment contains no provision authorising the Council to charge a fee and does not provide that certificate, authority, approval, consent, service or inspection is to be given or made free of charge, will be charged for at cost. This includes cancellation of amalgamation conditions.
4. All information searches which take longer than 10 minutes will be charged for.
5. These charges shall come into effect on 1 July 2012 and remain in effect until rescinded by Council.
6. All charges are inclusive of the GST rate effective 1 July 2011. Changes in the rate could mean that ratepayers would have to pay the rate legislated by Government.



25.0 Building Consent Fees

All Fees and Charges inclusive of 15% GST unless stated

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

Property Information Memorandums (PIM's)	Deposit \$115.00 with full cost recovery
Marquee/temporary building/demolition	\$200.00 set fee
Spaceheater - Freestanding	\$400.00 set fee
Spaceheater - Inbuilt	\$500.00 set fee
Minor Alterations (<\$20,000) eg remove internal wall, install shower	Deposit \$380.00 with full cost recovery
Minor Work (<\$20,000) eg Garage/Shed/Carport/Conservatory/re-pile	Deposit \$480.00 with full cost recovery
New work/Alterations (>\$20,000) but not major construction and multi-proof consents	Deposit \$700.00 with full cost recovery
New Major Constructon:	Deposit \$2,500.00 with full cost recovery

25.1 Applications:

Administration Fee - All	\$120.00
Inspection Fee (per inspection)	\$120.00
Processing of Consent Applications	\$120.00 per hour
Code Compliance Certificate	\$120.00
Compliance Schedule - where required	\$120.00
Exempt Building Work	Deposit \$60.00 with full cost recovery

25.2 Building Levies (Fees are payable on consent of a value in excess of \$20,000):

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

	BCA Levy
< \$20,000	\$50.00
\$20,000-\$49,999	\$150.00
\$50,000-\$99,999	\$350.00
\$100,000-\$199,999	\$750.00
\$200,000-\$349,999	\$1,000.00
\$350,000-\$499,999	\$1,500.00
\$500,000-\$1,000,000	\$2,000.00
> \$1,000,000	\$2,500.00

25.3 Other Fees:

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

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

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

25.5 Fire Permits

Issuing of Fire Permits	\$28.75
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26.0 Health Inspection Fees

All Fees and Charges inclusive of 15% GST unless stated

Premises Licence Fees:	
Food Premises - no kitchen	\$350.00
Food Premises - all other premises	\$600.00
Additional Visits if required	\$120.00 per hour (includes mileage)
Food Vending Machines	\$35.00
Hairdressers	\$350.00
Mortuary Licence	\$350.00
Offensive Trades	\$350.00
Camping Grounds	\$350.00
Transfer Fee	\$30.00
Others - Itinerant Traders - Set by Statute	\$250.00
Mobile or Travelling Shops - Set by Statute	\$250.00
Street Stand Fee	\$1,400.00
Hawkers - Set by Statute	\$22.50
Street Stalls	\$20.00 up to and including a maximum of three (3) days over any seven (7) day period.
	\$35.00 for more than three (3) days up to seven (7) days over any seven (7) day period
Licence to Occupy Footpaths for dining purposes - temporary structures	\$115.00

27.0 Environmental Health Officer

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

28.0 Sale of Liquor Licensing (Sale of Liquor Regulations 2000)

On Licence or Off Licence or Club Licence - new or renewal applications	\$793.24
On Licence Endorsed BYO - new or renewal applications	\$134.93
Conveyance Licence - new or renewal applications	\$134.93
Special Licence - new or renewal applications	\$64.40
Manager's Certificate - new or renewal applications	\$134.93
Extract from Registrar	\$23.00
Temporary Authority per licence	\$134.93
(Costs may be subject to change due to the Alcohol Reform Bill currently before Government)	

29.0 Amusement Devices (set by regulation)

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

All Fees and Charges inclusive of 15% GST unless stated



30.0 Dog Registration Fees

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

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

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

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

Entire Dogs	\$140.00
De-sexed Dogs	\$120.00

30.3 Other Fees related to Registration:

Dogs not registered after due date - per dog	Additional 50%
Duplicate Registration Tags	\$2.50
Collars	From \$7.50 - \$10.50
Microchipping of Dogs	\$35.00
Inspection Fee	\$51.00
Animal Control Officer Consultation	\$66.50 per hour

