



**DRAFT** Annual Plan  
2017/2018

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# **PART A: Introduction and Summary**

# 1 Message from the Mayor and CEO

Welcome to the **Grey District Draft Annual Plan 2017/2018 (Draft Plan)**. It is based on year three of the 2015-2025 Long Term Plan.

This Draft Plan is intended to highlight the Key Issues that should be brought to your attention before Council approves and adopts the final Annual Plan 2017/2018 in June.

When we developed the Long Term Plan back in 2015, we took a hard look at what were the Key Issues of our District that Council needed to address, the levels of service we were providing to our community and what was practicable for Council to do over the next ten years and beyond. Addressing these key issues and sticking to the financial strategy remains relevant today and forms the basis of this Draft Annual Plan.

We have spent a lot of money in recent years investing in infrastructure upgrades and new capital works. This includes works on new sewerage, stormwater and water systems and new buildings such as the Aquatic Centre and more recent complex upgrade to the Westland Recreation Centre. It is now time for Council to look to the future. We must address our responsibilities for maintaining the levels of service established and collecting a fair share of revenue from those who benefit from the services. We must also make sure Greymouth continues to be a place where people want to live, work, play and invest in and this means creating a vibrant town that people want to come to.

To achieve that, we are turning our focus towards the Greymouth CBD Renewal, which was identified by the community as a key priority during the formulation of the Community Economic Development Strategy. The first projects to be completed are the Town Square and Tainui Shared Street and the contract for stage one, civil construction works, has recently been awarded. These works have already been funded and this Draft Plan allows for an additional \$450,000 for further CBD renewal works to address floodwall access from Mawhera Quay and safety concerns regarding the Mackay Street/Tainui Street intersection. Greymouth's first traffic lights are to be installed at this intersection to make it a safer place for both motorists and pedestrians. We have listened to community feedback about keeping the public gardens tidy and have budgeted additional monies each year for garden maintenance, which will include the new CBD area.

Required earthquake strengthening of the Left Bank Art Gallery building, owned by Council, is included in this Draft Plan at an approximate cost of \$330,000. This is an historically and architecturally significant building in our CBD and we are also proud to be investing in the future of our arts and culture scene.

The provision of public toilets often comes up in Annual Plan submissions. Council were fortunate to receive a generous subsidy of \$497,000 from the Government's Regional Mid-Sized Tourism Facilities Grant Fund and have used this money for the installation of toilets and creation of a car parking area at Cobden. The need for toilets at Blackball has also been identified so appropriate facilities are in place to cater for expected increase in visitors to the area with the planned Pike 29 Great Walk. Council has assigned money for these works on the basis that we receive similar funding to the Cobden project. We have also allocated \$100,000 for culverting the drains along the main road in Blackball.

We are proposing an increase to the Economic Development targeted rate (which applies to commercial properties and bed and breakfast/homestay operators) to provide an additional \$50,000 per annum. This money will be targeted towards the development of digital content to help promote the Grey District.

We look at our budgets critically each year to ensure that they continue to include efficiency gains. The signalled overall rate rise for 2017/2018 is 3.75% (a rate rise of 3.2% was forecast in the Long Term Plan). This increase from that budgeted for allows Council to do some pretty exciting stuff over the coming years to prepare our town for a vibrant, progressive and prosperous future.

Please take the opportunity to read this Draft Plan and have your say. This is your chance to have an input into the future of your community and we want to hear your thoughts on the direction we're heading.



Tony Kokshoorn  
**MAYOR**



Paul Pretorius  
**CHIEF EXECUTIVE OFFICER**

## 2 Key Council contact information

**Council contacts**



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**Banker**



Westpac

**Auditor**



Audit New Zealand, Christchurch  
on behalf of the Office of the Auditor General, Wellington










**Solicitor**



Hannan & Seddon, Greymouth



## 3 Your Council

	<p><b>Tony Kokshoorn</b>  <b>Mayor</b>                  Portfolios:  <ul style="list-style-type: none"> <li>• Finance</li> <li>• Economic Development</li> <li>• Port</li> <li>• Public Relations</li> <li>• Tourism</li> </ul> </p>		<p><b>Murray Hay</b>  <b>Councillor Central Ward/Deputy Mayor</b>                  Portfolios:  <ul style="list-style-type: none"> <li>• Civil Defence</li> <li>• Arts, Culture &amp; Heritage</li> <li>• Regulatory Functions</li> </ul> </p>
	<p><b>Tony Coll</b>  <b>Councillor Central Ward</b>                  Portfolios:  <ul style="list-style-type: none"> <li>• Property</li> <li>• Liquor Licensing</li> <li>• Sport &amp; Recreation</li> </ul> </p>		<p><b>Tania Gibson</b>  <b>Councillor Central Ward</b>                  Portfolios:  <ul style="list-style-type: none"> <li>• Maori Affairs</li> <li>• Pensioner Housing</li> <li>• Youth</li> </ul> </p>
	<p><b>Patrick McBride</b>  <b>Councillor Central Ward</b>                  Portfolios:  <ul style="list-style-type: none"> <li>• Animal Control</li> <li>• Library</li> <li>• Safety &amp; Security</li> </ul> </p>		<p><b>Anton Becker</b>  <b>Councillor Eastern Ward</b>                  Portfolios:  <ul style="list-style-type: none"> <li>• Resource Management</li> <li>• Sewerage</li> <li>• Staff</li> </ul> </p>
	<p><b>Allan Gibson</b>  <b>Councillor Eastern Ward</b>                  Portfolios:  <ul style="list-style-type: none"> <li>• Airport</li> <li>• Cemeteries</li> <li>• Health &amp; Disability</li> </ul> </p>		<p><b>Cliff Sandrey</b>  <b>Councillor Northern Ward</b>                  Portfolios:  <ul style="list-style-type: none"> <li>• Water Supplies</li> <li>• Stormwater</li> <li>• Waste Management</li> </ul> </p>
	<p><b>Peter Haddock</b>  <b>Councillor Southern Ward</b>                  Portfolios:  <ul style="list-style-type: none"> <li>• Land Transport</li> <li>• Legal Matters</li> <li>• Parks &amp; Reserves</li> </ul> </p>		

## 4 Key issues summary

The budget for 2017/2018 is all about doing what we said we would do to ensure the Grey District is a great place to live, work, play and invest in as outlined in Council's 2015-2025 Long Term Plan (LTP). This Draft Annual Plan 2017/2018 is based on year three of the LTP.

The key issues which were identified during the long term planning process were:

- The need for accurate data about the condition of our water and stormwater infrastructure so we can make sure we replace our assets at the right time, i.e. not too soon and not too late;
- Future financial sustainability of the Port; and
- Reduced funding from New Zealand Transport Agency for roading.

This Draft Plan continues to address those key issues with additional funding into the relevant activities. Council is not proposing any amendments to its LTP and it can be said that it is "business as usual" for Council. Below is a brief summary of the major issues for each activity/group of activities.

We would welcome your feedback on these and anything else in our Draft Annual Plan you wish to comment on.

Let us know if you think we are doing a good job, if there is something you would like us to do more of, or something you would like us to do less of. Your input helps us to shape and develop the future of our District.

### 4.1 Our Financial Strategy

When developing the LTP, Council prioritised the activities where additional funding was assessed as being more critical, namely:

- Stormwater
- Water Supply
- Port
- Land Transport

Council then set its focus on the following key issues for the term of the LTP:

- Obtaining accurate data about the condition of our water and stormwater infrastructure so we can make sure we replace our assets at the right time, i.e. not too soon and not too late;
- Ensuring the future financial sustainability of the Port; and
- Providing roading services whilst receiving reduced funding from New Zealand Transport Agency (NZTA).

Our financial strategy from the LTP is below and remains relevant today:

- Council working towards a position of an annual surplus;
- Keeping debt levels within our policy limits and maintaining the capacity to borrow for unforeseen events (such as natural disaster);
- Decreasing debt from year three (2017/2018) of the Long Term Plan; and
- Recognising that whilst rates need to increase, keeping annual increases under 4.5%.

#### General rate increases

Council has always taken careful consideration of the community's ability to pay for the services provided to the District and the LTP focussed on finding the balance between raising enough revenue to meet the current cost of providing services to the District while keeping the Council in a sound financial position to face any challenges in the future.

This Draft Annual Plan signals a total overall average rate increase of 3.75%. This is higher than the estimated rate rise of 3.2% signalled in the LTP but we believe the investment in our town justifies the increase and helps set Greymouth up to prosper in the future. We are in line with our financial strategy by keeping the annual rates rise under 4.5%.

#### Debt levels

The LTP planned on decreasing debt from year three (ie 2017/2018), which we are on track with. Council is proposing to loan fund the following projects:

- Left Bank Art Gallery earthquake strengthening
- CBD renewal works – floodwall access & intersection safety amendments
- Blackball toilets – seed funding
- Culverting of drains along main road in Blackball



Our approximate debt is expected to be \$34.3 million by 30 June 2018 (*LTP forecast 30 June 2018: \$37.9 million*) and this level remains within our policy limits as well as maintaining capacity for borrowing for emergencies, ie natural disasters.

## 4.2 Fees and charges

Council reviews its fees and charges each year and sets what it believes to be fair charges/fees based on the benefit received by those receiving the services. Most fees and charges for 2017/2018 are proposed to increase by 1-2%.

In 2016/2017 it was decided that retirement housing rentals would increase by \$3 to \$4 per year for the next three years to cover the cost of connections to new wastewater (sewerage) networks. In 2017/2018 retirement housing rentals will increase by \$3.50 per week (this is year two of the three year increases).

This year also sees the introduction of health fees, where Councils can set fees to recover costs associated with the new Food Safety Act 2014. Council has developed these charges based on actual and reasonable costs for staff to undertake works in relation to food licensing, registrations, audits, administration and more.

Please refer to the following activity summaries for further details.

## 4.3 Land transport

The NZTA have reduced the funding they will be providing to Council for roading. Council has agreed to reduce its roading programme to fit within available funding with rates increases planned from year five of the LTP (ie 2019/2020).

As per the LTP we are also addressing funding the depreciation on this activity. Rate funding for depreciation is increasing by approximately \$30,000 in this Draft Plan.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity, including Council's approach to funding depreciation.

## 4.4 Stormwater

Council needs accurate data on our stormwater infrastructure to plan for timely renewals/replacements. Council has allowed for condition assessments to be carried out at a cost of \$160,000 approximate over three years from 2015/2016.

As per the LTP we are also addressing funding the depreciation on this activity. Rate funding is increasing by approximately \$20,000 in this Draft Plan.

Council is also budgeting \$100,000 for culverting the drains along the main road at Blackball to tidy up the road.

It is recommended readers refer to the 2015-2025 Long Term Plan for full information on future challenges and issues affecting this activity, which will need to be addressed beyond the life of this Plan.

## 4.5 Wastewater (sewerage)

The renewals for the Runanga sewerage scheme will continue over an extended period as per the LTP.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 4.6 Water supply

Council needs accurate data on our water infrastructure to plan for timely renewals/replacements. Council has allowed for condition assessments to be carried out at an approximate cost of \$100,000 over three years from 2015/2016.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 4.7 Solid waste (refuse and recycling)

Council originally planned on the development of a third cell at McLeans Landfill in anticipation of cell two reaching capacity in the near future. Funding is in place to develop the additional cell, however Council is currently investigating alternative solutions for the management of waste to ensure the best decision is made for the long term. A decision on the course of action is expected to be made in this financial year.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 4.8 Emergency management

From 1 July Council will no longer have an involvement in Rural Fire and therefore no further rate funding will go towards this activity.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 4.9 Environmental services

Apart from new health fees discussed in the Fees and Charges section above, there are no issues highlighted in this Plan but it is recommended readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 4.10 Other transport

The Port has been signalled as a difficult challenge for Council for a while now and it continues to be so. Council's focus has been on reducing debt and ensuring the financial stability of the Port. Since Council is not able to divest a large part of its current operational responsibilities and/or reduce operating expenditure, Council is left with little option apart from increasing revenue sources. This Draft Annual Plan includes an increase in rates funding of approximately \$40,000.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 4.11 Property and housing

Council has signalled \$330,000 for earthquake strengthening of the Left Bank Art Gallery building in the Greymouth CBD. No budget has been allowed for earthquake strengthening works of other Council buildings.

Council decided in 2016/2017 that rental for pensioner units will increase by \$3 to \$4 per week annually over three years to fund connections to new wastewater (sewerage) networks. This is year two of the planned increases and pensioner housing rentals will increase by \$3.50 per week from 1 July.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 4.12 Community facilities

An increase of \$25,000 per annum has been signalled to the garden maintenance budget, which will include the new green spaces and garden beds in the Greymouth CBD.

The need for toilets at Blackball has been identified so appropriate facilities are in place to cater for visitors with the planned Pike 29 Great Walk. Council has assigned \$100,000 for these works and it is hoped to attain funding for the balance of these works.

This Draft Plan allows for an additional \$450,000 for CBD renewal works, namely floodwall access from Mawhera Quay and works on the Mackey Street/Tainui Street intersection. Greymouth's first traffic lights are to be installed at this intersection to make it a safer place for both motorists and pedestrians.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 4.13 Democracy and administration

An increase is proposed to the Economic Development targeted rate (which applies to commercial properties and bed and breakfast/homestay operators) to provide an additional \$50,000 per annum. This money will be targeted towards the development of digital content to help promote the Grey District.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 4.14 Projects considered but not included in the Draft Plan (C List)

Council has considered the following projects but have elected not to include these in the Draft Plan in order to keep rate rises down in the current economic climate.

The following projects are categorised as a 'B' or 'C' priority:

ACTIVITY	PROJECT	CAT.	APPROX. COST
Public Toilets	Renewal of Shakespeare Street public toilet	B	\$80,000
Public Toilets	ANZAC Park toilets	B	\$185,000
Stormwater	Johnston Street Pump deferred from 2016/17 to 2017/18 - excluding electrics	B	\$125,000
Stormwater	Johnston Street Pump Electrics only - HSAW Risk - integrate onsite automated generator	B	\$100,000
Stormwater	Greymouth Stormwater Improvements Petrie Avenue, Puketahi and Whall Streets	B	\$467,000
Stormwater	Karoro Flood Mitigation - Nolan Crescent Stage 2	B	\$175,300
Stormwater	Dobson Flood Mitigation	B	\$250,000
Stormwater	Improvements to Stormwater Shakespeare Street south end - SHWY to New World to Lagoon	B	\$575,000
Parks & Reserves	Iveagh Bay Freedom Camping Area, Stage 2	C	\$50,000
Parks & Reserves	Moana Groyne, Stage 2	C	\$100,000
Public Toilets	Blaketown Breakwater - toilet and carpark area	C	\$475,000
Roads	New footpaths	C	\$59,100
Water Supplies	Kaiata Water Supply – township	C	\$1,080,000
Water Supplies	Kaiata Water Supply – Connect to Kaiata Park	C	\$200,000
Community Facilities	Covered walkway from train station to town	C	\$300,000

The list above relates to the following set of criteria:

Category	Description
<b>A</b>	<ul style="list-style-type: none"> <li>&gt; Will result in decrease in levels of service (immediately and in the future), and/or</li> <li>&gt; Will cause future financial issues that will be difficult to address by future Councils, and/or</li> <li>&gt; Council will fail to meet legislative requirements that put Council at financial/other risks, and/or</li> <li>&gt; Presents an immediate health and safety risk</li> </ul>
<b>B</b>	<ul style="list-style-type: none"> <li>&gt; Decrease in levels of service (maybe not short-term but in the future), and/or</li> <li>&gt; Will create future financial challenges that will need to be addressed by future Councils</li> <li>&gt; Council may fail from time to time to meet legislative requirements/other standards</li> </ul>
<b>C</b>	<ul style="list-style-type: none"> <li>&gt; Increases levels of service above current levels provided at an additional cost, or</li> <li>&gt; No immediate/long term effects on current levels of service or financial sustainability of Council if projects do not proceed, and/or</li> <li>&gt; involves activities/services that aren't a part of Council's core infrastructure/regulatory functions/local services, and/or</li> </ul>
<b>D</b>	<ul style="list-style-type: none"> <li>&gt; Doesn't fit purpose of local government, and/or</li> <li>&gt; Doesn't contribute to strategic direction of Council, and/or</li> <li>&gt; Involves Council in new services/activities</li> <li>&gt; Business case demonstrates a negative return</li> </ul>

## 5 Consultation

### 5.1 The decision-making process

Please see the following table which outlines the timeframe from Draft Plan to adoption of the Final Annual Plan 2017/2018.

ACTIVITY	DATE
Council adopts Draft Annual Plan 2017/2018	Monday 13 March 2017
Draft Annual Plan 2017/2018 opens for submissions	Tuesday 14 March 2017
Submissions close	Wednesday 19 April 2017
Council hears and considers submissions	Thursday 18 May 2017
Council adopts final Annual Plan 2017/2018	Monday 12 June 2017
Plan comes into effect	1 July 2017

### 5.2 How to have your say

We want to hear what you have to say - we'd like to know if you agree with our Draft Plan for 2017/2018 or if you have another point of view. Council will consider all submissions received before the final Plan and budgets are set for the new financial year starting 1 July 2017.

Submissions must be made in writing. Please clearly identify who is making the submission. Submitters also have the option of addressing Council at a public meeting when submissions are considered - if you wish to do this please clearly indicate so on your submission. The public meeting will be held on Thursday 18 May 2017.

Submissions can be made on-line at our website, [www.greycdc.govt.nz/draftannualplan](http://www.greycdc.govt.nz/draftannualplan), mailed to Grey District Council - Draft Annual Plan, PO Box 382, Greymouth 7840 or emailed to [submissions@greycdc.govt.nz](mailto:submissions@greycdc.govt.nz). All submissions will be copied and made available to the public.

## 6 About the plan

### 6.1 What is in the plan?

#### **PART A: Introduction**

This section gives an overview of the Plan.

#### **PART B: Community outcomes – Council’s Strategic Vision**

Council sets out what its strategic vision for the District is, beyond those things that the Council is directly responsible for. These are also referred to as Community outcomes. We link the strategic vision/community outcomes to the activities that Council undertakes to demonstrate how Council is contributing to their delivery.

#### **PART C: What Council Does – reported by *Groups of activities***

An overview is provided for each group of Council activities, outlining the financial requirements, the major priorities and projects for each activity. It also outlines how Council is going to measure its financial and non-financial performance in achieving activity goals and how they link to Council’s overall strategic direction.

Further detailed information in respect of the separate activities is contained in Activity Management Plans (these are public documents).

#### **PART D: Forecast financial statements, rating and other information**

An overall forecast financial summary is given for the 2017/2018 year. This information is collated from the financial information for each activity described in the previous section. It also outlines the rates to be set and the main fees and charges to be set for the 2017/2018 year.

### 6.2 What is the Annual Plan?

An Annual Plan is the Council’s budget for one financial year. It explains how the Council intends to finance the activities and services it provides during that year as directed by its Long Term Plan. It focuses on the adjustments the Council needs to make in light of the previous year’s financial performance, updated financial figures, cost increases and inflation.

An Annual Plan supports the Council’s Long Term Plan by providing integrated decision making and co-ordination of the Council’s resources. Every three years Council must prepare a Long Term Plan, covering a period of not less than 10 years. The latest ten-year plan (2015 – 2025 Grey District Long Term Plan (LTP)) was adopted by Council in June 2015 and covers the ten-year period from 1 July 2015 to 30 June 2025. The LTP explains what Council intends to do and what the cost will be. It is the product of extensive public consultation and strategic planning.

The Council is required by the Local Government Act 2002 to produce an Annual Plan and consult with its community before finalising the document.

The Annual Plan for 2017/2018 is based on year three of the LTP.

### 6.3 Reporting on the plan

At the end of each financial year (30 June), an Annual Report is completed, outlining Council’s actual financial performance as well as those non-financial performance measures that Council uses to measure its achievement.

### 6.4 Influencing the plan

This Plan should embody the needs and aspirations of the community and it is most important that it gets as wide and diverse a public input as possible. Council actively encourages its community to read and understand the Draft Plan it distributed before adopting the final version.

## 6.5 Relationship between the Long Term Plan and other documents



## 6.6 Grouping of Council activities (Groups of Activities – GOA)

Council is involved in a wide range of activities, and to provide information on each in detail in this Plan would make it an even larger document than it is. We therefore group our activities (Group of Activities – GOA), using the following criteria to decide on the most appropriate grouping:

- The proportion of Council's turnover the activity makes up, e.g. an activity such as roading represents a significant proportion of Council's turnover, and therefore this alone presents a good enough reason to report this activity on its own. Likewise, an activity that has little financial impact may be more likely to be grouped in with others;
- How similar activities are to another, e.g. activities such as Swimming Pools and Libraries are often referred to as community assets, as whilst they make an important contribution towards our community as a whole they are not considered essential services like are roading, water supply etc. You will therefore see these type of activities grouped together in this Plan.

The graphic on the following page shows how our activities are grouped for this Plan. They are the same as they were in the 2015-2025 Long Term Plan.



**Council's group of activities**



# **PART B: Council's Strategic Vision: Community Outcomes**

# 1 About Council's strategic vision

## 1.1 Introduction

Community Outcomes describe the vision the community has for the District. They are statements about what the community wants to achieve now and in the future. A way to view community outcomes is that they are 'things that the community thinks are important for its wellbeing' or things that describe what the community would like to be or to become. Different communities may frame their desired outcomes in different ways, identifying values they believe to be important or different visions for the future based on their own local resources, wants and needs.

In a sense, Community Outcomes allow local communities to define what they think is good for their economic, social, cultural and environmental wellbeing and are an expression of what their values are.

## 1.2 Background

In 2003 Council consulted on a set of community outcomes that reflected the wider goals and aspirations of the community as a whole, describing what the community wanted to achieve to make our place a desirable place to live. In 2009 the outcomes were aligned with those with the other West Coast Councils to allow a greater amount of shared planning and reporting of achievement towards the outcomes.

With recent changes to local government legislation there is more discretion available to Council on what level of consultation they want to carry out in reviewing/determining the outcomes.

Our Council decided in 2011 that they would not carry out public consultation in determining the outcomes to be used in this plan; based on the principles of:

- The community outcomes set in 2003 and 2009 were quite similar, and the likelihood of significant change was low. Council did not want to unnecessarily consult with the community; and
- The Community Outcomes already largely represented the existing vision the Council had, as community leaders, of what they saw as the future wellbeing of the District.

Council decided to give greater focus to what it can achieve towards the on-going and future wellbeing of the district, by either providing the service directly or facilitating in the provision of the service from other agencies. The Council termed this as their *Strategic Vision for the Grey District*. Where we refer to *community outcomes* and *Council's strategic vision*, we are referring to the same thing.

## 1.3 How Council determined its strategic vision

In 2011 Council had a number of workshops where they looked at:

- How they see the makeup of District in 5, 10, 20, and 50 years.
- What are the relative Strengths and Weaknesses of the District?
- What role Council plays in the development of the District.

As an outcome of these planning workshops, Council settled on its overall vision for the District to be:

**The Grey District will be a progressive, sustainable area where people want to live, work, play, and invest.**

Council then looked at more specific aspects of their vision. In realising this Vision, Council will work to achieve the following outcomes:

ONE	Growing all aspects of the local economy creating opportunities for all and the District is seen as strong and resilient
TWO	Providing affordable, quality essential services
THREE	Building identity through diverse quality recreational and cultural facilities
FOUR	The District has access to quality education facilities
FIVE	The District has access to quality health facilities

<b>SIX</b>	Personal and property safety
<b>SEVEN</b>	Sustainable management of our environment

Council will be satisfied that it is achieving the overall vision and outcomes when:

<input checked="" type="checkbox"/>	There is a well-established culture within Council to consult, to be transparent, fair and equitable and to be accountable to the public.
<input checked="" type="checkbox"/>	When Council processes are clear, easy to follow and reflect industry best practice and staff demonstrate an on-going commitment to customer service
<input checked="" type="checkbox"/>	When Council services compare favourably with peer local authority standards in New Zealand, both in relation to quality and price.
<input checked="" type="checkbox"/>	When the District boasts a diverse range of community, cultural, and recreational facilities and this translates into a happy, active community, proud to live in the District.
<input checked="" type="checkbox"/>	When the Region enjoys prosperity and the cooperation between the local authorities maximize efficiency.
<input checked="" type="checkbox"/>	When the District offers opportunities for all to fulfil their aspirations.

In 2012/2013 Council also extensively consulted with the community on a draft Community Economic Development Strategy. We asked our community what they wanted now and for the future of our district. We then asked them to prioritise those actions. This feedback was incorporated into the Community Economic Development Strategy, which was adopted by Council on 12 August 2013. The Strategy was reviewed and updated in 2015 and implementation of the projects and actions identified in the strategy continue to be a focus of Council.

As the vision, goals, themes and actions in the Strategy aligned with and confirmed our existing community outcomes, Council remains confident it is on the right track with our strategic vision.

The group of activity statements in the Plan clearly outline the links to Council's strategic direction. Council is satisfied that it, by achieving the performance measures outlined in each of these group of activity statements, will achieve the outcomes as outlined above. Reporting against the achievement of such performance measures will be done in the Annual Report.

## 1.4 How we will work with others to achieve the strategy outcomes

The initial Community Outcomes in 2003 and 2009 process involved a range of groups, organisations and individuals and represent a summary of what they value for their future and what they want for themselves, their communities and their District. This process was repeated during consultation in 2012/2013 on the draft Community Economic Development Strategy, with complementary outcomes.

The 'community' includes Iwi, stakeholder groups, businesses, government agencies, regional agencies and people across all sectors. Making progress towards achieving the outcomes will need to be a collective effort; it is not only up to the Council. Council will be working with other bodies in achieving outcomes. This is particularly relevant to the outcomes relating to Health, Education and Safety as a lot of these functions fall outside of Council's core services.

The Council, in particular, may be able to contribute in many ways that do not involve funding costly programmes or service provision such as through strategic brokering, advocacy, lobbying central government or forming partnerships with other key government agencies to make things work more efficiently. One of the benefits of working this way is that it means a variety of organisations and community groups, possibly including central government agencies, can pool resources and ideas and tackle complicated problems to bring about societal change that is very difficult for any one group on its own. Council is looking forward to exploring some of these options with other providers in the future.

## 2 A roadmap to achieving Council's strategic vision

### 2.1 Strategic vision and relationship with council activities

The following tables summarise the relationship between what Council does and the wider outcomes. As can be seen, not all of the outcomes can be directly achieved by Council.

The purpose of this matrix is to demonstrate the relationship between Council's outcomes and activities. Performance measures for activities within Council's control are including in the group of activities statements.

