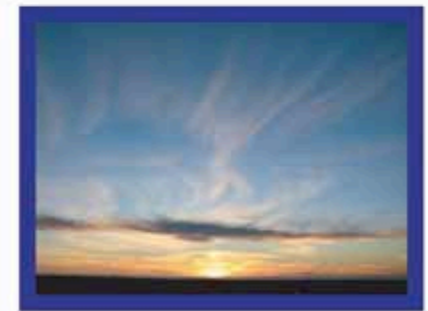




# Long Term Community Outcomes Plan 2006 - 2016



amended June 2007



# GREY DISTRICT COUNCIL

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## LONG TERM COMMUNITY OUTCOMES PLAN

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**2006 – 2016**

amended as at 28 June 2007



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Grey District Council

**SECTION A**  
**INTRODUCTION**

# [1] district council offices

Main Office	Grey District Council 105 Tainui Street P O Box 382 Greymouth  Tel 03 768 1700 Fax 03 768 1703 email: info@greydc.govt.nz web: www.greydc.govt.nz
Runanga Service Centre,	25 Carroll Street Runanga  Tel 03 762 7813 Fax 03 762 7813
Grey District Library	Albert Mall Greymouth  Tel 03 768 5597 Fax 03 768 5597 email library@greydc.govt.nz
Runanga Library	25 Carroll Street Runanga  Tel 03 762 7813
Banker	WestpacTrust
Auditor	Audit New Zealand, Christchurch on behalf of the Office of the Auditor General, Wellington
Solicitor	Hannan & Seddon, Greymouth





## [2] message from mayor & chief executive

Council, in spite of clear reservations about the cost of compliance with the Local Government Act, 2002, embraced the basic philosophy of the Act, notably in respect of:

- Greater integration
- Greater accountability
- Greater openness and transparency
- Greater public participation
- Social, economic, cultural and environmental wellbeing of the community.

This support resulted in Council promulgating a Draft 2002/2012 Long Term Council Community Plan. As the basis for this plan, Council consulted the public on outcomes expected of it. Unlike most local authorities that undertook a draft plan, Council accepted the Community Outcomes as the focus of its Draft LTCCP and referred to its plan as the Grey District Long Term Community Outcomes Plan (LTCOP).

This draft plan has served our District better than had been expected, primarily for two reasons, namely:

1. It compelled active long-term planning by looking ten years into the future. This proved earlier longer term planning practices to be superficial at best, in spite of our honest efforts. The LTCOP has since established itself as the basis of all Council decision-making.
2. Our public has become used to the concept of long-term planning and integration and increased public participation.

The attached plan represents Council's first formal LTCOP. Like the first Draft, it focuses on the eight community identified outcomes being:

- A District enjoying quality affordable essential services.
- A thriving local economy creating opportunities.
- Affordable access to quality medical health services.
- An attractive District where residents want to be.
- An active partnership between Council and community.
- Law, order, personal and property safety.
- Affordable access to quality education.
- Good social development services.

These outcomes will be reviewed in consultation with the public for the 2009 LTCOP.

From a purely financial point of view, the attached plan reflects Council's position as still addressing deferred capital and maintenance issues amidst a strong commitment to keep rate increases to an absolute minimum. The plan achieves this but it is unavoidable that the process of catch-up will take longer to complete and that levels of service delivery may be perceived to not be maintained at current levels. Having said this, there will be significant increases in the levels of service which may not be reflected in the actual service enjoyment but more in the impact the service is having on the environment.

This makes public input into this plan that more important and it is a clear focus of Council that the plan will be accepted by our community as a whole as our plan. Fortunately, Council's strong focus over the past eight years on diversifying our economy, combined with a favourable national economy sees our District in a strong growth phase, something which is expected to continue as a result of further new developments, i.e. Pike River Coal Company. Having said that, lingering uncertainties surrounding this and other major developments currently under consideration, make it difficult to plan effectively and the plan clearly signals the underlying assumptions used.

Council is confident that the plan is sufficiently empowering to see our District and its people grow strongly over the next ten years and that a sound basis for the long-term future of our area is in place. We look forward to meeting the associated challenges with our community.



Tony Kokshoorn

**MAYOR**



Paul Pretorius

**CHIEF EXECUTIVE OFFICER**

# [3] about the plan

## 1. INTRODUCTION

The Local Government Act 2002 requires all councils to have a Long Term Council Community Plan (LTCCP). The **2006 – 2016 Grey District Long Term Community Outcomes Plan (LTCOP)** is our LTCCP. This plan is the combined effort of Council and community. The plan covers a ten year period from 01 July 2006 to 30 June 2016. The plan explains what Council intends to do and what the cost will be for the ten year period of the plan.

## 2. UPDATING THE PLAN

Once the plan has been finalised, it will be updated and revised every three years. The plan is one of the main ways you can influence what the Council does and every three years you'll have the chance to share your views on the plan.

This plan is the final version adopted by Council June 2006, after consulting on the draft version through the 'special consultative procedure (section 83 Local Government Act 2002).

The first year of this plan serves as the 2006/2007 Annual Plan. In the second and third years between each Long Term Community Outcomes Plan we will prepare an Annual Plan which will focus on the budgets of the particular year of publication. This information will be taken from the respective corresponding year of this plan.

## 3. GUIDE TO THE PLAN

### a. INTRODUCTION

This section gives information about our District and an overview of the plan, as well as the required Audit opinion.

### b. COMMUNITY OUTCOMES

This is where the community outcomes are described, and connects the outcomes with the activities that Council undertakes.

### c. GROUPS OF ACTIVITIES

Gives an overview for each Council activity (grouped), 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 the community outcomes.

Detail information in respect of the separate activities can be accessed through the activity management plans that are available on request.

### d. FORECAST FINANCIAL STATEMENTS & INFORMATION

Gives an overall forecast financial summary for the next ten years. This information is collated from the financial information for each activity described in the previous section.

### e. POLICIES

Provides the key Council policies that are required to assist with decision making and planning.

### f. APPENDICES

Contains summary assessments of water services, solid waste management and sanitary assessment as required by the Local Government Act 2002

#### 4. REPORTING ON THE PLAN

At the end of each financial year (30 June) we must complete an Annual Report. This is where we report how we have performed against what we said we were going to do in this plan, and at what cost. We also report on the progress toward achievement of the community outcomes.

#### 5. CHANGING THE PLAN

If any significant changes need to be made to this plan before it is formally revised at each three year period, the proposed changes will be publicly notified to give anyone affected an opportunity to have their say before Council makes a decision. The 'Significance Policy' guides us in determining the importance of an issue and the possible impact on the community (refer policy section of this plan).

#### 6. INFLUENCING THE PLAN

Community Outcomes must be consulted on at least once every six years. Council consulted on the outcomes in late 2003 and will be re-consulting on them prior to the next Long Term Community Outcomes Plan in 2009.



# [4] amendments to the grey district council long term community outcomes plan 2006 – 2016

## [4.1] INTRODUCTION

Council has made the following amendments to the Grey District Council Long Term Community Outcomes Plan 2006 – 2016

- Revenue and Financing Policy – amendments to the type of rate funding tools used for certain activities; and
- Funding Impact Statement – inclusion of the definition of ‘Separately Used or Inhabitable Parts’ (SUIP) of a rating unit ; and
- Group of activity statement, ‘Refuse Collection and Disposal’ – amendment of the level of service Council provides for refuse collection, funded from rates; and
- Group of activity statement, ‘Community Services’ – the inclusion of specifically defined projects and/or recipients to be considered for Major District Initiative (MDI) funding.

All the amendments have been approved and adopted by Council in June 2007 and therefore now form part of the Grey District Long Term Community Outcomes Plan 2006 – 2016.

## [4.2] AMENDMENTS

### [4.2.a] REVENUE AND FINANCING POLICY

amendment

Council appointed a ‘rating review sub-committee’ in early 2007 to consider the impact of the 2006 rating revaluations. From its recommendation Council resolved in March 2007 that they would signal as part of the Draft Annual Plan to fund the following activities from the general rate calculated on land value.

- Dog & Stock Control
- Health Control
- Building Control
- Cemeteries
- Heritage

what was in the existing Long Term Community Outcomes Plan?

The activities were funded from the Uniform Annual General Charge (UAGC).

impact of the amendment

Note that there has been no amendment to the rating input, but rather the type of rating tool used. Also note that other sources of funds (such as user fees and charges) are used to fund these activities.

The rating input for these activities for the 2007/08 year is as follows:

	Adopted Budget 2007/08 \$
Dog and Stock Control	52,696.00
Health Regulation	58,154.00
Building Control	126,097.00
Cemeteries	108,813.00
Arts, Culture & Heritage	144,769.00

The effect of this is that instead of all properties paying an equal share towards the cost of these activities the individual input will now be determined by the relative property rateable value. Council applies a differential in calculating the general rate, based on the type of property use. For further detail on the calculation of rates please refer to the funding impact statement & other rating information on page 163

#### [4.2.b] FUNDING IMPACT STATEMENT

amendment

The Local Government Act 2002 Amendment Act 2006 requires that local authorities include their definition of 'separately used or inhabited part of a property' in Financial Impact Statement if they intend to rate on that basis. Council currently assesses targeted rates for sewerage, water supply, and refuse collection on this basis.

The definition is as follows:

*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 inhabitation.*
- *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.*

what was in the existing Long Term Community Outcomes Plan?

No definition included.

impact of the amendment

Nil, as this is merely a clarification of definition to be used.

**[4.2.c] GROUP OF ACTIVITY STATEMENT, 'REFUSE COLLECTION & DISPOSAL'**

amendment

Council's Long Term Community Outcomes Plan signalled that 4 refuse bags would be collected per property, per collection, for those properties that are on the collection route and pay the targeted rate.

From July 2007 the targeted rate will fund the collection of up to 104 bags per year (an average of 2 per week). This will be controlled by the use of a 'tag system', with the following criteria:

- Ratepayers who are within the collection route will continue to pay a targeted rate;
- These ratepayers will receive 104 appropriately marked tags per annum (2/week) to attach to their refuse bag;
- Those who wish to put out in excess of 104 per annum will have the ability to purchase additional tags at a cost of **\$1.80** each.

**Note:**

- More than 2 bags per week can be placed out for collection. Users will pay (or have to use an alternative) if they want to use in excess of their 104 tags for the year.
- Those properties in the Central Business District, where refuse is collected twice weekly, will receive 208 tags. These properties currently, and will continue to, pay a higher targeted rate.

what was in the existing Long Term Community Outcomes Plan?

Performance measure in the Long Term Community Outcomes Plan was that 4 bags will be collected per week.

impact of the amendment

A small increase in the amount of user fees recovered, whilst the targeted rate (as compared to that signalled in year two of the long term plan) has a minimal decrease (refer rates for refuse collection on page 172)

**[4.2.d] GROUP OF ACTIVITY STATEMENT, 'COMMUNITY SERVICES'**

amendment

That Council considers the following projects for receipt of the Major District Initiative (MDI) funding that is available from the West Coast Development Trust.

- West Coast Theatre Trust – Regent Theatre Upgrade
- Rugby League West Coast
- West Coast Bowls
- Climbing Wall Trust
- Westurf
- West Coast Hockey
- Cobden Sports Complex
- West Coast Tennis Association
- Greymouth Golf Club

These are in addition to the proposed new Aquatic Centre.