30.4 Dog Impounding

First impounding within 12 months	\$75.00
Second impounding within 12 months	\$180.00
Third impounding within 12 months	\$200.00
Plus in each instance above, a sustenance fee per day or part there of	\$20.00
Any dogs impounded after normal working hours, owner to pay an additional fee	\$40.00
Finders Fee (first offence, registered, able to be identified, able to be received)	\$50.00
Dog Euthanasia	Full cost recovery

All Fees and Charges inclusive of 15% GST unless stated

30.5 Ranging & Impounding of Animals

Stock Impounding

	Actual cost
Every horse, above 12 months of age	\$51.00
Every horse, under 12 months of age	\$51.00
Every mule or ass	\$51.00
Every bull over the age of 9 months	\$51.00
Every ox, cow, steer, heifer or calf	\$51.00
Every ewe, wether or lamb	\$41.00
Every hind or stag	\$51.00
Every goat	\$41.00
Every boar, sow or pig	\$41.00

30.6 Impounding and Sustenance

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

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

30.7 Administration Costs

Travel Costs - Vehicle expenses at \$1.00 per kilometre plus GST for external charging	
Any dogs impounded after normal working hours, owner to pay an additional fee	\$20.50
Finders Fee (first offence, registered, able to be identified, able to be received)	\$31.00

31.0 Information Services



Where written information is sought or staff are employed to provide information other than that in relation to normal inspectoral or by-law requirements, an hourly rate of	\$71.50 per hour
Photography Costs	\$2.00 per photo
Other Services	
All other services rendered by staff which is outside of the services normally provided for in the other fees and charges, an hourly rate of	\$71.50 per hour

32.0 All Departments (with the exception of the Library)

32.1 Staff time	
For chargeable services the staff hourly rate is:	\$80.00 per hour
32.2 Photocopying:	
A4 Mono	\$0.20 per copy
A4 Colour	\$1.00 per copy
A3 Mono	\$0.40 per copy
A3 Colour	\$2.00 per copy
32.3 Laminating Costs:	
A4	\$2.00 per page
A3	\$4.00 per page
32.4 Aerial Photos or Maps	
GIS preparation and printing	\$10.00 per item
▶ Photocopying charges apply as above for multiple copies	
▶ Complex enquiries may incur specialist staff time charges	
32.5 Electronic imaging	
CD or DVD	\$5.00 per job

council controlled trading organisations

1. Nature and Scope of Activities

Buller Holdings Limited

The nature and scope of Buller Holdings Limited is to provide a holding company structure for the ownership of selected Council assets and investments.

Buller Holdings provides a commercial focus in the governance and administration of Buller District Council's commercial assets, enabling more effective management of Council's commercial activities to achieve maximum returns on behalf of ratepayers.

WestReef Services Limited

Westreef Services Limited is 100% owned by Buller Holdings Limited.

The nature and scope of WestReef Services Limited activities is predominantly to provide contracting services for physical works in the Buller Region and the West Coast of the South Island. Its activities include maintenance and construction services for:

- ▶ Road and bridges - maintenance and construction
- ▶ Response for Road and Civil Defence Emergencies
- ▶ Park and reserves (including associated facilities) - maintenance and construction
- ▶ Utility services (water and sewerage reticulation) - maintenance and construction
- ▶ Rural fire emergency response
- ▶ Vehicle workshop repairs
- ▶ Landfill and transfer station - operation and maintenance
- ▶ Roadside vegetation control
- ▶ Property maintenance
- ▶ Refuse and kerbside recycling - collection

Westport Harbour Limited

Westport Harbour Limited is 100% owned by Buller Holdings Limited.

Council sold certain harbour land to Westport Harbour Limited on 01 September 2010. Council also conducted a operating lease and a licence to occupy strategic harbour assets. Westport Harbour Limited will provide land, facilities and plant for receiving, delivery, stockpiling and shipment of a wide range of products and raw materials; the ownership of land and facilities necessary to maintain the company's commercial assets; and the provision of facilities associated with the repair and servicing of vessels.

Management of the Harbour assets and resources is currently delegated to Westport Harbour Limited

Buller Recreation Limited

Buller Recreation Limited is 100% owned by Buller Holdings Limited. The Solid Energy Centre assets were transferred from Council to Buller Recreation Limited, effective 01 July 2009.

The Solid Energy Centre is a sports and leisure complex which was formally opened on 18 April 2009. Buller Recreation Limited is responsible for the day-to-day management of the Solid Energy Centre and the Reefton swimming pool.

2. Significant Policies and Objectives

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

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

Financial Performance:

The company is committed to operating as a successful business and achieving a competitive rate of return on its investments. It will be striving to minimise operating costs and manage the assets and liabilities in a prudent way.