ONE	Growing all aspects of the local economy creating opportunities for all and the District is seen as strong and resilient		
FOCUS AREA	ACTION	COUNCIL'S CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED
Commercial and Industrial development	Ensure availability of land for development	<ul style="list-style-type: none"> <li>We, through our Economic Development office, encourage private initiative in the provision of land for development.</li> </ul>	<ul style="list-style-type: none"> <li>Economic Development</li> <li>Property &amp; Housing</li> </ul>
	A District Plan that is flexible to meet the balanced needs of the community	<ul style="list-style-type: none"> <li>Providing a District Plan that is easy to interpret and an efficient application processing service.</li> </ul>	<ul style="list-style-type: none"> <li>District Planning</li> </ul>
	Provide quality access	<ul style="list-style-type: none"> <li>We manage the District roading network (excluding state highways) including footpaths, and other transport facilities of the Port and aerodrome.</li> </ul>	<ul style="list-style-type: none"> <li>Land Transport (roading)</li> <li>District Planning</li> <li>Port</li> <li>Aerodrome</li> </ul>
	Provide adequate, convenient parking	<ul style="list-style-type: none"> <li>We manage the provision of parking and regulate to ensure optimal use.</li> </ul>	<ul style="list-style-type: none"> <li>Parking</li> </ul>
	Address planning issues	<ul style="list-style-type: none"> <li>Council is partnering the business community in the Community Economic Development Strategy to address planning and layout issues.</li> </ul>	<ul style="list-style-type: none"> <li>District Planning</li> <li>Economic Development</li> </ul>
	Address flooding issues in CBD within limitations of infrastructure	<ul style="list-style-type: none"> <li>Council is responsible for all aspects of stormwater management.</li> </ul>	<ul style="list-style-type: none"> <li>Stormwater</li> </ul>
Tourism	Promote Council facilities throughout the District to help extend visitor stay and provide more things to do	<ul style="list-style-type: none"> <li>We undertake the marketing of Council facilities as part of the wider economic development function.</li> </ul>	<ul style="list-style-type: none"> <li>Economic Development</li> </ul>
	Provide quality access	<ul style="list-style-type: none"> <li>We manage the District roading network including footpaths, traffic signage, street lighting, bridges and road safety programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Roading</li> <li>District Planning</li> </ul>
	Encourage use of Council owned facilities	<ul style="list-style-type: none"> <li>We are directly responsible for a number of attractions.</li> </ul>	<ul style="list-style-type: none"> <li>Swimming Pools</li> <li>Civic Centre/Westland Recreation Centre</li> <li>Libraries</li> <li>Arts, Culture and Heritage</li> <li>Parks and Reserves</li> </ul>
	Support for and funding of the Regional Tourism Organisation (RTO)	<ul style="list-style-type: none"> <li>Council strongly supports Tourism West Coast (TWC) as RTO and the principle of regional promotion.</li> </ul>	<ul style="list-style-type: none"> <li>Economic Development</li> </ul>
	Sustain the unique physical environment of the Grey District	<ul style="list-style-type: none"> <li>Review and apply appropriate District Planning rules.</li> </ul>	<ul style="list-style-type: none"> <li>District Planning</li> </ul>
Agriculture, Mining, Fishing and Forestry	Advocate for these industries as important components of a diverse, growing economy	<ul style="list-style-type: none"> <li>Council will provide leadership and advocacy to these and other industries within the District.</li> </ul>	<ul style="list-style-type: none"> <li>Council (Democracy)</li> <li>Economic Development</li> </ul>

<b>ONE</b>			
<b>Growing all aspects of the local economy creating opportunities for all and the District is seen as strong and resilient</b>			
FOCUS AREA	ACTION	COUNCIL'S CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED
Economic Development	Promoting: <ul style="list-style-type: none"> <li>• Diversity</li> <li>• Opportunity</li> <li>• Employment</li> <li>• Growth</li> <li>• Pride of place</li> </ul>	<ul style="list-style-type: none"> <li>• Council, through its Economic Development office, seeks to grow the local economy and to improve quality of life within the District.</li> </ul>	<ul style="list-style-type: none"> <li>• Economic Development</li> </ul>

<b>TWO</b>			
<b>Providing affordable, quality essential services</b>			
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED
Roading	Provision of safe, convenient and durable road access within the District including signage, marking Promoting road safety	Council, as road controlling authority, is responsible for the provision of good roads (also bridges etc.) in the District which includes road safety promotion and management of road usage other than speed control.	<ul style="list-style-type: none"> <li>• Land Transport (roading)</li> </ul>
Stormwater	Providing stormwater collection and disposal services via reticulation and public drains to prescribed standards and within limitations of infrastructure	Council provides stormwater services in the form of reticulated systems and public drains in built-up areas throughout the District.	<ul style="list-style-type: none"> <li>• Stormwater</li> </ul>
Wastewater/ Sewerage	Providing sewerage collection, treatment and disposal services in reticulated built-up areas	Council provides sewerage services in reticulated areas in the District.	<ul style="list-style-type: none"> <li>• Wastewater (sewerage)</li> </ul>
	Ensuring competence of on-site services in non-reticulated areas.	Council has a health responsibility in relation to sewerage collection and disposal in non-reticulated areas.	<ul style="list-style-type: none"> <li>• Health Regulation</li> </ul>
Water Supply	Providing clean, potable water to communities connected to the reticulation or wanting to connect in line with Ministry of Health (MOH) expectations. Ensuring consistency of supply	Council maintains and distributes the water supply network to a variety of commercial, residential and rural residential areas.	<ul style="list-style-type: none"> <li>• Water Supply</li> </ul>
	Regulatory oversight over health related aspect of private water supplies	Council has certain regulatory responsibilities in relation to private water supplies.	<ul style="list-style-type: none"> <li>• Health Regulation</li> </ul>
Solid waste management (refuse and recycling)	Providing a competent waste and recycling collection, storage and disposal system for the District including management of McLean's Landfill and McLean's Recycling Centre	Council provides waste and recycling collection, storage and disposal service for the District.	<ul style="list-style-type: none"> <li>• Solid Waste Management</li> </ul>
	Providing competent waste minimisation processes, including associated education of users	Council provides opportunities for residents to minimise their waste required to be disposed in a landfill.	<ul style="list-style-type: none"> <li>• Solid Waste Management</li> </ul>
	Providing functional litter management services including education	Council, as part of its Health promotion and amenity responsibilities, attends to the litter problem.	<ul style="list-style-type: none"> <li>• Amenity Management</li> </ul>



THREE			
Building identity through diverse and quality and recreational and cultural facilities			
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED
Recreation	Provide and/or facilitate the provision of a diverse range of recreational facilities	<p>Council owns and provides a range of recreational facilities including:</p> <ul style="list-style-type: none"> <li>• Civic Centre</li> <li>• Westland Recreation Centre</li> <li>• Parks</li> <li>• Reserves (including walking tracks)</li> <li>• Coastal pathway</li> <li>• Spring Creek Pool</li> <li>• Libraries</li> </ul> <p>Council also facilitates recreation through a range of events organised through Sport Canterbury (West Coast office)</p>	<ul style="list-style-type: none"> <li>• Civic Centre</li> <li>• Swimming Pools</li> <li>• Westland Recreation Centre</li> <li>• Parks and Reserves</li> <li>• Libraries</li> </ul>
	Facilitate availability of other recreational facilities and provide financial and other assistance to providers of such facilities within budgets.	Council takes an interest in making sure that other recreational facilities are sustainable and does this through advocacy, cooperation and financial support (e.g. sports clubs, Regent Theatre etc).	<ul style="list-style-type: none"> <li>• Economic Development</li> </ul>
	Advocacy and facilitation	Council acts as lobbyist and promoter for recreational service providers, i.e. for external funding.	<ul style="list-style-type: none"> <li>• Council (leadership)</li> <li>• Economic Development</li> </ul>
Arts and Culture	Provide or facilitate provision of a range of arts and cultural services/facilities	<p>Council owns and provides a range of arts and cultural facilities including:</p> <ul style="list-style-type: none"> <li>• History House</li> <li>• Pioneer library</li> </ul> <p>Council also facilitates art and culture through a range of events organised through Regent Theatre and provides financial support to the West Coast Society of the Arts.</p>	<ul style="list-style-type: none"> <li>• History House</li> <li>• Libraries</li> </ul>
	Facilitate availability of other arts and culture facilities and provide financial and other support to providers of such facilities	Council takes an interest in making sure that other arts and culture facilities are sustainable and does this through advocacy, cooperation and financial support (e.g. Grey Heritage Trust, Regent Theatre, Art in the Park etc).	<ul style="list-style-type: none"> <li>• Economic Development</li> </ul>
	Advocacy and facilitation	Council acts as lobbyist and promoter for art and culture service providers, i.e. for external funding.	<ul style="list-style-type: none"> <li>• Council (leadership)</li> <li>• Economic Development</li> </ul>
Community	Provide or facilitate provision of a range of community facilities	Council owns and provides a range of community facilities.	<ul style="list-style-type: none"> <li>• Libraries</li> <li>• Public toilets</li> <li>• Cemeteries</li> </ul>

FOUR			
The District has access to quality education facilities			
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED
Schools, Tertiary training , and community education	Facilitate availability of quality and variety of options throughout the District	Council has an advocacy and facilitation role.	<ul style="list-style-type: none"> <li>• Democracy and Administration (leadership)</li> </ul>
Good supportive facilities	Facilitate and supply good supportive facilities	<p>Council owns and manages a range of facilities that support good schooling, i.e.</p> <ul style="list-style-type: none"> <li>• Libraries</li> <li>• History House</li> <li>• Spring Creek Swimming Pool, Runanga</li> <li>• Civic Centre</li> <li>• Westland Recreation Centre</li> </ul>	<ul style="list-style-type: none"> <li>• Libraries</li> <li>• Civic Centre</li> <li>• History House</li> <li>• Swimming pools</li> </ul>

<b>FIVE</b>			
<b>The District has access to quality health facilities and regulation</b>			
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED
Grey Base Hospital	Advocate for the provision of a full range of services at the Hospital Advocate for and on behalf of the Hospital	<ul style="list-style-type: none"> <li>Council has a facilitation and advocacy role.</li> </ul>	<ul style="list-style-type: none"> <li>Democracy and Administration (leadership)</li> </ul>
Supportive Health services	Facilitate availability of professional health providers (e.g. GP's, Dentists etc)	<ul style="list-style-type: none"> <li>Council has a facilitation and advocacy role.</li> </ul>	<ul style="list-style-type: none"> <li>Democracy and Administration (leadership)</li> </ul>
Food safety	Ensure a high standard of safety of food served to the public in the District	<ul style="list-style-type: none"> <li>Inspection and licensing of food outlets.</li> </ul>	<ul style="list-style-type: none"> <li>Health Regulation</li> </ul>

<b>SIX</b>			
<b>Personal and property safety</b>			
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED
Emergency Services (Police /Fire /Ambulance)	Facilitate the availability of an all hour coverage of the District	Council has a facilitation and advocacy role.	<ul style="list-style-type: none"> <li>Democracy and Administration (leadership)</li> </ul>
Civil Defence	Provide a competent Civil Defence service	Council provides a Civil Defence and Emergency Management service.	<ul style="list-style-type: none"> <li>Civil Defence</li> </ul>
Rural Fire	Provide competent rural fire services in rural areas	Council forms part of the West Coast Rural Fire Authority.	<ul style="list-style-type: none"> <li>Rural Fire Authority</li> </ul>
Dog Control	Provide a competent Dog Control service	Council provides an Animal Control service which incorporates measures aimed at preventing danger of dangerous dogs.	<ul style="list-style-type: none"> <li>Animal Control</li> </ul>

SEVEN			
Sustainable management of our environment			
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED
Resource Management Act	To apply the provisions of the Resource Management Act (RMA) and Council's District Plan in a fair and objective manner thereby ensuring protection of the environment	Council is tasked with the application of the RMA and District Plan with the ultimate objective being sustainability and protection of the environment.	<ul style="list-style-type: none"> <li>• District Planning</li> </ul>
Sustainable development	To focus on achieving sustainability through maintaining a healthy balance between development and protection of the environment	Council is tasked with the application of the RMA and District Plan with the ultimate objective being sustainability and protection of the environment.	<ul style="list-style-type: none"> <li>• District Planning</li> </ul>
Solid waste management (refuse and recycling)	To manage all aspects of waste management in a way that minimizes the impact on the environment	Council delivers a District wide waste collection, storage and disposal service.	<ul style="list-style-type: none"> <li>• Waste Management</li> </ul>
Wastewater (Sewerage)	To manage all aspects of sewer management in a way that minimizes the impact on the environment	Council delivers a sewer collection, storage and disposal service in urban areas and takes an interest in disposal arrangements in non-reticulated areas from a Health perspective.	<ul style="list-style-type: none"> <li>• Wastewater (sewerage)</li> <li>• Health Regulation</li> </ul>
Other Council services	To manage all aspects of other services in a way that minimises the impact on the environment	Council delivers other services, i.e. stormwater, roading, Aquatic Centre heating etc.	<ul style="list-style-type: none"> <li>• Stormwater</li> <li>• Land Transport (Roading)</li> <li>• Swimming Pools</li> </ul>

# **PART C:           What Council Does: Groups of Activities**

# 1 Land transport

## KEY ISSUE SUMMARY

The NZTA have reduced the funding they will be providing to Council for roading. Council has agreed to reduce its roading programme to fit within available funding with rates increases planned from year five of the LTP (ie 2019/2020).

As per the LTP we are also addressing funding the depreciation on this activity. Rate funding for depreciation is increasing by approximately \$30,000 in this Draft Plan.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity, including Council's approach to funding depreciation.

## 1.1 Activities included in this group

Land Transport includes the following key functions:

- Council roads (State Highways excluded as they are the responsibility of the New Zealand Transport Agency (NZTA))
- Footpaths
- Bridges and large culverts
- Bus shelters
- Promotion of road safety

The car parking function is dealt with under the 'Other Transport' section.

The management and maintenance of the Greymouth to Taramakau Bridge section of the West Coast Wilderness Trail (previously known as the Coastal Pathway) is included in this activity.

## 1.2 Why we are involved in this activity

Council provides sealed roads (including bridges where necessary), footpaths, bus shelters and street lights so that motor vehicles, bicycles and pedestrians can travel efficiently and safely.

Modern society cannot function without access. Access is important as it enables the convenient movement of people and goods to places of work, trade, health services, education and recreation.

Promotion of road safety is also important to avoid damage to property, injury and deaths while people are using land transport infrastructure.

## 1.3 Contribution to Council's Vision

Outcome	Contribution
Growing all aspects of the local economy, creating opportunities for all and the District is seen as strong and resilient	<ul style="list-style-type: none"> <li>• By providing quality access.</li> <li>• Quality and ease of road access to commercial area(s).</li> <li>• Convenience and quality of footpaths.</li> <li>• Information value of road signage.</li> </ul>
Providing affordable, quality essential services	Roading, as an essential service, has an important service delivery function.

## 1.4 How we'll measure our performance

\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Public satisfaction with our local roading network, including footpaths	% of residents are satisfied with Council's roading network	66%
	% of residents are satisfied with the way local roads are maintained	58%
	% of residents are satisfied with the way footpaths are maintained	52%
	Maximum number of reported local road closures due to surface flooding per year	30
	% of customer requests responded to within 10 working days	85%
The condition of our roads and footpaths	% of roads which meet smooth roads standard	85%
	% of sealed road network resurfaced per year	9.4%
	% of footpaths at service standard of "fair" or better (as measured against condition ratings set in GDC Land Transport AMP) <i>* New service standard under development - may need to be adjusted after year 1 to ensure practicality of measurement</i>	50%
The safety of our roads	% of residents who agree that local roads are safe when using them	85%
	Maximum % of fatalities/serious injury crashes on local roads contributed to by road factors	<17%
	Change in number of fatalities/serious injury crashes from previous year on local roads	Reduction > 1
Financial sustainability for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded). <sup>1</sup>	92%

<sup>1</sup> Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure



## 1.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	2,759	2,884	2,828	(56)
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	1,580	1,577	1,617	40
Fees and charges	17	18	17	(1)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	174	182	176	(6)
<b>Total operating funding [A]</b>	<b>4,530</b>	<b>4,661</b>	<b>4,638</b>	<b>(23)</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	2,697	2,764	2,812	48
Finance costs	10	8	7	(1)
Internal charges and overheads applied	173	171	173	2
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>2,880</b>	<b>2,943</b>	<b>2,992</b>	<b>49</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>1,650</b>	<b>1,718</b>	<b>1,646</b>	<b>(72)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	2,062	2,071	2,389	318
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(23)	(24)	(23)	1
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>2,039</b>	<b>2,047</b>	<b>2,366</b>	<b>319</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	332	333	383	50
—to replace existing assets	3,186	3,268	3,751	483
Increase (decrease) in reserves	171	164	(122)	(286)
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>3,689</b>	<b>3,765</b>	<b>4,012</b>	<b>247</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(1,650)</b>	<b>(1,718)</b>	<b>(1,646)</b>	<b>72</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	2,759	2,884	2,828	(56)
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	3,642	3,648	4,006	358
User charges and regulatory income (consent fees, infringements etc...)	17	18	17	(1)
Internal charges and overheads recovered	-	-	-	-
Other income	219	229	222	(7)
<b>Total income</b>	<b>6,637</b>	<b>6,779</b>	<b>7,073</b>	<b>294</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	2,697	2,764	2,812	48
Finance costs	10	8	7	(1)
Internal charges and overheads applied	173	171	173	2
Other operating expenditure	-	-	-	-
Depreciation	3,700	3,812	3,812	-
<b>Total expenditure</b>	<b>6,580</b>	<b>6,755</b>	<b>6,804</b>	<b>49</b>
<b>Surplus (deficit) of activities</b>	<b>57</b>	<b>24</b>	<b>269</b>	<b>245</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
On-going minor safety improvements and miscellaneous	307	318	306	(12)
Taylorville-Blackball Rd strengthening	-	-	-	-
Slaty Creek - Lake Brunner Rd upgrade	-	-	-	-
Miscellaneous new capital	25	15	77	62
	<b>332</b>	<b>333</b>	<b>383</b>	<b>50</b>

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
General bridge component renewals	257	262	244	(18)
Replacement of assets after severe weather	478	488	488	-
Rum Creek Bridge renewal	-	-	-	-
Footpath renewals	-	-	-	-
General renewals	2,451	2,518	3,019	501
	<b>3,186</b>	<b>3,268</b>	<b>3,751</b>	<b>483</b>

## 1.6 Explanation of the differences from the LTP

Additional renewal works signalled, subject to approval for funding from NZTA. This in turn increases the subsidies received by Council if the projects are approved.

## 2 Stormwater

### KEY ISSUE SUMMARY

Council needs accurate data on our stormwater infrastructure to plan for timely renewals/replacements. Council has allowed for condition assessments to be carried out at a cost of \$160,000 approximate over three years from 2015/2016.

As per the LTP we are also addressing funding the depreciation on this activity. Rate funding is increasing by approximately \$20,000 in this Draft Plan.

Council is also budgeting \$100,000 for culverting the drains along the main road at Blackball to tidy up the road.

It is recommended readers refer to the 2015-2025 Long Term Plan for full information on future challenges and issues affecting this activity, which will need to be addressed beyond the life of this Plan.

### 2.1 Activities included in this group

Stormwater includes the following key functions:

- Management of stormwater systems (mostly in urban residential areas) including public open drains.
- Flood prevention. This includes maintaining urban watercourses.

Note: Council has a minor Flood Protection responsibility in that it puts floodgates in place in specific locations when levels in the Grey River reach a specific height.

### 2.2 Why we are involved in this activity/these activities

Council needs to control stormwater to protect our community's health and safety and minimise property damage and access. Adequate collection and disposal arrangements are of critical importance and the flood prevention focus is important.

### 2.3 Contribution to Council's Vision

Outcome	Contribution
Growing the local economy	Effective stormwater management and land drainage are prerequisites for a healthy, growing economy.
Affordable, quality services	Efficient stormwater management is an important essential service which determines enjoyment of property.
Personal and property safety	Stormwater ponding on land causes damage and compromises access and enjoyment thereof.
Sustainable management of the Environment	Ponding has the potential of damaging the environment, notably in our case where sewer contamination is still an issue.

### 2.4 How we'll measure our performance

\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Customer satisfaction	% of residents are satisfied with the overall stormwater service	65%
	Number of complaints received about a Council stormwater scheme (per 1,000 properties connected to a Council scheme) Number of service connections: 5,852	Total complaints: 15 Per 1,000 properties: 2.6
	Basic information provided on Council's web site More detailed information is provided within 10 working days	Achieved

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
The reliability and efficiency of the stormwater system	% of residents are satisfied with the way their property drains stormwater in urban and residential areas	60%
	Requirements of the Greymouth Flood Scheme Action Plan are met prior to and during significant storm events	Achieved
	Maximum number of flooding events * * <i>Note: a flood event is defined as a 50-year flood, which is a flood event that has a 2% probability occurring in any given year. To measure this Council will obtain information on corresponding storm event rainfall intensities.</i>	Nil
	For each flooding event, maximum number of habitable floors affected (per 1,000 properties connected to a Council scheme) Number of serviced urban properties: 5,852 <i>Note:</i> <ul style="list-style-type: none"> <li><i>Council is only measuring reported incidents in urban areas where the stormwater network is.</i></li> <li><i>Number of serviced properties includes all urban properties, whether connected to the Council service or not. Some properties discharge stormwater via their own property stormwater system to watercourses.</i></li> </ul>	Total floors: 2 Per 1,000 properties: 0.34
	Maximum number of local road closures due to surface flooding per year	30
	Median response time to attend a flooding event	3 hours
Financial sustainability for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) <sup>2</sup>	44%
Stormwater discharges are managed without adversely affecting the receiving environment	<ul style="list-style-type: none"> <li>Number of abatement notices</li> <li>Number of infringement notices</li> <li>Number of enforcement orders</li> <li>Number of successful prosecutions</li> </ul> Total for all enforcement actions	<ul style="list-style-type: none"> <li>2</li> <li>1</li> <li>Nil</li> <li>Nil</li> </ul> 3

<sup>2</sup> Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

## 2.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	959	977	1,077	100
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>959</b>	<b>977</b>	<b>1,077</b>	<b>100</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	345	331	348	17
Finance costs	35	36	39	3
Internal charges and overheads applied	140	146	144	(2)
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>520</b>	<b>513</b>	<b>531</b>	<b>18</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>439</b>	<b>464</b>	<b>546</b>	<b>82</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(11)	(11)	86	97
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>(11)</b>	<b>(11)</b>	<b>86</b>	<b>97</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	15	7	180	173
—to replace existing assets	413	446	452	6
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>428</b>	<b>453</b>	<b>632</b>	<b>179</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(439)</b>	<b>(464)</b>	<b>(546)</b>	<b>(82)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	959	977	1,077	100
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges and regulatory income (consent fees, infringements etc...)	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Other income	18	19	18	(1)
<b>Total income</b>	<b>977</b>	<b>996</b>	<b>1,095</b>	<b>99</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	345	331	348	17
Finance costs	35	36	39	3
Internal charges and overheads applied	140	146	144	(2)
Other operating expenditure	-	-	-	-
Depreciation	806	908	895	(13)
<b>Total expenditure</b>	<b>1,326</b>	<b>1,421</b>	<b>1,426</b>	<b>5</b>
<b>Surplus (deficit) of activities</b>	<b>(349)</b>	<b>(425)</b>	<b>(331)</b>	<b>94</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
Miscellaneous new capital	15	7	180	173
	<b>15</b>	<b>7</b>	<b>180</b>	<b>173</b>
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
General renewals of the network	413	446	452	6
	<b>413</b>	<b>446</b>	<b>452</b>	<b>6</b>

## 2.6 Explanation of the differences from the LTP

Additional projects included as referred to above in the 'Key issue summary'. This impacts on the additional debt funding required, as well as additional rate funding provided to provide funding towards these projects.

# 3 Wastewater (sewerage)

## KEY ISSUE SUMMARY

The renewals for the Runanga sewerage scheme will continue over an extended period as per the LTP.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

### 3.1 Activities included in this group

Sewerage includes collection, treatment and disposal in the six (6) Council schemes of:

- Wider Greymouth area (Greymouth, Cobden, Blaketown, Boddytown)
- Karoro, South Beach, Paroa
- Runanga/Dunollie
- Moana
- Blackball
- Iveagh Bay (Te Kinga)

This activity does not cover on-site individual property waste disposal systems or public schemes that are owned and operated by other individuals or businesses.

### 3.2 Why we are involved in this activity

By collecting, treating and disposing of wastewater, Council provides a service to residents and businesses that supports development in the District and protects the physical environment and our community's health.

### 3.3 Contribution to Council's Vision

Outcome	Contribution
Growing the local economy	Effective wastewater management is a prerequisite for a healthy, growing economy.
Affordable, quality services	Efficient wastewater management is an important essential service which determines enjoyment of property and quality of life.
Personal and property safety	Efficient wastewater management is most important for maintaining a healthy community.
Sustainable management of the Environment	The need to treat wastewater to required standards is most important to avoid harm to the environment



## 3.4 How we'll measure our performance

\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Customer satisfaction	% of residents are satisfied with wastewater service	67%
	Number of complaints received, e.g. about odour, faults, blockages, response times (per 1,000 sewerage connections) Number of service connections: 3,910	Total complaints: 35 Per 1,000 properties: 9
	Basic fact information provided on Council's website More detailed information is provided within 10 working days	Achieved
The reliability and efficiency of the wastewater system	Number of wastewater overflows into houses due to faults in the public reticulation	Nil
	Number of dry weather sewerage overflows (per 1,000 sewerage connections) Number of service connections: 3,910	Total overflows: 3 Per 1,000 properties: 0.8
	If deemed necessary by the West Coast Regional Council, any non-compliance is publicly advertised: <ul style="list-style-type: none"> <li>• Within ½ hour on the website</li> <li>• Same day on the local radio station</li> <li>• The next publication of the local daily newspaper</li> </ul>	Achieved
	Median response times to reported faults <ul style="list-style-type: none"> <li>• to get to site (timed from notification)</li> <li>• to resolve the problem (timed from notification)</li> </ul>	<ul style="list-style-type: none"> <li>• 1 hour</li> <li>• 3 hours</li> </ul>
	All planned shutdowns are notified at least 24 hours prior	Achieved
Financial sustainability for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) <sup>3</sup>	50%
Treated waste water discharges are managed without adversely affecting the receiving environment	<ul style="list-style-type: none"> <li>• Number of abatement notices</li> <li>• Number of infringement notices</li> <li>• Number of enforcement orders</li> <li>• Number of successful prosecutions</li> </ul> Total for all enforcement actions	<ul style="list-style-type: none"> <li>• 2</li> <li>• 1</li> <li>• Nil</li> <li>• Nil</li> </ul> 3

<sup>3</sup> Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

## 3.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	2,435	2,568	2,414	(154)
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	98	103	108	5
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>2,533</b>	<b>2,671</b>	<b>2,522</b>	<b>(149)</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	899	955	960	5
Finance costs	974	1,005	770	(235)
Internal charges and overheads applied	188	198	207	9
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>2,061</b>	<b>2,158</b>	<b>1,937</b>	<b>(221)</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>472</b>	<b>513</b>	<b>585</b>	<b>72</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	14	15	14	(1)
Increase (decrease) in debt	4	(139)	(264)	(125)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>18</b>	<b>(124)</b>	<b>(250)</b>	<b>(126)</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	141	-	-	-
—to replace existing assets	289	539	275	(264)
Increase (decrease) in reserves	60	(150)	60	210
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>490</b>	<b>389</b>	<b>335</b>	<b>(54)</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(472)</b>	<b>(513)</b>	<b>(585)</b>	<b>(72)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates (including targeted rates for water supply)	2,435	2,568	2,414	(154)
Subsidies and grants (operating and capital)	-	-	-	-
User charges and regulatory income (consent fees, infringements etc...)	98	103	108	5
Internal charges and overheads recovered	-	-	-	-
Other income	28	29	28	(1)
<b>Total income</b>	<b>2,561</b>	<b>2,700</b>	<b>2,550</b>	<b>(150)</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	899	955	960	5
Finance costs	974	1,005	770	(235)
Internal charges and overheads applied	188	198	207	9
Other operating expenditure	-	-	-	-
Depreciation	963	1,102	984	(118)
<b>Total expenditure</b>	<b>3,024</b>	<b>3,260</b>	<b>2,921</b>	<b>(339)</b>
<b>Surplus (deficit) of activities</b>	<b>(463)</b>	<b>(560)</b>	<b>(371)</b>	<b>189</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
Greymouth wastewater upgrade	121	-	-	-
Miscellaneous new capital	20	-	-	-
	<b>141</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
General renewals of the wastewater network	289	539	275	(264)
	<b>289</b>	<b>539</b>	<b>275</b>	<b>(264)</b>

## 3.6 Explanation of the differences from the LTP

Outstanding loan balances have been reviewed and refined based on actual expenditure to date resulting to amounts due being less than originally forecast in the LTP. This, coupled with debt servicing costs (interest rates) being lower than originally forecast, has reduced total funding required (i.e. rates).