The MDI funding is available via the West Coast Development Trust, for Council to distribute to those organisations that meet the funding criteria. In the event of funds being distributed to any of these potential recipients, the impact on the Long Term Plan will be cost neutral (i.e. revenue received matched by expenditure incurred). These matching revenues and expenditures have not been included in the amended long term plan, as there are no approved recipients.

what was in the existing Long Term Community Outcomes Plan?

No projects and/or recipients are specifically referenced in the current plan, apart from the proposed Aquatic Centre.

impact of the amendment

No direct impact on the Long Term Community Outcomes Plan. The projects are merely signalled as potential recipients.



# [5] audit report



AUDIT NEW ZEALAND  
*Maori: Kaitiaki Takekōwhiri*

**STATEMENT TO THE READERS OF  
 GREY DISTRICT COUNCIL'S  
 LONG-TERM COUNCIL COMMUNITY PLAN, AS AMENDED ON 28 JUNE 2007,  
 FOR THE TEN YEARS COMMENCING 1 JULY 2006**

The Grey District Council (the District Council) adopted its Long Term Council Community Plan (LTCCP) for the ten years commencing 1 July 2006 on 26 June 2006. The Auditor-General appointed me, K. J. Boddy, using the staff and resources of Audit New Zealand, to report on his behalf on the Long Term Council Community Plan (the LTCCP) adopted on 26 June 2006.

We expressed an unqualified opinion on the District Council's LTCCP for the ten years commencing 1 July 2006 adopted on 26 June 2006 in our report dated 26 June 2006. We consider that the LTCCP adopted on 26 June 2006 provided a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public, and subsequent accountability to the community about the activities of the District Council. In forming our overall opinion, we reported on specific matters required by section 94(1) of the Local Government Act 2002 (the Act).

The District Council proposed an amendment to its LTCCP for the ten years commencing 1 July 2006 to amend its Rates Remission Policy in a Statement of Proposal dated 30 April 2007.

We expressed an unqualified opinion on this Statement of Proposal in our audit report dated 30 April 2007. We considered that the information within the Statement of Proposal, about the proposed amendment to the LTCCP and any consequential amendments to the LTCCP that would be required if it was amended in the manner proposed, was fairly presented, and that the District Council had complied with the applicable requirements of the Act in preparing the Statement of Proposal. In forming our overall opinion, we reported on specific matters required by section 94(4) of the Act.

The District Council adopted an amendment to its LTCCP for the ten years commencing 1 July 2006 on 28 June 2007 to:

- amend its Revenue and Financing Policy to change the way certain activities are funded from a uniform annual general charge to a general rate calculated on land value;
- include a definition of a separately used or inhabited rating unit in its Funding Impact Statement;
- amend the level of service provided in respect of refuse collection; and
- add into its Community Services activity statement a list of projects that could potentially be funded through the District Council from the West Coast Development Trust's Major Development Initiative.

The District Council prepared the LTCCP, as amended on 28 June 2007, to reflect its LTCCP after incorporating the amendments adopted by the District Council on 28 June 2007, and any consequential amendments.

**There is no legislative requirement for us to report on the adopted amendment or the LTCCP, as amended by District Council on 28 June 2007 and we have not performed an audit of either the adopted amendment or the LTCCP as amended.**

K. J. Boddy  
 Audit New Zealand  
 On behalf of the Auditor-General  
 Christchurch, New Zealand





**REPORT TO THE READERS OF  
GREY DISTRICT COUNCIL'S  
LONG-TERM COUNCIL COMMUNITY PLAN  
FOR THE TEN YEARS COMMENCING 1 JULY 2006**

The Auditor-General is the auditor of Grey District Council (the District Council). The Auditor-General has appointed me, Tony Uttley, using the staff and resources of Audit New Zealand, to report on the Long Term Council Community Plan (LTCCP), on his behalf.

The purpose of an LTCCP, as set out in section 93(6) of the Local Government Act 2002 (the Act), is to:

- describe the activities of the local authority;
- describe the community outcomes of the local authority's district or region;
- provide integrated decision-making and co-ordination of the resources of the local authority;
- provide a long-term focus for the decisions and activities of the local authority;
- provide a basis for accountability of the local authority to the community; and
- provide an opportunity for participation by the public in decision-making processes on activities to be undertaken by the local authority.

**Opinion**

***Overall Opinion***

In our opinion the LTCCP of the District Council incorporating volumes A to C dated 26 June 2006 provides a reasonable basis for long-term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.

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

In forming our overall opinion, we considered our opinion on specific matters required by the Act, which is set out below.

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

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

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





In terms of our obligation to report on the matters outlined in section 94(1) of the Act, in our opinion:

- the District Council has complied with the requirements of the Act in all material respects by demonstrating good practice for a Council of its size and scale within the context of its environment;
- the underlying information used to prepare the LTCCP provides a reasonable basis for the preparation of the forecast information;
- the assumptions set out within the LTCCP are based on best information currently available to the District Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information is presented in accordance with generally accepted accounting practice in New Zealand;
- the extent to which the forecast information and performance measures provide an appropriate framework for the meaningful assessment of the actual levels of service provision reflects good practice for a Council of its size and scale within the context of its environment.

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

Our report was completed on 26 June 2006, and is the date at which our opinion is expressed.

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

**Basis of Opinion**

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

We planned and performed our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTCCP does not contain material misstatements, and provides a reasonable basis for long-term integrated decision-making by the public and the District Council about the activities of the District Council, and for subsequent accountability to the community about the activities of the District Council.

Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTCCP, determining compliance with the requirements of the Act, and evaluating the overall adequacy of the presentation of information.

We obtained all the information and explanations we required to support the opinion above.

**Responsibilities of the Council and the Auditor**

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

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

**Independence**

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

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



Tony Uttley  
 Audit New Zealand  
 On behalf of the Auditor-General  
 Christchurch, New Zealand

## [6] summary & district overview

This section serves as a brief overview of the Long Term Community Outcomes Plan. Please note that, to obtain a fuller understanding, each of the relevant sections of this plan should be read in further detail.

### [6.1] PURPOSE OF THIS LONG TERM COMMUNITY OUTCOMES PLAN

**The purpose of this document is (Section 93, Local Government Act 2002):**

- To describe the activities of the Grey District Council.
- To describe the community outcomes of the Grey District.
- To provide integrated decision-making and co-ordination of resources of the Council.
- To provide a long-term focus for the decisions and activities of the Council.
- To provide a basis for accountability of the Council to the community.
- To provide an opportunity for participation by the public in decision-making processes on activities to be undertaken by the Council.

The Long Term Community Outcomes Plan (LTCOP) covers a ten year timeframe commencing with the 2006/2007 financial year. In adopting the LTCCP the Grey District Council will be adopting:

- Revenue and Financing Policy under Section 102(4)(a);
- Liability Management Policy under Section 102(4)(b);
- Investment Policy under Section 102(4)(c);
- Development Contributions of Financial Contribution Policy under Section 102(4)(d);
- Partnerships with the Private Sector Policy under Section 102(4)(e);
- Rates Remission Policy under Section 102(5)(a);
- Rates Remission/Postponement on Maori Freehold Land Policy under Section 102(4)(f);
- Funding Impact Statement that meets Clause 13 of Schedule 10;
- A resolution to balance the budget under Section 100(2);
- Fees and Charges for 2006/2007.

In addition, in adopting the LTCOP, the Grey District Council will be:

- adopting a resolution under Section 23(1) of the Local Government (Rating) Act 2002 for the setting of rates as specified in the Funding Impact Statement included in the LTCOP;
- authorising penalties on unpaid rates under Section 57 of the Local Government (Rating) Act 2002;
- adopting a policy for early payment of rates in current financial year under Section 55(1) of Local Government (Rating) Act 2002.

**[6.2] SUMMARY OF INFORMATION**

The major matters that are contained within the LTCOP are:

- The intended significant policies and objectives of the Grey District Council.
- The community outcomes of the Grey District.
- The nature and scope of the significant activities to be undertaken.
- The performance targets and other measures by which performance may be judged.
- In particular terms for the financial years 2006/2007, 2007/2008 and 2008/2009 and in general terms for the following seven financial years, an outline of the indicative costs and sources of funds in total, and for each significant activity.
- Revenue and Financing Policy.
- Liability Management Policy.
- Investment Policy.
- Development or Financial Contribution Policy.
- Partnerships with the Private Sector Policy.
- Rates Remission Policy.
- Rates Remission/Postponement on Maori Freehold Land Policy.
- Funding Impact Statement.
- Early Payment of Rates in Current Financial Year Policy.
- Early Payment of Rates in Future Financial Years Policy.
- A Summary of the Policy on Significance.
- Summaries of assessments of water and sanitary services and waste management plans.
- Details on Council Controlled Organisations.
- Significant forecasting assumptions used in the preparation of the LTCOP.
- An Audit opinion.

**[6.3] COMMUNITY OUTCOMES**

(refer Community Outcomes, page 30)

1. HOW WERE OUTCOMES IDENTIFIED?
  - Outcomes were identified through a public consultation process.
2. HOW WILL COUNCIL CONTRIBUTE TOWARDS ACHIEVING THEM?
  - Even though the outcomes are those of the community, Council approved them as its own. The outcomes now represent strategic goals for the District. In terms of the Local Government Act, 2002, Council also accepts the achievement of these outcomes as a yardstick for the Council/Community performance.
  - This plan is outcome-focused with the activities contributing primarily to a specific outcome grouped under it. Council's budgetary system was also changed accordingly, thereby ensuring optimum integration between Council's day-to-day activities and the outcomes.
3. HOW DO OUTCOMES RELATE TO STRATEGIC PLANNING?
  - Given the integration between activities and outcomes and the focus on the outcomes, this plan will be a de facto living ten year Strategic Plan.
  - It is important to note that, to a very significant extent, the outcome identification process confirmed the strategic goals contained in Council's 2001-2010 Strategic Plan and that it is also compatible with Council's District Plan.
4. ARE OTHER SERVICE PROVIDERS INVOLVED IN THE ACHIEVEMENT OF OUTCOMES AND HOW WILL THEIR INPUT BE MANAGED?
  - As can be seen from the plan, three of the outcomes involve non-municipal input. Council is putting in place, co-operative arrangements with the appropriate service providers to ensure achievement of the outcomes. In setting co-operative agreements in place with such service providers, goals, action plans and performance criteria will be agreed with them. Council will, on a minimum three-yearly basis, report on the achievement of these co-operative outcomes.

5. HOW WILL PROGRESS BE ASSESSED?

This will be achieved by:

- Smart goals for each year as milestones in achieving the outcomes
- Public feedback
- Objective statistical analysis, where applicable
- Internal controls

6. HOW WILL WE REPORT ON PROGRESS?

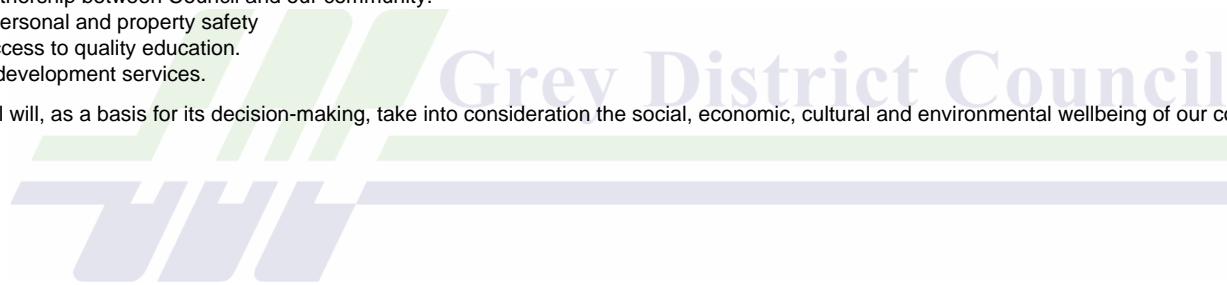
- Based on the performance milestones, Council will report on achievements in each Annual Report. In addition, Council will report on its performance in achieving the outcomes three-yearly. The Newsletter will also be used.

