

# West Coast Regional Council

## Annual Plan

July 1 2013 to June 30 2014



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## **Chairperson's Foreword**

I am pleased to present the Council's final Annual Plan for the 1 July 2013 – 30 June 2014 year.

Essentially this Plan simply rolls out year two of our Long Term Plan 2012-2022, which Council adopted last year. There is no lift in general rate this year, other than our customary adjustment to match the rate of growth in the rating roll. We propose a lift in the staff charge out rates to meet increased costs.

We received twelve submissions on the plan, none of whom wished to be heard. Several submitters made positive comment on the plan and the prudent financial approach that the Council takes. Due to this very supportive response, the Plan has been retained essentially as it was proposed with only minor changes made.

Some changes were made to the Wanganui and Whataroa rating district boundaries, as requested by those communities. The proposed Red Jacks Rating District changes have been deferred however, to allow further discussions to take place with affected ratepayers and agencies such as GDC, NZTA and Kiwirail. For the current year the status quo rating arrangements will remain in place.

Ross Scarlett

Chairman

West Coast Regional Council

## **Introduction to the Annual Plan 2013/14**

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Under the Local Government Act 2002, the Council is required to produce a long-term plan every three years, covering the next 10-year period. The Council is also required to prepare an annual plan for each financial year it does not prepare a long-term plan. The annual plans prepared in the years after the long-term plan will mainly contain budget, funding and financial statements for that year in support of the long-term plan.

Council is required under the Local Government Act 2002, to produce an Annual Plan for each financial year. This Annual Plan reflects year 2 of the Long Term Plan 2012-22 which was adopted last year. There are no significant variations from the Long Term Plan. Other than noted in the Foreword, the changes from what we had expected to happen in 2013/2014 are relatively minor.

The purpose of the Annual Plan is to:

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

# The West Coast Regional Council

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The Council has seven Councillors, representing the following constituencies:

## **Buller Constituency**

Ross Scarlett – Council Chairman

Terry Archer (MBE)

## **Grey Constituency**

Ian Cummings

Andrew Robb

Allan Birchfield

## **Westland Constituency**

Bryan Chinn – Deputy Chairman

Duncan Davidson



Left to Right: Andrew Robb, Terry Archer, Bryan Chinn, Ross Scarlett, Duncan Davidson,  
Allan Birchfield, Ian Cummings

# West Coast Regional Council Mission Statement

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

## **Regional Council Functions and Responsibilities**

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

## **Regional Councils**

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

## **District Councils**

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

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

### **Resource Management Policymaking**

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

### **Water Quality Management**

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

### **Pollution Control**

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

### **Air Quality Management**

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

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

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

### **Pest Management**

Implementing and reviewing the West Coast Pest Plant Management Strategy.

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

### **Regional Land Transport**

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

### **Civil Defence and Emergency Management**

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

## Council and Committee Structure

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

### Resource Management Committee

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

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

### Regional Transport Committee

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

### Greymouth Floodwalls Joint Committee

Council also has three members appointed to the Joint Greymouth Floodwalls Committee, together with three members of the Grey District Council. This is a joint committee of both councils and its mandate is being extended to oversee the management of the Saltwater Creek New River mouth as well as the Greymouth floodwalls.

### West Coast Civil Defence Emergency Management Group

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

### Council Management Structure

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

## **Groups of Activities**

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

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



## Governance

### Activities within this group

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

### Rationale for Governance Activities

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

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

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

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

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

Nil

## Governance Performance targets

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

## Indicative Costs & Sources of Funds

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LTP 2012/13		AP 2013/4	LTP 2013/14
348,903	Governance	400,811	388,054
34,608	Community Consultation	20,119	35,749
<u>383,511</u>	<b>Total Operating Expenditure</b>	<u>420,929</u>	<u>423,803</u>
	<b>Funding</b>		
<u>383,511</u>	General Funds	<u>420,929</u>	<u>423,803</u>
<u>383,511</u>	<b>Total Funding</b>	<u>420,929</u>	<u>423,803</u>

## Resource Management Activities

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### Activities within this group

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

### Rationale for Resource Management

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

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

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

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

Resource consents allow activities that are otherwise restricted by the RMA. Our Consents team processes over 500 individual resource consents each year, on average. This level of demand is not expected to change significantly over the next ten year period.

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

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

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

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

Council has employed a wetlands coordinator who will be liaising with "schedule 2" wetlands owners and applying for funding on their behalf if they wish to undertake protection.

Council has received funding of \$50,000 from the Biodiversity fund to fund this position.

## Resource Management Performance targets

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

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

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

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

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

### Other Resource Management Targets

1. Resolve final appeal on the Proposed Land and Water Plan (notified 2010).
2. Continue to discuss with the Reefton community options for meeting the National Air Quality Standard.
3. Notify the Regional Coastal Plan (operative 2001) for public submissions.
4. Complete the review of the Regional Policy Statement (operative 2000) following the outcome of RMA reform & biodiversity NPS process.
5. Work with consent applicants to reduce the need for formal S92 requests.
6. Ensure S42A reports for notified applications are with the applicant within ten working days of receipt of all required information.
7. Respond to all written enquiries regarding consents or compliance matters within 10 working days, or 20 working days for LGOIMA requests.
8. Release all bonds within 4 months of the surrender, forfeiture or expiry of the mining licence or permit, provided rehabilitation is complete.
9. Inspect all consents for whitebait stands on the Little Wanganui, Taramakau, Hokitika, Wanganui, Paringa, and Waikatoto Rivers annually and on other rivers at least every third year.
10. Assess farm compliance in the Lake Brunner catchment at least annually, to ensure full compliance in this sensitive catchment.
11. Inspect new consents that involve major construction works; and monitor any other major consented activity, when necessary, based on their environmental risk.
12. Complete the Lake Brunner monitoring programme and report the cumulative results annually on the Council website by December each year.
13. Report the monthly contact recreation sampling results from swimming rivers to the media, and complete follow up studies of incongruous results.
14. Prepare state of the environment reports for surface water quality and groundwater, every third year.
15. Provide monthly reports during wintertime on Reefton PM10 monitoring, posted on Council's website.
16. Maintain the Sites Associated with Hazardous Substances database ensuring District Councils have up to date information on affected land for LIMs.

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

## Indicative Costs & Sources of Funds

LTP 2012/13		AP 2013/14	LTP 2013/14
<b>Resource Management</b>			
908,859	Resource Consents	937,369	923,034
14,851	Building Act – Dams	14,761	15,337
591,478	Compliance Monitoring	628,078	613,369
88,032	Dairy farm Monitoring	95,758	91,191
138,555	Complaints	122,657	143,480
73,045	Enforcement	73,091	75,609
30,679	Hazardous Substance Spill Response	29,998	31,730
398,342	Regional Plans	424,121	382,689
57,952	Plan Implementation	58,498	59,923
0	Wetlands work	50,000	0
342,391	Surface & Groundwater Monitoring	366,641	355,281
15,530	Air Quality Monitoring	14,773	14,792
15,182	Sites Associated with Hazardous Substances	17,047	15,712
2674,896	<b>Total Operating Expenditure</b>	2832,792	2,722,147
<b>Funding</b>			
1073,500	User Charges	1,232,130	1,107,500
	Subsidies	50,000	
1601,396	General Funds	1,550,662	1,614,647
2674,896	<b>Total Funding</b>	2,832,792	2,722,147
<b>Capital Expenditure</b>			
10,000	New Equipment	0	0
10,000		0	0
Funding			
10,000	Depreciation Funds	0	0
10,000		0	0

## Regional Transport Planning

### Rationale for Regional Transport Planning

The Council primarily has a co-ordinator and administrator role in relation to transport issues so that funding can be effectively accessed from the New Zealand Transport Agency. In order to obtain that funding the Council must adhere to the Land Transport Act 1998 and the Land Transport Management Act 2003. Council must appoint a Regional Transport Committee, with membership to include local authorities, funding agencies and other transport stakeholders who then prepare a Regional Land Transport Strategy (RLTS). The Committee also prepare a Land Transport Programme to implement the RLTS.