Service:

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

Employee Relations:

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

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

Safety and Environment

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

3. Key Performance Targets

Buller Holdings Limited

Objective	Performance Measure	Targets
Financial Performance	a) The Financial Performance will be an aggregation of the results from the businesses that make up the structure including administration costs of the parent company. This aggregation will include surpluses after tax less any losses.	Targets of subsidiaries are stated in the individual subsidiaries Statement of Intent
	b) To actively pursue additional revenue streams in each of the subsidiaries resulting in improved profitability of the subsidiary / Buller Holdings Limited, so as to increase the dividend payable to Council.	To be agreed as business/ growth opportunities arise.
Service	a) The Board of Directors will meet with the Buller District Council Councillors on a formal basis.	Three times a year and at any other time by request.
	b) The General Manager will meet with the Buller District Council Chief Executive Officer on a formal basis.	Six times a year for a verbal update on issues and performance.

Westreef Services Limited

Objective	Performance Measure	Targets
Financial Performance	a) To achieve a pre tax operating profit of at least 10% on gross revenue (before any subvention payment)	10% pre tax operating profit
	b) To grow gross revenue by 5%	5% increase in revenue
	c) To grow revenue from competitively procured work	Target 30% of gross revenue
Service Performance	a) To renew its TQS1 certification as required.	Renewal
	b) Meeting with major client, BDC engineers, to obtain feedback on specific contract performance.	Meet monthly.
	c) Support activities involved with the social and environmental development in the community.	Support six activities.
Employee Leadership, Development and Retention	a) Engage in policies that will assist in developing and retaining staff, including seeking opportunities for training schemes and apprenticeships as a means to upskilling employees.	Staff Turnover to be less than 15% annually excluding retirement.
	b) Ensure succession plans are put in place for all senior management positions.	Succession plans in place.
	c) Hold staff meetings to ensure effective communication with all staff.	Meetings to be held weekly with minutes kept.
	d) Maintain a zero tolerance to loss time incidents.	LTI's to be no more than 5% of total hours.

Westport Harbour Limited

Objective	Performance Measure	Targets	
Financial Performance	a) To achieve a pre tax operating profit (prior to funding dredge slip maintenance) of at least 9% of gross revenue.	9% pre tax operating profit	
	b) To achieve a post tax operating profit of at least 15% on BHL's investment before any subvention payment.	15% post tax operating profit	
	c) Pursue and all opportunities for growth in business with existing and new customers	Turnover growth	
Service Performance	a) To safely maintain by dredging <ul style="list-style-type: none"> ▶ a bar depth greater than 2.8 metres at chart datum ▶ an average river depth in the main navigation channel of 3.8 metres at chart datum ▶ the Cement berth depth to allow Milburn Carrier II to lie 'always afloat' loaded at a draft of 5.6 to 6.0m ▶ the Floating Basin main berth and Talleys wharf at 5.0 metres chart datum 	bar depth 2.8 + metres river depth 3.8 metres cement berth depth 5.6 to 6.0 metres Floating Basin and Talleys wharf 5.0 metres	
	b) To consistently deliver services to customers in accordance with contractual agreements.	Compliance with contract terms	
	Employee Relations	a) Achieve and maintain succession plans for the key staff positions of Harbourmaster and Dredgemaster.	Succession plans in place
		b) Engage in policies that will assist in recruiting and retaining staff.	Minimise staff turnover
		c) Achieve target training hours per employee. Target 0.5% total work hours.	Training hours 0.5% of total work hours
Safety and Environment	a) To maintain a comprehensive system of health and safety procedures involving all employees in identifying risks and hazards and striving to eliminate or mitigate these.	Compliance with legislation and Deed of Navigational Safety	
	b) Promote a safety first – zero harm culture.	LTI target is zero	
	c) To avoid harm to the environment as a consequence of port operations	Compliance with legislation and resource consents	
	d) To maintain a high quality response to managing any environmental damage under the direction of the West Coast Regional Council.	Compliance with legislation and resource consents	