## 4 Water supply

### KEY ISSUE SUMMARY

Council needs accurate data on our water infrastructure to plan for timely renewals/replacements. Council has allowed for condition assessments to be carried out at an approximate cost of \$100,000 over three years from 2015/2016.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

### 4.1 Activities included in this group

This activity includes sourcing, treating and distributing water from the following Council water supply schemes:

- Wider Greymouth (Greymouth, Cobden, Blaketown, Boddytown, Karoro, South Beach, Paroa)
- Runanga/Dunollie/Rapahoe
- Blackball
- Taylorville/Dobson/Stillwater

The Kaiata Developments scheme may transfer to Council before or during the term of this Plan. This is a new scheme created as part of a subdivision development. A condition of the Resource Consent is that the water supply must meet current drinking water standards prior to any transfer to Council.

### 4.2 Why we are involved in this activity/these activities

Water is a basic need and an essential service. We provide quality, affordable water and, in the process contribute to:

- Our community's health
- Community safety (through water supply for firefighting)
- Industrial and residential development

### 4.3 Contribution to Council's vision

Outcome	Contribution
Growing the local economy	A good, quality water supply is a prerequisite for a healthy, growing economy.
Affordable, quality services	Water is an important essential service which determines enjoyment of property and quality of life.
Personal and property safety	Water is a basic necessity. It is an important requirement for a healthy community that water must at all times be potable. Easy access to a pressurised water supply is also necessary for firefighting.

### 4.4 How we'll measure our performance

\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Customer satisfaction	% of residents are satisfied with the appearance and taste of water	90%
	% of residents are satisfied with the pressure and flow of water	80%
	% of residents are satisfied with overall water supply service	75%

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
	<p>Maximum number of complaints received about water clarity, taste, odour, pressure/flow, continuity of supply or Council's response to reported issues (per 1,000 water supply connections)</p> <p>Number of rated properties: 5,063 (<i>as at March 2017</i>)</p>	<p>Total complaints: 135</p> <p>Per 1,000 properties: 26.7</p>
Council is providing a reliable, efficient and safe water supply	<p>If deemed necessary by the Ministry of Health, any non-compliance is publicly notified as soon as practical, by advertising:</p> <ul style="list-style-type: none"> <li>• Within ½ hour on the website</li> <li>• Same day on the local radio station</li> <li>• The next available publication of the local daily newspaper</li> </ul>	Achieved
	<p>Maximum number of notifiable water supply transgressions with Drinking Water Standards per year:</p> <ul style="list-style-type: none"> <li>• Greymouth</li> <li>• Blackball</li> <li>• Runanga/Rapahoe</li> <li>• Dobson/Taylorville/Stillwater</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> <li>• Nil</li> <li>• 1</li> <li>• Nil</li> </ul>
	<p>All planned shutdowns are notified at least 24 hours prior</p>	Achieved
	<p>Maximum % of real water loss from reticulation system (water loss measured from the reservoirs at least once per year):</p> <ul style="list-style-type: none"> <li>• Greymouth</li> <li>• Blackball</li> <li>• Runanga/Rapahoe</li> <li>• Taylorville/Dobson/Stillwater</li> </ul>	<ul style="list-style-type: none"> <li>• 10%</li> <li>• 5%</li> <li>• 15%</li> <li>• 14%</li> </ul>
	<p>Drinking water supply compliance with following sections of the drinking water standards:</p> <p>Part 4 – bacteria<sup>4</sup> compliance criteria -</p> <ul style="list-style-type: none"> <li>• Greymouth</li> <li>• Runanga/Rapahoe</li> <li>• Blackball</li> <li>• Taylorville/Dobson/Stillwater</li> </ul> <p>Part 5 – protozoal<sup>4</sup> compliance criteria -</p> <ul style="list-style-type: none"> <li>• Greymouth</li> <li>• Runanga/Rapahoe</li> <li>• Blackball</li> <li>• Taylorville/Dobson/Stillwater</li> </ul>	<p>Bacteriological compliance:</p> <ul style="list-style-type: none"> <li>• Yes</li> <li>• Yes</li> <li>• Yes</li> <li>• Yes</li> <li>• Yes</li> </ul> <p>Protozoa compliance:</p> <ul style="list-style-type: none"> <li>• Yes</li> <li>• Yes</li> <li>• Yes</li> <li>• Yes</li> <li>• Yes</li> </ul>

<sup>4</sup> Bacteria (e.g. E.Coli) and protozoa (e.g. Giardia and Cryptosporidium) are small living organisms (bugs and such like) that are harmful to humans. Bacteria can be removed by chlorine disinfection whereas protozoa cannot and require higher levels of treatment.

What we're measuring	How we'll measure	Target																								
		2017/2018 Draft Annual Plan *																								
Average consumption of drinking water per day per resident	<p><b>Note: This is a new measure – figures below are from Nov 2013 – Oct 2014</b></p> <p><b>Average consumption per day per resident = 640 litres<sup>1</sup></b></p> <p>Breakdown –</p> <table border="1"> <thead> <tr> <th>Scheme</th> <th>Litres supplied per year</th> <th>Population serviced<sup>2</sup></th> <th>Consumption<sup>3</sup></th> </tr> </thead> <tbody> <tr> <td>Greymouth</td> <td>2,149,850,000</td> <td>8,928</td> <td>660</td> </tr> <tr> <td>Runanga/Rapahoe</td> <td>375,950,000</td> <td>1,519</td> <td>678</td> </tr> <tr> <td>Blackball</td> <td>48,800,000</td> <td>468</td> <td>286</td> </tr> <tr> <td>Dobson/Taylorville/Stillwater</td> <td>158,100,000</td> <td>789</td> <td>549</td> </tr> <tr> <td><b>Totals</b></td> <td><b>2,732,700,000</b></td> <td><b>11,704</b></td> <td><b>640</b></td> </tr> </tbody> </table> <p><sup>1</sup> Supply and consumption includes industrial/commercial use  <sup>2</sup> Normal resident population ex 2013 Census  <sup>3</sup> Consumption expressed as litres per person per day.</p>	Scheme	Litres supplied per year	Population serviced <sup>2</sup>	Consumption <sup>3</sup>	Greymouth	2,149,850,000	8,928	660	Runanga/Rapahoe	375,950,000	1,519	678	Blackball	48,800,000	468	286	Dobson/Taylorville/Stillwater	158,100,000	789	549	<b>Totals</b>	<b>2,732,700,000</b>	<b>11,704</b>	<b>640</b>	< 640 litres per person per day
Scheme	Litres supplied per year	Population serviced <sup>2</sup>	Consumption <sup>3</sup>																							
Greymouth	2,149,850,000	8,928	660																							
Runanga/Rapahoe	375,950,000	1,519	678																							
Blackball	48,800,000	468	286																							
Dobson/Taylorville/Stillwater	158,100,000	789	549																							
<b>Totals</b>	<b>2,732,700,000</b>	<b>11,704</b>	<b>640</b>																							
Our response times to reported faults	Median response times to faults or unplanned interruptions: <ul style="list-style-type: none"> <li>• Attendance time for urgent call-outs (from notification)</li> <li>• Resolution time for urgent call-outs (from notification)</li> <li>• Attendance time for non-urgent call-outs</li> <li>• Resolution time for non-urgent call-outs</li> </ul>	<ul style="list-style-type: none"> <li>• 1 hour</li> <li>• 3 hours</li> <li>• 1 working day</li> <li>• 5 working days</li> </ul>																								
Financial sustainability for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) <sup>5</sup>	90%																								
Water is sourced from a sustainable resource	Maximum number of resource consent infringements	Nil																								

<sup>5</sup> Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

## 4.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	2,145	2,304	2,206	(98)
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>2,145</b>	<b>2,304</b>	<b>2,206</b>	<b>(98)</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	1,060	1,153	1,095	(58)
Finance costs	395	403	336	(67)
Internal charges and overheads applied	109	115	136	21
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>1,564</b>	<b>1,671</b>	<b>1,567</b>	<b>(104)</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>581</b>	<b>633</b>	<b>639</b>	<b>6</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(114)	(117)	(130)	(13)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>(114)</b>	<b>(117)</b>	<b>(130)</b>	<b>(13)</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	-	4	4
—to replace existing assets	491	540	529	(11)
Increase (decrease) in reserves	(24)	(24)	(24)	-
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>467</b>	<b>516</b>	<b>509</b>	<b>(7)</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(581)</b>	<b>(633)</b>	<b>(639)</b>	<b>(6)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates (including targeted rates for water supply)	2,145	2,304	2,206	(98)
Subsidies and grants (operating and capital)	-	-	-	-
User charges and regulatory income (consent fees, infringements etc...)	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Other income	14	14	14	-
<b>Total income</b>	<b>2,159</b>	<b>2,318</b>	<b>2,220</b>	<b>(98)</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	1,060	1,153	1,095	(58)
Finance costs	395	403	336	(67)
Internal charges and overheads applied	109	115	136	21
Other operating expenditure	-	-	-	-
Depreciation	563	649	610	(39)
<b>Total expenditure</b>	<b>2,127</b>	<b>2,320</b>	<b>2,177</b>	<b>(143)</b>
<b>Surplus (deficit) of activities</b>	<b>32</b>	<b>(2)</b>	<b>43</b>	<b>45</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
Greymouth water supply upgrades	-	-	-	-
Runanga water supply - plant upgrade	-	-	-	-
Dobson/Taylorville water supply - connect to Greymouth supply	-	-	-	-
Kaiata water supply - new scheme	-	-	-	-
Miscellaneous new capital	-	-	4	4
	-	-	<b>4</b>	<b>4</b>

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
Replacement pipeline - Omoto reservoir	-	-	-	-
General renewals of the water supply network	491	540	529	(11)
	<b>491</b>	<b>540</b>	<b>529</b>	<b>(11)</b>

## 4.6 Explanation of the differences from the LTP

No significant differences



## 5 Solid waste (refuse and recycling)

### KEY ISSUE SUMMARY

Council originally planned on the development of a third cell at McLeans Landfill in anticipation of cell two reaching capacity in the near future. Funding is in place to develop the additional cell, however Council is currently investigating alternative solutions for the management of waste to ensure the best decision is made for the long term. A decision on the course of action is expected to be made in this financial year.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

### 5.1 Activities included in this group

Waste management involves:

- Refuse collection
- Recovery of recyclable materials
- Management of Landfill and Clean fill and Resource Recovery Centres
- Management of minor quantities of hazardous waste
- Litter Bin management
- Waste minimisation
- Environmental monitoring, also of closed refuse facilities

Litter control is a Regulatory function and is covered under a separate Activity Management Plan.

### 5.2 Why we are involved in this activity/these activities

Solid waste management is necessary for the health and quality of life of the community, the local economy and the environment.

### 5.3 Contribution to Council's vision

Outcome	Contribution
Growing the local economy	Good waste management contributes to creating an environment conducive to growth of the economy.
Affordable, quality services	Waste management is an important essential service which determines health, amenity, enjoyment of property and quality of life.
Personal and property safety	Good waste management is an important requirement for a healthy community.
Sustainable management of the environment	Uncontained refuse can have detrimental impacts on the environment. Similarly, there is an important requirement on efficient and responsible landfill management as a means of reducing the impact on the environment

## 5.4 How we'll measure our performance

\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
The provision of a reliable, efficient and convenient service	% of residents are satisfied facilities (litter bins, recycling stations, recycling centre) are kept clean and tidy	75%
	% of residents are satisfied with overall service	92%
	% of waste collected is recycled <sup>6</sup> <i>Note: If Council decides to extend the kerbside refuse and recycling service, the performance measures will be 22% (year 1), 25% (years 2-3) and 30% (years 4-10)</i>	15%
	% of residents are satisfied that waste and recyclables are collected on time (where services are provided)	90%
	Basic information is provided on Council's website More detailed information is provided within 10 working days	Achieved
Financial sustainability for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) <sup>7</sup>	100%
	% capacity remaining in landfill cell (100% - annual volume of waste to landfill divided by actual built capacity) Note: This measure relates to the construction on an additional cell, Cell 3, which should have a predicted life of 21 years but this will be dependent on the final constructed size (i.e. the smaller the cell, the less volume capacity and therefore reduced life span). Also the rate of waste deposited to landfill can be variable, as is the amount of waste diverted through recycling. The % capacity remaining for Cell 3 is based on the % of waste recycled each year – refer to other related performance measures. This will be reviewed in three years when Council develops the next Long Term Plan. Council originally planned on the development of a third cell at McLeans Landfill in anticipation of cell two reaching capacity in the near future. Funding is in place to develop the additional cell, however Council is currently investigating alternative solutions for the management of waste to ensure the best decision is made for the long term. A decision on the course of action is expected to be made in this financial year.	3%
Facilities and services are managed without adversely affecting the receiving environment	Maximum number of resource consent infringements	Nil

<sup>6</sup> Where Council provides a recycling service.

<sup>7</sup> Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

## 5.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	212	236	251	15
Targeted rates	1,278	1,328	1,297	(31)
Subsidies and grants for operating purposes	45	47	46	(1)
Fees and charges	721	754	732	(22)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>2,256</b>	<b>2,365</b>	<b>2,326</b>	<b>(39)</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	1,608	1,702	1,637	(65)
Finance costs	351	355	306	(49)
Internal charges and overheads applied	111	117	121	4
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>2,070</b>	<b>2,174</b>	<b>2,064</b>	<b>(110)</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>186</b>	<b>191</b>	<b>262</b>	<b>71</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	4,572	(154)	(225)	(71)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>4,572</b>	<b>(154)</b>	<b>(225)</b>	<b>(71)</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	4,748	27	27	-
—to replace existing assets	-	-	-	-
Increase (decrease) in reserves	10	10	10	-
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>4,758</b>	<b>37</b>	<b>37</b>	<b>-</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(186)</b>	<b>(191)</b>	<b>(262)</b>	<b>(71)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	212	236	251	15
Targeted rates (including targeted rates for water supply)	1,278	1,328	1,297	(31)
Subsidies and grants (operating and capital)	45	47	46	(1)
User charges and regulatory income (consent fees, infringements etc...)	721	754	732	(22)
Internal charges and overheads recovered	-	-	-	-
Other income	-	-	-	-
<b>Total income</b>	<b>2,256</b>	<b>2,365</b>	<b>2,326</b>	<b>(39)</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	1,608	1,702	1,637	(65)
Finance costs	351	355	306	(49)
Internal charges and overheads applied	111	117	121	4
Other operating expenditure	-	-	-	-
Depreciation	117	122	293	171
<b>Total expenditure</b>	<b>2,187</b>	<b>2,296</b>	<b>2,357</b>	<b>61</b>
<b>Surplus (deficit) of activities</b>	<b>69</b>	<b>69</b>	<b>(31)</b>	<b>(100)</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
New landfill cell design and construction	4,721	-	-	-
Expand dry storage capacity at Mcleans landfill	-	-	-	-
Establish cleanfill site at Mcleans landfill	-	-	-	-
Miscellaneous new capital	27	27	27	-
	<b>4,748</b>	<b>27</b>	<b>27</b>	<b>-</b>

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
General renewals	-	-	-	-
	-	-	-	-

## 5.6 Explanation of the differences from the LTP

No significant differences.

## 6 Emergency management

### KEY ISSUE SUMMARY

From 1 July Council will no longer have an involvement in Rural Fire and therefore no further rate funding will go towards this activity.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

### 6.1 Activities included in this group

Emergency management includes:

- Civil Defence and Emergency Management, including:
  - Developing, implementing and monitoring District-wide emergency management plans.
  - Promoting community preparedness for emergencies.
  - Working with other authorities, both locally and in the Region, to plan for and respond to hazards, risks and emergencies.
  - Mobilising and responding in the event of an emergency.

### 6.2 Why we are involved in this activity/these activities

It is most important to make sure that our District is prepared for emergencies. The District is not only in a high rainfall area and, therefore subject to flooding, but inundation, cyclones and tornados have in the past caused problems. Most importantly, the District is a high risk earthquake area.

Council subscribes to the principles of “reduce, readiness, response, and recovery” and “get ready – get thru”.

### 6.3 Contribution to Council’s Vision

Outcome	Contribution
Growing the local economy	Having in place competent services to cope with emergencies builds confidence which is an important requirement for economic growth and stability.
Personal and property safety	The ability to be prepared for and then to competently deal with emergencies are important for public safety.

### 6.4 How we’ll measure our performance

*\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan*

#### Civil Defence

What we’re measuring	How we’ll measure	Target
		2017/2018 Draft Annual Plan *
Training and preparation of our emergency management personnel in the event of an emergency	Minimum number of in-house/national training exercises participated in annually	2
	Minimum % of personnel trained to CIMS 4 standard	85%
Greater public awareness and participation from the public to be better prepared for emergency situations	Minimum % of schools and pre-school organisations visited annually to deliver the “be better prepared” message	90%
	Relevant details and plans are posted on Council’s website	Achieved
	Minimum % of residents who feel they are prepared to cope in an emergency	90%

## 6.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	213	223	127	(96)
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	6	6	-	(6)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>219</b>	<b>229</b>	<b>127</b>	<b>(102)</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	125	130	47	(83)
Finance costs	17	18	15	(3)
Internal charges and overheads applied	57	61	61	-
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>199</b>	<b>209</b>	<b>123</b>	<b>(86)</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>20</b>	<b>20</b>	<b>4</b>	<b>(16)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(5)	(5)	(4)	1
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>(5)</b>	<b>(5)</b>	<b>(4)</b>	<b>1</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	15	15	-	(15)
—to replace existing assets	-	-	-	-
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>15</b>	<b>15</b>	<b>-</b>	<b>(15)</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(20)</b>	<b>(20)</b>	<b>(4)</b>	<b>16</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	213	223	127	(96)
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges and regulatory income (consent fees, infringements etc...)	6	6	-	(6)
Internal charges and overheads recovered	-	-	-	-
Other income	-	-	-	-
<b>Total income</b>	<b>219</b>	<b>229</b>	<b>127</b>	<b>(102)</b>
<b>EXPENDITURE</b>				
Staff costs	43	45	30	(15)
Operating & maintenance costs	82	85	17	(68)
Finance costs	17	18	15	(3)
Internal charges and overheads applied	57	61	61	-
Other operating expenditure	-	-	-	-
Depreciation	11	12	5	(7)
<b>Total expenditure</b>	<b>210</b>	<b>221</b>	<b>128</b>	<b>(93)</b>
<b>Surplus (deficit) of activities</b>	<b>9</b>	<b>8</b>	<b>(1)</b>	<b>(9)</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
Miscellaneous new capital	15	15	-	(15)
	<b>15</b>	<b>15</b>	<b>-</b>	<b>(15)</b>
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
General renewals	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 6.6 Explanation of the differences from the LTP

Per above, Council no longer has an administrative role in Rural Fire from 01 July 2017. Associated expenditure and required funding have therefore been removed from the annual plan budget.

# 7 Environmental services

## KEY ISSUE SUMMARY

Apart from new health fees discussed in the Fees and Charges section, there are no issues highlighted in this Plan but it is recommended readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 7.1 Activities included in this group

Environmental services include:

### District Planning

- District Plan
- Policy
- Resource Management (land use)
- Monitoring

### Building Control

As a Building Consent Authority Council carries out the following tasks:

- Building inspections and consenting
- Issue code of compliance certificates and notices to fix
- Investigation of complaints relating to building work and illegal buildings
- Issues compliance schedules
- Any other functions and duties specified in the Building Act 2004.

As a Territorial Authority Council carries out the following tasks:

- Performs functions relating to dangerous, earthquake prone or insanitary buildings
- Administration and audit of building warrants of fitness
- Investigation of building work related complaints where consents have not been issued
- Issues project information memorandum
- Grants exemptions under Schedule 1
- Issues certificates of acceptance
- Issues and amends compliance schedules
- Decides the extent to which buildings must comply with the building code when they're altered, are subject to a change of use, or their specified intended life changes
- Carries out any other functions and duties specified in the Building Act.

### Other Regulation

- Council bylaws
- District Plan, Building Act and freedom camping compliance

### Health Regulation

- Inspection and licensing of food premises under the Food Hygiene Regulations 1974 and the Food Act 2014
- Annual registration of offensive trades, camping grounds, hairdressers, funeral directors, mortuaries and mobile shops, together with other duties under the Health Act 1956
- Responding, investigating and reporting on noise complaints and other duties under the Resource Management Act 1991 and the District Plan
- Ensuring appropriate steps are in place to limit the impact of commercial or industrial noise and ensure compliance within the noise provisions of the District Plan
- Inspection of liquor premises (participation in stakeholder compliance visits), licensing of liquor premises, reporting to the Alcohol Regulatory and Licensing Authority (ARLA) and the Grey District Licensing Committee (DLA) and administering new applications or renewals of managers certificates

### Dog/Stock Control

- Investigation of complaints about dogs including barking, wandering, menacing and dangerous dogs
- Enforcing legislation and Council's bylaws which govern where dogs are permitted; control of dogs on a leash and fencing of dogs within a property boundary
- Impounding wandering dogs and taking steps to identify the owner of the dog



- Maintaining a register of dogs generally and for those classified as menacing or dangerous
- Responding to wandering stock complaints

Local Government legislation requires that Council, where possible, maintain a clear division between its operational and regulatory functions. Local authorities, as facilitators of development and growth, also have to comply with statutory requirements and administer legislative powers in a fair and objective manner, and avoid conflicts of interest. It is for this reason that these activities are in the same grouping.

## 7.2 Why we are involved in this activity/these activities

Council undertakes these activities to contribute to providing a safe, healthy and sustainable environment.

- The district planning service ensures the District is able to promote development to support a prosperous community without compromising rights of residents and the District's physical and natural assets/resources. It achieves this aim by appropriate application of the Resource Management Act, through the review and implementation of the District Plan and its resource consent and monitoring functions.
- Council's building control services ensures that the District's buildings and other associated structures (such as swimming pools) are safe, habitable and meet National legislative requirements. Of particular importance is Council's role in advising on and, where necessary, enforcing the statutory provisions relating to earthquake prone buildings.
- Other regulation activities focus on working with the community to ensure the District remains a peaceful and attractive place to live and work. By the careful application of Bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping and respond to noise nuisances, as well as encourage residents to maintain tidy sections.
- Health regulation services aim to protect our community from infectious and notifiable diseases by promoting food safety practices in food establishments. This activity also aims to ensure that hairdressing businesses, gaming machines, camping grounds and those selling liquor conform to appropriate standards.
- The dog and stock control service aims to provide a safer District by reducing dog-related offences through ensuring the registration of dogs, the education of their owners and the investigation of complaints. In addition, this service seeks to support safer road and rail corridors by responding to complaints about wandering stock and working with landowners to maintain stock proof fencing. Council undertakes this activity in accordance with its obligations under the Dog Control Act 1996 and Impounding Act 1955.

## 7.3 Contribution to Council's Vision

Outcome	Contribution
Growing the local economy	Sound spatial planning and sensitive, constructive regulation provide for certainty, order and harmony which is most necessary for economic growth and stability.
Affordable, quality services	The group of activities involves service delivery which determines quality of life, enjoyment of property.
Personal and property safety	The group of activities involves service delivery which contribute strongly to personal and property safety.
Sustainable management of the environment	The emphasis of this group of activities is strongly on sustainability with the focus both on people and the environment

## 7.4 How we'll measure our performance

\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Council is efficiently processing information requests and consent applications within statutory time limits	% of Land Information Memoranda (LIMs) issued within 10 working days of application	100%
	% of non-notified land use consents processed within 20 working days	100%
	% of building consents and Code of Compliance Certificates issued with statutory time limits	100%
	% of building inspection undertaken at agreed times	95%
We are ensuring that buildings within the District are safe and meet national quality standards	Required % of owners of earthquake prone buildings in the District aware of their obligations to strengthen their buildings to the required standard	100%
	Grey District Council maintains accreditation as a building consent authority	Achieved
A safer District is being provided for by promoting responsible dog ownership and monitoring food and liquor premises	% of known dogs registered by August each year	95%
	% food premises inspected each year	100%
	% of premises requesting new and renewed liquor licences that are inspected	100%
We are responding to service requests in a timely manner	% of after-hours noise and animal control complaints responded to within two hours	95%
	% of complaints about breaches of bylaws and District Plan rules are responded to within five working days	95%
We will recover actual and reasonable costs as necessary	Minimum % recovery of actual and reasonable costs for consent applications	80%
	Minimum % recovery of actual and reasonable costs for enforcement related activities	80%
Our District Plan is effective in developing and maintaining sustainable development and a satisfactory environment	% of land use consents issued since 2005 are monitored for compliance with conditions	23%
	The District Plan is reviewed and updated in line with agreed programme	In line with programme
	% of residents satisfied with Council's regulation of land use throughout the District	60%
/wi are consulted on all new policies, bylaws, District Plan changes and notified resource consents	Required % of new policies, bylaws, DP changes and notified resource consents that have involved /wi consultation	100%

## 7.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	822	852	862	10
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	964	1,008	1,001	(7)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	66	67	123	56
<b>Total operating funding [A]</b>	<b>1,852</b>	<b>1,927</b>	<b>1,986</b>	<b>59</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	321	337	374	37
Finance costs	-	-	-	-
Internal charges and overheads applied	1,500	1,555	1,642	87
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>1,821</b>	<b>1,892</b>	<b>2,016</b>	<b>124</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>31</b>	<b>35</b>	<b>(30)</b>	<b>(65)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	45	47	25	(22)
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>45</b>	<b>47</b>	<b>25</b>	<b>(22)</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	-	-	-
—to replace existing assets	6	118	4	(114)
Increase (decrease) in reserves	70	(36)	(9)	27
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>76</b>	<b>82</b>	<b>(5)</b>	<b>(87)</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(31)</b>	<b>(35)</b>	<b>30</b>	<b>65</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	822	852	862	10
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges and regulatory income (consent fees, infringements etc...)	964	1,008	1,001	(7)
Internal charges and overheads recovered	-	-	-	-
Other income	111	114	148	34
<b>Total income</b>	<b>1,897</b>	<b>1,974</b>	<b>2,011</b>	<b>37</b>
<b>EXPENDITURE</b>				
Staff costs	10	11	20	9
Operating & maintenance costs	311	326	354	28
Finance costs	-	-	-	-
Internal charges and overheads applied	1,500	1,555	1,642	87
Other operating expenditure	-	-	-	-
Depreciation	40	42	2	(40)
<b>Total expenditure</b>	<b>1,861</b>	<b>1,934</b>	<b>2,018</b>	<b>84</b>
<b>Surplus (deficit) of activities</b>	<b>36</b>	<b>40</b>	<b>(7)</b>	<b>(47)</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
Miscellaneous new capital	-	-	-	-
	-	-	-	-
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
Vehicle replacements	-	112	-	(112)
General renewals	6	6	4	(2)
	<b>6</b>	<b>118</b>	<b>4</b>	<b>(114)</b>

## 7.6 Explanation of the differences from the LTP

Vehicle replacements have been deferred to a future year. No other significant differences.

## 8 Other transport

### KEY ISSUE SUMMARY

The Port has been signalled as a difficult challenge for Council for a while now and it continues to be so. Council's focus has been on reducing debt and ensuring the financial stability of the Port. Since Council is not able to divest a large part of its current operational responsibilities and/or reduce operating expenditure, Council is left with little option apart from increasing revenue sources. This Draft Annual Plan includes an increase in rates funding of approximately \$40,000.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

### 8.1 Activities included in this group

Other transport includes:

#### Greymouth Aerodrome

- The aerodrome, including the runway, taxi area, grass runway for use by micro light aircraft as well as navigation lights;
- The Greymouth Aero Club as service provider to incoming and departing aircraft; and
- Management of the land portfolio in the form of land leases and rights to occupy.

#### Parking

- The provision of parking; and
- Regulating the use of parking.

#### Port of Greymouth

- Managing the Port, the breakwaters, wharves and the slipway.
- Managing the navigation safety function.
- Managing the land holding portfolio.