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

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

Nil

Levels of Service	Measures	Performance Targets
Maintain a Regional Land Transport Strategy that delivers Council's transport functions in compliance with relevant legislation and is acceptable to our West Coast community.	An Operative Regional Land Transport Strategy	Compliance with statutory requirements for the preparation, review and implementation of the Regional Transport Strategy and Programme.
Continue to fund the Total Mobility Programme according to New Zealand Transport Agency (NZTA) requirements	User satisfaction, by 2 yearly survey	Implement the total mobility programme where taxi services exist, ensuring at least 90% of users rate the overall service and value for money as good, very good or excellent.

## Indicative Costs & Sources of Funds

LTP 2012/13		AP 2013/14	LTP 2013/14
<b>Regional Transport Planning</b>			
13,795	Total Mobility Admin.	16,422	14,279
76,000	Total Mobility	76,000	78,432
26,668	Regional Land Transport Admin.	49,326	43,034
7,087	Passenger Transport Admin.	8,409	7,336
27,304	Safety Programme	29,598	28,216
<b>150,854</b>	<b>Total Operating Expenditure</b>	<b>179,755</b>	<b>171,297</b>
<b>Funding</b>			
User Charges			
87,500	Subsidies	99,300	99,300
63,354	General Funds	80,455	71,997
<b>150,854</b>	<b>Total Funding</b>	<b>179,755</b>	<b>171,297</b>



## Hydrology and Flood Warning Services

### Rationale for Hydrology and Flood warning

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

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

### How Council manages changes in demand

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

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

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

Nil

### Performance targets

Level of Service	Measure	Performance Targets
Continue to provide flood warning to assist communities to assess risk of impending floods, for the five rivers (Karamea, Buller, Grey, Hokitika, and Waiho).	Availability of information about high flow events and the staff response to those.	Provide a continuous flood monitoring service for the five rivers monitored and respond in accordance with the flood-warning manual, ensuring real time data on river levels is available on the Council website (updated 12 hourly; or 3 hourly during floods).
	Complete the decision making on whether or not to install new warning system.	Assess the practicalities of installing a new flood warning system on the Mokihinui River, by July 2013, to warn those that live in Seddonville of impending river floods.

## Indicative Costs & Sources of Funds

LTP 2012/13		AP 2013/14	LTP 2012/13
<b>Hydrology &amp; Flood-warning Services</b>			
398,825	Hydrology and Flood-warning Services	413,585	420,440
<u>398,825</u>	<b>Total Operating Expenditure</b>	<u>413,585</u>	<u>420,440</u>
Funding			
User Charges			
398,825	General Funds	413,585	420,440
<u>398,825</u>	<b>Total Funding</b>	<u>413,585</u>	<u>420,440</u>
<b>Capital Expenditure</b>			
60,000	Hydrology	60,000	61,925
	Storage Shed		
11,500	Sondes		
<u>71,500</u>		<u>60,000</u>	<u>61,925</u>
Funding			
71,500	Depreciation Funds	60,000	61,925
<u>71,500</u>		<u>60,000</u>	<u>61,925</u>

# Civil Defence Emergency Management

## Rationale for Emergency Management

The Council is part of the Civil Defence Emergency Management (CDEM) Group, along with the region's District Councils. The Group is made up of the Council Mayors and Regional Council Chair; while the coordinating Executive Group (CEG) which is the main working group of civil defence in the region. It is made up of the CEOs of the Councils plus emergency services and health representatives. The CEG generally reports to the CDEM Group quarterly. There is also an engineering lifelines group which provides advice.

The functions of the CDEM Group include the co-ordination of civil defence emergency management planning, delivering CDEM programmes and CDEM activities across the region, and carrying out risk management.

The Regional Council is the administering authority for the West Coast CDEM Group. The West Coast CDEM Group Plan was prepared in 2005, was reviewed in 2010, and is due for another review in 2015.

The LTP levels of service and performance targets reflect only this Council's role in the CDEM work. District Council LTP's and Annual Plans will have CDEM targets related more to community readiness and response activities, whereas the regional council role is regional co-ordination.

## Key Changes from 2012/22 Long Term Plan

Nil

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

## Other Civil Defence Activities:

1. Maintain the Emergency Operations Centre in a ready state for possible emergency events, in accord with the Group Plan.
2. Prepare and distribute public information as determined in the Group Plan, or subsequent Group or CEG decisions.
3. Ensure all new hazards research is communicated to the Lifelines and CEG meetings to assist with District Council and other agency preparedness.
4. Assist with co-ordinating exercises with the District Council CDEM staff to ensure controllers & key staff are familiar with each other and with each other's roles in an event.

## Indicative Costs and Sources of Funds

LTP 2012/13		AP 2013/14	LTP 2013/14
<b>Emergency Management</b>			
122,475	Civil Defence Response	122,151	117,318
11,710	Natural Hazards	13,464	12,120
<b>134,185</b>	<b>Total Operating Expenditure</b>	<b>135,615</b>	<b>129,438</b>
<b>Funding</b>			
22,000	Subsidies		
0	User Charges	17,000	17,000
50,000	Targeted Rates	50,000	52,000
62,185	General Funds	68,615	60,438
<b>134,185</b>	<b>Total Funding</b>	<b>135,615</b>	<b>129,438</b>
<b>Capital Expenditure</b>			
0	Radio & powerpack	1,300	0
<b>0</b>		<b>1,300</b>	<b>0</b>
<b>Funding</b>			
0	Depreciation Funds	1,300	0
<b>0</b>		<b>1,300</b>	<b>0</b>

## River, Drainage, and Coastal Protection Work

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River, Drainage and Coastal protection activities include:

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

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

### Rationale for Rating Districts

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

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

### Assets Administered by Council

The Regional Council presently owns and/or administers, 24 special rating districts at the following locations: Karamea, Kongahu (drainage scheme), Mokihinui, Punakaiki, Twelve Mile<sup>4</sup>, Redjacks, Nelson Creek, Coal Creek, Greymouth<sup>5</sup>, Taramakau, Inchbonnie, Kaniere, Southside Hokitika, Raft Creek (drainage scheme), Kowhitirangi, Vine Creek, Wanganui, Whataroa, Matainui, Waitangitona, Franz Josef, Lower Waiho, Canavan's Knob<sup>6</sup> and Okuru.

### Rock Quarries

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

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

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

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

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

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

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

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

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

**Who pays for the works?**

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

**Quarry Performance targets**

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

**Rating District Performance targets**

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

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

Council intends investigating the need for a bylaw for protecting flood bank structures.

## Indicative Costs and Sources of Funds

LTP 2012/13		AP 2013/14	LTP 2013/14
<b>River, Drainage &amp; Coastal Protection</b>			
769,625	Works Within Rating Districts	815,899	832,804
153,975	Rating District Management	166,897	158,136
12,092	Asset Management Plans	12,910	12,517
12,592	Inspections	13,410	13,033
22,702	Technical Services	20,564	20,546
249,668	Quarries	256,597	256,805
41,511	River Cross Sections	41,614	42,845
<b>1262,165</b>	<b>Total Operating Expenditure</b>	<b>1,327,890</b>	<b>1,336,686</b>
<b>Funding</b>			
274,000	User Charges	280,800	280,800
-235,768	Transfers to (-) / from Reserves	-202,407	-109,334
981,061	Targeted Rates	994,103	918,144
242,872	General Funds	255,394	247,076
<b>1262,165</b>	<b>Total Funding</b>	<b>1,327,890</b>	<b>1,336,686</b>

### Capital Expenditure

0	Rating District capital Works		
0	Replacement equipment		
<b>0</b>		<b>0</b>	<b>0</b>
Funded by			
0	Rating District retained earnings		
0	Depreciation		
<b>0</b>		<b>0</b>	<b>0</b>

**Amendments to Rating District Classifications and/or Boundaries:**

The changes below affect how rates are collected for the rating districts of Whataroa and Wanganui. The change proposed for Red Jacks Rating District has been deferred for a year pending further work. The changes will make the rating system that funds the maintenance of the protection works more fair and equitable for the ratepayers that are exacerbators or benefit from those works.