7. WHICH OUTCOMES WERE IDENTIFIED?

The process identified eight outcomes, namely:

- A District enjoying quality affordable services.
- A thriving local economy creating opportunities.
- Affordable access to quality medical health services.
- An attractive District where residents want to be.
- An active partnership between Council and our community.
- Law, order, personal and property safety
- Affordable access to quality education.
- Good social development services.

Note: Council will, as a basis for its decision-making, take into consideration the social, economic, cultural and environmental wellbeing of our community.



**[6.4] KEY ISSUES FROM COUNCIL ACTIVITIES**

The following outlines the key issues from the Groups of Activities (refer 'achieving the outcomes', page 34 for an overview of how the activities are grouped). Further to this, Council has in April 2006 constituted a company, Port Westland Limited, which with Council as the sole shareholder will be a Council Controlled Organisation (CCO). Port Westland Limited will be responsible for the development and management of the port operations for Greymouth. Council continues to manage the Harbour Board Endowment land on behalf of the port as beneficiary of any net return from such land in terms of legislation. Operational assets will be transferred to the port company. Please refer to CCO section, page 185 for further information on Port Westland Limited.

**1. ROADING**

Council continues to commit to maintaining existing assets to their current standards which will maintain existing levels of service.

Capital projects in years 1 – 5 are mainly focussed on upgrades to cater for increased traffic projected from the Pike River Coal Company mine. These projects receive financial assistance from Land Transport New Zealand, as well as the private developer of the mine paying a share of the local costs. The remaining share of Council's costs has been loan funded over a ten year period.

As a cost saving measure minimal capital projects have been included where Council cannot receive financial assistance from LTNZ or a majority contribution from another third party. In previous years this work funded from rates annually has included:

o New Culverts	\$30,000	}	note: not included in the adopted budgets
o New Kerb & Channel	\$50,000		
o Paving & Kerb CBD – Greymouth	\$20,000		
o New Footpaths	\$50,000		

Work has been included in year one for Kaiata footpathing, subject to Transit approval. This work is to be funded ex Council special funds and not rates.

**2. STORMWATER & FLOOD PROTECTION**

The commitment continues to be to maintain the current service provided, with a consistent asset renewal programme. A portion of this work continues to be funded from Council Infrastructure Reserves.

**3. SEWERAGE**

- The Greymouth area sewerage upgrade is signalled for completion in year 8 (note - ratepayer contributions to fund this new development continue for approximately 25 years)
- The Blackball sewerage scheme will be implemented and operational by year 2.
- Sewerage scheme to service Boddytown area in year 1.
- Other areas' sewerage schemes have been signalled subject to further consultation/investigation.
  - o Kaiata
  - o Dobson
  - o Taylorville
  - o Rapahoe

**4. WATER SUPPLY**

- Implementation of Lifeline recommendations to maintain supplies in a District emergency.
- The renewal of the Runanga supply trunk main in year 1. This is to be funded from the Runanga Infrastructural Development Reserve (the area's share of the \$7m West Coast adjustment package from central Government)
- Upgrade of Blackball water reticulation in year 1
- The provision of water reticulation for Moana in year 2.
- The provision of water filtration capacity at the Coal Creek (Greymouth and surrounding urban areas supply) water intake in year 4.
- Water filtration on other schemes in years 4 and 5.

**5. REFUSE COLLECTION & DISPOSAL**

With the recent commissioning of the second cell at the District facility, Mcleans Landfill, no significant new capital developments are planned for the ten year period. Kerbside recycling has been signalled to commence in year 5, coinciding with resource recovery centre operations. The reason for the delay in the implementation of a long-awaited Council initiative relates to the unavailability of contractors to take recycled products off the Coast.

6. RURAL FIRE AUTHORITY

Maintain existing service, and to increase public compliance with regulations.

7. ECONOMIC DEVELOPMENT

- Council is committed to the reinstatement of a full economic development facilitation capability over time, as financial means become available. In the meantime, the function will be undertaken by the Chief Executive Officer as a specific focus area. Council accepts this to be a less than ideal solution as his available time to devote to this function is limited. Both the Chief Executive Officer and Community Development Officer will work closely with the West Coast Development Trust.
- A re-development of a Central Business area, centred on the Albert Mall site, is to be funded from contributions from benefiting parties.

8. PROPERTY & HOUSING

- Divesting Council's interest in the residential leasehold portfolio by encouraging freeholding.
- Sale of Council surplus land. Attention is specifically drawn to the continued focus of Council to sell surplus land as an ongoing initiative. In the process Council will comply with legal requirements.
- Maintaining the retirement housing portfolio to the current high standard.

9. COMMUNITY SERVICES & FACILITIES

- Commitment of a further \$500,000 from Council in year 3 towards the proposed Greymouth aquatic centre, subject to the total required project funding being raised.
- Implementation of the airport management review as well as expected commercial development at the airport to make it more viable whilst strengthening the strategic value of the facility, also as a Lifeline asset.
- Negotiations with Tai Poutini Polytechnic, schools and other education and training providers re cooperation in the provision of library services to bring efficiencies without threat to any existing users or groups.
- A parks and reserves review may result in a reduction in the number of reserves being maintained and the associated sale of unwanted reserves as surplus property.

10. CIVIL DEFENCE

Council strengthening its involvement in the regional Civil Defence and Emergency Management Group.

11. DEMOCRACY

Council is of the opinion that current representation arrangements are functioning adequately. The imminent decision of the Local Government Commission will determine the future of the Northern Ward Community Board. Council is satisfied that its informal consultation with the local community and Iwi is positive and fruitful.

12. ADMINISTRATION

Council reports on this as a separate group as it sees it as a key area in remaining accountable to the public with regards to Council operations and delivery of services. It is expected that the size of Council's administration will remain more or less at current levels, in spite of the expected further increase in workload.

13. ENVIRONMENTAL SERVICES

It is expected that the increased economic growth will impact particularly on this group of activities as front desk applications, particularly Planning and Building Control. Key issues include:

- Continued development of the District Plan.
- An investigation into options for an extension of the Greymouth CBD.
- Difficulties recruiting and retaining planning and building control staff.
- Changes to the Building Act requiring significant process and strategic changes in building control.

14. LIAISON WITH OTHER AGENCIES

These activities are related less to the core business of Council, and more to where Council acts as the facilitating or liaising agency. Council is still to put the processes in place to achieve the desired outcomes from these activities. Restorative justice, Community Patrol and the Big Brother Big Sister initiatives are in place and functioning in compliance with performance criteria set by the Crime Prevention Unit of the Ministry of Justice.



**[6.5] KEY ISSUES FROM THE FINANCIAL STATEMENTS & INFORMATION**

(refer Forecast Financial Statements & Information, page 140 for full information and associated notes and policies.)

1. SUMMARY PROSPECTIVE INCOME STATEMENT

Budget 2005/06 \$		Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
<b>Income</b>											
9,036,488	Rates & Penalties	9,569,788	10,162,350	10,896,119	11,566,551	12,542,983	13,145,619	13,420,173	14,077,120	14,439,542	14,659,776
3,768,061	Subsidies and Grants	4,945,056	5,243,508	4,326,937	8,585,412	7,410,149	7,614,581	5,109,410	7,025,124	5,411,713	5,551,889
351,137	Interest Income	1,037,906	1,043,845	1,098,461	1,125,224	1,092,934	1,045,010	1,063,303	1,090,000	1,140,000	1,190,000
458,384	Regulatory Income	858,795	888,750	918,018	946,434	973,853	1,000,150	1,025,222	1,048,904	1,069,972	1,091,515
3,020,695	User Charges & Other Income	1,817,575	1,997,341	2,286,953	2,454,395	2,786,153	2,105,247	1,916,408	1,986,204	2,124,593	2,063,586
30,450	Other Income	714,360	703,652	694,204	685,510	677,372	669,692	662,356	655,629	648,847	643,653
<b>16,665,215</b>	<b>Total Income</b>	<b>18,943,480</b>	<b>20,039,446</b>	<b>20,220,692</b>	<b>25,363,526</b>	<b>25,483,444</b>	<b>25,580,299</b>	<b>23,196,872</b>	<b>25,882,981</b>	<b>24,834,667</b>	<b>25,200,419</b>
<b>Expenditure</b>											
(10,719,328)	Operations & Maintenance	(9,864,657)	(10,210,166)	(11,312,424)	(11,144,971)	(11,801,188)	(12,129,884)	(12,444,400)	(12,954,091)	(13,321,906)	(13,558,844)
(987,891)	Interest Expense	(620,131)	(861,292)	(955,226)	(1,422,730)	(1,473,206)	(1,329,675)	(1,300,424)	(1,812,966)	(2,006,825)	(1,938,778)
(4,601,185)	Depreciation	(5,844,931)	(5,993,535)	(7,213,270)	(7,427,923)	(7,596,940)	(8,404,005)	(8,532,003)	(8,689,026)	(9,360,318)	(9,435,318)
<b>(16,308,404)</b>	<b>Total Expenditure</b>	<b>(16,329,719)</b>	<b>(17,064,993)</b>	<b>(19,480,920)</b>	<b>(19,995,624)</b>	<b>(20,871,334)</b>	<b>(21,863,564)</b>	<b>(22,276,827)</b>	<b>(23,456,083)</b>	<b>(24,689,049)</b>	<b>(24,932,940)</b>
<b>356,811</b>	<b>Net Surplus/(Loss) before Tax</b>	<b>2,613,761</b>	<b>2,974,453</b>	<b>739,772</b>	<b>5,367,902</b>	<b>4,612,110</b>	<b>3,716,735</b>	<b>920,045</b>	<b>2,426,898</b>	<b>145,618</b>	<b>267,479</b>

Note:

- 'Other Income' includes 'Profit on Sale of Asset' and 'Vested Asset' income.
- 'User Charges & Other Income' - Income from 'Port Operations' is no longer included, as it is now operating as a Council Controlled Organisation (Please refer to CCO section, page 185 for further information on 'Port Westland Limited').
- Likewise with operations and maintenance expenses decreasing with no port operation expenditure included.
- Depreciation has increased as an outcome of the June 2005 revaluation of Roading, Water Supply, Sewerage, and Stormwater assets.

2. BALANCING THE BUDGET

refer to 'statement concerning balancing the budget', page 146 for full rating information disclosure

The projected income statement shows considerable surpluses on most years, when excluding the sources of 'Other Income'. However, there are activities in particular years where operating revenue has not been set at a level to cover all operating expenditure (including depreciation). The most notable are 'Roading' in years 2 and 3 and 'Stormwater & Flood Protection' in all ten years. As is further disclosed under these activities Council is committed to maintaining the current levels of service provided by the existing assets. Alternative sources of funding have been used in some cases, e.g. the funding of stormwater capital from reserves. Council has set this budget at what it deems to be the most prudent way of delivering its intended levels of service, considering all factors such as the ability to raise operating revenues from sources such as rates.