### 8.2 Why we are involved in this activity/these activities

Council provides these services as part of a much wider array of services aimed at improving the health, safety, enjoyment and connectedness of our community. Each component contributes as follows:

- The aerodrome is an important strategic asset. It not only provides the opportunity for use by smaller commercial and private aircraft but also provides a convenient transport option for Grey Base Hospital for the transfer of patients and staff as well for emergency air rescue services. In addition, it is an important training venue for related activities and defensive driver training. St John's Ambulance and Land Search & Rescue both have headquarters located on the aerodrome site.
- The Parking function is an integral component of a vibrant and growing CBD and important access to other key services in the District. It provides for safety and convenient access to commercial, educational and service industries and venues.
- The ownership of the Port was transferred to Council as part of the 1989 Local Government Reorganisation. Port of Greymouth is an important fishing asset as it is located closest to the lucrative Hokitika Trench fishing grounds. It provides safe berthage to a local and, from time to time, visiting fishing fleet as well. It is home to the fish handling and processing activities of two firms.

### 8.3 Contribution to Council's Vision

Outcome	Contribution
Growing the local economy	The three components of the group of activities contribute strongly to the local economy.

## 8.4 How we'll measure our performance

\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan

### Aerodrome

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
The provision of a safe service	Meet Civil Aviation Authority requirements for the aerodrome	Achieved
Customer satisfaction	% of residents are satisfied that the aerodrome is run efficiently	50%
	Basic information provided on Council's website More detailed information is provided within 10 working days of request	Achieved
Financial sustainability for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) <sup>8</sup>	100%

### Parking

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
The maintenance, safety, convenience & accessibility of parking in the CBD	Off road car parks are inspected annually for deterioration in surface seal, markings and signage Information on remedial action will be made publicly available via the monthly meeting agenda	Achieved
Customer satisfaction	% of residents are satisfied with the availability of public parking	80%
Sustainability of the service for the future	Development of and implementation of a parking strategy for the CBD and environs with key stakeholders	To be investigated as part of the CBD Renewal Project

### Port of Greymouth

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Financial sustainability	Port deficit/surplus as percentage of turnover	-10%
	User fees received as a ration of ratepayer input	100%
Accessibility of the service	Certification standard of Richmond Quay pad wharf	20 tonnes
	Frequency of depth sounding of Port access/bar	2 monthly

<sup>8</sup> Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

## 8.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	348	398	376	(22)
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	467	515	462	(53)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	31	33	31	(2)
<b>Total operating funding [A]</b>	<b>846</b>	<b>946</b>	<b>869</b>	<b>(77)</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	794	631	777	146
Finance costs	132	182	113	(69)
Internal charges and overheads applied	249	253	246	(7)
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>1,175</b>	<b>1,066</b>	<b>1,136</b>	<b>70</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>(329)</b>	<b>(120)</b>	<b>(267)</b>	<b>(147)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	386	432	920	488
Gross proceeds from sale of assets	20	20	-	(20)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>406</b>	<b>452</b>	<b>920</b>	<b>468</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	-	-	-
—to replace existing assets	44	269	592	323
Increase (decrease) in reserves	33	63	61	(2)
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>77</b>	<b>332</b>	<b>653</b>	<b>321</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>329</b>	<b>120</b>	<b>267</b>	<b>147</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	348	398	376	(22)
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges and regulatory income (consent fees, infringements etc...)	467	515	462	(53)
Internal charges and overheads recovered	-	-	-	-
Other income	51	53	31	(22)
<b>Total income</b>	<b>866</b>	<b>966</b>	<b>869</b>	<b>(97)</b>
<b>EXPENDITURE</b>				
Staff costs	233	215	271	56
Operating & maintenance costs	561	416	506	90
Finance costs	132	182	113	(69)
Internal charges and overheads applied	249	253	246	(7)
Other operating expenditure	-	-	-	-
Depreciation	284	296	224	(72)
<b>Total expenditure</b>	<b>1,459</b>	<b>1,362</b>	<b>1,360</b>	<b>(2)</b>
<b>Surplus (deficit) of activities</b>	<b>(593)</b>	<b>(396)</b>	<b>(491)</b>	<b>(95)</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
Miscellaneous new capital	-	-	-	-
	-	-	-	-
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
Port beacon/light replacements	41	-	-	-
Port - backwall replacement (wharf)	-	266	-	(266)
Berth renewals	-	-	589	589
Aerodrome - runway light replacement	-	-	-	-
General renewals	3	3	3	-
	<b>44</b>	<b>269</b>	<b>592</b>	<b>323</b>



## 8.6 Explanation of the differences from the LTP

Additional staff resource has been provided for Port operations (as included in the 2016/17 Annual Pan).

Berth renewals have been provided for in this Annual Plan that weren't signalled in the LTP, however given the current condition and availability this has become a more urgent priority.

The above impacts on funding required (notably loan funding).

## 9 Property and housing

### KEY ISSUE SUMMARY

Council has signalled \$330,000 for earthquake strengthening of the Left Bank Art Gallery building in the Greymouth CBD. No budget has been allowed for earthquake strengthening works of other Council buildings.

Council decided in 2016/2017 that rental for pensioner units will increase by \$3 to \$4 per week annually over three years to fund connections to new wastewater (sewerage) networks. This is year two of the planned increases and pensioner housing rentals will increase by \$3.50 per week from 1 July.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

### 9.1 Activities included in this group

This includes:

#### Retirement Housing

- Maintaining and managing occupation of 118 units.
- Pro-active provision of further retirement housing units.

#### Property

- A land leasehold portfolio consisting of approximately 54 residential leases and 35 commercial leases.
- A building portfolio involving three leased buildings and the buildings supporting Council's administrative function (Tainui St and Runanga service centre).
- Other buildings enabling the delivery of community services, e.g. ASB Civic Centre, Westland Recreation Centre, History House, Women's Centre and Left Bank Art Gallery.
- Unused Council land consisting of various titles across the District.
- Management of leases with Mawhera Incorporating regarding land leased by Council.

### 9.2 Why we are involved in this activity/these activities

Council is proud of its provision of quality pensioner housing.

Council is also committed to managing its property portfolio responsibly so as to maximise revenue for the benefit of all residents.

### 9.3 Contribution to Council's vision

Outcome	Contribution
Growing the local economy	Council is committed to releasing Council owned land not needed for future service delivery, for development.
Affordable quality services	Council sees the provision of convenient, quality retirement housing facilities as an important service to the elderly community. It also recognises its service responsibilities to Lessees of Council owned land and buildings in terms of the applicable leases
Personal and Property safety	Retirement Housing offers security, convenience and stability to occupants.

## 9.4 How we'll measure our performance

\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan

### Property

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
The provision of a safe service	Building Authority requirements are met	Achieved
Sustainability of facilities and services for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded)	82%

### Retirement Housing

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
An affordable, well maintained and efficient retirement housing service is provided	Achievement of minimum percentage of occupancy rates	95%
	Retention of the 0800 24 hours contact service for emergency repairs and maintenance (e.g. water breaks etc.)	Achieved
	Maintaining a waiting list of minimum 25 eligible applicants By allowing applicants a maximum percentage of property, cash in the bank or investments.	Achieved
	Rent levels set annually below market rates	Achieved
	Details of service is provided on Council's website	Achieved
Assessment of future need housing units	Undertaking an annual review on the need for more housing units	Achieved

## 9.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	820	854	778	(76)
Internal charges and overheads recovered	258	274	351	77
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>1,078</b>	<b>1,128</b>	<b>1,129</b>	<b>1</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	701	711	799	88
Finance costs	63	55	95	40
Internal charges and overheads applied	169	181	169	(12)
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>933</b>	<b>947</b>	<b>1,063</b>	<b>116</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>145</b>	<b>181</b>	<b>66</b>	<b>(115)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	38	(85)	489	574
Gross proceeds from sale of assets	100	100	50	(50)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>138</b>	<b>15</b>	<b>539</b>	<b>524</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	-	335	335
—to replace existing assets	178	57	292	235
Increase (decrease) in reserves	105	139	(22)	(161)
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>283</b>	<b>196</b>	<b>605</b>	<b>409</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(145)</b>	<b>(181)</b>	<b>(66)</b>	<b>115</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges and regulatory income (consent fees, infringements etc...)	820	854	778	(76)
Internal charges and overheads recovered	258	274	351	77
Other income	100	100	50	(50)
<b>Total income</b>	<b>1,178</b>	<b>1,228</b>	<b>1,179</b>	<b>(49)</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	701	711	799	88
Finance costs	63	55	95	40
Internal charges and overheads applied	169	181	169	(12)
Other operating expenditure	-	-	-	-
Depreciation	380	398	391	(7)
<b>Total expenditure</b>	<b>1,313</b>	<b>1,345</b>	<b>1,454</b>	<b>109</b>
<b>Surplus (deficit) of activities</b>	<b>(135)</b>	<b>(117)</b>	<b>(275)</b>	<b>(158)</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
Left Bank Art Gallery - Earthquake strengthening	-	-	335	335
Miscellaneous new capital	-	-	-	-
	-	-	<b>335</b>	<b>335</b>
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
Retirement housing - wastewater connections	128	-	208	208
General renewals	50	57	84	27
	<b>178</b>	<b>57</b>	<b>292</b>	<b>235</b>

## **9.6 Explanation of the differences from the LTP**

Council has included an amount of \$335,000 for earthquake strengthening of the Left Bank Art Gallery that wasn't included in the LTP. Based on the most recent engineering reports available, Council a decision has been made to retain the building and bring it up to a minimum standard.

Connection to the new Greymouth sewerage scheme has been included in the Annual Plan that wasn't included in the LTP. The commencement of this was signalled in the 2016/17 Annual Plan and is funded via a loan, repaid from an associated rent increase for tenants.

# 10 Community facilities

## KEY ISSUE SUMMARY

An increase of \$25,000 per annum has been signalled to the garden maintenance budget, which will include the new green spaces and garden beds in the Greymouth CBD.

The need for toilets at Blackball has been identified so appropriate facilities are in place to cater for visitors with the planned Pike 29 Great Walk. Council has assigned \$100,000 for these works and it is hoped to attain funding for the balance of these works.

This Draft Plan allows for an additional \$450,000 for CBD renewal works, namely floodwall access from Mawhera Quay and works on the Mackey Street/Tainui Street intersection. Greymouth's first traffic lights are to be installed at this intersection to make it a safer place for both motorists and pedestrians.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 10.1 Activities included in this group

Community facilities include:

### Libraries

- Greymouth Library (including Pioneer Library)
- Runanga Library

### Swimming Pools

- Westland Recreation Centre
- Spring Creek Pool, Runanga

### Heritage, Arts & Culture

- History House
- Financial support to other Arts, Culture and Heritage bodies

### Indoor Sport Centres

- Westland Recreation Centre
- Civic Centre

### Cemeteries

- Karoro Cemetery
- Gladstone Cemetery
- Stillwater Cemetery
- Barrytown Cemetery
- Blackball Cemetery

- Ahaura Cemetery
- Nelson Creek Cemetery (Ngahere)
- Moonlight Cemetery (not maintained)
- Maori Gully
- Cobden Cemetery
- Greenstone Cemetery
- Dunganville Cemetery (not maintained)
- Notown Cemetery
- Napoleon's Hill Cemetery (not maintained)
- Interment (burial) services
- Application and pre-purchase of burial plots
- Cemetery records

### Parks and Tracks

- Parks
- Playgrounds
- Walking tracks
- Other open areas accessible to the public

### Council's In-house task force

#### Public restrooms

- Ten public toilets, some with other facilities

## 10.2 Why we are involved in this activity/these activities

It is a requirement for any community to have access to a wide range of services that makes living in that area and visiting that area attractive and enjoyable. It is often described as services and activities that make any community whole. These services often define a community and give the community identity and a sense of belonging.

Services can be in the form of active and passive recreation and enjoyment.

## 10.3 Contribution to Council's vision

Outcome	Contribution
Growing the local economy	Without these services, a community will have no core and will not be sustainable. These services also strongly appeal to visitors.
Affordable quality services	Given the importance of these services, they must be of good quality, affordable and accessible

Outcome	Contribution
Building local identity	These services fall under the collective heading of recreation which is an important part of life in a community. Apart from the social interaction benefits, they provide a community with an identity and a sense of belonging.

## 10.4 How we'll measure our performance

*\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan*

### Libraries

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Customer satisfaction	% of residents are satisfied with service	80%
	No more than 10 complaints per year	Achieved
Community participation and engagement with the service	Number of outreach literacy learning and educational programmes delivered annually e.g. story-time, Summer Reading Challenge, housebound deliveries, adult education programmes	180
	% of residents who are members of the Library	75%
Availability, accessibility and quality of the library service	The Grey District Library is open at least one late night per week and on Saturday mornings	Achieved
	Opening hours and available services posted on the Library's website	Achieved
	An on-line service is provided to allow members to browse the library catalogue (both printed and electronic) and make collection reservations	Achieved
	% of material less than ten years old (note: excludes the Pioneer Library)	85%
	Retain free public internet access for New Zealand citizens	Achieved
	Increased number of WiFi connections annually within Grey District Library and vicinity	22,000
	Increased traffic to Library website	5%
Developing the library collection and building our local identity	% of new items acquired each year for the Pioneer and West Coast collections	0.5%
	% of new items acquired each year – New Zealand material or written by New Zealand authors	3%
	Number of digitised items added to Kete West Coast each year	20



## Swimming Pools

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
A safe service is provided	% compliance with the NZ Water Quality Standards	100%
	Lifeguards are trained to the NZ national standard	Achieved
Customer satisfaction	% of residents are satisfied with service	75%
Availability, accessibility and quality of the service	Number of users annually - Greymouth	90,000
	Number of users annually - Runanga	1,000
	Service availability: <ul style="list-style-type: none"> <li>Greymouth: seven days a week</li> <li>Runanga: seven days a week during the swim season</li> </ul>	Achieved
	Admission fees and opening hours are posted on Council's website	Achieved
	Number of Swim School registrations per term	380
	Minimum total swims per capita (national per capita swim averages is 5.5)	6.5
Management of potential adverse effects on the environment	No Resource Consent infringements for the coal fired boiler	Achieved

## History House

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Customer satisfaction	% of users that are satisfied with the service	70%
	No complaints received	Achieved
Our response to customer requests	Customer enquiries are responded to within three days	Achieved
	Requests for research are appropriate recorded, actioned and material is provided in a timely manner	Achieved
Availability, accessibility and quality of the service	Facilities are accessible six days per week	Achieved
	New displays prepared each year	2
	Informative rack cards and flyers are provided and distributed to tourist locations annually as required	Achieved
	Number of publications and/or promotion articles prepared for public consumption each year, locally or nationally	4

### Civic Centre/Westland Recreation Centre

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Customer satisfaction	% of users that are satisfied with the service	70%
Availability, accessibility and quality of the service	The Civic Centre and the eventual Westland Recreation Centre will be available for use seven days a week	Achieved
	Details of facilities and charges are available on Council's website	Achieved

### Cemeteries

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Available capacity for burials	Review three yearly the availability of land in District cemeteries relative to the number of people likely to be buried	Achieved
Availability of on-line cemetery records	On-line register updated with each new internment	Achieved
Environmental effects	Maximum number of resource consent breaches to show the facilities are managed without adversely affecting the receiving environment	Nil

### Parks and Tracks

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Customer satisfaction	% of residents are satisfied with the service	80%
Promotion of the service	Publicly available information brochures on walking tracks and key parks in our District are available This information is included on our website	Achieved

### Public toilets

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Customer satisfaction	% of residents are satisfied with the service	75%

## 10.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	2,793	2,920	3,047	127
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	30	32	30	(2)
Fees and charges	1,298	1,352	1,323	(29)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>4,121</b>	<b>4,304</b>	<b>4,400</b>	<b>96</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	3,122	3,284	3,291	7
Finance costs	410	406	352	(54)
Internal charges and overheads applied	545	547	630	83
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>4,077</b>	<b>4,237</b>	<b>4,273</b>	<b>36</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>44</b>	<b>67</b>	<b>127</b>	<b>60</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	400	400	400	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	1,482	(334)	159	493
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>1,882</b>	<b>66</b>	<b>559</b>	<b>493</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	1,880	7	565	558
—to replace existing assets	141	148	143	(5)
Increase (decrease) in reserves	(95)	(22)	(22)	-
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>1,926</b>	<b>133</b>	<b>686</b>	<b>553</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(44)</b>	<b>(67)</b>	<b>(127)</b>	<b>(60)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	2,793	2,920	3,047	127
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	430	432	430	(2)
User charges and regulatory income (consent fees, infringements etc...)	1,298	1,352	1,323	(29)
Internal charges and overheads recovered	-	-	-	-
Other income	-	-	-	-
<b>Total income</b>	<b>4,521</b>	<b>4,704</b>	<b>4,800</b>	<b>96</b>
<b>EXPENDITURE</b>				
Staff costs	1,289	1,349	1,317	(32)
Operating & maintenance costs	1,833	1,935	1,974	39
Finance costs	410	406	352	(54)
Internal charges and overheads applied	545	547	630	83
Other operating expenditure	-	-	-	-
Depreciation	845	886	1,062	176
<b>Total expenditure</b>	<b>4,922</b>	<b>5,123</b>	<b>5,335</b>	<b>212</b>
<b>Surplus (deficit) of activities</b>	<b>(401)</b>	<b>(419)</b>	<b>(535)</b>	<b>(116)</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
Westland Recreation Centre	1,800	-	-	-
CBD Renewal projects	-	-	457	457
New Toilet - Blackball	-	-	102	102
Miscellaneous new capital	80	7	6	(1)
	<b>1,880</b>	<b>7</b>	<b>565</b>	<b>558</b>

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
General renewals	141	148	143	(5)
	<b>141</b>	<b>148</b>	<b>143</b>	<b>(5)</b>

## 10.6 Explanation of the differences from the LTP

Additional funding has been provided for further stages in the CBD renewal project as outlined in the key issues summary above. The \$450,000 is being loan funded to be repaid via general rates.

Also, as referred to in the key issues summary, Council is providing \$100,000 seed funding towards new public toilet facilities in Blackball, subject to the balance of funding being successfully raised for the balance.

# 11 Democracy and administration

## KEY ISSUE SUMMARY

An increase is proposed to the Economic Development targeted rate (which applies to commercial properties and bed and breakfast/homestay operators) to provide an additional \$50,000 per annum. This money will be targeted towards the development of digital content to help promote the Grey District.

It is also recommended that readers refer to the 2015-2025 Long Term Plan for full information on all future challenges and issues affecting this activity.

## 11.1 Activities included in this group

Democracy and administration includes:

- Council
- Public consultation
- Council's Administration
- Economic development

## 11.2 Why we are involved in this activity/these activities

A healthy community requires its elected Council to show strong leadership, but, at the same time, to conduct its business in an open, transparent manner. An important part of this is for it to actively and constructively seek the involvement of the community in matters that affect them or are dear to them. A vital component of this is a Council Administration that executes Council's policies in a professional, objective and fair manner and, in doing so, respects the needs and circumstances of individual residents.

Council is involved with economic development to ensure a strategic and grassroots approach has been developed to increase the number of businesses and create jobs, by increasing our population and visitors to the District.

The Community Economic Development Strategy focusses on the idea that 'jobs follow people' and has projects and actions that are aimed at improving the quality of life in the District. The Strategy has goals related to visitor numbers, new jobs and business units, but also measures population, pride of place and if the Grey District is a great place to live.

The Strategy allows Council to focus on the issues of concern that the community can control, while keeping a watchful eye on those issues of concern which are not within its control. It also provides opportunities for the elected representatives and members of the wider community to take the lead and use their skills and talents to make difference within a strategic context, and not work in isolation.

## 11.3 Contribution to Council's vision

Outcome	Contribution
Growing the local economy	Without confidence in the leadership of Council, an economy is unlikely to grow. Services like health, education and safety are all most important for growth, and Council plays an important facilitation and leadership role in ensuring the best and most appropriate services are provided to the district.
Affordable quality services	One of the focus areas for Council in its consultation with external service providers is the need to keep services to a high standard, accessible and affordable to the community.
Building identity	To grow confidence and pride through a strongly defined and positive identity that is built from the grassroots and encourages collaboration.

## 11.4 How we'll measure our performance

\* There are no changes to our performance targets from what was proposed in the 2015-2025 Long Term Plan

What we're measuring	How we'll measure	Target
		2017/2018 Draft Annual Plan *
Customer satisfaction	% of residents are satisfied with the service they received when they have contacted Council offices	85%
	% of residents are satisfied with the information they receive from Council	85%
	% of residents are satisfied with the performance of Mayor and Councillors	85%
Transparency, accountability and accessibility to the public	Full opportunity for public participation in Council meetings through availability of speaking rights and the public forum	Achieved
	Minimum % of Council business conducted in open	>80%
	% of residents are satisfied that Council consults with them residents on important issues	90%
Co-operation with other agencies	Full participation in West Coast Mayors/Chairs and CEO meetings	100%
	Full participation in Grey DC/DOC liaison quarterly meetings	100%
Engagement with our partners and the wider community	Review the Community Economic Development Strategy on an annual basis	Achieved
	Monitor the goals outlined in the Community Economic Development Strategy on an annual basis	Achieved

## 11.5 Financial information

### Funding impact statement

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	1,296	1,325	1,292	(33)
Targeted rates	268	280	332	52
Subsidies and grants for operating purposes	5	-	-	-
Fees and charges	116	76	75	(1)
Internal charges and overheads recovered	5,472	5,638	5,909	271
Local authorities fuel tax, fines, infringement fees, & other receipts	668	676	656	(20)
<b>Total operating funding [A]</b>	<b>7,825</b>	<b>7,995</b>	<b>8,264</b>	<b>269</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	5,472	5,545	5,736	191
Finance costs	1	-	2	2
Internal charges and overheads applied	1,745	1,767	1,925	158
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>7,218</b>	<b>7,312</b>	<b>7,663</b>	<b>351</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>607</b>	<b>683</b>	<b>601</b>	<b>(82)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	20	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(4)	(4)	(3)	1
Gross proceeds from sale of assets	1	1	1	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>17</b>	<b>(3)</b>	<b>(2)</b>	<b>1</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	66	3	5	2
—to replace existing assets	196	257	199	(58)
Increase (decrease) in reserves	362	420	395	(25)
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>624</b>	<b>680</b>	<b>599</b>	<b>(81)</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(607)</b>	<b>(683)</b>	<b>(601)</b>	<b>82</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Activity revenue and expenditure

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>INCOME</b>				
General rates, uniform annual general charges, rates penalties	1,296	1,325	1,292	(33)
Targeted rates (including targeted rates for water supply)	268	280	332	52
Subsidies and grants (operating and capital)	25	-	-	-
User charges and regulatory income (consent fees, infringements etc...)	116	76	75	(1)
Internal charges and overheads recovered	5,472	5,638	5,909	271
Other income	669	677	657	(20)
<b>Total income</b>	<b>7,846</b>	<b>7,996</b>	<b>8,265</b>	<b>269</b>
<b>EXPENDITURE</b>				
Staff costs	3,520	3,604	3,778	174
Operating & maintenance costs	1,952	1,941	1,958	17
Finance costs	1	-	2	2
Internal charges and overheads applied	1,745	1,767	1,925	158
Other operating expenditure	-	-	-	-
Depreciation	219	229	274	45
<b>Total expenditure</b>	<b>7,437</b>	<b>7,541</b>	<b>7,937</b>	<b>396</b>
<b>Surplus (deficit) of activities</b>	<b>409</b>	<b>455</b>	<b>328</b>	<b>(127)</b>

## Capital expenditure summary (renewal and new capital)

	2017 Annual Plan	2018 LTP Year 3	2018 Annual Plan	Movement Draft Annual Plan v LTP
	\$000	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE - TO IMPROVE THE LEVEL OF SERVICE</b>				
Miscellaneous new capital	66	3	5	2
	<b>66</b>	<b>3</b>	<b>5</b>	<b>2</b>
<b>CAPITAL EXPENDITURE - TO REPLACE EXISTING ASSETS</b>				
Vehicle and plant item replacements	70	120	70	(50)
IT equipment replacements	110	116	111	(5)
General renewals	16	21	18	(3)
	<b>196</b>	<b>257</b>	<b>199</b>	<b>(58)</b>

## 11.6 Explanation of the differences from the LTP

No significant differences.

# **PART D: Forecast Financial Statements, Rating and Other Information**

# 1 Introduction

## 1.1 Statement of responsibility

The forecast financial statements are prepared on assumptions and the best available information as to future events which the Council expects to take place as of March 2017. The Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

## 1.2 Authorisation for issue

This draft document was authorised for issue by Council on, and is dated, 13 March 2017.

## 1.3 Purpose for which this plan is prepared

This Grey District Council Draft Annual Plan 2017/2018 is prepared in accordance with the Local Government Act 2002, which requires a Council, at all times, to have an Annual Plan. The purpose of this legislation is to provide for democratic and effective local Government that recognises the diversity of New Zealand communities and promotes the accountability of local authorities to their communities. The Council's Annual Plan covers the period 1 July 2017 to 30 June 2018. It incorporates operating and capital expenditure for the period for the Council.

The primary objective of Council is to provide services or goods for the community for social benefit rather than making a financial return. Accordingly, having regard to the criteria set out in the New Zealand equivalents of International Financial Reporting Standards for Public Benefit Entities (NZ IFRS PBE). Council is classified as a Tier 2 reporting entity but has elected to report under Tier 1 and it applies full PBE Standards.

The financial information contained within this document is in terms of FRS 42: Prospective Financial Information. It has been prepared to enable the public to participate in the decision making processes regarding the services to be provided by Council over the financial year 2017/2018 and to provide a broad accountability mechanism of Council to the community.

In this section financial information is provided at a summary level but more detailed information for each Activity and Group of Activities is included throughout the document.

## 1.4 Comparative information

The 2016/2017 comparative information is based on year two of the 2015-2025 Long Term Plan.

## 1.5 Cautionary note

The forecast financial statements are prospective financial information. Actual results are likely to vary from the information presented and the variations may be material. This prospective information should not be read other than for the purposes other than intended.

## 2 Key assumptions applied in the preparation of this Plan

The following sections sets out the key assumptions that Council has made that have an effect on the information contained in the Plan. The following section then assesses the risk of the assumptions being incorrect and potential impact on the Plan.

### 2.1 Price level adjustment

Price level adjustments for inflation have been allowed for in the 2017/2018 estimates.

Price level adjustments for have been derived from those recommended to Local Government by Business and Economic Research Limited (BERL) and modified by known local data. The following are the annual price adjustments allowed for:

	2018 LTP Year 3	2018 Estimates used for this Draft Plan
Earth-moving	2.40%	2.20%
Energy	3.90%	2.20%
Road	2.20%	2.20%
Staff	2.60%	1.50%
Water	3.00%	2.20%
Other	2.60%	1.50%

Inflation assumption per the above have been included on a line by line basis in operating budgets; with equivalents from 2016/2017 estimates used as the basis for calculating future years' expenditure items.

### 2.2 Growth forecasting

Growth has been allowed for at a rate determined by Council to be the most appropriate using information from Statistics New Zealand medium level population projections combined with our knowledge of current and planned development in the District. On this basis the Plan assumes that the District's population will remain **static**: estimated population of 13,371 people as at March 2013, an estimated population of 13,800 in 2021 to an estimated population of 13,650 by 2026. Therefore a growth rate of 0% has been assumed. Council is mindful that the West Coast also has a higher population of people aged 65 and over than the national average.

Within the Draft Plan, growth has been based on known planning constraints or, if there are no known constraints, then growth is assumed to be 'straight-line' between years. These assumptions have been applied when projecting expenditure and revenue over the ten year period. The projections for different infrastructure services, such as water and sewer, will vary from the above population figures, because the areas served by each scheme do not necessarily involve the whole District and the probable rate of growth will differ from scheme to scheme. Across the whole District, growth forecasts are projected off the latest available dwelling information within the Draft Plan.

### 2.3 Borrowing

#### Interest rates

Interest rates on borrowings are calculated on:

- Current rates for existing borrowings – average cost of borrowing 5%
- 5.5% p.a. for new or re-financed borrowing.

It is likely that interest rates in the shorter term may be lower than these assumptions; however the rates have been used as the most likely long term cost of funds for Council projects.