**Whataroa Rating District Reclassification**

Council engaged Mr. Bob Reid (an independent river rating expert from Canterbury) to review the rating proportions and make recommendations accordingly.

Council staff met with the Rating District Committee on 17 September 2012 to discuss Mr. Reid’s draft report. Discussion took place around this report and comments were relayed back to Mr. Reid before the final recommendation was prepared.

The table below indicates the percentage of a theoretical \$50,000 rate each class would contribute.

<b>New Class Definitions</b>				
	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>	<b>Totals</b>
Points of Benefit	100	40	20	160
	\$20,529	\$12,961	\$16,510	\$50,000
	41.1%	25.9%	33%	100%

The one ratepayer that made a submission agreed with these new points of benefit and they have now been adopted by Council. Note the classification map on the next page.

**2. Wanganui Rating District Reclassification**

At the 2011 Wanganui Rating District consultation meeting, concern was raised over the fairness of the current rate strike. In particular the U1 and U2 classifications which cover the urban area of Harihari.

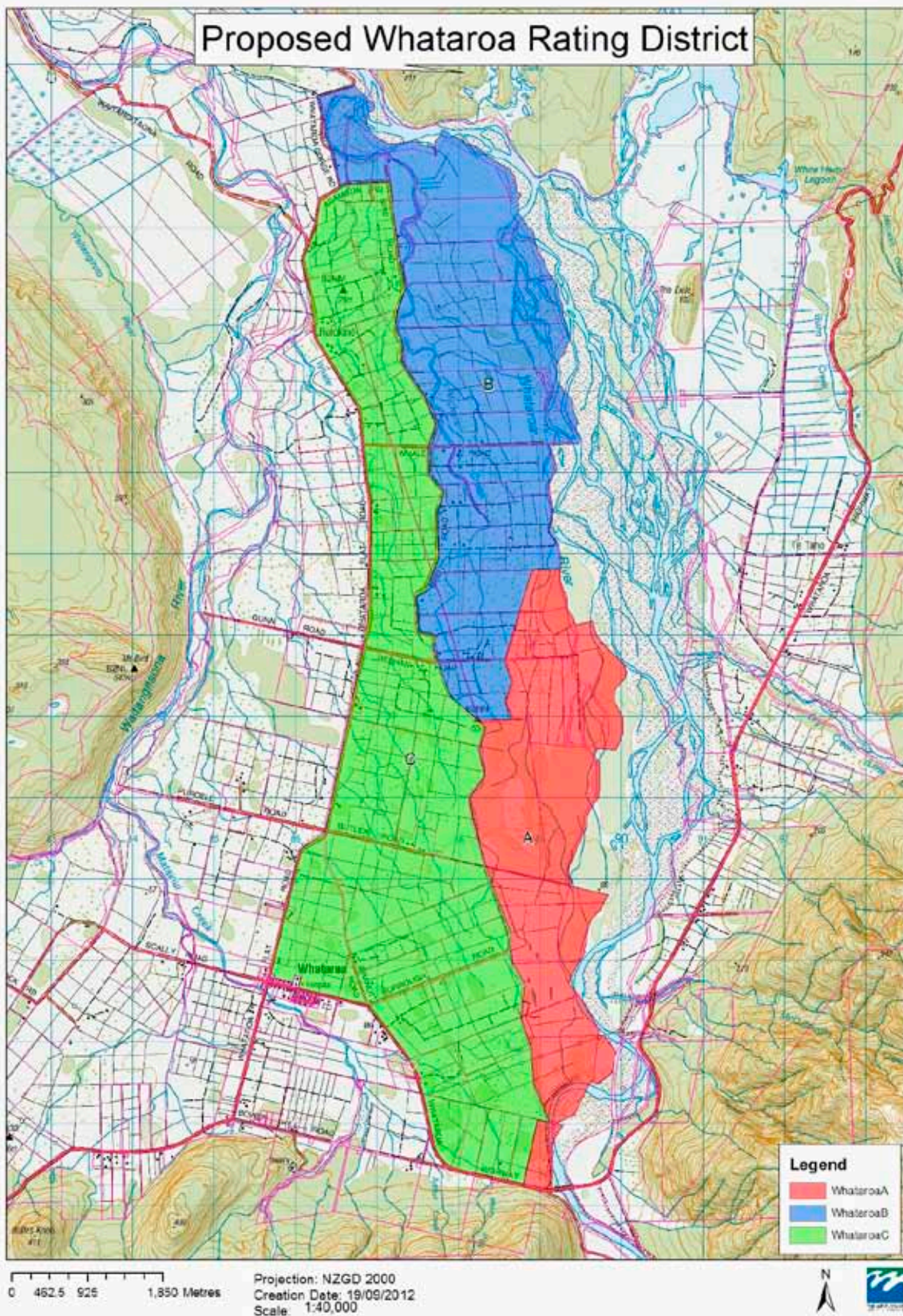
Proposed changes to the rate strike proportions were discussed with the Wanganui Rating District Committee, with further discussions held at the Wanganui Rating District 2012 consultation meeting. The Rating District supported a change to the current proportions to provide a fairer rate for the urban classifications, and to combine them into one classification, for simplicity.

U1 and U2 classifications have now both been re-set to 50 differential points (from 200 and 100, respectively) reducing the rating burden on the urban ratepayers of Harihari. This results in a proportionate increase in rates payable by the A, B, C and D classes.

A minor adjustment was also made to include two small urban properties within the urban area that were not previously rated as U class ratepayers.

Council received no submissions on this matter from affected ratepayers and have finalised these changes.





Map showing Whataroa Rating District A, B and C classes.

## Vector Control Services Business Unit

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

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

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

### Why have a VCS Business Unit?

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

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

### VCS Performance targets

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

**Indicative Costs and Sources of Funds**

LTP 2012/13		AP 2013/14	LTP 2013/14
<b>VCS Business Unit</b>			
1495,250	<b>Operating Expenditure</b>	1,927,233	1,779,098
<u>1495,250</u>	Total Operating Expenditure	<u>1,927,233</u>	<u>1,779,098</u>
Funding			
1995,250	User Charges	2,427,233	2,279,098
	Targeted Rates		
-500,000	General Funds	-500,000	-500,000
<u>1495,250</u>	Total Funding	<u>1,927,233</u>	<u>1,779,098</u>
<b>Capital Expenditure</b>			
20,000	Vehicle Replacements	30,000	30,962
<u>20,000</u>		<u>30,000</u>	<u>30,962</u>
Funded by			
20,000	Depreciation	30,000	30,962
<u>20,000</u>		<u>30,000</u>	<u>30,962</u>

# Statement of Accounting Policies

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## Reporting Entity

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

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

## Statement of Compliance

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

## Cautionary Note

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

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

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

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

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

## Basis of preparation

The financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets and financial instruments (including derivative instruments).

The financial statements are presented in New Zealand dollars. The functional currency of WCRC is New Zealand dollars.

In September 2011 the External Reporting Board issued a position paper and consultation papers proposing a new external reporting framework for public benefit entities (PBE). The papers proposed that accounting standards for PBE's should be based on International Public Sector Accounting Standards, modified as necessary. The proposals in these papers do not provide certainty about any specific requirements of future accounting standards. Therefore the accounting policies on which the forecast financial information for 2013/14 has been prepared are based on the current New Zealand equivalents to International Financial Reporting Standards.

## Significant Accounting Policies

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

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## **Revenue**

Revenue is measured at the fair value of consideration received.

### **Rates revenue**

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

### **Other revenue**

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

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Interest income is recognised using the effective interest method.

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

### **Borrowing costs**

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

## **Leases**

### **Finance leases**

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

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

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

### **Operating leases**

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

### **Cash and cash equivalents**

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

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

### **Trade and other receivables**

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

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

### **Inventories**

Inventories held for consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

The write down from cost to current replacement cost or net realisable value is recognised in the surplus or deficit.

## **Foreign Currency Transactions**

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

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

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

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

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

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

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

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

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

### ***Fair value hedge***

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

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

### ***Cash flow hedge***

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

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

When a hedge of a forecast transaction subsequently results in the recognition of a non financial asset or a non-financial liability, or a forecast transaction for a non-financial asset or non financial liability becomes a firm com-

mitment for which fair value hedge accounting is applied, the associated gains and losses that were recognised in other comprehensive income will be included in the initial cost or carrying amount of the asset or liability.