3. RATES

refer to 'funding impact statement & other rating information', page 163 for full rating information disclosure

Accounting for projected growth the impact on general rates is expected to be as follows:

a. UNIFORM ANNUAL GENERAL CHARGE

UAGC	Rate 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
% change	2.9%	0.9%	3.6%	0.0%	0.0%	2.3%	0.0%	2.4%	0.0%	0.0%

b. THE GENERAL RATE (CHARGED ON LAND VALUE)

General Rate	Rate 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
% change	3.7%	4.1%	4.1%	3.9%	9.5%	4.3%	0.8%	1.6%	1.3%	0.0%

Note: A District revaluation will be done in September 2006, which will be used for the calculation of rates from 01 July 2007. A review of the rating system will be done post the revaluation prior to the 2007/08 Annual Plan.

Note: The increases provided for are a true reflection of the rate requirement in order to finance Council's operations for the year, which figures are inflation adjusted. The use of a 1.5% growth rate is regarded to be conservative as current growth rates are close to 3%. Some 700 new properties are under subdivision now and new developments, i.e. Pike River Coal Co, are expected to trigger even more subdivisions and building consents.

c. TARGETED RATES

Targeted rates are only payable by those properties that are able to benefit from the relevant service provided. This will include new targeted rates for new services to be provided (e.g. a new sewerage scheme). As there are many different targeted rates set by Council please refer to the 'funding impact statement & other rating information', page 163 for full information.

4. FEES & CHARGES

The more significant changes in fees and charges are signalled for the building control and planning related fees. Please refer 'fees & charges', page 176 for a list of fees and charges.

[6.6] KEY ASSUMPTIONS UNDERLYING THIS PLAN

(refer significant forecasting assumptions, page 143 for a full list)

Population Growth

- Council expects our community to grow by up to 16% during the planning period (an average of 1.5% per annum). This development is expected to be confined to, predominantly Karoro, South Beach/Paroa and Marsden Road east. It is also expected that towns like Runanga, Rapahoe, Taylorville, Dobson and the Barrytown/Coast Road area may also see moderate levels of growth. Further development in the Moana, Iveagh Bay areas is also expected with the tempo of this development being as high as 4% p.a.

Demand for Services

- Council has been proactive in providing for the expected development south of Greymouth.
- This plan addresses the provision of reliable and complying services to Runanga, Moana and such areas.

**[6.7] KEY FACTORS THAT CAN HAVE AN IMPACT ON OUR DISTRICT'S FUTURE**

The following, among others, are expected to impact on our District's future:

- Economic development prompted by Council's economic development initiatives and the availability of development funding through the West Coast Development Trust and the Central West Coast Development Facilitation Fund.
- Coal mining, specifically further developments at Solid Energy's Spring Creek and other mines, Roa mine and Pike River Mine.
- The development of the potential offered by Port Westland Limited prompted by coal export.
- Other mining developments and spin-off benefits.
- Benefits related to proposed electricity generation schemes.
- Technological advances.
- Changes in land tenure and use.
- Residential/lifestyle block developments in the Greymouth, South Beach/Paroa/Rutherglen areas.
- Residential and tourism developments around Lake Brunner.
- Government intervention.
- Trends in tourism, notably eco-tourism.

**[6.8] HOW WILL COUNCIL COMPLY WITH ITS STATUTORY OBLIGATIONS?**

Council faces up to the reality that, in terms of the Local Government Act, 2002, it is now the community's principal instrument through which it will pursue the economic, cultural, social and environmental wellbeing for the community. The shift in emphasis from service delivery to securing community wellbeing is accepted and Council will achieve this in partnership with its community by:

- Incorporating a critical analysis of any matter serving before it against the four wellness criteria in any action taken by Council or decision taken by Council. This means that a conscious consideration is given to the economic, cultural, social and environmental implications for our community as part of every decision Council makes.
- Consulting openly and positively with the community to ensure that wellbeing criteria are met.
- Co-operating with our community in achieving reasonable and legitimate expectations in this regard.

**[6.9] THE FOCUS ON PARTNERSHIPS WITH OUR COMMUNITY**

This plan is a community plan and its outcome will rely on the measure of joint Council-Community action in its implementation. Council recognises this and would like to encourage active involvement from individuals and groups. If existing forums do not provide a suitable vehicle for everyone, Council will be more than open to suggestions on additional or alternative forms of consultation.

**[6.10] THE ROLE OF MAORI IN THE FUTURE DEVELOPMENT OF OUR COMMUNITY**

Council fully acknowledges the need to not only consult with Maori on issues of development of our District, but also to facilitate optimum Maori input into decision-making. Whilst it is Council's policy to not advocate seats on Council based on specific cultural groupings, Council fully recognises that the cultural approach of Maori to governance is different to that of western cultures. For this reason:

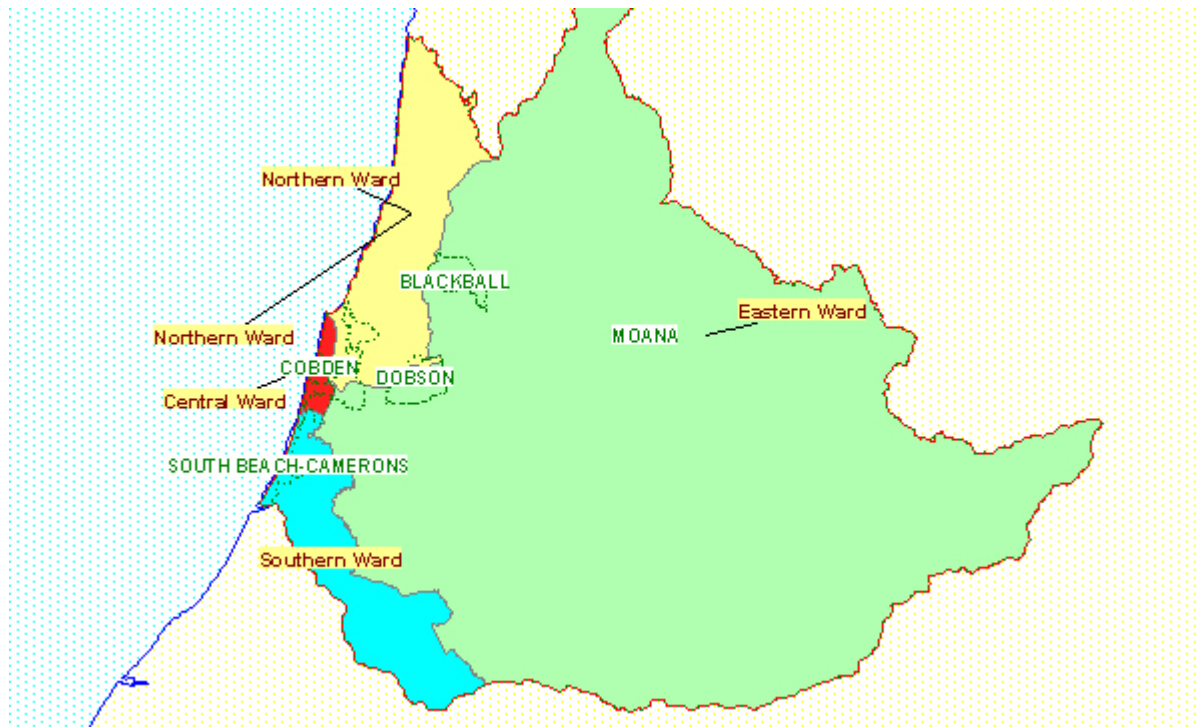
- Council will consult with local Maori on ways and means of empowerment of Maori to contribute to decision-making.
- Council is developing a formal Memorandum of Understanding with Te Runanga o Ngati Waewae, which will determine our future relationship.

**[6.11] WHAT IS THE VISION OF COUNCIL?**

**A PROSPEROUS DISTRICT WITH EXCITING OPPORTUNITIES FOR ALL AND A RANGE OF QUALITY SERVICES.**

[6.12] DISTRICT PROFILE:

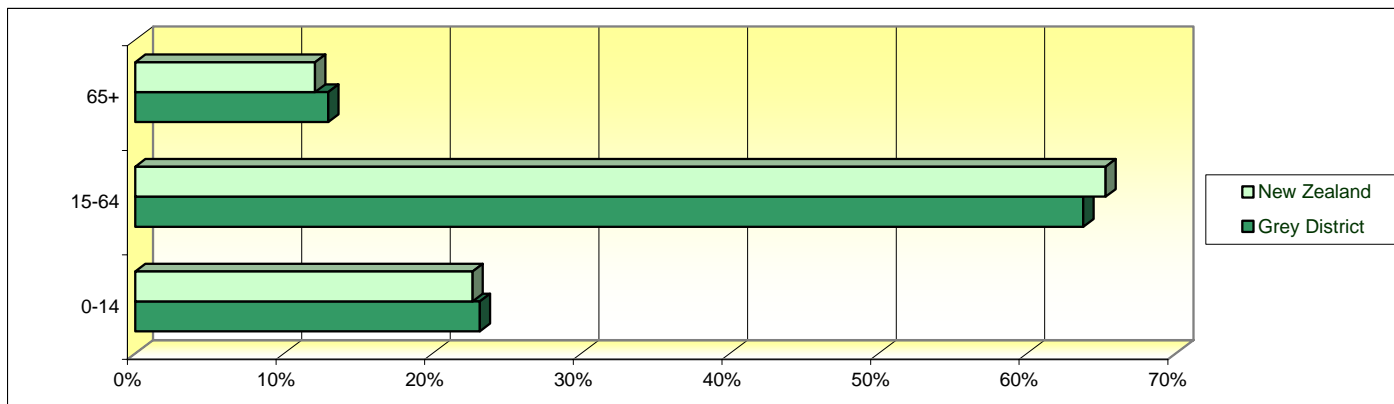
The Grey District is located on central West Coast of the South Island, New Zealand.