#### Terms

The periods over which loans are repaid have been matched to the expected period of benefit that the financed asset will deliver (generally set to a maximum of 30 years) and revenue levels have been set at sufficient levels to meet repayment terms. All debt (including Local Government Funding Agency (LGFA) and Westpac) is renewable.

## 2.4 Investments

Interest rates on investments are calculated at 4.0% p.a. This is based on the average return for investments placed in the market at the time of preparing this Plan.

## 2.5 Governance structure

It is assumed that the governance structure will remain in the state as anticipated by this Plan over the duration of this Plan.

## 2.6 Grants and subsidies

Council is assuming that grants and subsidies from Central Government will continue at their present level. Most significant of these are:

- New Zealand Transport Agency (NZTA) – The NZTA reviewed their Funding Assistance Rates (FAR) and the Grey District Council subsidy rate will decrease from 62% to 57% over five years (from 2015/2016). In the LTP, Council resolved to deliver efficiencies to cover the cost of the decreasing subsidy over the first four years of the Plan and will review this on an annual basis with a view to increasing rates from year five of the LTP (ie 2019/2020).
- Council has applied for and obtained all available further Sanitary Works Subsidy Scheme (SWSS) subsidies from Central Government – no further subsidies are available.
- Waste Levy fund.

## 2.7 Local Government responsibilities

For the purposes of this Plan, it is assumed that there will be no significant change to the local government environment and the functions we are mandated to carry out. This includes:

- It is assumed that there will be no devolutions of responsibilities from Central Government to Local Government, particularly not without equivalent increase in funding;
- It is assumed that there will be no restrictions on Council undertaking any of the services outlined in this Plan; and
- We particularly note the following:
  - There are impending changes with the implementation of new regulations to the Resource Management Act and Building Act. As Council cannot assess the impact of the new legislation, it is assumed no significant changes to Council business; and

## 2.8 Assumptions as to activities undertaken and levels of service provided

Council is assuming that the range of activities that it has signalled to undertake will not change.

Council is assuming that the levels of service to which its activities are provided will not change, except as a consequence of planned expenditure programmes mentioned in this Plan. The reality is that any change to service level and/or activities undertaken may place the cost of existing funding requirements onto different sectors of the community and/or different communities in the District.

## 2.9 Activity Management Plans (AMPs)

Council is assuming that AMPs provide accurate assessments of the condition of assets and of the maintenance, renewal and capital expenditures required to achieve stated levels of service. The AMPs will be subject to continual update and a full review in 2017. Any changes will be incorporated into relative planning documents.

## 2.10 Fixed assets

### Useful life

The Council has made a number of assumptions about the useful lives of its assets by assessing condition using the age, material and local knowledge. The detail for each asset category is reflected in the statement of accounting policies. The useful lives are consistent with the assumptions applied to valuing each asset category and were determined by experienced and qualified asset valuers. Renewals and maintenance have currently been determined by assessing condition using the age, material and local knowledge. This may change once we have more accurate information following the completion of detailed condition assessments.

## Sources of funds for replacement

The funding of the replacement of future assets is based on the following assumptions:

- The funding for the replacement of any individual asset will be funded from the following sources in the following order of priority:
  - Specific reserves set aside for the purpose of replacing the asset(s).
  - From the current year's operating surplus, including any cash arising from the funding of depreciation.
  - Loan funding the balance of the expenditure, with a loan being the shorter of either a 30 year loan term (as described above) or the life of the asset.
- Depreciation is calculated based on the expected life of assets.

## Revaluation of fixed assets

Council revalues some classes of assets as outlined in the statement of accounting policies. The basis used for projecting future revaluation movements is the compounded relevant price adjustment index as outlined above.

### 2.11 Contract rates

Council is assuming that the re-tendering of major contracts will not result in cost increases other than those comparable to the rate of inflation included (as outlined above).

### 2.12 Resource consents

Council is assuming that the resource consents that it needs for delivery of the services outlined in this Plan will be obtained and granted with conditions that can be met within anticipated expenditure estimates.

### 2.13 Vesting assets

Based on historical information, it has been assumed there will be vesting of assets in Council during the life of this Plan. Council is aware of two potential cases: private water supply schemes at Nelson Creek and Kaiata Park. These potential schemes have not been included in the Plan. Please note the following with regards to vesting of assets:

- Usually beyond Council's control and their number and value are very difficult to predict;
- Being brand new, unlikely to impose any significant extra costs from those generated from current AMPs over the life of this Plan; and
- Council will consider each instance on a case by case basis and consult with the affected community if necessary.

### 2.14 General commitments and contingencies

Council is not aware of any additional commitments or contingencies not already covered in this Plan.

### 2.15 Sustainable development

The Council has considered the sustainability of each of its services and activities in its preparation of the Plan and how the services it provides will meet the needs of the present and future generations, and how its activities will also protect and enhance the natural environment in the long term. The Council is required by the Local Government Act to take a sustainable development approach to providing for the social, economic, environmental and cultural wellbeing of communities. This involves taking account of the needs of people and communities now, the reasonably foreseeable needs of future generations, and the need to maintain and enhance the quality of the environment.

Taking a sustainable development approach is reflected in the way the Council plans for the District as well as in planning, funding and delivering its services. Financial sustainability, particularly in a time of economic uncertainty, is a core concern of this Plan. The Council has developed balanced budgets that aim to respond to the needs of today's community in an affordable way, while funding long term projects so that future generations pay their fair share. Sustainable development of the District is significantly influenced through the Environmental Services group of activities, most notably the District Plan. Council has a significant role in the provision and operation of key infrastructure resulting from subsequent development.

### 2.16 Effects of climate change

It is assumed that the climate change reports provided by the Intergovernmental Panel on Climate Change (IPCC) are reliable and provide a reasonable indication of what Council needs to consider in its planning processes. Based on the IPCC reports it is assumed that the sea level will rise by 0.5m over the next 100 years.

There is also potential for erosion as a result of climate change at our seaside communities such as Rapahoe, Cobden, Karoro and South Beach. As there is insufficient information on this matter to date to estimate the potential impact, the situation will be closely monitored as indicated in our Infrastructure Strategy.

## 2.17 Emissions trading scheme

This Plan has been prepared based on the broad scientific community view that human induced climate change through increased greenhouse gas emissions is occurring and may accelerate in the future. National and international efforts are underway to control emissions in response to agreements that the Government is a signatory to.

With the Emissions Trading Scheme legislation in place Council has included the costs that are necessary to be met as an emitter (landfill). Council is not planning on undertaking any additional activities that cost under the Emissions Trading Scheme.

Many of the climate change induced changes are likely to eventuate over the longer term and will occur beyond the ten-year horizon upon which the activities and their service levels are described in this Plan. They are, however, factors to be taken into account in maintaining the long term (i.e. up to 50 year) AMPs upon which programmes are funded through this Plan.

## 2.18 Natural disasters/resilience

It is assumed that there is a likelihood of one or more significant events occurring during the life of this Plan. Council has various resilience factors and financial resources in place to call upon if an event were to occur, including:

- LAPP;
- FA – NZTA (1:20);
- Disaster Recovery Fund; and
- Above ground insurance.

The budgets in the Plan do not include any provision for the implications of a natural disaster except for the Emergency Rooding Budget.

## 2.19 Risk assessment on key assumptions

No significant changes. Refer to the assessment provided in the 2015–2025 Long Term Plan.

## 3 Forecast financial statements

### 3.1 Prospective statement of comprehensive revenue & expenditure

	Note	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
<b>REVENUE</b>				
Rates	1	15,528	16,295	16,109
Subsidies and grants	2	4,142	4,127	4,482
Development and financial contributions		59	62	39
Fees and charges		4,507	4,686	4,496
Interest revenue		631	632	626
Other revenue	3	520	541	503
<b>Total revenue</b>	<b>4</b>	<b>25,387</b>	<b>26,343</b>	<b>26,255</b>
<b>EXPENDITURE</b>				
Personnel costs	5	5,096	5,224	5,417
Depreciation and amortisation expense	6	7,928	8,456	8,552
Finance costs	7	2,388	2,468	2,035
Other expenses	8	11,304	11,518	11,653
<b>Total expenses</b>	<b>9</b>	<b>26,716</b>	<b>27,666</b>	<b>27,657</b>
<b>Net surplus/(deficit) before tax</b>		<b>( 1,329)</b>	<b>( 1,323)</b>	<b>( 1,402)</b>
Income tax expense		-	-	-
<b>Surplus/(deficit) after tax attributable to Grey District Council</b>		<b>( 1,329)</b>	<b>( 1,323)</b>	<b>( 1,402)</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>				
Movement in asset revaluation reserve		22,126	-	-
<b>Total comprehensive Revenue and Expense</b>		<b>20,797</b>	<b>( 1,323)</b>	<b>( 1,402)</b>

Note: The cost of service statements presented in PART C: Groups of Activities do not include 'Other Comprehensive Revenue and Expenditure'. They will therefore reconcile to the 'Surplus/(deficit) after tax attributable to Grey District Council' line in the above statement.

The mandatory disclosures required for financial statements under Local Government (Financial Reporting) Regulations have been disclosed in the notes to these forecast financial statements.



## 3.2 Prospective statement of changes in net assets/equity

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
Equity at the beginning of the year	382,806	403,770	403,603
Total comprehensive revenue and expense	20,797	( 1,323)	( 1,402)
<b>Balance at 30 June</b>	<b>403,603</b>	<b>402,447</b>	<b>402,201</b>

### 3.3 Prospective statement of financial position

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7,492	8,333	7,305
Receivables	2,623	2,479	2,812
Receivables from exchange transactions		206	
Other financial assets	5,901	5,079	5,790
Inventory	305	305	305
Non-current assets held for sale	-	-	-
	<b>16,321</b>	<b>16,402</b>	<b>16,212</b>
<b>Non Current Assets</b>			
Receivables	213	202	202
Property, plant and equipment	427,670	425,605	422,070
Intangible assets	287	252	287
Other financial assets*	738	635	724
Investment property	3,410	3,462	3,359
	<b>432,318</b>	<b>430,156</b>	<b>426,642</b>
<b>TOTAL ASSETS</b>	<b>448,639</b>	<b>446,558</b>	<b>442,854</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	3,576	2,945	3,122
Employee entitlements	526	533	537
Deferred revenue	212	212	212
Borrowings	5,000	5,000	5,000
Derivative financial instruments	-	-	-
	<b>9,314</b>	<b>8,690</b>	<b>8,871</b>
<b>Non Current Liabilities</b>			
Provisions	2,107	2,059	2,059
Employee entitlements	432	436	436
Borrowings	33,182	32,926	29,287
Derivative financial instruments	-	-	-
	<b>35,721</b>	<b>35,421</b>	<b>31,782</b>
<b>TOTAL LIABILITIES</b>	<b>45,035</b>	<b>44,111</b>	<b>40,653</b>
<b>EQUITY</b>			
Retained earnings	231,031	228,470	229,449
Special Funds	8,433	9,166	8,656
Trusts Bequests and Other Reserves	190	546	173
Revaluation reserve	163,923	164,265	163,923
<b>Total equity attributable to the Council</b>	<b>403,577</b>	<b>402,447</b>	<b>402,201</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>448,612</b>	<b>446,558</b>	<b>442,854</b>

\* includes Council's investment in New Zealand Local Government Insurance Corporation Limited

### 3.4 Prospective statement of cash flows

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from rates revenue	15,503	16,261	16,072
Subsidies and grants received	4,142	4,127	4,482
Development and financial contributions received	59	62	39
Interest received	617	630	625
Dividends received	-	-	-
Receipts from other revenue	6,633	5,997	5,740
Payments to suppliers	(12,025)	(12,333)	(12,405)
Payments to employees	(5,085)	(5,224)	(5,411)
Interest paid	(2,388)	(2,468)	(2,035)
Income tax paid (refund)	-	-	-
Goods and services tax (net)	34	(164)	(116)
<b>Net cash from operating activities</b>	<b>7,490</b>	<b>6,888</b>	<b>6,991</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment	-	-	-
Proceeds from sale of investment property	121	121	51
Proceeds from investments	14,774	14,036	15,985
Purchase of property, plant and equipment	(12,725)	(6,850)	(8,360)
Purchase of intangible assets	-	-	-
Acquisition of investments	(16,165)	(13,904)	(15,860)
<b>Net cash from investing activities</b>	<b>(13,995)</b>	<b>(6,597)</b>	<b>(8,184)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings	12,178	433	7,142
Repayment of borrowings	(5,851)	(875)	(6,136)
<b>Net cash from financing activities</b>	<b>6,327</b>	<b>(442)</b>	<b>1,006</b>
<b>Net (decrease)/increase in cash, cash equivalents and bank overdrafts</b>	<b>(178)</b>	<b>(151)</b>	<b>(187)</b>
Cash, cash equivalents and bank overdrafts at the beginning of the year	7,670	8,484	7,492
<b>Cash, cash equivalents and bank overdrafts at the end of the year</b>	<b>7,492</b>	<b>8,333</b>	<b>7,305</b>

## 3.5 Notes to the prospective financial statements

### Note 1 – Rates revenue

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
<b>GENERAL RATES</b>			
General Rates - Uniform Annual General Charge	2,971	3,112	3,095
General Rates - set on land value	6,256	6,560	6,585
<b>Total General Rates</b>	<b>9,227</b>	<b>9,672</b>	<b>9,680</b>
<b>TARGETED RATES ATTRIBUTABLE TO ACTIVITIES:</b>			
Economic development	268	280	332
Refuse Collection	1,278	1,328	1,297
Sewerage Collection	2,435	2,568	2,414
Water Supplies	1,916	2,064	1,973
Water Meter Rates	229	240	233
Lump sum contributions	-	-	-
<b>PENALTIES</b>			
Rate Penalties	175	143	180
<b>Total annual rates revenue</b>	<b>15,528</b>	<b>16,295</b>	<b>16,109</b>

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
Rates, excluding targeted water supply rates	15,528	16,295	16,109
<b>Total annual rates income</b>	<b>15,528</b>	<b>16,295</b>	<b>16,109</b>

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
Rates on land where GDC is the ratepayer	396	409	415
Rate discounts	38	39	40
Rates remitted per Council policy	36	37	38
<b>Total rates remitted</b>	<b>470</b>	<b>485</b>	<b>493</b>

**Note 2 – Subsidies and grants**

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
New Zealand Transport Agency subsidies	3,632	3,648	3,996
NZ Lottery Grants	-	-	-
Other grants and subsidies	510	479	486
<b>Total subsidies and grants</b>	<b>4,142</b>	<b>4,127</b>	<b>4,482</b>

**Note 3 – Other revenue**

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
Traffic and parking infringements	31	33	31
Petrol tax	173	181	175
Dividends	-	-	-
Net gain (loss) of non current assets held for sale	-	-	-
Net gain (loss) on sale of property plant & equipment	121	121	51
Assets Vested	91	95	92
Other	104	111	154
<b>Total other income</b>	<b>520</b>	<b>541</b>	<b>503</b>

**Note 4 Revenue by activity**

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
Land transport	6,637	6,779	7,073
Stormwater	977	996	1,095
Wastewater	2,561	2,700	2,550
Water Supply	2,159	2,318	2,220
Solid waste management	2,256	2,365	2,326
Emergency management	219	229	127
Environmental services	1,897	1,974	2,011
Other transport	866	966	869
Property and housing	1,178	1,228	1,179
Community facilities and events	4,521	4,704	4,800
Democracy and administration	7,846	7,996	8,265
<b>Total activity income</b>	<b>31,117</b>	<b>32,255</b>	<b>32,515</b>
<i>less Internal charges and overheads recovered</i>	<i>5,730</i>	<i>5,912</i>	<i>6,260</i>
<b>Total Income</b>	<b>25,387</b>	<b>26,343</b>	<b>26,255</b>

## Note 5 – Employee benefit expenses

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
Wages and salaries	4,841	4,963	5,146
Contributions to defined contribution plans	204	209	217
Increase/(decrease) in employee benefit liabilities	51	52	54
<b>Total employee expenses</b>	<b>5,096</b>	<b>5,224</b>	<b>5,417</b>

## Note 6 – Depreciation and amortisation expense

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
Land transport	3,700	3,812	3,812
Stormwater	806	908	895
Wastewater	963	1,102	984
Water Supply	563	649	610
Solid waste management	117	122	293
Emergency management	11	12	5
Environmental services	40	42	2
Other transport	284	296	224
Property and housing	380	398	391
Community facilities and events	845	886	1,062
Democracy and administration	219	229	274
<b>Total depreciation and amortisation</b>	<b>7,928</b>	<b>8,456</b>	<b>8,552</b>

## Note 7 – Finance costs

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
<b>INTEREST EXPENSE</b>			
Interest on borrowings	2,388	2,468	2,035
<b>FAIR VALUE (GAINS) / LOSSES ON DERIVATIVES</b>			
Interest Rate Swap (fair value hedges)	-	-	-
<b>Total finance costs</b>	<b>2,388</b>	<b>2,468</b>	<b>2,035</b>

## Note 8 – Other expenses

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
<b>Fees to principal auditor</b>			
Audit of financial statements	106	114	107
Long Term Plan (LTP) audit	-	40	-
Audit fee paid on behalf of West Coast Recreation Trust	5	-	-
Assets written off	-	-	-
Impairment of asset expense	-	-	-
Bad debt expense	25	27	25
Directors' fees	-	-	-
Grants & Donations	304	306	306
Movement in impairment of receivables	-	-	-
Movement in provision for financial guarantee	-	-	-
Insurance expenses	486	492	594
Loss on sale of property, plant and equipment	-	-	-
Remuneration of elected members	249	270	264
Minimum lease payments under operating leases	328	346	383
Other operating expenses	9,801	9,923	9,974
<b>Total other expenses</b>	<b>11,304</b>	<b>11,518</b>	<b>11,653</b>

## Note 9 – Expenditure by activity

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000
Land transport	6,580	6,755	6,804
Stormwater	1,326	1,421	1,426
Wastewater	3,024	3,260	2,921
Water Supply	2,127	2,320	2,177
Solid waste management	2,187	2,296	2,357
Emergency management	210	221	128
Environmental services	1,861	1,934	2,018
Other transport	1,459	1,362	1,360
Property and housing	1,313	1,345	1,454
Community facilities and events	4,922	5,123	5,335
Democracy and administration	7,437	7,541	7,937
<b>Total activity expenditure</b>	<b>32,446</b>	<b>33,578</b>	<b>33,917</b>
<i>less Internal charges and overheads recovered</i>	5,730	5,912	6,260
<b>Total Expenditure</b>	<b>26,716</b>	<b>27,666</b>	<b>27,657</b>

## 4 Statement of movement in Council special funds (reserve funds)

Reserve	Activities to which the reserve relates	Opening Balance 1 July 2016	Transfers to Reserve 2016/17 (Deposits)	Transfers from Reserve 2016/17 (Withdrawals)	Closing Balance 30 June 2017
		\$000	\$000	\$000	\$000
<b>SPECIAL FUNDS</b>					
Greymouth Sewerage Fund	Wastewater	-	-	-	-
Te Kinga Infrastructure Upgrade Reserve	All activities	89	4	-	93
Rural Sewerage Capital Works Reserve	Wastewater	278	13	-	291
Cobden Stormwater Mitigation Reserve	Stormwater	51	2	-	53
Barrytown Area Infrastructure Reserve	All activities	98	4	-	102
Atarau Area Infrastructure Reserve	All activities	4	1	-	5
Ahaura Area Infrastructure Reserve	All activities	178	8	-	186
Hauptiri Area Infrastructure Reserve	All activities	182	9	-	191
Nelson Creek Infrastructure Reserve	All activities	16	1	-	17
Ngahere Infrastructure Reserve	All activities	186	8	-	194
Runanga Area Infrastructure Reserve	All activities	652	31	-	683
Kaiata Stillwater Area Infrastructure Reserve	All activities	172	9	-	181
Karoro Infrastructure Development Reserve	All activities	600	29	-	629
South Beach/Paroa Infrastructure Reserve	All activities	400	19	-	419
Camerons Infrastructure Reserve	All activities	85	4	-	89
Gladstone Infrastructure Reserve	All activities	200	10	-	210
Arnold Valley Area Infrastructure Reserve	All activities	101	5	-	106
Lake Brunner Area Infrastructure Reserve	All activities	204	10	-	214
Hohonu Area Infrastructure Reserve	All activities	47	2	-	49
Infrastructure Renewal Reserve	All activities	100	110	(67)	143
Flood Protection Reserve	Stormwater/Flood protection	110	5	-	115
Cemetery Extension Reserve	Cemeteries	47	2	-	49
Cemetery Maintenance Reserve	Cemeteries	300	20	-	320
Footpath Reserve	Land transport	61	3	-	64
Roading Reserve	Land transport	278	-	(115)	163
Land Fill Reserve	Solid waste management	22	12	-	34
Airport Maintenance Reserve	Airport	250	88	-	338
Disaster Recovery Reserve	All activities	2,000	96	-	2,095
Civil Defence Reserve	Emergency management	34	2	-	36
Rural Fire Authority Reserve	Rural fire authority	116	6	-	122



Reserve	Activities to which the reserve relates	Opening Balance 1 July 2016 \$000	Transfers to Reserve 2016/17 (Deposits) \$000	Transfers from Reserve 2016/17 (Withdrawals) \$000	Closing Balance 30 June 2017 \$000
Economic Development Reserve	All activities	10	-	-	10
Harbour Endowment Land Sales Reserve	Port	-	-	-	-
Land Sale Reserve	All activities	-	-	-	-
Reserves Subdivision Contributions	Community facilities and parks	-	25	(20)	5
Maori Land Compensation Reserve	Council property	172	8	(22)	158
Town Clock Reserve	Community facilities and parks	-	-	-	-
Gas Management Plan Reserve	Council property	16	1	-	17
District Planning Reserve	District planning	60	-	(60)	-
Plant and Machinery Reserve	All activities	541	149	(65)	625
Building & Property Gen Reserve	Council property	20	(9)	(39)	(28)
Corp Equip and Furniture Reserve	Council administration	518	60	(20)	558
Staff Costs Reserve	Council administration	-	-	-	-
Sunshine Coach Reserve	Council administration	7	-	-	7
Rental Housing Reserve	Retirement housing	126	30	(47)	109
Library Reserve	Libraries	4	-	-	4
<b>Total special funds</b>		<b>8,335</b>	<b>777</b>	<b>(455)</b>	<b>8,656</b>
<b>TRUSTS AND BEQUESTS</b>					
McGlashan Trust	Community facilities and parks	2	-	-	2
E White Bequest	Community facilities and parks	38	2	-	40
Mayoral Flood Relief Fund	Democracy	8	-	-	8
Citizens Emergency Relief Fund	Democracy	69	4	-	73
Perotti Bequest	Community facilities and parks	1	-	-	1
Peters Bequest - Talking Books	Libraries	19	-	(2)	17
Vera Corbett Bequest	Libraries	31	1	-	32
<b>Total trusts and bequests</b>		<b>168</b>	<b>7</b>	<b>(2)</b>	<b>173</b>
<b>TOTAL SPECIAL FUNDS AND TRUSTS/BEQUESTS</b>		<b>8,503</b>	<b>784</b>	<b>(457)</b>	<b>8,829</b>

## 5 Summary of significant accounting policies

### 5.1 Reporting entity

Grey District Council ("Council") is a territorial local authority governed by the Local Government Act 2002.

Council has two associates: Tourism West Coast (25% controlled) and West Coast Rural Fire Authority (20% controlled). Council has one subsidiary: West Coast Recreation Trust (100% controlled).

All associates and subsidiaries are incorporated in New Zealand.

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 and the group as public benefit entities for the purposes of the new Public Sector Public Benefit Entity Standards (PBE standards).

The prospective financial statements of Council were authorised for issue by Council on 13 March 2017.

### 5.2 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).

The prospective financial statements have been prepared in accordance with PBE standards for a Tier 1 entity. The Council is adopting the PBE standards for the first time in the periods presented in these financial statements.

An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. Council investments in associates are carried at cost in Council's own "parent entity" financial statements.

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

The prospective financial statements are presented in New Zealand dollars and are rounded to the nearest thousand dollars (\$'000) where indicated. The functional currency of Council is New Zealand dollars.

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/deficit.

The preparation of prospective financial statements in conformity with PBE standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The accounting policies set out below will be applied consistently to all periods presented in these prospective financial statements.

Council and Management of the Grey District Council are responsible for the preparation of the prospective financial statements.

The prospective financial statements have been prepared in accordance with financial reporting standard 42.

### 5.3 Accounting policies

#### Revenue

Revenue comprises of the items below and is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

#### Revenue from exchange and non-exchange transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash in exchange).

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transaction arises when the Council receives value from another party without

giving approximately equal value directly in exchange for the value received.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Many of the services that the Council provides for a fee are charged at below market value as they are subsidised by rates. Other services operate on a cost recovery or breakeven basis and are not considered to reflect a market return. Most of the Council's revenue is therefore categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below. The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

### Rates

Rates Revenue is recognised by Council as being revenue on the due date of each instalment. Rates are a tax as they are payable under the Local Government (Rating) Act 2002 and are therefore defined as non-exchange.

Water billing revenue is recognised on an accrual basis and are taxes that use a specific charging mechanism to collect the rate and are non-exchange revenue.

### Subsidies and grants

New Zealand transport Agency (formerly Land Transport New Zealand) financial assistance is recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and bequests, and assets vested in Council — with or without conditions — are recognised as revenue when control over the assets is obtained.

### Development and financial contributions

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

### Finance revenue

Interest revenue is exchange revenue and recognised using the effective interest method.

### Other revenue

Dividends are recognised when the right to receive payment has been established and are classified as exchange revenue

Revenue from fines and penalties (e.g. traffic and parking infringements, library overdue book fines, rates penalties) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Revenue from the rendering of services where the service provided is non-exchange is recognised when the transaction occurs to the extent that a liability is not also recognised. Within rendering of services the only revenues considered to be exchange revenue are from Parking services (meter fees and permits) and commercial leases of some building assets. For these transactions the revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer.

Investment property lease rentals (net of any incentives given) are classified as exchange revenue and recognised on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished

### Other gains and losses

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities.

Vested Asset Revenue is recognised as non-exchange revenue when the maintenance period (where the developer is responsible for addressing maintenance items) ends and the asset is at the required standard to be taken over by Council.

### Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

### Borrowing costs

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

## Derivatives

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. Movement in the fair value in interest rate swaps are recognised as a finance expense/revenue through the surplus/deficit.

## Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited to the surplus/deficit, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

## 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 balance sheet 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 90 days or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### Financial assets

Council classifies its financial assets into the following three categories: held-to-maturity investments, loans and receivables and financial assets at fair value through equity. 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 surplus/deficit in which case the transaction costs are recognised in the surplus/deficit.

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus/deficit as a grant.

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, net asset booking, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

### 1. 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/deficit. Loans and receivables are classified as "trade and other receivables" in the balance sheet.

### 2. Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Council has the positive intention and ability to hold to maturity.

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/deficit.

Investments in this category include fixed term deposits and bonds.

### 3. Financial assets at fair value through the surplus or deficit

Derivatives held by Council are categorized in this group unless they are designated as hedges. After initial recognition, they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus/deficit. Council uses derivative financial instruments to hedge exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

### 4. Financial assets at fair value through other comprehensive revenue and expenditure

This category encompasses investments that Council intends to hold long-term but which may be realised before maturity.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in other comprehensive revenue and expenditure except for impairment losses, which are recognised in the surplus/deficit. In the event of impairment, any cumulative losses previously recognised in other comprehensive revenue and expenditure will be reclassified and recognised in surplus/deficit even though the asset has not been derecognised.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expenditure is reclassified from equity to the surplus or deficit.

### 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 the surplus/deficit.

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.

### Accounts receivable

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.

### Inventory

Inventory held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at the lower of cost, adjusted, when applicable, for any loss of service potential. Where inventory is acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for development and future resale is transferred from investment property/property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment.