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

## **Financial assets**

The Council has two classifications for its financial assets:

Financial assets at fair value through profit or loss.

Loans and receivables.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the surplus or deficit.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. Council's fund manager obtains independent verified market prices from third parties such as trading banks, broking houses and originating companies for all assets/securities. Managed funds are valued at the value date price used as the exit price at month end and can be deemed to be fair value.

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

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

**(1) Financial assets at fair value through profit or loss** This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit.

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

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

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

Council has adopted the provisions of hedge accounting.

## **(2) Loans and receivables**

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the statement of financial position.

## **Impairment of financial assets**

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

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

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

### **Property, plant and equipment**

Property, plant and equipment consists of:

*Operational assets* - These include land, buildings, plant and equipment, and motor vehicles.

*Infrastructure assets* - Infrastructure assets are the river, drainage and coastal protection systems owned by WCRC. They include rock protection work and stopbanks.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

### **Additions**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

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

### **Disposals**

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

### **Subsequent costs**

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

### **Depreciation**

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

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

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

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

### **Revaluation**

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



### *Operational land:*

This is revalued on a cyclical 3-year basis at fair value as determined from the most recent market based rating valuations. Valuations are as at 1 September 2012 (Grey District area land), 1 September 2010 (Westland District area land), and 1 September 2011 (Buller District area land).

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

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

### **Accounting for revaluations:**

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

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

## **Intangible assets**

### **Software acquisition and development**

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

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

### **Amortisation**

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

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

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

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

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

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

The value in use for cash-generating assets is the present value of expected future cash flows.

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

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

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

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

## **Employee benefits**

### Short-term benefits

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

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

### *Long-term benefits:*

#### Long service leave

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

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

## **Superannuation schemes**

### *Defined contribution schemes*

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

## **Provisions**

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

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

## **Borrowings**

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

## **Equity**

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

The components of equity are:

- Retained earnings
- Restricted reserves
- Asset revaluation reserves

## **Restricted and Council created reserves**

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

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

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

### **Good and Service Tax (GST)**

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Cost allocation**

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

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity.

### **Critical accounting estimates and assumptions**

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

The assumptions underlying the preparation of these forecasts were adopted on 9 April 2013 and incorporate known financial results as at that date and estimates for the year to 30 June 2013. Events occurring subsequent to that date may have a significant effect on these forecasts.

## Prospective Statement of Comprehensive Income

LTP 2012/13		AP 2013/14	LTP 2013/14
<b>Cost of Services</b>			
383,511	Governance	420,929	423,803
2674,896	Resource Management	2,832,792	2,722,147
150,854	Transport	179,755	171,297
398,825	Hydrology & Floodwarning Services	413,585	420,440
134,185	Emergency Management	135,615	129,438
1,262,165	River, Drainage & Coastal Protection	1,327,890	1,336,686
887,144	Regional Share of cost of Tb Vector Controls	852,110	883,450
1,495,250	VCS Business Unit	1,927,233	1,779,098
0	Warm West Coast Scheme	51,926	35,181
<b>7,386,830</b>	<b>Total Expenditure</b>	<b>8,141,835</b>	<b>7,901,540</b>
<b>Revenue</b>			
2,020,000	General Rates	2,060,000	2,085,000
70,000	Penalties	60,000	70,000
904,500	Investment Income	934,734	938,570
1,073,500	Resource Management	1,282,130	1,107,500
87,500	Transport	99,300	99,300
72,000	Emergency Management	67,000	69,000
1,255,061	River, Drainage & Coastal Protection	1,274,903	1,198,944
650,000	Regional Share of cost of Tb Vector Controls	650,000	675,000
1,995,250	VCS Business Unit	2,427,233	2,279,098
0	Warm West Coast Scheme	51,926	35,181
<b>8,127,811</b>	<b>Total Revenue</b>	<b>8,907,226</b>	<b>8,557,593</b>
740,981	Surplus / (-Deficit) from Activities	765,391	656,053
5,546,541	Revaluation of Assets	0	0
<b>6,287,522</b>	<b>Total Comprehensive Income</b>	<b>765,391</b>	<b>656,053</b>
LTP 2012/13	Summary of Operating Expenditure by Expenditure Type	AP 2013/14	LTP 2013/14
170,919	Interest	204,890	183,110
331,740	Depreciation	320,050	313,416
2,926,335	Employee benefits	2,881,739	2,996,567
3,957,836	Other operating expenditure	4,735,156	4,408,447
<b>7,386,830</b>	<b>Total Operating Expenditure</b>	<b>8,141,835</b>	<b>7,901,540</b>

## Prospective Statement of Changes in Equity

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LTP 2012/13		AP 2013/14	LTP 2013/14
	<b>Opening Balance</b>	67,654,496	69,842,714
	Comprehensive Income	765,391	656,053
<hr/>		<hr/>	<hr/>
67,654,496	Closing Balance	68,419,887	70,498,767
<hr/>		<hr/>	<hr/>

## Prospective Statement of Financial Position

LTP 2012/13		AP 2013/14	LTP 2013/14
<b>Current Assets</b>			
-60,874	Cash	152,671	-74,680
1,500,000	Receivables	1,500,000	1,549,000
100,000	Inventories	100,000	103,000
17,990	Loan Advances	32,998	37,261
1,500,000	Other Financial Assets	1,500,000	1,500,000
3,057,116	<b>Total Current Assets</b>	3,285,669	3,114,581
<b>Non Current Assets</b>			
4,017,061	Property, Plant, Equipment	4,145,767	4,053,607
5,455,365	Infrastructure	5,208,357	5,455,365
552,000	Intangible Assets	506,687	520,000
232,010	Loan Advances	735,670	444,749
1,149,619	Other Financial Assets	1,344,612	1,199,508
7,085,096	<b>Total Non Current Assets</b>	7,091,493	7,157,516
7,390,832	<b>Total Assets</b>	7,419,762	7,468,597

<b>Current Liabilities</b>			
181,000	Borrowings	266,812	213,000
1225,000	Payables	1,300,000	1,265,000
300,000	Employee Benefit Liabilities	285,000	310,000
1706,000	<b>Total Current Liabilities</b>	1,851,812	1,788,000
<b>Non Current Liabilities</b>			
15,000	Employee Benefit Liabilities	15,000	15,000
2,284,318	Borrowings	3,843,063	2,321,330
60,000	Quarry Aftercare Provision	70,000	62,000
2,359,318	<b>Total Non Current Liabilities</b>	3,928,063	2,398,330
<b>Equity</b>			
19072,172	Ratepayers Equity	19170,344	19235,166
1,616,693	Rating District equity	2,424,005	1,597,834
659500	Catastrophe Fund	794,000	750,674
37863,179	Revaluation Reserve	35216,638	37863,179
-1,144	Tb Special Rate	92,890	-9,594
312,314	Quarry Account	319,403	311,508
69842,714	<b>Total Equity</b>	68419,887	70498,767
73908,032	<b>Total Liabilities &amp; Equity</b>	74199,762	74685,097

## Prospective Statement of Cash Flows

LTP 2012/13		AP 2012/13	LTP 2013/14
<b>Cash Flow from Operating Activities</b>			
904,500	Investment Income	934,734	938,570
3688,561	Rates	3,754,103	3,730,144
3534,750	Other Income	4,218,389	3,888,879
8127,811		8,907,226	8,557,593
Less Cash Paid for:			
170,919	Interest	204,890	183,110
6884,171	Operating Expenditure	7,616,895	7,387,024
7055,090		7,821,785	7,570,134
1072,721	<b>Net Cash Flow Operations</b>		
	<b>Cash Flow from Investing</b>	1,085,441	987,459
Cash From:			
14,699	Sale of Fixed Assets	47,392	47,393
Cash Paid For:			
468,500	Purchase of Fixed Assets	308,800	365,355
621,193	Investments Made	610,612	502,315
1089,693		919,412	867,670
-1074,994	<b>Net Cash Flow from Investing</b>	-872,020	-820,277
Cash Flow from Financing Activities			
250,000	Loans Raised	400,000	250,000
250,000	Loans Advanced	400,000	250,000
158,601	Loan Principal Repaid	160,750	180,988
-158,601	<b>Net Cash Flow from Financing</b>	-160750	-180,988
-160,874	<b>Total Changes in Cash held</b>	52,671	-13,806
100,000	Opening Cash Balance	100,000	-60,874
-60,874	<b>Closing Cash Balances</b>	152,671	-74,680