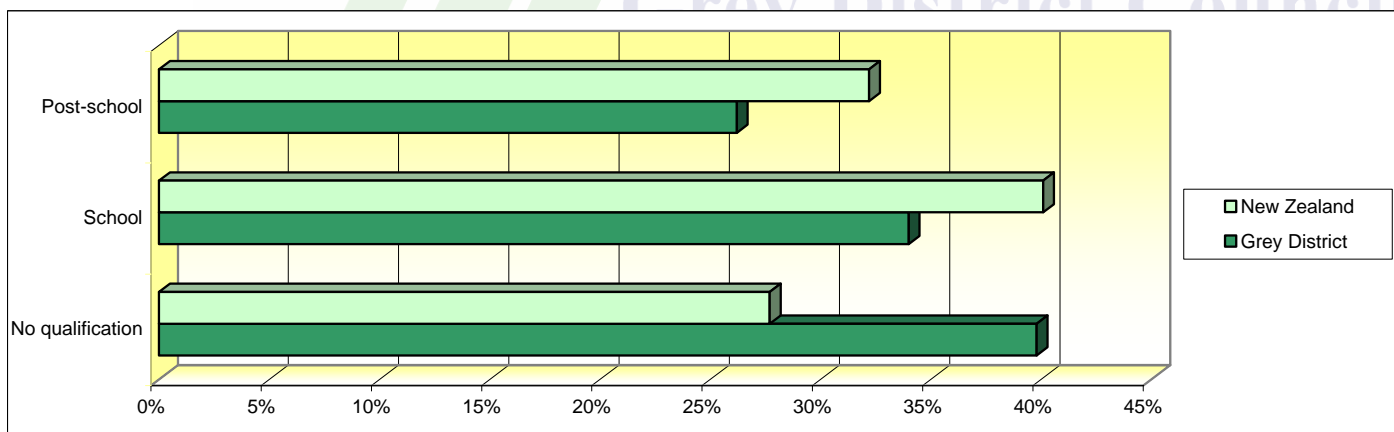
1. POPULATION

At the 2001 Census the population of the Grey District was **12,894**:

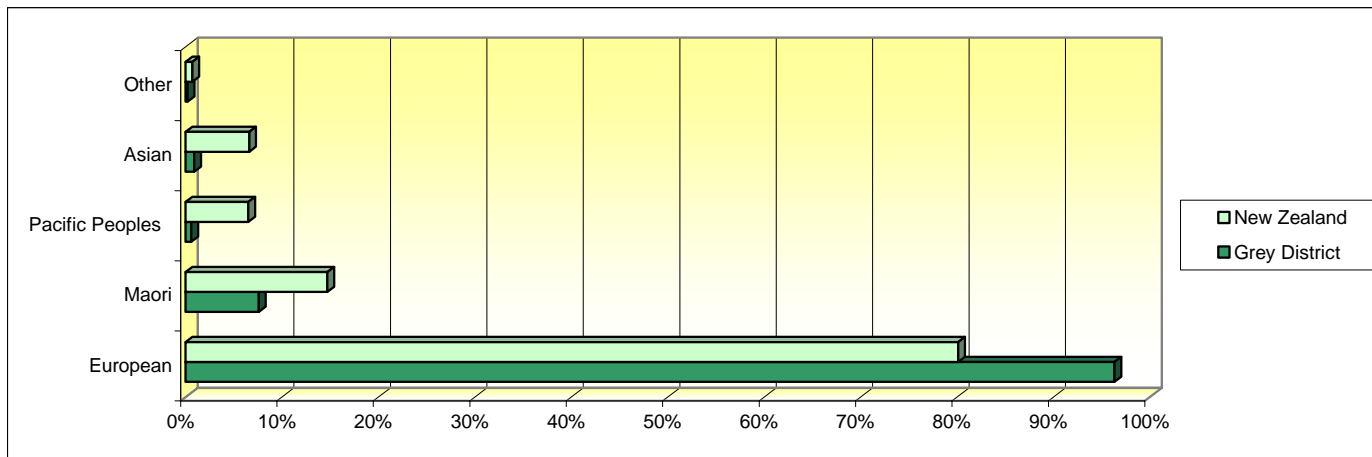
2. AGE PROFILE (2001 CENSUS)



3. EDUCATION (2001 CENSUS)



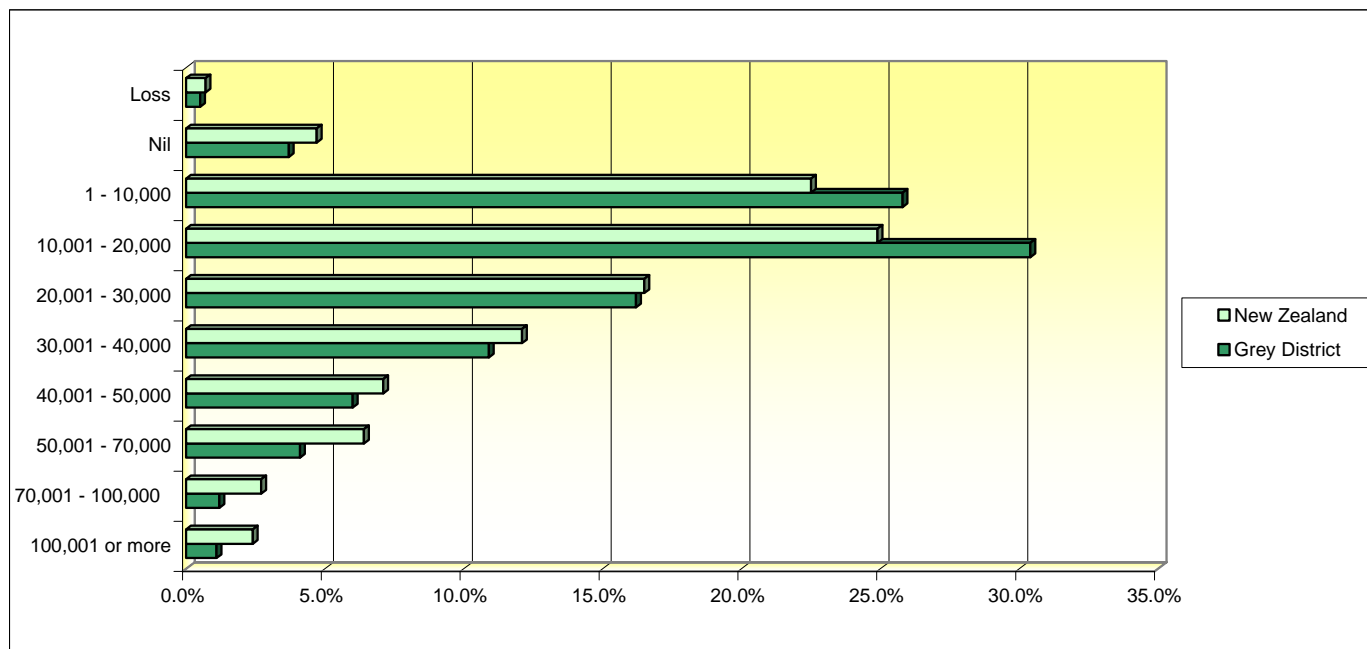
4. ETHNIC GROUPS (TOTAL RESPONSES) (2001 CENSUS)



5. INCOME (2001 CENSUS)



annual income (\$)	Grey District	New Zealand
100,001 or more	1.1%	2.4%
70,001 - 100,000	1.2%	2.7%
50,001 - 70,000	4.1%	6.4%
40,001 - 50,000	6.0%	7.1%
30,001 - 40,000	10.9%	12.1%
20,001 - 30,000	16.2%	16.5%
10,001 - 20,000	30.4%	24.9%
1 - 10,000	25.8%	22.5%
Nil	3.7%	4.7%
Loss	0.5%	0.7%



6. EMPLOYMENT (2001 CENSUS)

- The unemployment rate in Grey District was 6.4 percent, compared with 7.5 percent for all of New Zealand.
- The most popular occupational group in Grey District was Service and Sales Workers (16.0 percent). The most popular occupational group for New Zealand as a whole was Service and Sales Workers (14.8 percent).

7. FAMILIES (2001 CENSUS)

	Grey District	New Zealand
Couples with child(ren)	41.4%	42.1%
Couples without children	41.9%	39.0%
One parent with child(ren)	16.8%	18.9%

**[6.13] ELECTED REPRESENTATIVES AND THEIR PORTFOLIOS**

Position	Name	Ward	Portfolio Responsibilities
Mayor	Tony Kokshoorn		Finance Economic Development Port Youth Advocacy Public Relations
Deputy Mayor	Doug Truman QSM	Central	Legal Water Stormwater Sewerage
Councillors	Paul Berry	Eastern	Resource Management Regulatory Functions Staff Dog & Stock Control
	Mark Thomas	Eastern	Airport Civil Defence Safety/Security Parks/Reserves Forestry
	Ian Cummings	Central	Finance (in association with Mayor) Property Liquor Licensing
	Karen Hamilton	Central	Arts Culture Heritage Maori Affairs
	Elinor Stratford MNZM	Central	Health & Disability Library Tourism
	Wayne Moen JP	Southern	Land Transport Waste Management
	Cliff Sandrey	Northern	Sport & Recreation Cemeteries Pensioner Housing Welfare



Northern Ward Community Board	
Members	Alice Noble (Chairperson)
	Owen Burnett
	Ronald Butler
	William Coram

**Council is committed to:**

- Being accountable to its community.
- Representing its community strongly and positively.
- Consulting its community in a spirit of collective decision-making.
- Working with other bodies and institutions pursuing the same goals.
- Participating strongly in the activities of organised local Government.
- Striving towards optimum efficiency and a customer focus.
- Equity and transparency in its dealings with its community.
- Cultural, economic, environmental and social wellbeing of its community in decision-making.
- Sustainability as basis for development activities in the District.
- Creating opportunities for all.
- Being a good employer.
- A healthy community.
- Building on our heritage



**SECTION B**  
**COMMUNITY OUTCOMES**

Grey District Council

# [1] introduction

Council formally consulted its community on the identification and prioritisation of desired outcomes for our District. The result was a clear set of objectives for our community to focus on over the next ten years. Council resolved not to simply accept these outcomes as that of the community but adopted it as its own, thereby giving this plan a definite strategic focus and application. Furthermore, Council resolved to focus all its activities on the achievement of the identified outcomes, a philosophy, which forms the basis of this plan.

## [1.1] OUTCOMES IDENTIFIED

The following outcomes were identified:

- |                      |  |
|----------------------|--|
| <b>Outcome One</b>   | A District enjoying quality affordable essential services. |
| <b>Outcome Two</b>   | A thriving local economy creating opportunities.           |
| <b>Outcome Three</b> | Affordable access to quality medical health services.      |
| <b>Outcome Four</b>  | An attractive District where residents want to be.         |
| <b>Outcome Five</b>  | An active partnership between Council and our community.   |
| <b>Outcome Six</b>   | Law, order, personal and property safety.                  |
| <b>Outcome Seven</b> | Affordable access to quality education.                    |
| <b>Outcome Eight</b> | Good social development services.                          |

# Grey District Council

## [1.2] HOW WERE THEY IDENTIFIED?

Council formally consulted its community in late 2003 by means of an information leaflet, an invitation to participate and reply paid envelope for the response form. The process was based on the inferred outcomes per Council's strategic plan - **Yes We Will** - 2002/2012, together with a clear invitation to confirm, amend or add to such outcomes. In addition, Council also consulted with groups and Te Runanga O Ngati Waewae.

A total of 343 responses were received confirming the outcomes per the strategic plan and adding outcomes, some of which involve non-local authority functions. Based on low numbers of support for some and the realisation for the need to concentrate on more powerful goals as basis for success, Council reduced the number of outcomes to the eight identified above.

## [1.3] HOW WILL COUNCIL CONTRIBUTE TO ITS ACHIEVEMENT?

Council is committed to achieving identified performance goals and for its performance, in doing so, to act as measure for its success. Council is also committed to going a step further by working with the community, including other service providers, to achieve outcomes. This not only gives this plan a strategic focus, but also makes it a community plan in every sense of the word. The end result can be most beneficial with local resources pooled to achieve these outcomes. With refinement and further community buy-in, this plan has the potential to become a powerful development tool.

For its part, Council will actively work towards achieving these outcomes. This is done by making the outcomes its central focus. This plan groups activities primarily contributing to specific outcomes under such outcomes and sets achievable performance standards for each activity.

## [1.4] HOW DO THE OUTCOMES RELATE TO OTHER PLANNING DOCUMENTS?

This plan replaces the strategic plan. It is so much more powerful than the existing strategic plan because of –

- Community identified outcomes being the focus,
- the integrated focus involving the community including other service providers,

- the direct link between budget and outcomes,
- the larger measure of integration,
- the bigger picture and longer term focus.