### 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.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

### Property, plant and equipment

Property, plant and equipment consist of:

## Infrastructure assets

Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

## Other fixed assets

These include land, buildings and breakwater and wharves.

## Vested assets

Vested assets are those assets where ownership and control is transferred to the Council from a third party (e.g. infrastructure assets constructed by developers and transferred to the Council on completion of a subdivision). Vested assets are recognised within their respective asset classes.

## Heritage assets

Heritage assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The Council recognises these assets within these financial statements to the extent their value can be reliably measured.

## Recognition and measurement

Shown at cost or valuation, less accumulated depreciation and impairment losses.

Certain items of property, plant and equipment that had been revalued to fair value on or prior to 1 July 2005, the date of transition to NZ IFRS are measured on the basis of deemed cost, being the revalued amount at the date of transition.

## 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/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, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

ASSET CLASS	DEPRECIATION METHOD	LIFE (YEARS)	%
Buildings			
- Structure	Straight line	40 - 50	2.0 – 2.5
- Fit Out	Straight line	15	6.67
- Services	Straight line	15 - 30	3.33 – 6.67
- Sundry (e.g. car parking)	Straight line	10	10
Aerodrome	Straight line	10 - 75	1.33 - 10
Plant and machinery	Straight line	3 – 30	3 – 33
Furniture and fittings	Straight line	10	10
Computer equipment	Straight line	3 – 8	12.5 – 33
Library stocks	Straight line	8	12.5
Breakwaters and wharves	Straight line	40 – 50	2 – 2.5
Reserve board assets	Not depreciated	-	-
Landfill sites	Straight line	10 – 50	2 – 10
Landfill capitalised aftercare costs	Straight line	8	12.5
Water supply systems			
- Pipe network	Straight line	50 – 80	1.25 – 2
- Pumps and electrical	Straight line	10 – 60	1.67 – 10
- Reservoirs	Straight line	60 – 80	1.25 – 1.67
Drainage and sewerage			
- Pipe network	Straight line	50 – 80	1.25 – 2
- Pumps and electrical	Straight line	10 – 80	1.25 – 10
- Ponds	Straight line	60	1.67



ASSET CLASS	DEPRECIATION METHOD	LIFE (YEARS)	%
Heritage assets	Straight line	40	2.5
Roading networks			
- Formation	Not depreciated	-	-
- Pavement structure – sealed	Straight line	40 – 50	2 – 2.5
- Pavement structure – unsealed	Straight line	3 – 22	4.5 – 33
- Pavement surfacing	Straight line	8 – 16	6.25 – 12.5
- Kerb and channelling	Straight line	50 – 150	0.67 – 2
- Bridges	Straight line	15 – 100	1 – 6.67
- Footpaths	Straight line	15 – 50	2 – 6.67
- Drainage: surface water channels	Straight line	10 – 80	1.25 – 10
- Drainage: culverts and catch pits	Straight line	50 – 150	0.67 – 2
- Traffic signs and pavement marking	Straight line	5 – 15	6.67 – 20
Flood protection scheme	Straight line	100	1
Parking developments	Straight line	50	2
Sportsfields and parks (improvements)	Straight line	5 – 100	1 – 20
Work in progress	Not depreciated	-	-

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

### Revaluation

The measurement base for each class of asset is described below. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

### Valuation

INFRASTRUCTURAL ASSETS	VALUATION BASIS
Roading network	Optimised depreciated replacement cost
Land under roads	Deemed Cost
Stormwater	Optimised depreciated replacement cost

INFRASTRUCTURAL ASSETS	VALUATION BASIS
Flood protection system	Depreciated historical Cost
Sewerage	Optimised depreciated replacement cost
Water supply systems	Optimised depreciated replacement cost
Landfill Site	Depreciated historical Cost

FIXED ASSETS	VALUATION BASIS
General land	Fair Value
Other land	Historical cost
Buildings	Fair Value
Plant and machinery	Depreciated historical cost
Furniture and fittings	Depreciated historical cost
Computer equipment	Depreciated historical cost
Library stocks	Depreciated historical cost
Breakwater and wharves	Depreciated historical cost
Aerodrome	Fair Value
Parking developments	Depreciated historical cost
Reserve Board Assets	Fair value
Sportsfields and parks	Deemed Cost
Heritage assets	Deemed Cost

### 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. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus/deficit.

Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus/deficit will be recognised first in the surplus/deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expenditure.

Those asset classes that are revalued are valued on a three yearly valuation cycle on the basis described above. 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.

### 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 that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs

include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

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

### **Investment property**

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, Council measures all investment property at fair value as determined.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus/deficit.

### **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 asset's ability to generate net cash inflows and where the Council would, if deprived of the asset, replace its remaining future economic benefits or service potential.

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

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

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus/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 surplus/deficit, a reversal of the impairment loss is also recognised in the surplus/deficit.

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

### **Trade and other payables**

Short-term creditors and other payables are recorded at their face value.

### **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, and sick leave.

#### **Long-term benefits**

##### **Long service leave and retirement leave**

Entitlements that are payable beyond 12 months, such as long service leave and retiring 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; and
- The present value of the estimated future cash flows. A discount rate of 4.0% and an inflation factor of 2.5% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

### **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.



### Landfill post closure costs

Council has a legal obligation under the Resource Consent to provide on-going maintenance and monitoring services at the landfill site after closure. A provision for post closure costs is recognized as a liability when the obligation for post closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure. The discount rate applied is 6%.

### Financial guarantees

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value, even if a payment under the guarantee is not considered probable. If a financial guarantee contract was issued in a stand-alone arms-length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, a liability is recognised based on the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation. However, if it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

### 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:

- Ratepayers equity (Retained earnings)
- Special funds reserves
- Trusts, bequests and other reserves
- Asset revaluation reserves

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 reserves subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or third parties. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Council created reserves are reserves established by Council decision. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

### Goods 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 balance sheet.

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 of Council using the cost allocation system outlined below.

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

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

### Critical accounting estimates and assumptions

Please refer to PART D:[2] Key assumptions applied in the preparation of this plan for a full list of key assumptions and their potential effects.

In preparing these prospective 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 estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### Infrastructural assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the Revenue Statement. To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

### Grey District Aquatic Centre

The Grey Aquatic Centre has been assessed for impairment due to the 'roof deflection' issue, or sagging beams supporting the roof. The expected cost of this repair has been determined based on a detailed design of the repair and quantity surveyed costing of \$1,030,000.

### Landfill aftercare provision

The cash outflows for landfill post-closure are expected to occur between 2014 and 2047. The long

term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 6% (2017: 6%).

### Financial guarantees

The Council has agreed to act as a sole guarantor for a Westurf Recreation Trust loan, up to a maximum of \$200,000, for the purposes of upgrading their artificial turf at the Greymouth Hockey Stadium. This is contingent on final Council satisfaction on the project being financially sustainable. As at balance date the trust has not yet proceeded with uplifting of a loan, and has indicated to Council that they are unlikely to require the loan.

### Critical judgements in applying Council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for these forecast financial statements:

#### Classification of property

Council owns a number of properties, which are maintained primarily to provide housing to elderly persons. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of Council's social housing policy. These properties are accounted for as property, plant and equipment.

#### Classification of leases

Council is the lessor on a large number of leases which include terms where the lessee can extend the lease into perpetuity. Council has determined that the risks and rewards of ownership is retained by the Grey District Council and therefore have classified the leases as operating leases.

#### Classification of property

Council's leasehold property has been classified as investment property as the primary purpose is to earn rental revenue for the Council and is not directly related to service delivery. Prior to 2014 Council classified this property as "non-current assets held for sale" as during prior years Council was actively encouraging the sale of these properties at a reasonable price and they were available for immediate sale. Whilst this is still Council policy it is deemed to be less than likely that the properties will be sold within the next 12 months and it is expected that the carrying amount of the properties will be recovered principally via the rental revenue derived rather than through continuing use. The 2014 financial statements disclose the value of these assets being transferred from "non-current assets held for sale" to "investment property".

### Cost of service statements

The Cost of Service Statements, as provided in the Statement of Service Performance, report the net cost of services for significant activities of Council, and are represented by the costs of providing the service less all directly related revenue that can be allocated to these activities.

### Statement of cash flows

The following are the definitions of terms used in the statement of cash flows:

- “Operating Activities” include cash received from all revenue sources of Council and record the cash payments made for the supply of goods and services.

- “Investing Activities” are those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments can include securities not falling within the definition of cash.
- “Financing Activities” are those activities change the equity and debt capital structure of Council.
- “Cash” is considered to be cash on hand and cash at bank, and on-call deposits, net of overdrafts.

### New standard and interpretation issued and not yet adopted

None.

## 6 Funding impact statement and rates required

### 6.1 Summary of overall required funding

The following statement sets out the total application of funds and the revenue and financing mechanisms to be used by Council, including the estimated amount (GST exclusive) to be produced by each mechanism.

The total of the revenue sources expected are shown in the Budgeted Statement of Comprehensive Revenue and Expenditure and information is also shown in each Group of Activities Budgeted Cost of Service Statement.

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000	Movement Draft Annual Plan v LTP \$000	
<b>[A] SOURCES OF OPERATING FUNDING</b>					
General rates, uniform annual general charges, rates penalties	9,402	9,815	9,860	45	
Targeted rates	6,126	6,480	6,249	(231)	
Subsidies and grants for operating purposes	1,660	1,656	1,693	37	
Fees and charges	4,507	4,686	4,496	(190)	
Interest and dividends from investments	631	632	626	(6)	
Local authorities fuel tax, fines, infringement fees, and other receipts	308	326	360	34	
<b>Total operating funding [A]</b>	<b>22,634</b>	<b>23,595</b>	<b>23,284</b>	<b>(311)</b>	
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>					
Payments to staff and suppliers	16,400	16,742	17,070	328	note 1
Finance costs	2,388	2,468	2,035	(433)	note 2
Other operating funding applications	-	-	-	-	
<b>Total applications of operating funding [B]</b>	<b>18,788</b>	<b>19,210</b>	<b>19,105</b>	<b>(105)</b>	
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>3,846</b>	<b>4,385</b>	<b>4,179</b>	<b>(206)</b>	
<b>[C] SOURCES OF CAPITAL FUNDING</b>					
Subsidies and grants for capital expenditure	2,482	2,471	2,789	318	note 3
Development and financial contributions	59	62	39	(23)	
Increase (decrease) in debt	6,325	(441)	1,005	1,446	note 4
Gross proceeds from sale of assets	121	121	51	(70)	
Lump sum contributions	-	-	-	-	
Other dedicated capital funding	-	-	-	-	
<b>Total sources of capital funding [C]</b>	<b>8,987</b>	<b>2,213</b>	<b>3,884</b>	<b>1,671</b>	
<b>[D] APPLICATION OF CAPITAL FUNDING</b>					
Capital expenditure					
—to meet additional demand	-	-	-	-	
—to improve the level of service	7,197	392	1,499	1,107	note 5
—to replace existing assets	4,944	5,642	6,237	595	note 5
Increase (decrease) in reserves	692	564	327	(237)	
Increase (decrease) of investments	-	-	-	-	
<b>Total applications of capital funding [D]</b>	<b>12,833</b>	<b>6,598</b>	<b>8,063</b>	<b>1,465</b>	
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(3,846)</b>	<b>(4,385)</b>	<b>(4,179)</b>	<b>206</b>	
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

	2017 Annual Plan \$000	2018 LTP Year 3 \$000	2018 Annual Plan \$000	Movement Draft Annual Plan v LTP \$000
<b>Surplus (deficit) of operating funding</b>	<b>3,846</b>	<b>4,385</b>	<b>4,179</b>	<b>(206)</b>
<b>add sources of capital funding recognised as revenue in statement of comprehensive income</b>				
Subsidies and grants for capital expenditure	2,482	2,471	2,789	318
Development and financial contributions	59	62	39	(23)
Lump sum contributions	-	-	-	-
<b>adjust for other sources of non cash items excluded from the funding impact statement</b>				
Depreciation and amortisation expense	(7,928)	(8,456)	(8,552)	(96)
Net gain (loss) of non current assets held for sale	-	-	-	-
Net gain (loss) on sale of property plant & equipment	121	121	51	(70)
Assets Vested	91	95	92	(3)
<b>Surplus / deficit after tax attributable to Grey District Council</b>	<b>(1,329)</b>	<b>(1,322)</b>	<b>(1,402)</b>	<b>(80)</b>

## 6.2 Explanation of the differences from the LTP

- Note 1** Includes additional staff resources budgeted for Port operations and various other cost increases across activities.
- Note 2** Outstanding loan balances have been reviewed and refined based on actual expenditure to date resulting to amounts due being less than originally forecast in the LTP. This coupled with debt servicing costs (interest rates) being lower than originally forecast has reduced total funding required (i.e. rates).
- Note 3** Additional NZTA subsidies for roading, subject to increased renewal works being approved.
- Note 4** Additional debt funding is required for some of the projects included in this plan that weren't signalled in the LTP, including:
- CBD Renewal
  - Berth renewals at the Port
  - Earthquake strengthening – Left Bank Art Gallery
- Note 5** Additional projects included in this plan as referred to above under Note 4.

## 6.3 Rates

Rates are assessed under the Local Government (Rating) Act 2002 on all rateable rating units in the Rating Information Database (RID). Where rates are set on value, the land value of the property will apply (except for the Economic Development targeted rate which is calculated on capital value).

District revaluations are carried out at a three yearly interval. The latest revaluation was carried out as at **01 September 2015** and these new values were first used for rating purposes from 1 July 2016.

Grey District Council rates are set on a number of factors, including land value, rating units, separate parts of rating units, connections to council services, and capital value. These factors change from year to year as the District grows and with the three yearly District revaluation.

The following sections detail what factors Council uses to calculate rates and what the rates to be set per property are for 2017/2018.

### Policy objective

- To provide Council with adequate revenue to carry out its mission and objectives.
- To support the Council's achievement of its strategic objectives.
- To be simply administered, easily understood, allow for consistent application, and generate minimal compliance costs.
- To spread the incidence of rates as equitably as possible, by balancing the level of service provided by Council with ability to pay and the incidence of costs in relation to benefits received.
- To reflect the decisions of the Councils policies and rating reviews.

### Definition of 'separately used or inhabited part of a rating unit'

A separately used or inhabited part (SUIP) of a rating unit is defined as:

- Any part of a rating unit that which can be:
  - Separately let and/or permanently occupied; and
  - Used for separate purposes.

### These are separately used parts of a rating unit:

- A residential property that contains two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate habitation.
- Commercial premises which contain separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.
- Commercial premises which contain separate living quarters.

### Not separately used parts of a rating unit:

- A residential sleep-out or granny flat without independent kitchen facilities.
- A hotel room with or without kitchen facilities.
- Motel rooms with or without kitchen facilities.
- Individual storage garages/sheds/partitioned areas of a warehouse.
- Individual offices/premises of partners in a partnership.

## 6.4 General rate

The Council sets a general rate under section 13 of the Local Government (Rating) Act 2002 on each rating unit in the District based on the land value. The general rate will be set on a differential basis based on land use as described as follows:<sup>9</sup>

### Residential

All properties in the District less than 4,000 square metres (0.4HA) and used primarily for residential purposes, split into the following zones:

- Residential Zone ONE (refer following Map of Rating Zones for location)
- Residential Zone TWO (refer following Map of Rating Zones for location)
- Residential Zone THREE (refer following Map of Rating Zones for location)

### Rural residential

All properties in the District greater than or equal to 4,000 square metres (0.4HA) and less than 50,000 square metres (5.0HA) and used primarily for residential purposes.

### Rural

All properties in the District greater than or equal to 50,000 square metres (5HA) and used primarily for residential purposes.

### Farming forestry

All properties in the District used primarily for farming and/or forestry purposes.

### Commercial

All properties in the District used primarily for commercial and/or industrial purposes and split into the following zones:

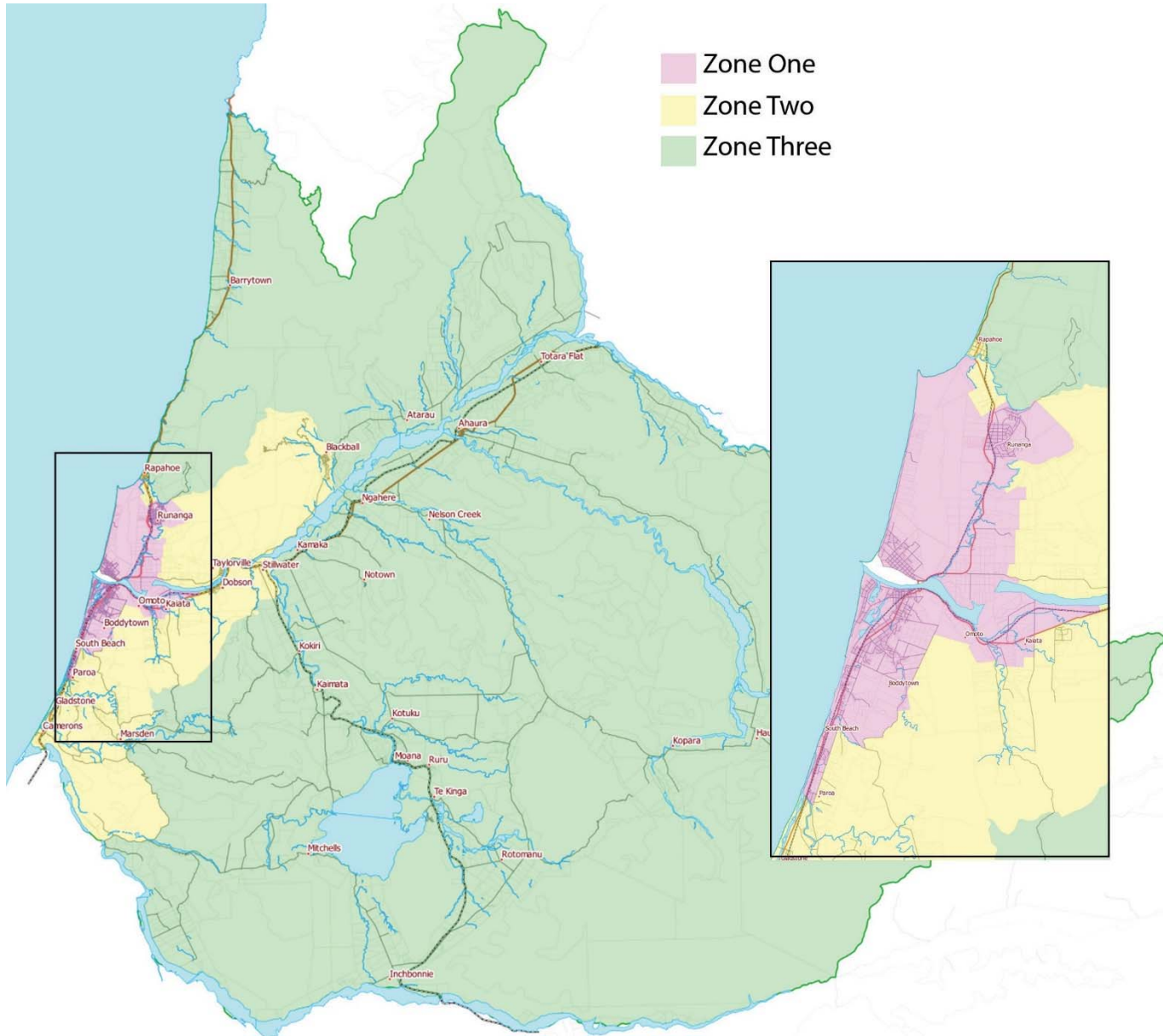
- Commercial Zone ONE (refer Map of Rating Zones for location)
- Commercial Zone TWO (refer Map of Rating Zones for location)
- Commercial Zone THREE (refer Map of Rating Zones for location)

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<sup>9</sup> Note: Where differing areas of a rating unit are used for different purposes Council will identify and then allocate physically discrete parts to the appropriate differential category; and Council's valuer will determine what portion of overall value is represented



## 6.5 Map of rating zones



## 6.6 General rating differentials

### Rates per dollar of land value payable by each category

The following table shows the rates per dollar of land value, which determines the total general rate payable.

The rates for 2017/2018 are:

	Residential Zone 1	Residential Zone 2	Residential Zone 3	Rural Residential	Rural Use	Commercial Zone 1	Commercial Zone 2	Commercial Zone 3	Farming Forestry
<b>TOTAL GENERAL RATE</b>	0.0143140	0.0090370	0.0076280	0.0048740	0.0042760	0.0217960	0.0098500	0.0188040	0.0016800

**Includes GST**



## 6.7 Uniform annual general charge

The Uniform Annual General Charge is charged at one (1) full charge per rating unit as per section 15 of the Local Government (Rating) Act 2002. The Council sets a uniform annual general charge to fund the rating input required (i.e. net funding requirements) for the following activities:

- Aerodrome (part)
- Civic Centre/Westland Recreation Centre
- Library
- Swimming Pools
- Council
- Consultation
- Access to Official Information
- Civil Defence & Emergency Management

The rate for 2017/2018 is:

UAGC	Annual Plan 2016/2017	Annual Plan 2017/2018
Rate	464.10	482.70

**Includes GST**

## 6.8 Targeted rates

### Policy on accepting lump sum contributions

Council appreciates that the benefits of capital expenditure are more appropriately spread over the life of the period the benefit is available. On this basis, the preference is to loan fund the expenditure and meet the required loan repayments through revenue such as targeted rates. Council's policy therefore is not to accept lump sum contributions.

### Sewerage

The Council sets targeted rates under section 16 of the Local Government (Rating) Act 2002 for sewage disposal on the basis of one (1) targeted rate per separately used or inhabited part of a rating unit which is either connected to a Council scheme or for which a connection is available.

The charge will be set on a differential basis based on the availability of the service – either connected or serviceable.

- Connected means the rating unit is connected to a Council operated sewerage scheme.
- Serviceable means the rating unit is not connected, but is within 30 metres of such a scheme and is able to connect by way of a gravity feed. Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

Quarter charges apply to hotels, motels, and schools which receive an initial full sewerage charge and then one quarter sewerage charge for each unit (pan charge) thereafter.

The targeted rate includes:

- The operation and maintenance costs for Council schemes;
- The renewal costs for existing assets; and
- Capital costs (loan repayments of previous capital expenditure, and/or current capital expenditure costs, and/or development costs of capital expenditure).

The rates for 2017/2018 are:

### Rating units classified as service available and connected

WASTEWATER (SEWERAGE) Rating units classified as service available and connected	Annual Plan 2016/2017	Annual Plan 2017/2018
Blackball	593.80	608.60
Dobson/Taylorville/Kaiata - capital rate	740.10	758.60
Dobson/Taylorville/Kaiata - operating and maintenance rate	246.50	252.70
Greymouth	639.60	655.60

Karoro	323.90	332.00
Moana	265.80	272.40
Runanga	257.80	264.20
South Beach/Paroa	288.10	295.30
Te-Kinga	708.50	726.20
South Beach Loan	432.40	432.40

#### Rating units classified as service available and not connected

<b>WASTEWATER (SEWERAGE)</b>	<b>Annual Plan</b>	<b>Annual Plan</b>
<b>Rating units classified as service available and <u>not connected</u></b>	<b>2016/2017</b>	<b>2017/2018</b>
Blackball	296.90	304.30
Dobson/Taylorville/Kaiata - capital rate	740.10	758.60
Dobson/Taylorville/Kaiata - operating and maintenance rate	246.50	252.70
Greymouth	319.80	327.80
Karoro	161.95	166.00
Moana	132.90	136.20
Runanga	128.90	132.10
South Beach/Paroa	288.10	295.30
Te-Kinga	354.25	363.10
South Beach Loan	432.40	432.40

#### Pan Charges

<b>WASTEWATER (SEWERAGE)</b>	<b>Annual Plan</b>	<b>Annual Plan</b>
<b>Charge for each water closet (pan) or urinal connected to a public sewerage drain</b>	<b>2016/2017</b>	<b>2017/2018</b>
Dobson/Taylorville/Kaiata - operating and maintenance rate	61.62	63.17
Moana	64.45	66.05
Te-Kinga	177.12	181.55

#### All wastewater rates include GST

*Note: Properties may be required to connect to the sewer Scheme where existing on-site disposal arrangements are deemed to create an environmental or health risk, irrespective whether the property falls within the ambit of this policy or not.*

#### Water supply

The Council sets targeted rates under section 16 of the Local Government (Rating) Act 2002 for water supply on the basis of one (1) targeted rate per separately used or inhabited part of a rating unit which is either connected to the scheme or for which a connection is available.

The charge will be set on a differential basis based on the availability of the service – either connected or serviceable.

- Connected means the rating unit is connected to a Council operated water reticulation scheme.
- Serviceable means the rating unit is not connected, but is within 50 metres of such a scheme. Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

The targeted rate includes:

- The operation and maintenance costs for Council schemes; and
- Capital costs (loan repayments of previous capital expenditure, and/or current capital expenditure costs, and/or development costs of capital expenditure)

The rates for 2017/2018 are:

#### Rating units classified as service available and connected

<b>WATER</b>	<b>Annual Plan</b>	<b>Annual Plan</b>
<b>Rating units classified as service available and connected</b>	<b>2016/2017</b>	<b>2017/2018</b>
Blackball	480.80	495.30

Dobson/Taylorville	472.00	486.20
Greymouth	429.60	442.50
Runanga	342.90	353.20
Stillwater	472.00	486.20
South Beach Water Loan	151.30	151.30

#### Rating units classified as service available and not connected

WATER	Annual Plan 2016/2017	Annual Plan 2017/2018
<b>Rating units classified as service available and <u>not</u> connected</b>		
Blackball	240.40	247.65
Dobson/Taylorville	236.00	243.10
Greymouth	214.80	221.25
Runanga	171.45	176.60
Stillwater	236.00	243.10
South Beach Water Loan	151.30	151.30

All water supply rates include GST

#### Metered water supply

The Council sets a metered water targeted rate under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied to any rating unit, that is classified as commercial/industrial, in excess of 75m<sup>3</sup> per quarter where the volume supplied is in excess of 300m<sup>3</sup> per annum.

The rate for 2017/2018 is (for all water consumed in excess of 300m<sup>3</sup> per annum):

METERED WATER	Annual Plan 2016/2017	Annual Plan 2017/2018
Rate	1.30	1.33

Includes GST

#### Refuse and recycling collection

The Council sets targeted rates per separately used or inhabited part of a rating unit under section 16 of the Local Government (Rating) Act 2002 for refuse collection and kerbside recycling collection services. This rate will be set on a differential basis based on land use. The categories are:

- Commercial and industrial properties within the Greymouth CBD that receive a twice weekly refuse/recycling collection;
- Residential, township, commercial, industrial, rural, rural residential, recreational, and/or farming properties, outside the Greymouth CBD that receive a weekly refuse/recycling collection; or
- Residential, township, commercial, industrial, rural, rural residential, recreational, and/or farming properties that receive a weekly refuse only collection.

One (1) targeted rate will apply per separately used or inhabited part of a rating unit that receives a kerbside recycling and/or refuse service.

The rates for 2017/2018 are:

REFUSE/RECYCLING COLLECTION	Annual Plan 2016/2017	Annual Plan 2017/2018
Refuse only collection where available	192.20	195.10
Weekly Refuse/Recycling (wheelie bin) collection where available	265.90	271.30
Commercial/Industrial properties: Twice Weekly Refuse/Recycling (wheelie bin) collection where available in Greymouth CBD	531.80	542.60

Includes GST

## Economic development rate – commercial and industrial properties

The Council sets a targeted rate under section 16 of the Local Government (Rating) Act 2002 to fund economic development opportunities in the District. The rate was previously called the 'District Promotion' rate, however it is used for a broader range of economic development activities. This is set on commercial and industrial properties.

The rate for 2017/2018 is:

ECONOMIC DEVELOPMENT	Annual Plan 2016/2017	Annual Plan 2017/2018
Rate	0.001165	0.0014400

**Includes GST**

## Economic development rate – bed and breakfast operators

The Council sets a targeted rate under section 16 of the Local Government (Rating) Act 2002 to fund economic development opportunities in the District on the basis of a one (1) charge per separately used or inhabited part of a non-commercial/industrial rating unit which is operating as a Bed and Breakfast, Homestay or Farmstay.