## Projected Capital Expenditure

Annual Plan 2011/12	Type of Expenditure	AP 2013/14	LTP 2013/14
20,000	IT Equipment	40,000	41,283
	IT Disaster Recovery Site	50,000	103,208
	Fibre data connection	15,000	15,481
10,000	Compliance Group		
11,500	Other	1,300	
100,000	IRIS		
60,000	Hydrology	60,000	61,925
32,000	Samples database		
160,000	New Financial Systems		
30,000	EDMS		
0	WCRC Vehicle Replacements	112,500	112,496
27,000	Phone Systems	26,738	
100,000	Photocopiers		
45,000	VCS-Vehicle Replacements	30,000	30,962
595,500		335,538	365,355
468,500	Funded Depreciation	308,800	365,355
127,000	Funded Loans	26,738	0
0	Funded Rating District retained earnings	0	0
595,500		335,538	365,355

## FUNDING IMPACT STATEMENTS IN ACCORDANCE WITH THE LOCAL GOVERNMENT (FINANCIAL REPORTING) REGULATIONS 2011

	Annual Plan 2013/14	LTP 2012/13	LTP 2013/14
<b>West Coast Regional Council</b>			
<b>Sources of Funding</b>			
General Rates	2,060,000	2,020,000	2,085,000
Rates Penalties	60,000	70,000	70,000
Targeted Rates	1,746,029	1,681,061	1,680,325
Subsidies & Grants	99,300	109,500	99,300
Fees & Charges	4,007,163	3,342,750	3,684,398
Internal Charges & Overheads Recovered	0	0	0
Fines, Infringement Fees & Other Receipts	934,734	904,500	938,570
<b>Total Operating Funding (A)</b>	<b>8,907,226</b>	<b>8,127,811</b>	<b>8,557,593</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	7,616,894	6,884,170	7,405,014
Finance costs	204,890	170,919	183,110
Internal charges and overheads applied			
Other operating funding applications			
<b>Total Applications of operating funding (B)</b>	<b>7,821,784</b>	<b>7,055,089</b>	<b>7,588,124</b>
<b>Surplus (deficit) of Operating Funding (A) - (B)</b>	<b>1,085,442</b>	<b>1,072,722</b>	<b>969,469</b>
<b>Sources of Capital Funding</b>			
Subsidies and Grants			
Development and Financial Contributions			
Increase (decrease) in debt	-130,748	-31,601	-162,998
Gross Proceeds Sale assets			
Lump sum contributions			
<b>Total Sources of capital funding (C)</b>	<b>-130,748</b>	<b>-31,601</b>	<b>-162,998</b>
<b>Applications of capital funding</b>			
Capital expenditure-additional demand			
Capital expenditure-improved levels of service	50,000	302,000	118,689
Capital expenditure-replace existing assets	285,538	293,500	246,666
Increase (decrease) in reserves	619,156	445,621	441,116
<b>Total applications of capital funding (D)</b>	<b>954,694</b>	<b>1,041,121</b>	<b>806,471</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>-1,085,442</b>	<b>-1,072,722</b>	<b>-969,469</b>
Funding Balance (A - B) + (C - D)	0	0	0

	Annual Plan 2013/14	LTP 2012/13	LTP 2013/14
<b>Governance</b>			
<b>Sources of Funding</b>			
General Rates	320,803	283,799	313,386
Rates Penalties	9,344	9,835	10,496
Targeted Rates			
Subsidies & Grants			
Fees & Charges			
Internal Charges & Overheads Recovered			
Fines, Infringement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>330,147</b>	<b>293,634</b>	<b>323,882</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	373,916	344,642	384,029
Finance costs			
Internal charges and overheads applied	34,143	32,790	34,380
Other operating funding applications			
<b>Total Applications of operating funding (B)</b>	<b>408,059</b>	<b>377,432</b>	<b>418,409</b>
<b>Surplus (deficit) of Operating Funding (A) - (B)</b>	<b>-77,912</b>	<b>-83,798</b>	<b>-94,527</b>
<b>Sources of Capital Funding</b>			
Subsidies and Grants			
Development and Financial Contributions			
Increase (decrease) in debt			
Gross Proceeds Sale assets			
Lump sum contributions			
<b>Total Sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure-additional demand			
Capital expenditure-improved levels of service			
Capital expenditure-replace existing assets			
Increase (decrease) in reserves	-77,912	-83,798	-94,527
<b>Total applications of capital funding (D)</b>	<b>-77,912</b>	<b>-83,798</b>	<b>-94,527</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>77,912</b>	<b>83,798</b>	<b>94,527</b>
Funding Balance (A - B) + (C - D)	0	0	0