This plan will also represent the long-term financial strategy. It runs parallel with the District Plan and further integration will follow. This plan also represents the 2006/7 Annual Plan and will form the basis for subsequent Annual Plans.

The relationship with other plans is still to be finalised. Council is committed to developing a protocol to ensure compliance with its own other plans, i.e. the District Plan and to work with other service providers to ensure this integration. In the meantime:

- Council incorporated current strategic planning by other service providers involved in the three non-local Government outcomes in its activity management plans for the three outcomes and will concentrate on developing Action Plans as basis for compliance.
- Council agenda items cover Strategic (LTCOP) and District/Other plans as considerations for Council.

Three of the Community Outcomes involve services not delivered by Council and formal arrangements are provided for to cooperate with the relevant service providers in achieving the outcomes.

#### [1.5] HOW WILL COUNCIL WORK WITH MAORI TO FURTHER THE OUTCOMES?

Council values its association with Maori and, during 2003, prepared a Memorandum of Understanding for negotiation with both Te Runanga O Ngati Waewae as local Iwi and the local body representing Maori in the District from other areas. The Memorandum of Understanding is still to be negotiated. In the meantime, Maori are being seen as a special focus area for consultation and Council is maintaining a close and productive contact with them.

The Memorandum of Understanding, once in place, will put this on an even more formal footing.

#### [1.6] HOW WILL COUNCIL WORK WITH GOVERNMENT AND NON-GOVERNMENT AGENCIES TO FURTHER THE OUTCOMES?

Council will maintain a productive association with the Crown for purposes of the achievement of outcomes, notably the three outcomes (Affordable Medical Health, Affordable Education and Law, order, personal and property safety) as well as the general wellbeing of our District and its people. Council also acknowledges the existence of developmental agencies like the Greymouth Business Promotions Assn and will consult with them on the plan and associated issues.

#### [1.7] HOW WILL PROGRESS IN THE ACHIEVEMENT OF OUTCOMES BE MEASURED?

The basis of this plan is that it is focused on outcomes and that Council, in achieving its stated outputs, will automatically achieve the outcomes. Council recognises that it has to develop a more formal monitoring regime to measure progress in achieving outcomes. This will be developed in consultation with our community. Council intends doing this by means of:

- a questionnaire/survey of community views. This will not only be dealt with using the Special Consultative procedure, but Council also intends making it part of a publicity initiative through the local media.
- Consultation with community groups and organisations selected for their ability to contribute to such process.

This also applies to the relationship of this plan to other key documents and ensuring that such documents are complied with. As monitoring improves, the partnership between Council and its community will strengthen and the outcome measures will evolve. Unlike the Local Government Act, 2002 that sees a Long Term Council Community Plan as a fixed plan, Council sees it as an ever evolving product of interaction between Council and its community.

#### [1.8] HOW WILL COUNCIL ENSURE THAT THE FOUR COMMUNITY WELLBEINGS ARE ADDRESSED?

Council is committed to consider the economic, social, environmental and cultural implications of any issue as basis for its decision in its macro and micro decision-making. This is not only done as part of this plan but will also be mirrored in any decision Council takes including decisions under delegated authority.

**[1.9] HOW WILL COUNCIL DEVELOP MAORI CAPACITY TO CONTRIBUTE TO DECISION-MAKING?**

Council recognises that western governance processes are distinctly different from that of traditional Maori and that this may have an impact on Maori participation in local decision-making. Council is committed to overcoming this by -

- consulting with both local Iwi and other local Maori to make the consultation inclusive.
- consulting with both parties on ways in which Maori capacity development can improve participation.
- to undertake such consultation in the manner to be agreed upon with Iwi and Maori.



## [2] achieving the outcomes

Council contributes towards the achievement of the community outcomes by undertaking the following activities. Activities may contribute partly to other outcomes as illustrated in the following table. The right hand column illustrates to which group of activities that each activity belongs.

ACTIVITY	Outcome One A District Enjoying Quality Affordable Essential Services	Outcome Two A Thriving Local Economy Creating Opportunity	Outcome Three Access To Quality Medical Services	Outcome Four An Attractive District Where Residents Want To Be	Outcome Five An Active Partnership Between Council & Our Community	Outcome Six Law, Order, Personal And Property Safety	Outcome Seven Affordable Access To Quality Education	Outcome Eight Good Social Development	Significant Activity Group where reported in this document
Roading	✓✓	✓		✓		✓		Roading	
Stormwater	✓✓	✓		✓		✓		Stormwater & Flood Protection	
Flood Protection	✓✓	✓		✓		✓✓		Stormwater & Flood Protection	
Sewerage	✓✓	✓		✓		✓		Sewerage	
Water	✓✓	✓		✓		✓		Water Supply	
Refuse	✓✓	✓		✓		✓		Refuse Collection & Disposal	
West Coast Rural Fire Authority						✓✓		Rural Fire Authority	
Economic Development Facilitation		✓✓	✓	✓			✓	Economic Development	
Property		✓✓		✓				Property & Housing	
Parking		✓✓		✓		✓		Property & Housing	
Retirement Housing		✓		✓		✓		Property & Housing	
Airport		✓✓	✓	✓			✓✓	Community Services & Facilities	
Civic Centre				✓✓				Community Services & Facilities	
Libraries				✓✓			✓	Community Services & Facilities	
Reserves				✓✓				Community Services & Facilities	
Rest Rooms and Public Conveniences		✓		✓✓		✓		Community Services & Facilities	
Swimming Baths		✓		✓✓		✓		Community Services & Facilities	
Events and Recreation Management		✓		✓✓				Community Services & Facilities	
Cemeteries		✓		✓✓				Community Services & Facilities	
Council's In-House Task Force				✓✓				Community Services & Facilities	
Arts, Culture and Heritage		✓		✓✓				Community Services & Facilities	
Emergency Management and Civil Defence		✓		✓		✓✓		Civil Defence	
Council	✓	✓	✓	✓	✓✓	✓	✓	Democracy	
Northern Ward Community Board	✓	✓	✓	✓	✓✓	✓	✓	Democracy	
Effective and Open Consultation	✓	✓	✓	✓	✓✓	✓	✓	Democracy	
Council's Administration.	✓	✓	✓	✓	✓✓	✓	✓	Administration	
Planning		✓		✓✓		✓		Environmental Services	
Amenity Management		✓		✓✓		✓		Environmental Services	
Access to Official Information					✓✓			Environmental Services	
Health Regulation		✓		✓		✓✓		Environmental Services	
Building Control		✓		✓		✓✓		Environmental Services	
Dog and Stock Control				✓		✓✓		Environmental Services	
Co-operation with WC DHB & others			✓✓	✓	✓	✓	✓	Liaison with other Agencies	
Co-Operation with New Zealand Police...					✓	✓✓		Liaison with other Agencies	
Restorative Justice		✓		✓	✓	✓✓		Liaison with other Agencies	
Education - Co-Op with Relevant Providers		✓		✓	✓		✓✓	Liaison with other Agencies	

✓✓	Outcome that the activity <b>primarily</b> relates to
✓	Other Outcomes to which the activity contributes



**SECTION C**  
**GROUPS OF ACTIVITIES**

Grey District Council

# [1] roading

including Land Transport Programme<sup>1</sup>

## [1.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Roothing

## [1.2] RATIONALE FOR GROUPING

This is the most significant cost activity managed by Council and is dealt with on a stand-alone basis.

## [1.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

By virtue of Land Transport Management Act 2003 Council is the owner and transport controlling authority for all public transport within the District. Council has a duty to ensure that the transport is safe and sustainably managed, including planning for the future.

The Council currently owns, operates and maintains a District-wide transport network (excluding the two state highways), six water facilities at Lake Brunner and one at Lake Haupiri.

Roads	
Sealed (km)	358
Unsealed (km)	261
Total (km)	619
Footpaths (km)	68
Bridges and Large Culverts (unit)	223
Street Lights (no.)	1,149
Water minor facilities (unit)	7
Bus Shelters (no.)	39

<sup>1</sup> Council is consulting on its Land Transport Programme through the LTCCP in accordance with Section 13 of the Land Transport Management Act 2003, as follows:

“13. Local authority may not need to prepare land transport programme -

A local authority need not prepare a land transport programme for a financial year if -

(a) the local authority's long-term council community plan or annual plan includes the matters required to be in a land transport programme prepared by the local authority”



**[1.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES**

The goals for the provision of transport infrastructure in the Grey District are:

- To ensure the safety of users;
- To provide for convenience of use;
- To contribute to District's economy; and
- To retain ownership of the road corridor.

Council's objectives are:

- To ensure that all systems comply with Land Transport New Zealand requirements;
- To manage the transportation system well and in line with agreed expectations between the community and Council;
- To encourage active transport practices that contributes to physical and mental health.

**[1.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE**

Community Outcomes	How the group of activities contributes
A District enjoying quality, affordable essential services.	Roading represents a necessary service.
A thriving local economy creating opportunities.	A growing, positive economy is reliant on quality transport services of which the transportation network is an important component.
An attractive District where residents want to be.	Functional reliable transport is essential for the community's enjoyment of their living environment.
Law, order, personal and property safety.	Good transport promotes personal and property safety.

**[1.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

For some years now, Council has made optimum use of available LTNZ subsidies and our roading network is generally in very good condition. Council is pro-active in its dealing with resource consents and subdivision consents to ensure that developers make an equitable contribution to new roads and roading upgrades.

2. 2006-2009

The focus will largely be on the widening and construction of roads and bridges associated with the Pike River Coal Co. The outcome of the resource consent process will determine the actual transport route to be used and this will determine actual spending. Attention is drawn to the capital programme following hereafter.

Pike River Coal Co is paying a share of the associated cost post LTNZ subsidy, based on the estimated usage of the roading network.

3. 2010-2016

Projected population increases, potential changes in land-use demographics and increased tourism and are expected to substantially increase future traffic volumes on existing roads thereby increasing demand for road widening, sealing, safety features and upgrades. New subdivisions will further add to demand for additional road sealing. One of the more important matters that will have to be managed carefully is the road transport of cargo into Port Westland.

The ability to afford its share of the roading cost is a particularly daunting challenge as is evidenced by the fact that the roading programme as attached does not provide for any new (unsubsidised) projects that have been funded in previous years.

**[1.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEING FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

Council accepts that Rooding has potentially negative implications and is committed to mitigate such effects as much as possible. Particular attention will be given to:

- An effective rooding network, in fact, can increase traffic volumes which has safety, noise and emission implications that may be harmful.
- Road accidents are a reality that can be managed but seemingly, not eliminated.
- Dust from unsealed roads has a negative impact on the surrounding living and working environment.
- Contamination of waterways abutting or receiving run-off from roads is a reality that has to be carefully managed.
- The choice of road transport by Pike River Coal Co may have a negative impact on flow of traffic, safety and amenity.

**[1.8] LEVEL OF SERVICE EXPECTATION**

Council is committed to making the best possible use of favourable LTNZ funding levels to maintain high standards of service delivery. Levels of service will, at least in the short to medium term, not be the same because:

- Rooding expenditure will, to a large extent, be focused on creating the necessary safety and capacity on proposed Pike River Coal Co transport routes.
- As a cost saving measure no capital projects have been included where Council cannot receive financial assistance from LTNZ or a majority contribution from another third party. In previous years this work funded from rates has included:
 

o New Culverts	\$30,000	}	note: not included in the draft budgets
o New Kerb & Channel	\$50,000		
o Paving & Kerb CBD – Greymouth	\$20,000		
o New Footpaths	\$50,000		

There is a possibility that Council may want in future to reduce its rooding programme in order to reduce rate input in relation to the unsubsidised portion of cost, which will impact on service levels.