The rate for 2017/2018 is:

ECONOMIC DEVELOPMENT Bed and Breakfast/Homestay/Farmstay	Annual Plan 2016/2017	Annual Plan 2017/2018
Rate	181.50	223.20

**Includes GST**

## 6.9 Early payment of rates

A discount of 2.5%, calculated on the Total Annual Levy, will apply where all due rates are paid in full, together with any outstanding prior years' rates and penalties, by 4.30pm on the due date for payment of the first instalment outlined below.

## 6.10 Rates payable by instalment

	Due date and payable	FINAL date for payment
Instalment 1	1 August	31 August
Instalment 2	1 November	30 November
Instalment 3	1 February	28 February
Instalment 4	1 May	31 May

## 6.11 Rates penalties

Current penalties	Penalty date	Penalty incurred on current instalment balance outstanding
Instalment 1 Penalty	1 September 2017	10%
Instalment 2 Penalty	1 December 2017	10%
Instalment 3 Penalty	1 March 2018	10%
Instalment 4 Penalty	1 June 2018	10%

Water meter rate penalties	Penalty date	Penalty incurred on total balance outstanding
Instalment Penalty	last day on month following invoice date	10%

Arrears penalties	Penalty date	Penalty incurred on total balance outstanding
Annual Penalty	1 July 2018	10%

## 6.12 Rate remission and postponement policies

Full copies of Council's Rates Remission and Postponement Policies are available on request or from the website [www.greycdc.govt.nz](http://www.greycdc.govt.nz).

## 6.13 Rate types

Council collects general and targeted rates as outlined below.

		total rate requirement
		2018
		\$000
<b>GENERAL RATES</b>		
Uniform Annual General Charge		3,095
<b>General Rates - set on land value*</b>		
Community Services	1,609	
Environmental Services	810	
Solid Waste Management	251	
Roading	2,828	
Stormwater	930	
Flood Protection	147	
Rural Fire	10	
<b>Total General Rate set on land value</b>		<b>6,585</b>
<b>PENALTIES</b>		
Rate Penalties		180
		total rate requirement
		2018
		\$000
<b>TARGETED RATES ATTRIBUTABLE TO ACTIVITIES:</b>		
<b>Economic Development</b>		
Commercial/Industrial properties - targeted rate set on capital value		324
Bed and Breakfast/Homestay/Farmstay - uniform charge		8
<b>Refuse Collection</b>		
Refuse only collection (bag collection) where available		404
Weekly Refuse/Recycling (wheelie bin) collection where available		805
Commercial/Industrial properties: Twice Weekly Refuse/Recycling (wheelie bin) collection where available in Greymouth CBD		88
<b>Sewerage Collection</b>		
Blackball		93
Greymouth		1,762
Karoro		106
Runanga		90
South Beach/Paroa		68
Moana		56
Dobson/Taylorville/Kaiata - operating and maintenance rate		70
Dobson/Taylorville/Kaiata - capital rate		113

Te-Kinga	39
South Beach Loan	17
<b>Water Supplies</b>	
Greymouth	1,471
Runanga	196
Dobson/Taylorville	157
Stillwater	62
Blackball	81
South Beach Water Loan	6
Water Meter Rates	233
<b>TOTAL RATES</b>	<b>16,109</b>

## 6.14 Sample rate assessments based on this Plan

The Grey District has many varied types of rates assessments, based on:

- A differential rating system where the rates calculated on land value vary based on property use (e.g. residential vs. commercial); and
- Targeted rates for water and sewerage vary from township to township.

Please use these sample rates assessments as an indication of what changes to rates are required to meet the funding requirements of this Plan. Please refer to the land value used on the general rates lines to reference how it may compare to your property.

### Residential Zone 1 - Greymouth

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 1	84,000	1,145.09	84,000	1,202.38	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Grey Urban Sewerage - Full	1	639.60	1	655.60	2.50
Greymouth Water - Full	1	429.60	1	442.50	3.00
Recycling & Refuse Collection	1	265.90	1	271.30	2.03
		\$2,944.29		\$3,054.48	3.74%

### Residential Zone 1 - Cobden

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 1	32,000	436.22	32,000	458.05	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Grey Urban Sewerage - Full	1	639.60	1	655.60	2.50
Greymouth Water - Full	1	429.60	1	442.50	3.00
Recycling & Refuse Collection	1	265.90	1	271.30	2.03
		\$2,235.42		\$2,310.15	3.34%

### Residential Zone 1 - Kaiata

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 1	40,000	545.28	40,000	572.56	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Dobson Taylorville Kaiata Sewerage	1	246.50	1	252.70	2.52
Tylve Dobson Kaiata Sewerage - Capital	1	740.10	1	758.60	2.50
Refuse Collection	1	192.20	1	195.10	1.51
		\$2,188.18		\$2,261.66	3.36%

### Residential Zone 1 - Runanga

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 1	30,000	408.96	30,000	429.42	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Runanga/Dunollie Sewerage - Full	1	257.80	1	264.20	2.48
Runanga Water - Full	1	342.90	1	353.20	3.00
Refuse Collection	1	192.20	1	195.10	1.51
		\$1,665.96		\$1,724.62	3.52%



**Residential Zone 1 - Blaketown**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 1	37,000	504.38	37,000	529.62	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Grey Urban Sewerage - Full	1	639.60	1	655.60	2.50
Greymouth Water - Full	1	429.60	1	442.50	3.00
Recycling & Refuse Collection	1	265.90	1	271.30	2.03
		\$2,303.58		\$2,381.72	3.39%

**Residential Zone 1 - Paroa/South Beach**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 1	70,000	954.24	70,000	1,001.98	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
South Beach Sewerage - Full	1	288.10	1	295.30	2.50
Greymouth Water - Full	1	429.60	1	442.50	3.00
Recycling & Refuse Collection	1	265.90	1	271.30	2.03
		\$2,401.94		\$2,493.78	3.82%

**Residential Zone 1 - Karoro**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 1	116,000	1,581.31	116,000	1,660.42	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Karoro Sewer - Full	1	323.90	1	332.00	2.50
Greymouth Water - Full	1	429.60	1	442.50	3.00
Recycling & Refuse Collection	1	265.90	1	271.30	2.03
		\$3,064.81		\$3,188.92	4.05%

**Residential Zone 1 - with B & B rate**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 1	56,000	763.39	56,000	801.58	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Economic Development	1	181.50	1	223.20	22.98
Grey Urban Sewerage - Full	1	639.60	1	655.60	2.50
Greymouth Water - Full	1	429.60	1	442.50	3.00
Recycling & Refuse Collection	1	265.90	1	271.30	2.03
		\$2,744.09		\$2,876.88	4.84%

**Residential Zone 2 - Rapahoe**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 2	88,000	757.42	88,000	795.26	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Runanga Water - Full	1	342.90	1	353.20	3.00
Refuse Collection	1	192.20	1	195.10	1.51
		\$1,756.62		\$1,826.26	3.96%

**Residential Zone 2 - Stillwater**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 2	27,000	232.39	27,000	244.00	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Stillwater Water - Full	1	472.00	1	486.20	3.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$1,360.69		\$1,408.00	3.48%

**Residential Zone 2 - Dobson**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 2	38,000	327.07	38,000	343.41	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Dobson Taylorville Kaiata Sewerage	1	246.50	1	252.70	2.52
Tylve Dobson Kaiata Sewerage - Capital	1	740.10	1	758.60	2.50
Dobson/Taylorville Water -Full	1	472.00	1	486.20	3.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$2,441.97		\$2,518.71	3.14%

**Residential Zone 2 - Taylorville**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 2	28,000	241.00	28,000	253.04	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Dobson Taylorville Kaiata Sewerage	1	246.50	1	252.70	2.52
Tylve Dobson Kaiata Sewerage - Capital	1	740.10	1	758.60	2.50
Dobson/Taylorville Water -Full	1	472.00	1	486.20	3.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$2,355.90		\$2,428.34	3.07%

**Residential Zone 2 - Gladstone**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 2	92,000	791.84	92,000	831.40	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$1,448.14		\$1,509.20	4.22%

**Residential Zone 2 - Camerons**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 2	44,000	378.71	44,000	397.63	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$1,035.01		\$1,075.43	3.91%

**Residential Zone 2 - Blackball**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 2	23,000	197.96	23,000	207.85	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Blackball Sewerage - Full	1	593.80	1	608.60	2.49
Blackball Water - Full	1	480.80	1	495.30	3.02
Refuse Collection	1	192.20	1	195.10	1.51
		\$1,928.86		\$1,989.55	3.15%

**Residential Zone 3 - Ngahere**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 3	52,000	377.78	52,000	396.66	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$1,034.08		\$1,074.46	3.90%

**Residential Zone 3 - Ahaura**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 3	25,000	181.63	25,000	190.70	4.99
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$837.93		\$868.50	3.65%

**Residential Zone 3 - Moana**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Residential Zone 3	200,000	1,453.00	200,000	1,525.60	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Moana Sewerage - Full	1	265.80	1	272.40	2.48
Refuse Collection	1	192.20	1	195.10	1.51
		\$2,375.10		\$2,475.80	4.24%

**Rural Residential - Coast Road**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Rural Residential	136,000	631.31	136,000	662.86	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$1,287.61		\$1,340.66	4.12%

**Rural Use - Marsden**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Rural	155,000	631.16	155,000	662.78	5.01
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$1,287.46		\$1,340.58	4.13%

**Farming/Forestry - Dairy**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Farming/Forestry	6,250,000	10,000.00	6,250,000	10,500.00	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Refuse Collection	2	384.40	2	390.20	1.51
		\$10,848.50		\$11,372.90	4.83%

**Farming/Forestry - Dry Stock**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Farming/Forestry	2,160,000	3,456.00	2,160,000	3,628.80	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Refuse Collection	1	192.20	1	195.10	1.51
		\$4,112.30		\$4,306.60	4.72%

**Farming/Forestry - Forestry**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Farming/Forestry	2,660,000	4,256.00	2,660,000	4,468.80	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
		\$4,720.10		\$4,951.50	4.90%

**Commercial Zone 1**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Commercial Zone 1	159,000	3,300.52	159,000	3,465.56	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Economic Development	636,000	740.94	636,000	915.84	23.61
Grey Urban Sewerage - Full	2	1,279.20	2	1,311.20	2.50
Greymouth Water - Full	2	859.20	2	885.00	3.00
Commercial Refuse Colln.	2	1,063.60	2	1,085.20	2.03
		\$7,707.56		\$8,145.50	5.68%

**Commercial Zone 2**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Commercial Zone 2	24,000	225.14	24,000	236.40	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Economic Development	110,000	128.15	110,000	158.40	23.61
Blackball Sewerage - Full	1	593.80	1	608.60	2.49
Blackball Water - Full	1	480.80	1	495.30	3.02
Refuse Collection	1	192.20	1	195.10	1.51
		\$2,084.19		\$2,176.50	4.43%

**Commercial Zone 3**

	2016/2017 rates		Draft Annual Plan 2017/2018 rates		
	Factor	Levy	Factor	Levy	Change
General Rate - Commercial Zone 3	170,000	3,044.53	170,000	3,196.68	5.00
Uniform Annual General Charge	1	464.10	1	482.70	4.01
Economic Development	415,000	483.48	415,000	597.60	23.60
Moana Sewerage - Full	1	265.80	1	272.40	2.48
Refuse Collection	1	192.20	1	195.10	1.51
		\$4,450.11		\$4,744.48	6.61%

## 7 Financial reporting and prudence disclosures

The Government has introduced the new Local Government (Financial Reporting and Prudence) Regulations 2014.

The purpose of this is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

These measures allow for comparison of financial performance with other Councils. However, readers are urged to read the commentary and explanations provided to give context to the information, as it is not always possible to compare Grey District Council's results with other Councils' due to their size, location and provision of services.

The Council is required to include this statement in its Annual Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement. These can be viewed on [www.legislation.govt.nz](http://www.legislation.govt.nz) under Local Government (Financial Reporting and Prudence) Regulations 2014.

### SCHEDULE 4: ANNUAL PLAN DISCLOSURE STATEMENT

Benchmark		Planned	Met
Rates affordability benchmark			
• income	16,295,000	16,109,000	Yes
• increases	total rate increase in any year to be no more than 4.5%	3.7%	Yes
Debt affordability benchmark			
	1. Total actual debt as a percentage of total assets (<20%)	7.7%	Yes
	2. Total actual debt per rateable property (<\$4,500)	4,024	Yes
	3. Total net debt as a percentage of total actual revenue (<135%)	78.0%	Yes
Balanced budget benchmark	100%	94.5%	No
Essential services benchmark	100%	88.5%	No
Debt servicing benchmark	10%	7.8%	Yes

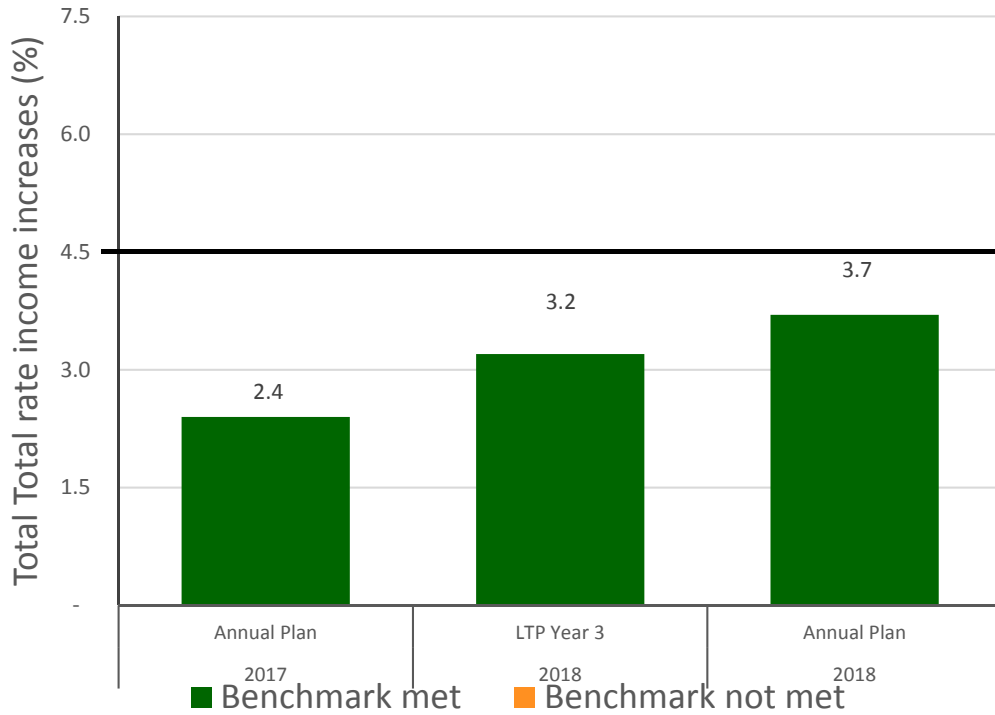
**[a] Rates affordability benchmark**

Council meets the rates affordability benchmark if:

- Actual or planned rates revenue for the year equals or is less than each quantified limit on rates; and
- Actual or planned rates increases for the year equal or are less than each quantified limit on rates increases.

**Total planned rate revenue percentage increases**

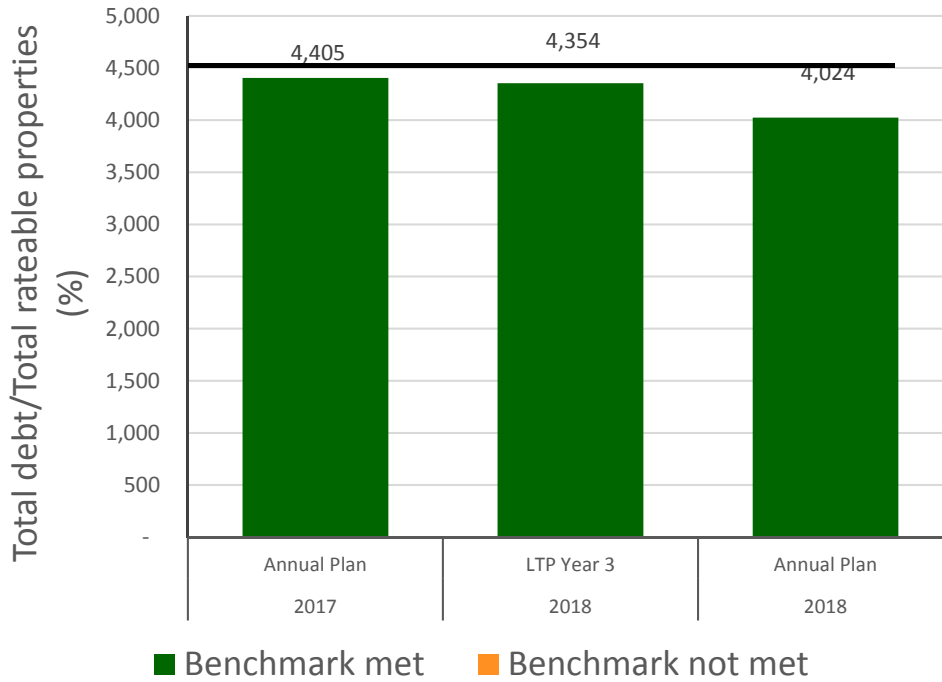
The limit as contained within Council's Financial Strategy is for the total rate increase in any year to be no more than 4.5% (4.5% being the benchmark).



**[b] Debt affordability benchmarks**

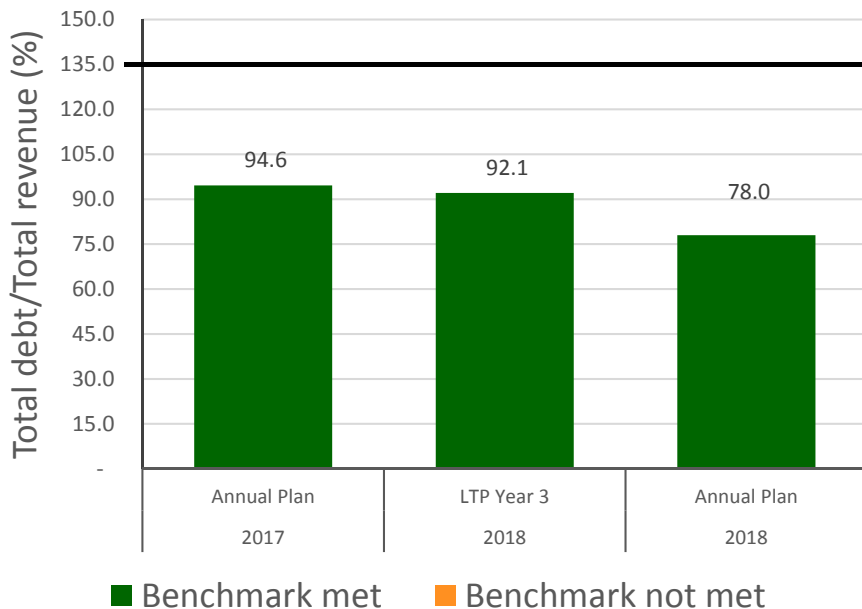
**Total planned debt per rateable property**

The following graph displays the total planned debt per rateable property. Council's benchmark is for total debt per rateable property to remain less than \$4,500.



**Net planned debt as a percentage of total actual revenue**

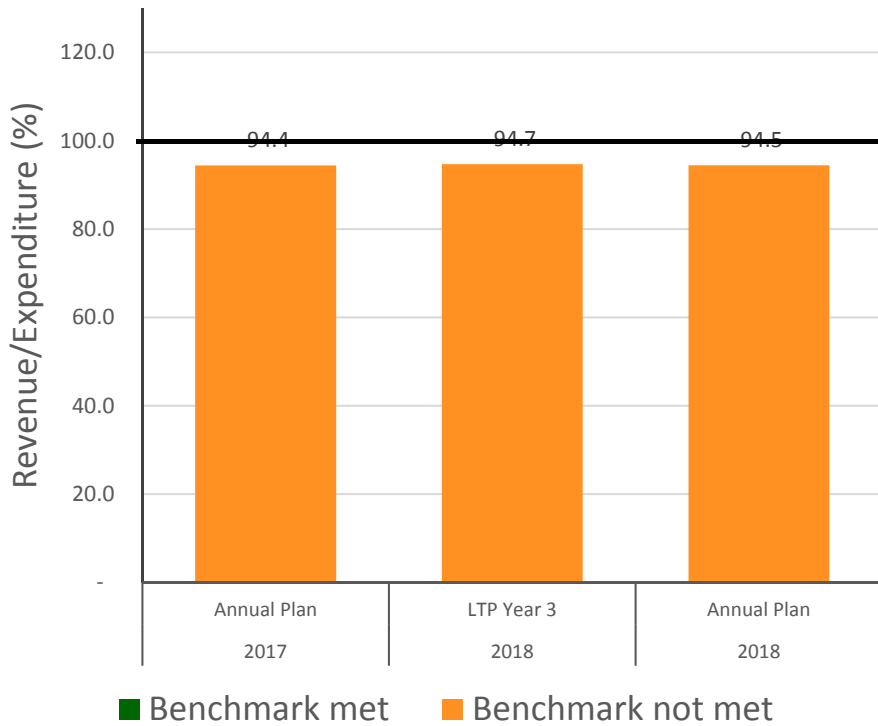
The following graph displays net planned debt as a percentage of total planned revenue. Council's benchmark is for total debt to remain less than 135% of total revenue.



**[c] Balanced budget benchmark**

The following graph displays Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion

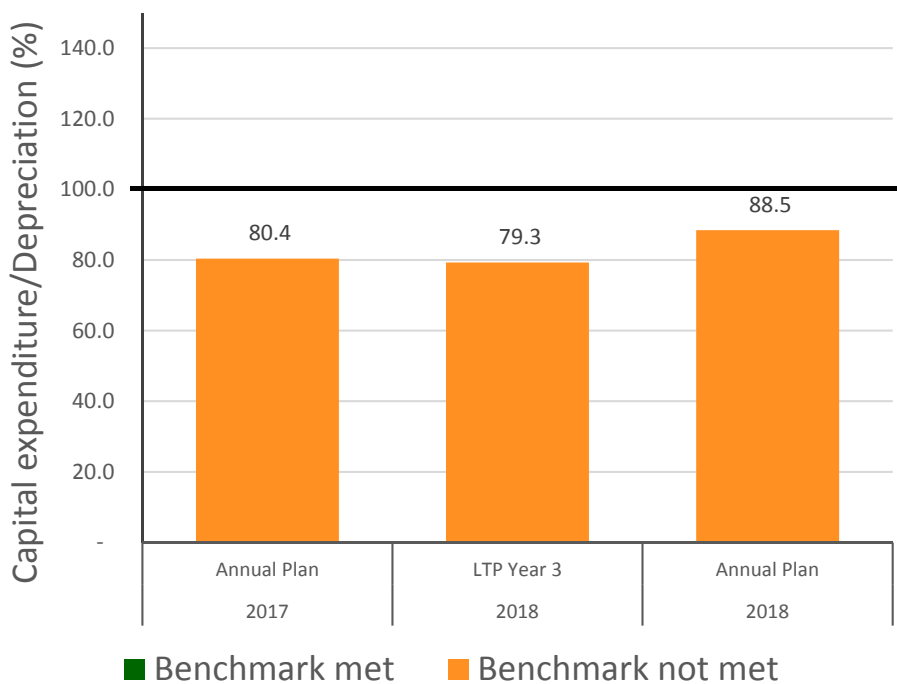
of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment). The Council meets this benchmark if its revenue equals or is greater than its operating expense.



**[d] Essential services benchmark**

The following graph displays the Council’s planned capital expenditure on network services as a proportion of depreciation on network services.

Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

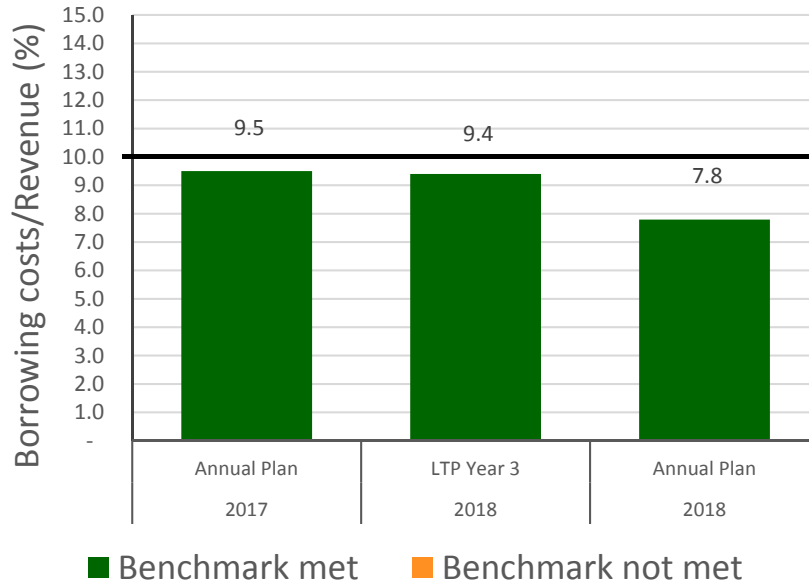




**[e] Debt servicing benchmark**

The following graph displays the Council's planned borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant and equipment).

Council meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



## 8 Fees and charges

### Errors and Omissions Excepted

These fees cover the major items charged out by Council and are not a comprehensive list of all fees and charges.

### Administration - Charge Out Rates

	2016/2017 fee including GST	2017/2018 proposed fee including GST
Management/CEO	\$167.50	\$171.00
Engineers	\$135.00	\$137.50
Engineering Assistants/Officers	\$108.00	\$110.00
Planners	\$135.00	\$137.50
Building Officers	\$135.00	\$137.50
Environmental Health Officers	n/a	\$137.50
Monitoring Staff	\$114.00	\$116.50
Animal Control Officer	\$114.00	\$116.50
Administration/Customer Service Officers	\$81.00	\$82.50

Fees and actual time hours are recoverable from applicants

### Aerodrome

	2016/2017 fee including GST	2017/2018 proposed fee including GST
<b>Aircraft weight (kg) MCTOW</b>		
0 - 600	<i>per landing</i>	\$6.00
601 - 1,500	<i>per landing</i>	\$10.00
1,501 - 2,500	<i>per landing</i>	\$16.00
2,501 - 3,500	<i>per landing</i>	\$24.00
3,501 - 4,500	<i>per landing</i>	\$35.00
4,501 - 5,700	<i>per landing</i>	\$49.00
Helicopters	<i>per landing</i>	\$6.00
Note: <ul style="list-style-type: none"> <li>• Touch and go Practice Landings treated as One Landing</li> <li>• Discounts and flat fees available for bulk advanced payments by regular users and/or clubs</li> <li>• Rates for aircraft weights above 5700kg available on application and clearance to use facility</li> </ul>		
Lights	<i>per activation</i>	\$7.00
Account processing fee	<i>per account processing</i>	\$8.00

### Animal Control

	2016/2017 fee including GST	2017/2018 proposed fee including GST
<b>Dog Registration</b>		
Pet		\$90.00
Desexed		\$66.50
Working		\$38.00
Late Regn		\$135.00
<b>Dog Impounding</b>		
1st Offence		\$73.00
2nd Offence		\$145.50
3rd Offence		\$217.00
Sustenance	<i>per day per dog</i>	\$12.00
<b>Stock Impounding</b>		
Impounding fee	<i>per head of stock</i>	\$110.00
Sustenance	<i>per day</i>	cost recoverable
Any additional costs associated with impoundment, ie trailer or transporter hire		cost recoverable

**After Office Hours**

Applicable Fee above Plus

staff hourly rate +  
mileagestaff hourly rate +  
mileage**Building**2016/2017 fee  
including GST2017/2018  
proposed fee  
including GST

Except for set fees, all fees listed are DEPOSITS only. The balance will be charged at the rates specified. Central government levies (BRANZ & DBH) are payable in addition to these fees - these are calculated on the cost of the building work and are advised at the time of lodging your consent.