	Annual Plan 2013/14	LTP 2012/13	LTP 2013/14
<b>Transport</b>			
<b>Sources of Funding</b>			
General Rates	58,930	44,584	50,546
Rates Penalties	1,716	1,545	1,693
Targeted Rates			
Subsidies & Grants	99,300	87,500	99,300
Fees & Charges			
Internal Charges & Overheads Recovered			
Fines, Infringement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>159,946</b>	<b>133,629</b>	<b>151,539</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	116,889	109,647	118,444
Finance costs	0	0	0
Internal charges and overheads applied	57,370	37,147	48,342
Other operating funding applications	0	0	0
<b>Total Applications of operating funding (B)</b>	<b>174,259</b>	<b>146,794</b>	<b>166,786</b>
<b>Surplus (deficit) of Operating Funding (A) - (B)</b>	<b>-14,313</b>	<b>-13,165</b>	<b>-15,247</b>
<b>Sources of Capital Funding</b>			
Subsidies and Grants			
Development and Financial Contributions			
Increase (decrease) in debt			
Gross Proceeds Sale assets			
Lump sum contributions			
<b>Total Sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure-additional demand			
Capital expenditure-improved levels of service			
Capital expenditure-replace existing assets			
Increase (decrease) in reserves	-14,313	-13,165	-15,247
<b>Total applications of capital funding (D)</b>	<b>-14,313</b>	<b>-13,165</b>	<b>-15,247</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>14,313</b>	<b>13,165</b>	<b>15,247</b>
<b>Funding Balance (A - B) + (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Annual Plan 2013/14	LTP 2012/13	LTP 2013/14
<b>Resource Management</b>			
<b>Sources of Funding</b>			
General Rates	1134,762	1085,391	1102,521
Rates Penalties	33,051	37,613	36,927
Targeted Rates			
Subsidies & Grants			
Fees & Charges	1282,130	1073,500	1107,500
Internal Charges & Overheads Recovered			
Fines, Infringement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>2449,943</b>	<b>2196,504</b>	<b>2246,948</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1261,235	1214,499	1234,324
Finance costs			
Internal charges and overheads applied	1464,302	1302,490	1345,178
Other operating funding applications			
<b>Total Applications of operating funding (B)</b>	<b>2725,537</b>	<b>2516,989</b>	<b>2579,502</b>
<b>Surplus (deficit) of Operating Funding (A) - (B)</b>	<b>-275,594</b>	<b>-320,485</b>	<b>-332,554</b>
<b>Sources of Capital Funding</b>			
Subsidies and Grants			
Development and Financial Contributions			
Increase (decrease) in debt			
Gross Proceeds Sale assets			
Lump sum contributions			
<b>Total Sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure-additional demand		10,000	
Capital expenditure-improved levels of service			
Capital expenditure-replace existing assets			
Increase (decrease) in reserves	-275,594	-330,485	-332,554
<b>Total applications of capital funding (D)</b>	<b>-275,594</b>	<b>-320,485</b>	<b>-332,554</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>275,594</b>	<b>320,485</b>	<b>332,554</b>
<b>Funding Balance (A - B) + (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Annual Plan 2013/14	LTP 2012/13	LTP 2013/14
<b>Hydrology &amp; Floodwarning Services</b>			
<b>Sources of Funding</b>			
General Rates	272,263	246,712	256,071
Rates Penalties	7,930	8,549	8,577
Targeted Rates			
Subsidies & Grants			
Fees & Charges			
Internal Charges & Overheads Recovered			
Fines, Infringement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>280,193</b>	<b>255,261</b>	<b>264,648</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	172,935	168,922	176,026
Finance costs	0	0	0
Internal charges and overheads applied	173,381	159,186	165,861
Other operating funding applications	0	0	0
<b>Total Applications of operating funding (B)</b>	<b>346,316</b>	<b>328,108</b>	<b>341,887</b>
<b>Surplus (deficit) of Operating Funding (A) - (B)</b>	<b>-66,123</b>	<b>-72,847</b>	<b>-77,239</b>
<b>Sources of Capital Funding</b>			
Subsidies and Grants			
Development and Financial Contributions			
Increase (decrease) in debt			
Gross Proceeds Sale assets			
Lump sum contributions			
<b>Total Sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure-additional demand			
Capital expenditure-additional demand			
Capital expenditure-improved levels of service			
Capital expenditure-replace existing assets	60,000	71,500	61,925
Increase (decrease) in reserves	-126,123	-144,347	-139,164
<b>Total applications of capital funding (D)</b>	<b>-66,123</b>	<b>-72,847</b>	<b>-77,239</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>66,123</b>	<b>72,847</b>	<b>77,239</b>
<b>Funding Balance (A - B) + (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Annual Plan 2013/14	LTP 2012/13	LTP 2013/14
<b>Emergency Management</b>			
<b>Sources of Funding</b>			
General Rates	49,469	37,347	40,472
Rates Penalties	1,441	1,294	1,356
Targeted Rates	50,000	50,000	52,000
Subsidies & Grants			
Fees & Charges	17,000	22,000	17,000
Internal Charges & Overheads Recovered			
Fines, Infringement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>117,910</b>	<b>110,641</b>	<b>110,828</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	76,375	67,962	69,487
Finance costs		0	0
Internal charges and overheads applied	53,549	53,706	53,549
Other operating funding applications		0	0
<b>Total Applications of operating funding (B)</b>	<b>129,924</b>	<b>121,668</b>	<b>123,036</b>
<b>Surplus (deficit) of Operating Funding (A) - (B)</b>	<b>-12,014</b>	<b>-11,027</b>	<b>-12,208</b>
<b>Sources of Capital Funding</b>			
Subsidies and Grants			
Development and Financial Contributions			
Increase (decrease) in debt			
Gross Proceeds Sale assets			
Lump sum contributions			
<b>Total Sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure-additional demand			
Capital expenditure-improved levels of service	1,300		
Capital expenditure-replace existing assets			
Increase (decrease) in reserves	-13314	-11,027	-12,208
<b>Total applications of capital funding (D)</b>	<b>-12,014</b>	<b>-11,027</b>	<b>-12,208</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>12,014</b>	<b>11,027</b>	<b>12,208</b>
<b>Funding Balance (A - B) + (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Annual Plan 2013/14	LTP 2012/13	LTP 2013/14
<b>River, Drainage &amp; Coastal Protection</b>			
<b>Sources of Funding</b>			
General Rates	160,073	171,783	177,203
Rates Penalties	4,662	5,953	5,935
Targeted Rates	994,103	981,061	918,144
Subsidies & Grants			
Fees & Charges	280,800	274,000	280,800
Internal Charges & Overheads Recovered			
Fines, Infringement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>1,439,638</b>	<b>1,432,797</b>	<b>1,382,082</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	914,330	879,519	960,863
Finance costs	154,944	163,950	154,944
Internal charges and overheads applied	216,858	193,409	200,782
Other operating funding applications			
<b>Total Applications of operating funding (B)</b>	<b>1,286,132</b>	<b>1,236,878</b>	<b>1,316,589</b>
<b>Surplus (deficit) of Operating Funding (A) - (B)</b>	<b>153,506</b>	<b>195,919</b>	<b>65,493</b>
<b>Sources of Capital Funding</b>			
Subsidies and Grants			
Development and Financial Contributions			
Increase (decrease) in debt	-128,999	-120,743	-128,999
Gross Proceeds Sale assets			
Lump sum contributions			
<b>Total Sources of capital funding (C)</b>	<b>-128,999</b>	<b>-120,743</b>	<b>-128,999</b>
<b>Applications of capital funding</b>			
Capital expenditure-additional demand			
Capital expenditure-improved levels of service			
Capital expenditure-replace existing assets			
Increase (decrease) in reserves	-24,507	-75,176	-63,506
<b>Total applications of capital funding (D)</b>	<b>-24,507</b>	<b>-75,176</b>	<b>-63,506</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>-153,506</b>	<b>-195,919</b>	<b>-65,493</b>
<b>Funding Balance (A - B) + (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>



	Annual Plan 2013/14	LTP 2012/13	LTP 2013/14
<b>Regional Share of Controls</b>			
<b>Sources of Funding</b>			
General Rates	149,856	150,385	149,799
Rates Penalties	4,365	5,211	5,017
Targeted Rates	650,000	650,000	675,000
Subsidies & Grants			
Fees & Charges			
Internal Charges & Overheads Recovered			
Fines, Infringement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>804,221</b>	<b>805,596</b>	<b>829,816</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	852,110	887,144	883,450
Finance costs			
Internal charges and overheads applied			
Other operating funding applications			
<b>Total Applications of operating funding (B)</b>	<b>852,110</b>	<b>887,144</b>	<b>883,450</b>
<b>Surplus (deficit) of Operating Funding (A) - (B)</b>	<b>-47,889</b>	<b>-81,548</b>	<b>-53,634</b>
<b>Sources of Capital Funding</b>			
Subsidies and Grants			
Development and Financial Contributions			
Increase (decrease) in debt			
Gross Proceeds Sale assets			
Lump sum contributions			
<b>Total Sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure-additional demand			
Capital expenditure-improved levels of service			
Capital expenditure-replace existing assets			
Increase (decrease) in reserves	-47,889	-81,548	-53,634
<b>Total applications of capital funding (D)</b>	<b>-47,889</b>	<b>-81,548</b>	<b>-53,634</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>	<b>47,889</b>	<b>81,548</b>	<b>53,634</b>
<b>Funding Balance (A - B) + (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Vector Control Services Business Unit</b>	Annual Plan	LTP	LTP
<b>Sources of Funding</b>	2013/14	2012/13	2013/14
General Rates			
Rates Penalties			
Targeted Rates			
Subsidies & Grants			
Fees & Charges	2,427,233	1,995,250	2,279,098
Internal Charges & Overheads Recovered			
Fines, Infringement Fees & Other Receipts			
<b>Total Operating Funding (A)</b>	<b>2,427,233</b>	<b>1,995,250</b>	<b>2,279,098</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,697,521	1,340,074	1,623,284
Finance costs			
Internal charges and overheads applied	150,000	100,000	100,000
Other operating funding applications			
<b>Total Applications of operating funding (B)</b>	<b>1,847,521</b>	<b>1,440,074</b>	<b>1,723,284</b>
<b>Surplus (deficit) of Operating Funding (A) - (B)</b>	<b>579,712</b>	<b>555,176</b>	<b>555,814</b>
<b>Sources of Capital Funding</b>			
Subsidies and Grants			
Development and Financial Contributions			
Increase (decrease) in debt			
Gross Proceeds Sale assets			
Lump sum contributions			
<b>Total Sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure-additional demand			
Capital expenditure-improved levels of service			
Capital expenditure-replace existing assets	30,000	45,000	30,962
Increase (decrease) in reserves	549,712	510,176	524,852
<b>Total applications of capital funding (D)</b>	<b>579,712</b>	<b>555,176</b>	<b>555,814</b>
<b>Surplus (Deficit) of Capital Funding (C) - (D)</b>			
<b>Funding Balance (A - B) + (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>

**FUNDING IMPACT STATEMENT - RATES  
FOR THE YEAR ENDING 30 JUNE 2014**

**Note**

All amounts are stated inclusive of GST.