**[1.9] ASSET MANAGEMENT**

**How will Council assess and manage implications of changes to demand or changes to service provision levels?**

Council finds itself in the fortunate position that its commitment to extensive rooding programmes over the past decade has created a quality service covering the majority of high need areas. The continued availability of LTNZ subsidies makes it possible to maintain this focus. Analysis of future needs uses a combination of population statistics, community feedback and specific information - i.e. safety and flow statistics - and this analysis forms the basis of Council's LTNZ funding applications.

**What additional asset capacity is required?**

The rooding programme is fully set out in the activity management plan. The focus of the next three years will be on Pike River related projects, including bridge projects. No major unsubsidised roads are planned beyond the Pike River related projects and this aspect of the rooding programme is more focused on maintenance to a good safe standard. The footpath programme is incorporated in the activity management plan and focuses on improving the standard and accessibility of existing footpaths for both pedestrians and mobility scooters. New footpaths not related to new subdivisions are a secondary focus area as a result of Council's decision not to fund new unsubsidised footpaths.

**How will additional asset capacity be undertaken?**

Future development zones are being identified pro-actively and maximum subsidy benefit is sought in providing infrastructure in anticipation of development taking place. This plan is uncertain on how the impact of coal transports into the port is to be dealt with. This is the result of uncertainty on the outcome of the resource consent process which will determine whether coal will come south via Stillwater or north via Ikamatua. Agreements with Pike River Coal Company providing for either of the options are in place. Council has pre-empted potential capacity issues in Mawhera Quay associated with coal transport into the port by allowing a maximum of 1.5 M tonnes of coal p.a. being transported on that road. Population growth is manifesting in the form of higher traffic density but no areas of particular concern have been identified.

Council is satisfied that its commitment over the years puts it in a favourable position to deal with expected rooding growth. New developments will be dealt with by means of Financial Contributions (or Development Contributions once in place). Development areas are generally well serviced and it is not expected that significant new roads will be required.

The activity management plan also covers footpaths. A ten year plan for new footpaths had been developed but Council's decision to not fund the unsubsidised footpath programme, at least for 2006/7, will impact on this and will require a re-think. This will be done in consultation with the public.

**Additional capacity created:**

Attention is drawn to the financial information hereunder. Of note are:

Logburn Rd - Atarau Year One	624,413
Stillwater Railway Overbridge Year Three	486,981
Edge Widening & Strengthening - Atarau Rd Years Two and Three	675,873
Edge Widening & Strengthening -Blackball/Taylorville Years Three and Four	1,196,087
Bridge Upgrade - Kumukau & Lees Stream Year Two	383,376
Slow Vehicle Bay- Atarau/Blackball/Taylorville Years Two, Three, and Four	384,275
Moonlight Creek Bridge Strengthening Year Two	542,203
Alternative Heavy Trans Route to Port Years Three and Four	1,280,693
Jacks Rd Industrial Improvements Year One	80,568

Council is satisfied that it will be able to return to an outcome based roading programme as soon as the Pike River Coal Company roading programme is in place. As to footpaths, public input will provide new direction to this issue.

**How will it be funded?**

The projects will be funded by LTNZ subsidies, Pike River Coal Company Ltd contributions and general rate input for the public good aspects of the programme. New subdivisions will be funded by the developers via vesting and/or financial contributions. Loans have been used to fund Council's share of the Pike River Coal Company related upgrades.

**How will maintenance, renewal or replacement be undertaken?**

Maintenance and renewals are undertaken contractually under supervision of Council staff.

**How maintenance, renewal and replacement costs are met.**

The projects will be funded by LTNZ subsidies and general rate input.

**Assumptions about useful life and sources of funding for replacement.**

Based on asset valuations undertaken (please refer to assumptions relating to [fixed assets](#), page 144 for further information). It is accepted that compliance costs will not increase.

**[1.10] KEY PERFORMANCE MEASURES**

Performance measures relate to more than one specific outcome. The layout used was chosen for purposes of convenience only and does not reflect this interrelationship.

**Performance Measure: Efficient and responsible management of the roading activity**

Outcome:	How affected?
A District enjoying quality affordable essential services.	Roading is an important essential service.

Outcome:	How affected?
An attractive District where residents want to be.	Good roading contributes to an attractive living/working environment.
Law, order, personal and property safety.	Safe roads especially contribute to personal safety.

Outputs:	Measurement:
<b>Strategic:</b>	
Po-active identification, assessment, prioritisation and costing of District roading needs.	<ul style="list-style-type: none"> <li>▪ Maintaining a current ten year District needs plan.</li> <li>▪ Applying for LTNZ funding on time and complying with the application requirements.</li> <li>▪ Attending to non-subsidised roading projects within the limitations of available budgets.</li> <li>▪ Decision-making for capital works and/or significant changes to service delivery to be based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>
<b>Operational:</b>	
Emergency Work <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delays of no longer than 1 hour plus normal travelling time from Depot to site</li> <li>▪ Delays of no longer than 2 hours plus normal travelling time from Depot to site</li> </ul>
Drainage Channels Maintenance	<ul style="list-style-type: none"> <li>▪ Within 14 days of issues being identified</li> </ul>
Cleaning and Repair of Stormwater Structures <ul style="list-style-type: none"> <li>▪ Maintenance</li> <li>▪ Blockages</li> </ul>	<ul style="list-style-type: none"> <li>▪ Within 10 days of need being identified</li> <li>▪ Within 2 days of blockage being identified</li> </ul>
Pothole Repairs <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Within 3 days of being noticed/reported</li> <li>▪ Within 8 days of being noticed/reported</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas</li> </ul>
Completion of roading upgrades associated with the Pike River Coal Company development.	<ul style="list-style-type: none"> <li>▪ 100% in compliance with agreement between Council and Pike River Coal Company and within budgeted amounts*. Of note:                             <ul style="list-style-type: none"> <li>○ In Year 1 - Logburn Rd Upgrade, within budget of \$624,413.</li> <li>○ In Year 2 – Moonlight Creek bridge strengthening, upgrade of bridge at Kumukau and Lees Stream, and edge widening and strengthening of Atarau Rd: within budget of \$1,361,806</li> <li>○ In Year 3 - Edge widening and strengthening of Blackball/Taylorville Rd, and Stillwater railway overbridge upgrade: within budget of \$1,053,416.</li> </ul> </li> </ul>

\*Note: subject to confirmation of transport route from mine terminal to port

Outputs:	Measurement:
Controlling total costs within available budgets	<ul style="list-style-type: none"> <li>+/- 5%</li> </ul>
Contribution from developers for new capital	<ul style="list-style-type: none"> <li>For upgrades of existing assets a linear contribution calculated on the increased traffic volume that will be generated as set through the resource consent process.</li> <li>New assets per the financial policy under the District Plan.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating</li> </ul>
Compliance with statutory requirements.	<ul style="list-style-type: none"> <li>Road conditions contributing to accidents less than 5%</li> </ul>

**Performance Measure: Safety of users**

Outcome:	How affected?
A thriving local economy creating opportunities.	Safe roads are a requirement for economic growth.
An attractive District where residents want to be.	Safe roads contribute to an attractive living/working environment.
Law, order, personal and property safety.	Safe roads contribute to personal safety in particular.

Outputs:	Measurement:
<b>Strategic:</b>	
Safety of users as a prime focus area in management of roads.	<ul style="list-style-type: none"> <li>Less than 5% of road accidents/incidents the result of road design or condition factors.</li> </ul>
<b>Operational:</b>	
Emergency Work <ul style="list-style-type: none"> <li>Arterial and Major Collector Roads</li> <li>All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>Delays of no longer than 1 hour plus normal travelling time from Depot to site</li> <li>Delays of no longer than 2 hours plus normal travelling time from Depot to site</li> </ul>
Maintenance	<ul style="list-style-type: none"> <li>Within 10 days of need being identified</li> </ul>
Pothole Repairs <ul style="list-style-type: none"> <li>Arterial and Major Collector Roads</li> <li>All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>Within 3 days of being noticed/reported</li> <li>Within 8 days of being noticed/reported</li> </ul>
Notice of planned closures for work	<ul style="list-style-type: none"> <li>24 hours notice to affected areas</li> </ul>

Outputs:	Measurement:
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating</li> </ul>
Compliance with statutory requirements.	<ul style="list-style-type: none"> <li>Road conditions contributing to accidents less than 5%</li> </ul>

**Performance Measure: Convenience of users**

Outcome:	How affected?
A thriving local economy creating opportunities.	Convenient, quality roads are a requirement for economic growth.
An attractive District where residents want to be.	Access to good roading contributes to an attractive living/working environment.
Law, order, personal and property safety.	Convenience has a strong quality and safety relevance, especially personal safety.

Outputs:	Measurement:
<b>Strategic:</b>	
Convenience as a prime focus area in management of roads.	<ul style="list-style-type: none"> <li>90% of properties to have access to a Council maintained road within 1 km of their boundary.</li> </ul>
<b>Operational:</b>	
<b>Emergency Work</b> <ul style="list-style-type: none"> <li>Arterial and Major Collector Roads</li> <li>All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>Delays of no longer than 1 hour plus normal travelling time from depot to site</li> <li>Delays of no longer than 2 hours plus normal travelling time from depot to site</li> </ul>
<b>Maintenance</b>	<ul style="list-style-type: none"> <li>Minimum 60% of sealed roads with a measured roughness of less than 80 NAASRA<sup>2</sup> counts.</li> <li>Maximum 10% of sealed roads with a measured roughness of greater than 150 NAASRA counts.</li> <li>Unsealed roads graded once per year if required.</li> </ul>
<b>Pothole Repairs</b> <ul style="list-style-type: none"> <li>Arterial and Major Collector Roads</li> <li>All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>Within 3 days of being noticed/reported</li> <li>Within 8 days of being noticed/reported</li> </ul>

<sup>2</sup> NAASRA  
 Road roughness is measured by a system developed by the former National Association of Australian State Roading Authorities (NAASRA). Values are obtained by a special-purpose vehicle travelling down both outside lanes of the length of a road. The rougher the road, the higher the NAASRA counts per lane kilometre.

Outputs:	Measurement:
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>24 hours notice to affected areas</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating</li> </ul>

**Performance Measure: Encouraging active transport practices**

Outcome:	How affected?
An attractive District where residents want to be.	Opportunities to use other forms of transport makes for an attractive living environment.
Law, order, personal and property safety.	Safe walking and cycling opportunities contribute to a healthier community.