**Charged to all consent applications**

Building Consent Accreditation levy	<i>per \$1,000 of building work</i>	\$2.51	\$2.55
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**Set Fees**

BWOF - receiving and checking on or before due date		\$177.50	\$180.50
BWOF - receiving and checking after due date		\$355.00	\$360.50
BWOF Audits		at cost	at cost
Consent extension request		\$108.50	\$110.50

**Deposits Only (Costs to be Charged based on Actual Time)**

PIM (only)	<i>deposit only</i>	\$201.50	\$205.00
CCC processing fee (applied to all consents with deposit based fees)	<i>deposit only</i>	\$243.00	\$247.00
Schedule 1 exemption application	<i>deposit only</i>	\$150.00	\$150.00

**Deposits Only, CCC fee included (Costs to be Charged based on Actual Time)**

Fire Installations	<i>deposit only</i>	\$429.50	\$436.00
Minor building works (<\$5,000 and not listed elsewhere in this schedule)	<i>deposit only</i>	\$483.00	\$490.50
Minor plumbing & drainage (incl separation of services where no septic tank)	<i>deposit only</i>	\$437.00	\$444.00
Separation of services with disconnection of septic tank	<i>deposit only</i>	\$598.00	\$607.00
Relocated buildings	<i>deposit only</i>	\$1,647.00	\$1,672.00
Marquees	<i>deposit only</i>	\$265.50	\$269.50

**Residential - Deposits Only (Costs to be Charged based on Actual Time + CCC fee to be added)**

Garages/carports	<i>deposit only</i>	\$718.00	\$729.00
Garden Sheds	<i>deposit only</i>	\$718.00	\$729.00
Minor Alterations	<i>deposit only</i>	\$932.50	\$946.50
Major Alterations	<i>deposit only</i>	\$1,581.00	\$1,605.00
Pre-fab construction dwellings	<i>deposit only</i>	\$2,585.00	\$2,624.00
New Dwellings	<i>deposit only</i>	\$3,473.50	\$3,526.00
Multi-Unit Residential	<i>deposit only</i>	\$4,953.50	\$5,028.00
Demolition - large /commercial		\$695.00	\$705.50
Demolition - residential		\$368.00	\$374.00

**Industrial/Commercial - Deposits Only (Costs to be Charged based on Actual Time + CCC fee to be added)**

Minor alterations	<i>deposit only</i>	\$1,017.00	\$1,032.50
Major Alterations	<i>deposit only</i>	\$2,668.00	\$2,708.50
Farm Buildings	<i>deposit only</i>	\$632.50	\$642.00
Workshops	<i>deposit only</i>	\$1,636.50	\$1,661.50
Dairy sheds	<i>deposit only</i>	\$2,960.50	\$3,005.00
Shop/Office - single	<i>deposit only</i>	\$3,557.50	\$3,611.00
Shop/Office - complex	<i>deposit only</i>	\$5,329.00	\$5,409.00
Industrial/commercial multi-function complex	<i>deposit only</i>	\$8,587.00	\$8,716.00
Outbuildings	<i>deposit only</i>	\$718.00	\$729.00
Ancillary	<i>deposit only</i>	\$718.00	\$729.00

**Communal residential**

Community service	<i>deposit only</i>	\$5,329.00	\$5,409.00
Community care	<i>deposit only</i>	\$5,329.00	\$5,409.00
<b>Communal non-residential</b>			
Assembly service	<i>deposit only</i>	\$5,329.00	\$5,409.00
Assembly care	<i>deposit only</i>	\$5,329.00	\$5,409.00
Certificate of Public Use		\$268.50 flat fee plus hourly rate	\$268.50 flat fee plus hourly rate
Compliance Schedule		\$268.50 flat fee plus hourly rate	\$268.50 flat fee plus hourly rate
Consultants/Peer Review		at cost	at cost
Comments on Draft Applications/Pre application advice (note first <b>HALF HOUR</b> free then staff hourly rates)		staff hourly rates	staff hourly rates
Detailed Engineering Evaluations (DEE) for Earthquake Prone Buildings		recovered at cost from building owner, estimated cost of \$1,000 to \$10,000 depending on building	recovered at cost from building owner, estimated cost of \$1,000 to \$10,000 depending on building
<b>Enforcement</b>			
Swimming pool re-inspection		\$106.00	\$108.00
Legal advice and Consultants		\$369.50/hour (not more than)	\$369.50/hour (not more than)
Work done for a Certificate of Acceptance		100% loading on normal charges	100% loading on normal charges
Work done following a Notice to Fix		100% loading on normal charges	100% loading on normal charges

## Cemeteries

		2016/2017 fee including GST	2017/2018 proposed fee including GST
Plot Purchase		\$415.00	\$421.30
Ashes Lawn		\$111.10	\$112.80
Cremation Berm		\$166.70	\$169.30
Baby Plots		\$97.30	\$98.80
RSA Plots		No Charge	No Charge
Paupers' Plots		No Charge	No Charge
Single Plot		\$622.60	\$632.00
Ashes Lawn		\$166.70	\$169.30
Cremation Berm		\$166.70	\$169.30
Baby Plots		\$124.80	\$126.70
RSA Plots		No Charge	No Charge
Paupers' Plots		No Charge	No Charge
<b>Interment</b>			
12 years and over		\$346.10	\$351.30
Under 12 Years		\$138.50	\$140.60
Stillborn		\$69.70	\$70.80
Ashes		\$138.50	\$140.60
Disinterment		\$443.20	\$449.90
Re-interment		\$443.20	\$449.90
Extra Depth (over 6ft)		\$138.50	\$140.60
Weekend & Public Holidays	<i>additional charge</i>	\$249.20	\$253.00
Lowering Device		\$49.50	\$50.30
Memorial Permit		\$35.60	\$36.20

<b>Health</b>		<b>2016/2017 fee including GST</b>	<b>2017/2018 proposed fee including GST</b>
<b>Food Licensing</b>			
Initial Registrations and Renewals for Food Control Plans		n/a	\$311.00
Initial Registrations and Renewals for National Programmes		n/a	\$100.00
All further work (including verification, audits, investigation enforcement and administration)		n/a	hourly rate per appropriate Council officer
Food Gr 1		\$507.00	\$517.50
Food Gr 2		\$732.50	\$747.50
Food Gr 3		\$976.00	\$996.00
No Kitchen facilities		\$245.50	\$250.50
Hairdressers		\$465.50	\$475.00
Camping/Offensive Trades		\$465.50	\$475.00
<b>History House</b>		<b>2016/2017 fee including GST</b>	<b>2017/2018 proposed fee including GST</b>
<b>Admission</b>			
Adults		\$6.50	\$6.50
Children		\$2.50	\$2.50
<i>Ratepayer Concession - paid entry allows free return entry for the following 12 months</i>			
<b>Libraries</b>		<b>2016/2017 fee including GST</b>	<b>2017/2018 proposed fee including GST</b>
<b>Loan</b>			
New Fiction	<i>per book per 2 weeks</i>	\$2.00	\$2.00
Rental Fiction	<i>per book</i>	\$1.00	\$1.00
Non-Fiction	<i>per book</i>	No charge	No charge
All children's materials	<i>per book</i>	No charge	No charge
Large Print	<i>per book</i>	\$1.00	\$1.00
Large print subscription	<i>per year</i>	\$12.50	\$12.50
Talking Books/audios *	<i>per unit</i>	\$1.00	\$1.00
* no charge for children's & for people with disabilities			
DVDs (Adults)	<i>per unit per week</i>	\$2.00	\$2.00
DVDs Junior)	<i>per unit per week</i>	\$0.50	\$0.50
Magazines	<i>Per unit per week</i>	\$0.50	\$0.50
<b>Fines</b>			
ADULTS and YOUNG ADULTS CARDS	<i>per day (max \$10 per item)</i>	\$0.30	\$0.30
CHILDREN'S CARDS	<i>per day (max \$3.50 per item)</i>	\$0.10	\$0.10
<b>Other</b>			
Book Reserve Fee	<i>per book</i>	\$1.00	\$1.00
Non Resident Subscription	<i>per annum (part charges available)</i>	\$60.00	\$60.00
Replacement Library Card	<i>each</i>	\$5.00	\$5.00
Interloan from National Library of New Zealand and Interloan partnership libraries	<i>per book</i>	\$6.70	\$6.70
Interloan with libraries without agreement	<i>per book plus any other charges above standard charges</i>	\$22.00	\$22.00
Damaged Book Charges	<i>per book</i>	at cost	at cost
<b>Photocopying</b>			
Normal A4	<i>per sheet - BW</i>	\$0.20	\$0.20
Normal A4	<i>per sheet - Colour</i>	\$2.00	\$2.00

Normal A3	<i>per sheet - BW</i>	\$0.40	\$0.40
Normal A3	<i>per sheet - Colour</i>	\$4.00	\$4.00
Aotearoa People's Network printing	<i>Single side</i>	\$0.20	\$0.20
	<i>Double side</i>	\$0.30	\$0.30

## Noise Control

<b>2016/2017 fee including GST</b>	<b>2017/2018 proposed fee including GST</b>
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Noise control - call out		\$60.00	\$100.00
Seizure of equipment		\$60.00	\$100.00

## Official Information

<b>2016/2017 fee including GST</b>	<b>2017/2018 proposed fee including GST</b>
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Property file queries	<i>per hour</i>	\$83.00	\$85.00
LIMs		\$290.00	\$296.00

## Other Regulation

<b>2016/2017 fee including GST</b>	<b>2017/2018 proposed fee including GST</b>
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Advertising Signs Fees		\$103.00	\$105.50
Trading in Public Places Licence		\$178.00	\$182.00

### Abandoned Vehicles

Towage		\$630.50 + COST	\$630.50 + COST
Inspection & Administration	<i>per hour</i>	staff hourly rate + mileage	staff hourly rate + mileage
Storage of Vehicle	<i>per day</i>	\$12.00	\$12.50

### Amusement Devices

One Device		\$18.50	\$19.00
Each Additional Device		\$4.90	\$5.00
Each Device for a further period of 7 days		\$2.80	\$2.90

### Other Enforcement

Legal advice and Consultants		\$362/hour (not more than)	\$362/hour (not more than)
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## Parking

### No increase for carpark rentals

Contact Corporate Services for availability and details

## Planning

<b>2016/2017 fee including GST</b>	<b>2017/2018 proposed fee including GST</b>
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All fees listed are Deposits. Balance of charges will be charged at the rates specified.

### Subdivisions

Boundary Adjustments	<i>deposit only</i>	\$443.50	\$452.50
Non-notified (2 - 5 lots)	<i>deposit only</i>	\$753.00	\$768.50
Non-notified (6 - 10 lots)	<i>deposit only</i>	\$1,440.50	\$1,469.50
Non-notified (11+ lots)	<i>deposit only</i>	\$1,956.50	\$1,996.00
Public notification - subdivision	<i>deposit only</i>	\$1,251.50	\$1,277.00
s224 - without inspection	<i>deposit only</i>	\$288.00	\$294.00
s224- with one inspection	<i>deposit only</i>	\$443.50	\$452.50
s226 certificate	<i>deposit only</i>	\$563.50	\$575.00
Other certificates (e.g. s223)	<i>deposit only</i>	\$162.00	\$165.50
Esplanade reserve reduction/waiver	<i>deposit only</i>	\$523.50	\$534.00
Reapproval lapsed consent	<i>deposit only</i>	\$563.50	\$575.00
ROW/Easement amendments	<i>deposit only</i>	\$397.00	\$405.00

## Planning

2016/2017 fee  
including GST

2017/2018  
proposed fee  
including GST

### Land Use Consents

Hazardous substances	<i>deposit only</i>	\$626.50	\$639.50
Signs	<i>deposit only</i>	\$563.50	\$575.00
Relocated buildings	<i>deposit only</i>	\$443.50	\$452.50
Bulk & locn/recession plane/setback	<i>deposit only</i>	\$477.50	\$487.50
Heritage	<i>deposit only</i>	\$443.50	\$452.50
Non-rural/residential activities	<i>deposit only</i>	\$942.00	\$961.00
Utilities	<i>deposit only</i>	\$563.50	\$575.00
Vegetation clearance	<i>deposit only</i>	\$523.50	\$534.00
Sub-sized lots	<i>deposit only</i>	\$879.00	\$897.00
Limited Notification - Land Use*	<i>deposit only</i>	\$879.00	\$897.00
Public Notification - Land Use*	<i>deposit only</i>	\$1,316.00	\$1,342.50

\* Notification fee is in addition to deposit for consent type

### Plan Changes

District Plan Changes - major	<i>deposit only</i>	\$14,127.00	\$14,410.00
District Plan Changes - minor	<i>deposit only</i>	\$7,067.00	\$7,208.50

### Other

Designation/Heritage Order	<i>deposit only</i>	\$2,851.50	\$2,909.00
Alteration of designation	<i>deposit only</i>	\$1,143.00	\$1,166.00
Certificate of compliance	<i>deposit only</i>	\$288.00	\$294.00
s357 objection	<i>deposit only</i>	\$432.00	\$441.00
Consent variation - non-notified	<i>deposit only</i>	\$391.50	\$399.50
Consent variation - notified	<i>deposit only</i>	\$746.50	\$761.50
Outline Plan	<i>deposit only</i>	\$288.00	\$294.00
Comments on Draft Applications/Pre application advice (note first <b>HALF HOUR</b> free then staff hourly rates)		staff hourly rates	staff hourly rates
Consultants/Peer Review		\$185/hour (not more than)	\$190/hour (not more than)
Legal advice		\$369.50/hour (not more than)	\$380/hour (not more than)
Hearings - Commissioner		\$1,471/day (not more than)	\$1,600/day (not more than)
- Facilities		\$185/hour (not more than)	\$200/hour (not more than)
Monitoring Levy	<i>flat fee paid upon granting of land-use consent</i>	\$132.00	\$135.00
Resource Consent Monitoring of Conditions		staff hourly rates	staff hourly rates

## Retirement Housing

### Rental Units to increase in 2017/2018 by \$3.50 per week

Contact Corporate Services for availability and details

## Roading

2016/2017 fee  
including GST

2017/2018  
proposed fee  
including GST

Consent to Undertake Work on Road		nil	nil
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## Sewerage

		2016/2017 fee including GST	2017/2018 proposed fee including GST
<b>Financial Contributions</b>			
Moana	<i>per lot</i>	\$5,136.00	\$5,291.00
South Beach/Paroa	<i>per lot</i>	\$12,302.00	\$12,672.00
Karoro	<i>per lot</i>	\$2,953.00	\$3,042.00
<i>Other contributions to proposed 'as required' works may be set through separate consultative procedures</i>			
<b>Trade Waste Charges</b>			
All Greymouth wastewater treatment plants	<i>per cubic metre</i>	\$0.65	\$0.66
Blackball Treatment plant	<i>per cubic metre</i>	\$0.65	\$0.66
Karoro Treatment plant	<i>per cubic metre</i>	\$0.65	\$0.66
Runanga treatment plant	<i>per cubic metre</i>	\$0.65	\$0.66

## Solid Waste (Refuse & Recycling)

		2016/2017 fee including GST	2017/2018 proposed fee including GST
<b>McLeans Landfill</b>			
<b>Refuse</b>			
Commercial Refuse*	<i>per tonne</i>	\$283.00	\$289.00
Mixed Domestic Waste*	<i>per tonne</i>	\$283.00	\$289.00
Hardfill/Soil*	<i>per tonne</i>	\$283.00	\$289.00
TVs and ewaste*	<i>per tonne</i>	\$280.00	\$280.00
Refuse Bag with Council issued tie	<i>per bag</i>	Free	Free
Refuse Bag without Council issued tie*	<i>per bag</i>	\$4.00	\$4.00
* minimum charge per weighbridge entrance (trip over weighbridge)		\$12.00	\$12.00
<b>Tyres</b>			
Car, Motorbike	<i>per tyre</i>	\$6.60	\$6.80
4WD	<i>per tyre</i>	\$6.60	\$6.80
Truck	<i>per tyre</i>	\$12.00	\$12.30
Tractor	<i>per tyre</i>	\$12.50	\$12.80
Specialist Industrial	<i>per tyre</i>	\$27.90	\$28.50
<b>Other</b>			
Unprepared Car Bodies	<i>per car</i>	\$53.60	\$54.70
Paint/Solvents	<i>per litre</i>	\$2.40	\$2.50
<b>McLeans Recycling Centre</b>			
<b>Recyclables</b>			
Recyclable Plastics		Free	Free
Recyclable Paper		Free	Free
Recyclable Cardboard		Free	Free
Recyclable Aluminium Cans		Free	Free
Recyclable Tin Cans		Free	Free
Recyclable Glass		Free	Free
Recyclable Light Scrap Metal		Free	Free
Recyclable Heavy Scrap Metal		Free	Free
Recyclable Whiteware		Free	Free
Empty LPG Bottles		Free	Free
Prepared Car Bodies		Free	Free
<b>Green waste</b>			
<i>Garden matter, leaves, branches, weeds, unsprayed lawn clippings (no cabbage tree leaves)</i>			
Domestic & Commercial - large vehicles incl. Trailers	<i>per tonne</i>	Free	Free
Domestic station wagons/small 4x4's	<i>fixed fee</i>	Free	Free



**Solid Waste (Refuse & Recycling)**

		2016/2017 fee including GST	2017/2018 proposed fee including GST
<b>Resource Centres (Moana/Blackball/Nelson Creek)</b>			
Refuse Bag with Council issued tie	<i>per bag</i>	Free	Free
Refuse Bag without Council issued tie	<i>per bag</i>	\$4.00	\$4.00
Car Boot	<i>per load</i>	\$25.00	\$25.50
Station wagon	<i>per load</i>	\$38.00	\$38.80
Utility Vehicle/Van	<i>per load</i>	\$38.00	\$38.80
Single axle trailer	<i>per load</i>	\$50.00	\$51.00
Tandem Trailer	<i>per load</i>	\$82.00	\$83.70
Truck under 5m <sup>3</sup> , uncompacted general waste	<i>per load</i>	\$180.00	\$183.60
Truck under 5m <sup>3</sup> , compacted general waste or dense material such as building waste.	<i>per load</i>	\$285.00	\$290.70
<b>Other</b>			
Refuse ties	<i>each</i>	\$3.00	\$3.00

**Spring Creek Swimming Pool**

		2016/2017 fee including GST	2017/2018 proposed fee including GST
<b>Pool Admission</b>			
Adult		\$3.50	\$3.50
Child/Student		\$1.00	\$1.00
Parent/Caregiver and Preschooler		\$1.00	\$1.00

**Water**

		2016/2017 fee including GST	2017/2018 proposed fee including GST
<b>Financial Contributions</b>			
South Beach/Paroa	<i>per lot</i>	\$4,224.00	\$4,351.00
Karoro	<i>per lot</i>	\$1,352.00	\$1,393.00

*Other contributions to proposed 'as required' works may be set through separate consultative procedures*

**Westland Recreation Centre Swimming Pool**

		2016/2017 fee including GST	2017/2018 proposed fee including GST
<b>Pool Admission</b>			
Adult		\$5.50	\$5.50
Community Card Holder (CCH)		\$4.50	\$4.50
Children (under 15 yrs)		\$3.50	\$3.50
School Student (with ID)		\$3.50	\$3.50
Parent/Caregiver and Preschooler		\$5.00	\$5.00
<b>Family Passes</b>			
Family – 2 adults and 2 children		\$16.00	\$16.00
Family – 1 adult and 2 children		\$11.00	\$11.00
Family - 1 adult and 1 child (5yrs+)		\$8.00	\$8.00
each additional child		\$3.00	\$3.00
Spectators		free	free

**Swim Memberships**

Adult	3 months	\$167.00	\$167.00
	6 months	\$305.00	\$305.00
	12 months	\$554.00	\$554.00
Community Card Holder	3 months	\$134.00	\$134.00
	6 months	\$244.00	\$244.00
	12 months	\$443.50	\$443.50
Children	3 months	\$100.00	\$100.00
	6 months	\$183.50	\$183.50
	12 months	\$333.00	\$333.00
Corporate	12 months (150 swims)	\$554.00	\$554.00

**Swim Concession Cards**

Adult	10 swims	\$48.50	\$48.50
	20 swims	\$97.00	\$97.00
Community Card Holder	10 swims	\$36.00	\$36.00
	20 swims	\$72.00	\$72.00
Children	10 swims	\$29.50	\$29.50
	20 swims	\$58.50	\$58.50

**Hydroslide**

Adult	<i>unlimited rides during session</i>	\$5.50	\$5.50
Community Card Holder (CCH)	<i>unlimited rides during session</i>	\$4.50	\$4.50
Children (under 15 yrs)	<i>unlimited rides during session</i>	\$3.50	\$3.50

**Aqua Jogging**

Adult		\$6.50	\$6.50
Community Card Holder (CCH)		\$5.00	\$5.00
Adult (concession x 10)		\$55.50	\$55.50
Community Card Holder (CCH) (concession x 10)		\$42.00	\$42.00

*Group bookings and school rates available - enquire at pool*

## 8.1 Port of Greymouth

### FISHING/RECREATIONAL/CHARTER: ACCESS FEES (all vessels)

Vessel LOA (m)	per entry	unlimited movements 12 months paid in advance	unlimited movements 6 months paid in advance	unlimited movements 3 months paid in advance
0 - 10	36.40	1,090.60	581.70	308.90
10 - 14	52.80	1,581.90	843.60	448.40
14 - 16	83.10	2,492.70	1,329.30	706.30
16 - 18	124.60	3,738.90	1,994.10	1,059.60
18 - 20	186.20	5,585.00	2,978.70	1,582.50
20 - 24	232.80	6,980.70	3,723.10	1,977.90
24 - 28	276.30	8,289.90	4,421.30	2,348.70

### FISHING: BERTHAGE (at Council berth)

per day	<i>per m (LOA)</i>	3.20
Annual (paid 6 monthly in advance)	<i>per m (LOA)</i>	208.20

### FISHING: WHARFAGE and OTHER (at Council wharf)

Any species	<i>per tonne</i>	6.60
Martins Quay Crane Hire	<i>per tonne</i>	14.50
Wharf Space Occupied by Processors, Fuel Pumps	<i>per m2</i>	94.20
Rental of Port Operational Land Occupied by Containers, Storage etc	<i>per m2</i>	28.70

### CARGO & PASSENGER

Berthage	unit	
Ships, Tugs, Barges Berthage - per day	<i>/ gross registered tonne</i>	0.27
Ships, Tugs, Barges Berthage - per day	<i>minimum</i>	341.20
Ships, Tugs, Barges Lay Up Berthage - per day	<i>/ gross registered tonne</i>	0.27
Ships, Tugs, Barges Lay Up Berthage - per day	<i>minimum</i>	273.10
Mooring (Line Services)	<i>/ staff hour</i>	77.50
Wharfage and other	unit	
Timber	<i>max of m3 or tonne</i>	11.90
Logs	<i>max of m3 or tonne</i>	6.30
Coal Wharfage	<i>/ tonne</i>	7.20
Coal Stockpile and Resource Management	<i>/ tonne shipped</i>	1.90
Gravel, Aggregate, Rock	<i>/ tonne</i>	5.40
Fertiliser	<i>/ tonne</i>	7.10
Motor Vehicles	<i>each</i>	115.50
Containers - Loaded (TEU = Twenty Foot Length Equivalent Unit)	<i>/ TEU</i>	381.50

Containers - Empty	/ TEU	308.90
Pallets Returned Empty	/ m3	8.10
All Other Cargo	max of m3 or tonne	8.10
Cargo Brought in for Shipping and Leaving Port Other than by Ship/Barge	max of m3 or tonne	50% of wharfage, stockpile & resource management charges
Cargo Wharf Crane Hire -	/ hour / crane	399.70
Cargo Wharf Crane Hire - Minimum Charge	minimum	100.00
<b>LONG TERM STORAGE OF CARGO</b>		
<b>unit</b>		
Richmond Quay Stockpile Area 1st 6 weeks per shipment	max of m3 or tonne / month	free
Richmond Quay Stockpile Area Next 1-3 months	max of m3 or tonne / month	0.30
Richmond Quay Stockpile Area Next 4-6 months	max of m3 or tonne / month	0.80
Richmond Quay Stockpile Area Over 6 months After Free Period	max of m3 or tonne / month	1.00
Cargo Shed : less than 100 m2	/ m2 / month	15.50
Cargo Shed : 100 m2 or more	/ m2 / month	11.90
Rental of Port Operational Land Occupied by Containers, Storage etc	/ m2 / year	30.00

#### RECREATIONAL / COMMERCIAL TOUR & CHARTER VESSELS BERTHS & MOORINGS

Swing Mooring Site	/ week	17.10
Pile Mooring	/ week	27.20
Annual Berthage at Wharf-Paid 6 months in Advance-Incl. Electricity & Water	/metre length overall / year	208.20
Daily Berthage at Wharf - Includes Electricity & Water	/metre length overall / day	3.20

#### SLIPWAY

Haulage (up / down ) single cradle *	up / down	796.00
Haulage (one way only ) single cradle*	one way	477.90
Haulage (up / down ) tandem cradle*	up / down	1,591.90
Haulage (one way only ) tandem cradle*	one way	955.70

\* above charges include 5 days applicable cradle charge

Daily Cradle Charge - single cradle -	/ day	117.30
Daily Cradle Charge - tandem cradle	/ day	234.50
Site Charge for Sandblasting	/ day	228.70
Long Term Hard Stand When Vessel is Removed from Cradle	/ week	66.00

#### ELECTRICITY AND WATER

Electricity Connection Fee	/ connection	38.50
Electricity Supply Charge	/ kwh	1.20
Labour to Connect Electricity	/ hour	77.10
Labour to Connect Electricity	minimum	38.50

Water Connection Fee	<i>/ connection</i>	24.20
Water Supply Charge	<i>/m3</i>	1.60
Labour to Connect Water	<i>/ hour</i>	77.10
Labour to Connect Water	<i>minimum</i>	38.50

## 9 Council Controlled Organisations (CCO's)

Council is involved with three organisations that meet the definition of a Council Controlled Organisation (CCO) per the Local Government Act 2002. They are:

- Tourism West Coast – exempted 9 March 2015
- West Coast Rural Fire Authority - exempted 9 March 2015
- West Coast Recreation Trust - exempted 9 March 2015

Council decided to exempt these organisations as CCOs due to the relatively small nature and limited scope of the respective organisations. The exemptions must be reviewed every three years and can be revoked at any time.

### Tourism West Coast and West Coast Rural Fire Authority

The above two organisations are Council Controlled Organisations (CCO's) by virtue of the fact that over 50% of the votes are under control of local authorities. Council has not set any specific policies or objectives in the long term plan with regard to control of these organisations, nor any specific key performance targets or other measures.

They do however fall under the following group of activities as reported on earlier in this report:

- Tourism West Coast: Democracy and administration
- West Coast Rural Fire Authority: Emergency management

It is noted that Council has exempted both these organisations under section 7(3) of the Local Government Act 2002. This exemption was renewed on 9 March 2015.

### West Coast Recreation Trust

Council signalled in the 2015-2025 LTP that the proposed Westland Recreation Centre (the Centre) would be funded fully from external grants, donations and sponsorship. Since the Council cannot qualify as a charitable organisation, it was decided that an independent charitable trust should be formed to be used as a funding vehicle for the Centre. The proposal was consulted on with the community from 10 July to 10 August 2012 and Council resolved to form the West Coast Recreation Centre Trust, a CCO, on 27 August 2012.

The Council has exempted the CCO under section 7(3) of the Local Government Act 2002; however a Statement of Intent has been prepared, consulted upon, and adopted by Council. This statement of intent narrows the purpose of the Trust and sets a key performance target. The target is to deliver the funding required to complete the Westland Recreation Centre.

It is noted that the trust is currently inactive as all external funding generated for the Westland Recreation Centre was paid direct to Council.