**Rating Instalment Information**

Rates will be payable by two instalments;

**First instalment**

Due date 1 September 2013

Final date 20 October 2013

**Second instalment**

Due date 1 March 2014

Final date 20 April 2014

A penalty for late payment will be applied at the amount allowed by the Local government Rating Act 2002 of 10% on all instalments not paid by the penalty dates of 20 October 2013 and 20 April 2014.

A further 10% penalty will be charged on all accumulated rate arrears as at 1 July 2014.

**1. General Rate**

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

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

**Differential**

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

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

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

	Estimated rateable Capital Value	Factor per \$ of Capital Value	Estimated to Yield
Rateable Value of Land in the Buller District Local authority Area	2,210,005,150	0.00033230	734,390
Rateable Value of Land in the Grey District Local authority Area	2,601,370,950	0.00035516	923,910
Rateable Value of Land in the Westland District Local authority Area	2,359,626,500	0.00030119	710,700
	<u>7,171,002,600</u>		<u>2,369,000</u>

**2. TARGETED RATES**

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

<u>Vine Creek Rating District</u>	Estimated rateable Land Value	factor per \$ of Land Value	Estimated to yield \$
Class A	\$ 4,522,800	0.0029324	13,263
Class B	\$ 5,607,300	0.0020527	11,510
Class C	\$ 7,490,000	0.0014662	10,982
Class D	\$ 18,941,100	0.0005865	11,108
Class E	\$ 16,667,000	0.0002932	4,887
			<u>51,750</u>

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

<u>Wanganui River Rating District</u>	Estimated rateable Land Value	factor per \$ of Land Value	Estimated to yield \$
Class A	\$ 23,117,300	0.002160	49,930
Class B	\$ 19,986,900	0.001512	30,218
Class C	\$ 28,775,900	0.000972	27,968
Class D	\$ 5,002,000	0.000216	1,080
Class U1	\$ 3,970,300	0.001080	4,288
Class U2	\$ 1,403,000	0.001080	1,515
			<u>115,000</u>

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

<u>Kaniere Rating District</u>	Estimated rateable Land Value	factor per \$ of Land value	Estimated to yield \$
Class A	\$ 319,900	0.005750	1,840
Class B	\$ 113,000	0.003450	390
Class C	\$ 272,000	0.002300	626
Class D	\$ 1,737,000	0.000863	1,498
Class E	\$ 429,000	0.000575	247
			<u>4,600</u>

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

<u>Kowhitirangi Flood Control Rating District</u>			Estimated to yield
	Estimated rateable Capital Value	factor per \$ of capital Value	\$
Class A	\$ 17,617,900	0.000190	3,353
Class C	\$ 37,842,800	0.000095	3,601
Class E	\$ 36,216,800	0.000056	2,011
Class F	\$ 79,907,100	0.000032	2,535
			<u>11,500</u>

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

<u>Coal Creek Rating District</u>			Estimated to yield
	Estimated rateable Capital Value	factor per \$ of capital Value	\$
	\$ 7,749,450	0.002226	<u>17,250</u>

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

<u>Karamea Riding Rating District</u>			Estimated to yield
	Estimated rateable Capital Value	factor per \$ of capital Value	\$
Class A	\$ 3,623,200	0.001257	4,554
Class B	\$ 32,755,338	0.001005	32,934
Class C	\$ 4,544,635	0.000754	3,427
Class D	\$ 110,163,985	0.000126	13,846
Class E	\$ 43,597,142	0.000063	2,740
			<u>57,500</u>

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

<u>Inchbonnie Rating District</u>			Estimated to yield
	Estimated rateable Capital Value	factor per \$ of capital Value	\$
Class A	\$ 2,975,300	0.001163	3,460
Class B	\$ 16,949,000	0.000872	14,783
Class C	\$ 6,258,800	0.000581	3,639
Class D	\$ 2,600,000	0.000349	907
Class F	\$ 1,207,700	0.000174	211
			<u>23,000</u>

- (h) A targeted rate set differentially in accordance with sections 16, 17, 18 and 146 of the Local Government Rating Act 2002 on all rateable land situated in the Inchbonnie Separate Rating Area and calculated on the capital value of each rating unit, for repayment of a loan raised to fund protection works.

<u>Inchbonnie (Loan) Rating District</u>			Estimated to yield
	Estimated rateable Capital Value	factor per \$ of capital Value	\$
Class A	\$ 2,975,300	0.001398	4,161
Class B	\$ 16,949,000	0.001049	17,778
Class C	\$ 6,258,800	0.000699	4,376
Class D	\$ 2,600,000	0.000420	1,091
Class F	\$ 1,207,700	0.000210	253
			<u>27,659</u>

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

<u>Greymouth Floodwall (Loan) Rating District</u>			Estimated to yield
	Estimated rateable Capital Value	factor per \$ of capital Value	\$
	\$ 710,953,700	0.0003381	<u>240,350</u>

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

<u>Greymouth Floodwall (Maintenance) Rating District</u>			Estimated to yield
	Estimated rateable Capital Value	factor per \$ of capital Value	\$
	\$ 710,953,700	0.0000809	<u>57,500</u>

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

**Okuru Rating District (Maintenance)**

Estimated rateable Capital Value	factor per \$ of capital Value	Estimated to yield \$
\$ 10,234,000	0.001124	11,500

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

**Redjacks Rating District**

Estimated rateable Land Area (ha.)	Rate per hectare	Estimated to yield \$
Class A	0.1000000	387
Class B	1.1005000	2,041
Class C	0.1168000	205
Class D	2.3013000	1,009
Class E	1.4882000	818
Class F	1.8520000	272
Class G	21.9674000	426
Class H	49.6806000	495
Class I	77.0109000	98
		<u>5,750</u>

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

**Raft Creek**

Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
762.2400000	12.06969	9,200

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

**Nelson Creek Rating District**

Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
Class A	1.1430000	1,677
Class B	2.9043000	2,637
Class C	10.7731000	1,995
Class D	10.3000000	1,827
Class E	18.5536000	2,603
Class F	65.1568000	5,617
Class G	18.1062000	1,774
Class H	20.0432000	1,833
Class I	7.8016000	162
		<u>20,125</u>

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

**Taramakau Settlement Rating District**

Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
Class A	306.2555000	30,506
Class B	130.0039000	10,617
Class C	111.9839000	6,284
Class D	127.1295000	6,017
Class E	174.4299000	7,940
Class F	140.2890000	5,419
Class G	392.7389000	12,328
Class H	429.4846000	12,668
Class I	48.6613000	221
		<u>92,000</u>

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

**Kongahu Rating District**

Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
Class A	660.6800000	8,289
Class B	68.6000000	451
		<u>8,740</u>

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

**Waitangi-taona Rating District**

Estimated Rateable Land Area (ha.)	Rates per hectare	Estimated to yield \$
Class A	618.2379000	8,900
Class B	721.2259000	8,101
Class C	1705.4410000	16,159
Class D	708.1226000	1,340
		<u>34,500</u>

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- (r) **A targeted rate set differentially in accordance with sections 16, 17, 18 of the Local Government Rating Act 2002 on all rateable land located between the boundaries of the Pororai river, State Highway 6 and the Tasman sea at Punakaiki calculated on the capital value of each rating unit for repayment of the loan raised by Council to carry out the sea wall protection works.**

## Punakaiki Loan Repayment Rating District

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
Class A	\$ 4,895,000	0.006336192	31,016
Class B	\$ 5,395,000	0.003801715	20,510
Class C	\$ 5,835,000	0.001267238	7,394
			<u>58,920</u>
Area A Differential	1.00		
Area B Differential	0.60		
Area C Differential	0.20		

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

## Punakaiki Maintenance Rating District

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
Class A	\$ 4,895,000	0.005565115	27,241
Class B	\$ 5,395,000	0.003339069	18,014
Class C	\$ 5,835,000	0.001113023	6,494
			<u>51,750</u>
Area A Differential	1.00		
Area B Differential	0.60		
Area C Differential	0.20		