Buller Recreation Limited

Objective	Performance Measure	Targets
Financial Performance	a) Achieving budget revenue and expenditure	Operate within budget
Service Performance	a) Achieve fitness centre membership of circa 320pa with a retention rate of more than 75%	Membership of 320pa Retention rate of more than 75%
	b) Achieve regular patronage of aquatic services to an average of 4,000 visits per month	Average 4,000 visits per month
	c) Achieve swimming lesson students in programmes of 135 students (averaged over 12 months)	135 swimming students
	d) Ensuring compliance with legislation and industry best practice in health and safety management	Nil serious harm accidents to customers or staff 100% compliance with health and safety procedures
Employee Leadership, Development and Retention	a) Engage in policies that will assist in retaining staff	Staff turnover to be less than 15% annually
	b) Establishing a structure of leadership and succession that enables delivery of service objectives	Leader structure and succession plans developed
	c) Developing and training staff to meet customer expectations	Development of training plan for staff
	d) Team leaders to meet fortnightly with a focus on upward communication and minutes circulated	Fortnightly team leader meetings to be held and minuted
Asset Management	a) Maintain a comprehensive asset management plan for the facility, plant and equipment	Asset management plan developed
	b) Complete maintenance and replacement in accordance with asset management plan	Monthly report on asset management

other council controlled organisations

Buller Health Trust

1. Nature and Scope of Activities to be Provided

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

2. Significant Policies and Objectives

The Mayor and Chief Executive are appointed as Trustees. The objective of the Trust is to support the provision of the medical services in the Buller District. The Buller District Council provides funding to the Trust by way of loans.

3. Key Performance Targets

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

West Coast Rural Fire Authority

1. Nature and Scope of Activities to be Provided

The West Coast Rural Fire Authority is a rural fire management agency focusing on the West Coast of the South Island. The macro focus of the West Coast Rural Fire Authority is to co-ordinate and provide for a rural fire management capability within the region.

2. Significant Policies and Objectives

Council is represented on the West Coast Rural Fire Authority by the Environmental Services Manager whilst Council staff also contribute to the manning of fire fighting teams. Regular feedback on the activities of the Authority is given to Council and Council's future involvement and support of the West Coast Rural Fire Authority will depend on the success of the body in achieving its outcomes and the continuation of joint funding of the activity.

3. Key Performance Targets

- ▶ To manage the District with respect to legal and policy obligations
- ▶ To facilitate the co-ordination of Rural Fire control within the District
- ▶ To audit and monitor the state of readiness within the District

Tourism West Coast

1. Nature and Scope of Activities to be Provided

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

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

2. Significant Policies and Objectives

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

3. Key Performance Targets

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

Westport Airport

1. Nature and Scope of Activities to be Provided

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

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

2. Significant Policies and Objectives

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

3. Key Performance Targets

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

NOTE: This is accounted for as a business unit with Buller District Council

Funding Impact Statement - Westport Airport

	Budget 2011/2012	Budget 2012/2013	Budget 2013/2014	Budget 2014/2015	Budget 2015/2016	Budget 2016/2017	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020	Budget 2020/2021	Budget 2021/2022
OPERATING FUNDING											
SOURCES OF OPERATING FUNDING											
General rates, Uniform Annual General Charge, Rates penalties	65	57	68	68	68	67	66	44	33	22	21
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges and targeted rates for water supply	50	58	59	61	63	65	67	70	72	75	78
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
TOTAL Operating Funding	115	115	127	129	131	132	133	114	105	97	99
APPLICATIONS OF OPERATING FUNDING											
Payments to Suppliers and staff	50	51	53	55	56	58	60	62	64	66	69
Finance Costs	0	0	10	10	10	10	9	9	8	8	8
Internal charges and overheads applied	9	10	10	10	10	10	10	9	8	7	7
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
TOTAL Applications of Operating Funding	59	61	73	75	76	78	79	80	80	81	84
SURPLUS/ (DEFICIT) of Operating Funding	56	54	54	54	55	54	54	34	25	16	15

CAPITAL FUNDING

	Budget 2011/2012	Budget 2012/2013	Budget 2013/2014	Budget 2014/2015	Budget 2015/2016	Budget 2016/2017	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020	Budget 2020/2021	Budget 2021/2022
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in Debt	0	350	(9)	(10)	(11)	(11)	(12)	(13)	(14)	(15)	(15)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL Sources of Capital Funding	0	350	(9)	(10)	(11)	(11)	(12)	(13)	(14)	(15)	(15)
CAPITAL EXPENDITURE											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	350	0	0	0	0	0	0	0	0	0
Increase/ (decrease) in reserves	56	54	45	44	44	43	42	21	11	1	0
Increase/ (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL applications of Capital Funding	56	404	45	44	44	43	42	21	11	1	0
Surplus/ (deficit) of Capital Funding	\$(56)	\$(54)	\$(54)	\$(54)	\$(55)	\$(54)	\$(54)	\$(34)	\$(25)	\$(16)	\$(15)
Funding Balance WESTPORT AIRPORT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0