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

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

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

Differential

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

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

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

## Tb PEST MANAGEMENT

	Estimated rateable Capital Value	factor per \$ of capital Value	Estimated to yield \$
Buller District- Endemic Area	\$ 900,972,800	0.00026911	242,461
Buller District- Non Endemic Area	\$ 99,734,500	0.00006728	6,706
Grey District-Endemic Area	\$ 952,570,800	0.00026157	249,168
Westland District-Endemic Area	\$ 903,164,000	0.00026409	238,519
Westland District-Non Endemic Area	\$ 179,488,500	0.00006602	10,648
	<u>\$ 3,035,930,600</u>		<u>747,500</u>

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

## Hokitika River South Bank Mtce

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
Area A	\$ 2,487,000	0.000522	1,299
Area B	\$ 2,649,000	0.000052	138
			<u>1,438</u>
Area A Differential	1.0000000		
Area B Differential	0.1000000		

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

## Franz Josef

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
	\$ 101,725,500	0.001130	<u>115,000</u>

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

**Lower Waiho 2010**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
\$	19,329,000	0.002975	<u>57,500</u>

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

**Matainui Creek**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
\$	10,450,000	0.000550	<u>5,750</u>

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

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

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
Rateable Value of Land in the Buller District Local authority Area	2,210,005,150		
Rateable Value of Land in the Grey District Local authority Area	2,601,370,950		
Rateable Value of Land in the Westland District Local authority Area	<u>2,359,626,500</u>		
	7,171,002,600	0.000080	<u>57,500</u>

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

**Twelve Mile**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
\$	2,650,000	0.000130	<u>345</u>

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

**Mokihinui**

	Estimated number of rating units	Amount per rating unit.	calculated yield \$
	43	\$ 306.67	<u>13,187</u>

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

**Whataroa River**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
Area A	\$ 7,701,000	0.002575	19,831
Area B	\$ 12,155,000	0.001030	12,521
Area C	\$ 30,966,000	0.000515	<u>15,948</u>
			<u>48,300</u>
Area A Differential	1.0000000		
Area B Differential	0.4000000		
Area C Differential	0.2000000		

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

**New River / Saltwater Creek Catchment**

	Estimated rateable Capital Value	factor per \$ of capital Value	calculated yield \$
Area A	\$ 19,848,000	0.000098	1,943
Area B	\$ 237,846,400	0.000004	<u>932</u>
			<u>2,875</u>
Area A Differential	25.0000000		
Area B Differential	1.0000000		

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

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

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

**Warm West Coast Funding Received During year to 30 June 2013**

	Council funding provided	factor as a % of Council funding provided	
\$	400,000	14.9286%	59,715

## Rating Impact Ready Reckoner

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

Rate type	Rate per \$100,000 of Capital value
General Rate	\$33.23
Emergency Management Rate	\$0.80

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

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

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

Rate type	Rate per \$100,000 of Capital value
General Rate	\$35.52
Emergency Management Rate	\$0.80

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

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

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

Rate type	Rate per \$100,000 of Capital value
General Rate	\$30.12
Emergency Management Rate	\$0.80

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

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



## West Coast Regional Council Charges

### Introduction

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

### The Resource Management Act 1991

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

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

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

Pursuant to sections 12 and 150 of the Local Government Act 2002 the Council may prescribe certain charges for the carrying out of its functions in relation to mining legislation. The Council will recover all actual and reasonable costs for all monitoring and transactions in respect of any privilege, including operations for expiry or forfeiture of any privileges.

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

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

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

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

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

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

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

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

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

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

### **Fixed Fees**

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

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

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

Independent consultants at \$350 per hour – (not more than)

Note that Council engages consultants for:

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

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

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

Legal advice at \$350 per hour (not more than).

In addition:

- File establishment fee \$50 (excluding applications for changes or cancellation of conditions, surrenders of consent and extensions of lapsing periods of consents)
- Vehicle mileage at 75 cents per kilometre
- The actual cost of hire or use of any other mode of transport required during the processing of the application, e.g. Aircraft and boat hire
- Advertising, erecting site notices and telephone tolls at cost
- Photographs and Laboratory costs at cost
- Venue hire, including any catering required for the hearing at cost
- Technical equipment hire and use, (including but not limited to Overhead Projectors, teleconferencing and audio visual equipment) at cost
- Accommodation and meals at cost
- Postage & Courier costs at cost
- Photocopying at 5c/copy or 20c/colour copy

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

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

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

Applications for whitebait stand structures: \$200

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

Transfer of whitebait consents and permits to any other person\*: \$100

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

Monitoring of whitebait stands: \$100 per annum

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

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

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

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

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

Council officers \$110 per hour

Council senior officers \$130 per hour

Council managers \$200 per hour

Council clerical support staff \$90 per hour

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

Legal advisers: Not more than \$350 per hour

In addition:

- The actual cost of hire or use of any other mode of transport e.g. Aircraft and boat hire.
- Vehicle mileage at 75 cents per kilometre
- Advertising at cost

- Laboratory costs at cost
- Telephone Tolls at cost
- Accommodation and meals at cost
- Postage & Courier costs at cost
- Photographs at cost
- Photocopying at 5c/copy and 20c/colour copy.

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

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

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

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

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

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

In addition:

- Vehicle mileage at 75 cents per kilometre
- Tolls at cost
- Photographs at cost
- Photocopying at 5c/copy or 20c/colour copy

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

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

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

Regional Coastal Plan is \$35

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

**Charges under Sections 12 and 150 Local Government Act 2002**

**(A) Dairy Effluent Inspection**

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

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

Council charges \$110 + GST for assessments as to whether or not proposed onsite sewage discharges meet Rule 6 of the Regional Plan for Discharges to Land where no site inspection is undertaken or \$150 + GST where a site inspection is undertaken.

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

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

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

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

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

In addition:

- Vehicle mileage at 75 cents per kilometre
- Laboratory charges at cost
- Tolls at cost
- Photographs at cost
- Photocopying at 5c/copy, or 20c/colour copy

**(D) Environmental Incidents (Complaints) and Clean Up** (All amounts shown exclusive of GST) The following charges are payable by persons found to be in breach of regional rules or the Resource Management Act 1991.

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

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

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

In addition:

- Vehicle mileage at 75 cents per kilometre
- The actual cost of hire or use of any other mode of transport, e.g. aircraft and boat hire
- The actual cost of mitigating the effects of and cleaning up or remedying the environmental incident.
- Laboratory costs at cost
- Purchase, hire and maintenance of equipment specially required for the monitoring of the incident.
- Accommodation and meals at cost
- Photographs at cost
- Printing (including provision of information in electronic format) at cost.
- Photocopying at 5c/copy, or 20c/colour copy

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

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

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

Photographs at cost.

Printing (including provision of information in electronic format) at cost

Photocopying at 5c/copy, or 20c/colour copy

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

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

Building Consent Applications for dams are processed by Otago Regional Council and their charges will be applied.

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

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

Additional costs and expenses:

Staff time will be charged out at the following rates:

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

In addition:

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

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

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

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

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

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

## **Other Charges**

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

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

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

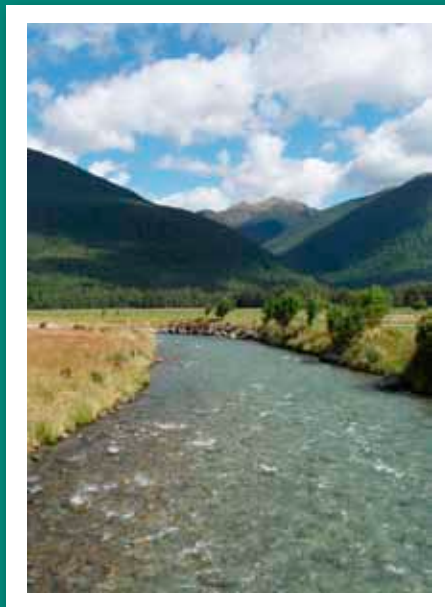
Malicious or vexatious complaints may also be charged the cost of undertaking inspections, as set out under section 6.7 of the Strategy.

### **Quarry charges**

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







## West Coast Regional Council

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