Outputs:	Measurement:
<b>Strategic:</b>	
Consider the provision of safe cycling, running or walking opportunity in the planning and maintenance of roads and footpaths in line with New Zealand Standard 4404:2004.	<ul style="list-style-type: none"> <li>60% of roads/footpaths in built up areas meeting the requirements of NZS 4404:2004.</li> </ul>
<b>Operational:</b>	
Design must allow for the safe introduction of cycle lanes where required by NZS 4404:2004.	<ul style="list-style-type: none"> <li>All new roads</li> <li>All new reseals</li> </ul>
Footpaths must be constructed to no more than the maximum gradients required in NZS 4404:2004.	<ul style="list-style-type: none"> <li>All new footpaths</li> <li>60% of existing footpaths</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating</li> </ul>

**[1.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

1. COST OF SERVICE STATEMENT

Budget 2005/06	ROADING Income Statement	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Operating Expenditure:</b>										
-	Employee Costs	-	-	-	-	-	-	-	-	-	-
(170,607)	Support Costs	(165,513)	(184,943)	(205,361)	(207,493)	(233,594)	(226,774)	(232,861)	(236,104)	(248,520)	(247,414)
(1,990,266)	Operating & Maintenance Costs	(2,201,484)	(2,288,410)	(2,439,156)	(2,536,917)	(2,626,454)	(2,711,181)	(2,790,331)	(2,866,281)	(2,935,679)	(3,006,817)
(12,238)	Interest Expense	(13,354)	(45,541)	(63,243)	(69,799)	(64,559)	(58,901)	(52,791)	(46,194)	(39,070)	(31,378)
(2,500,000)	Depreciation	(3,531,527)	(3,566,904)	(4,487,106)	(4,530,508)	(4,572,436)	(5,111,377)	(5,138,208)	(5,165,819)	(5,622,618)	(5,651,675)
<b>(4,673,111)</b>		<b>(5,911,878)</b>	<b>(6,085,798)</b>	<b>(7,194,866)</b>	<b>(7,344,717)</b>	<b>(7,497,043)</b>	<b>(8,108,233)</b>	<b>(8,214,191)</b>	<b>(8,314,398)</b>	<b>(8,845,887)</b>	<b>(8,937,284)</b>
	<b>Revenue:</b>										
132,992	User Charges	182,825	174,436	138,591	223,609	187,861	9,963	10,173	10,366	10,532	10,700
130,000	Other Revenue	449,898	467,322	484,487	500,994	516,699	531,505	545,311	558,409	570,127	582,114
2,972,467	Subsidies/Donations	3,020,009	3,741,835	4,149,203	4,345,816	5,150,268	4,755,912	4,913,679	5,066,674	5,209,031	5,345,984
-	Internal Recoveries	-	-	-	-	-	-	-	-	-	-
-	Rates - UAGC	-	-	-	-	-	-	-	-	-	-
1,720,490	Rates - General	1,910,606	2,011,998	2,150,721	2,357,951	2,740,493	2,956,404	3,048,764	3,135,672	3,225,974	3,301,261
-	Rates - Targeted	-	-	-	-	-	-	-	-	-	-
<b>4,955,949</b>		<b>5,563,338</b>	<b>6,395,591</b>	<b>6,923,002</b>	<b>7,428,370</b>	<b>8,595,321</b>	<b>8,253,784</b>	<b>8,517,927</b>	<b>8,771,121</b>	<b>9,015,664</b>	<b>9,240,059</b>
<b>282,838</b>	<b>Net Surplus/(Deficit)</b>	<b>(348,540)</b>	<b>309,793</b>	<b>(271,864)</b>	<b>83,653</b>	<b>1,098,278</b>	<b>145,551</b>	<b>303,736</b>	<b>456,723</b>	<b>169,777</b>	<b>302,775</b>

Budget 2005/06	ROADING Capital Items & sources of funds	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Capital Items:</b>										
(2,086,281)	Renewal Works	(1,770,796)	(1,909,765)	(2,232,375)	(2,449,445)	(3,676,888)	(3,789,180)	(3,926,191)	(4,059,887)	(4,185,647)	(4,302,074)
(802,250)	New Capital	(1,621,373)	(1,937,836)	(1,905,928)	(1,965,732)	(1,726,042)	(1,012,945)	(1,044,258)	(1,074,442)	(1,102,241)	(1,130,777)
	Assets Vested	(315,738)	(329,002)	(342,150)	(354,809)	(366,861)	(378,222)	(388,804)	(398,925)	(408,095)	(417,495)
(3,279)	Debt Principal Repayment	(6,445)	(30,862)	(51,774)	(65,683)	(70,923)	(76,581)	(82,691)	(89,288)	(96,412)	(104,104)
(67,207)	Funding of Reserves	(70,000)	(100,000)	-	-	-	-	-	-	-	-
-	Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(2,959,017)</b>		<b>(3,784,352)</b>	<b>(4,307,465)</b>	<b>(4,532,227)</b>	<b>(4,835,669)</b>	<b>(5,840,714)</b>	<b>(5,256,928)</b>	<b>(5,441,944)</b>	<b>(5,622,542)</b>	<b>(5,792,395)</b>	<b>(5,954,450)</b>
	<b>Funded By:</b>										
154,179	New Loans Raised	174,692	430,768	266,985	141,508	-	-	-	-	-	-
22,000	Funding from Reserves	426,673	-	50,000	80,000	170,000	-	-	-	-	-
2,500,000	Depreciation	3,531,527	3,566,904	4,487,106	4,530,508	4,572,436	5,111,377	5,138,208	5,165,819	5,622,618	5,651,675
282,838	Net Surplus/(Deficit)	(348,540)	309,793	(271,864)	83,653	1,098,278	145,551	303,736	456,723	169,777	302,775
<b>2,959,017</b>		<b>3,784,352</b>	<b>4,307,465</b>	<b>4,532,227</b>	<b>4,835,669</b>	<b>5,840,714</b>	<b>5,256,928</b>	<b>5,441,944</b>	<b>5,622,542</b>	<b>5,792,395</b>	<b>5,954,450</b>



2. SIGNIFICANT CAPITAL EXPENDITURE

Budget ROADING 2005/06	Main Items of Capital Expenditure	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
60,291	Major Drainage Control	66,603	70,130	74,477	77,462	80,229	82,846	85,288	87,633	89,779	91,980
736,646	Reseals Maintenance Chip	808,175	885,449	963,607	1,004,196	1,040,955	1,094,951	1,139,739	1,183,717	1,225,706	1,268,947
135,381	Bridge Renewals	149,556	157,475	167,236	173,938	180,152	186,027	191,510	196,777	201,596	206,538
83,311	Traffic Services	92,034	96,908	102,914	107,038	110,862	114,478	117,852	121,093	124,059	127,100
241,164	Area Wide Pavement Treatment	276,430	302,861	329,594	343,477	356,050	374,519	389,839	404,881	419,243	434,033
81,119	Major Bridge Repairs	89,612	94,357	100,206	104,221	107,945	111,465	114,751	117,906	120,794	123,755
-	Rough & Tumble Bridge Renewal	-	-	-	503,721	-	-	-	-	-	-
-	Deep Crk No1 Bridge Renewal	-	-	-	-	520,833	-	-	-	-	-
-	Camp Crk Bridge Replacement	-	-	364,313	-	-	-	-	-	-	-
91,350	Logburn Creek Culvert Replacem	-	-	-	-	-	-	-	-	-	-
262,885	Te Kinga Hill Reconstruction	-	-	-	-	-	-	-	-	-	-
152,250	Taylorville - Blackball Road R	-	-	-	-	-	-	-	-	-	-
-	General Bridge Renewals	-	-	-	-	323,645	830,428	853,662	875,884	896,016	916,655
-	General Pavement Renewals	-	-	-	-	816,049	849,125	883,568	917,533	949,840	970,199
127,159	Seal Widening	139,506	152,845	166,337	173,343	179,689	189,009	196,741	204,332	211,580	219,044
277,339	Minor Safety Projects	277,075	291,751	309,843	322,267	333,780	344,661	354,833	364,600	373,532	382,692
-	Logburn Rd - Atarau	624,413	-	-	-	-	-	-	-	-	-
-	Stillwater Railway Overbridge	-	-	486,981	-	-	-	-	-	-	-
-	Edge Wide&Strength-Atarau Rd	-	436,227	239,646	-	-	-	-	-	-	-
-	Edge Wide&Strength-BBall Tylvle Rd	-	-	566,435	629,652	-	-	-	-	-	-
-	Bridge 2 Laning -Kumukau & Lees Stream	-	383,376	-	-	-	-	-	-	-	-
-	Seal extension - Waipuna Rd	88,695	-	-	-	-	-	-	-	-	-
-	Slow Vehicle Bay-Atarau/BlckBall/Tylvle	-	123,228	128,153	132,894	-	-	-	-	-	-
-	Moonlight Crk Bridge Strength	-	542,203	-	-	-	-	-	-	-	-
-	Amour Crk Rd Seal Extension	-	-	-	-	552,382	-	-	-	-	-
-	General Capex From AMP	-	-	-	-	-	469,841	482,987	495,560	506,950	518,627
76,734	Port of Greymouth Access Desig	-	-	-	-	-	-	-	-	-	-
153,468	Contribution to Otututu Bridge	188,667	196,593	-	-	-	-	-	-	-	-
68,866	Footpath Renewals	83,024	87,160	94,088	97,984	101,407	104,643	107,668	110,565	113,208	115,910
-	New Footpaths - Capex	342,883	-	-	-	-	-	-	-	-	-
-	New Footbridge	-	-	-	-	-	-	-	-	-	-
-	Jacks Rd Industrial Improvements	80,568	-	-	-	-	-	-	-	-	-

\* - associated with the Pike River Coal Company (PRCC) development. The share of the costs payable by PRCC has been shown as a 'User Charge' revenue source.

[1.12] FINANCIAL NOTES

1. BALANCED BUDGET

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Operating Expenditure for roading is not fully funded in the first four years of the plan. This is largely due to deferring some capital and renewal capital works to ease the burden of rate funding. The outcome the last roading revaluation (June 2005) saw annual depreciation increase approximately \$1,000,000. The plan signals a constant rate take increase over the first four years and a significant increase in year 5, which balances the budget' for that year.

The focus remains to maintain the existing assets to their current standard, which is reflected in the above financial statements. The funding of non-financially assisted capital works (previously up to \$150,000 per year) has not been signalled in this plan

## 2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

Land Transport NZ subsidies will remain at current rates. Considered low risk for the detailed first three years of this plan.

Contract rates will not increase more than forecast price adjustments (refer page 143 for a list of price adjustments). The past two - three years have seen the demand for construction contractors increase dramatically on the West Coast, increasing contract rates above those seen in other parts of the country. Council has determined what the rates will be in the next 12 months; anything beyond this is provided solely as an estimate and will be reviewed annually during preparation of each Annual Plan.

Provision in respect of roads associated with the proposed Pike River Coal Mine is made on what is Council's best expectation. It assumes that the southern route may be approved by the Environment Court as transport route for the mine. In this respect it needs to be stressed that neither route is certain nor is the mine as such. Should the mine fail to materialise the roading funding will be put on hold. Should the northern route be approved, the moneys allocated for the southern route will be re-allocated and the northern route will be upgraded. All work will remain subject to guarantees to be put up by Pike River Coal Company.



## [2] stormwater & flood protection

### [2.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Stormwater
- Flood Protection

### [2.2] RATIONALE FOR GROUPING

The two activities interact strongly, both strategically and operationally with significant overlapping.

### [2.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

The Grey District enjoys high rainfall with individual rain events often involving heavy falls. It is important to ensure that flooding measures are in place to deal with the disposal of any surface water accumulation; that excess flows are contained to waterways and that areas prone to flooding are protected. Whilst Council's primary responsibility lies with stormwater drainage in urban areas, it is involved in the joint management of the Greymouth/Cobden/Blaketown floodwalls as well as land drainage in areas outside traditional urban settlements in conjunction with the West Coast Regional Council. This arrangement is often confusing to residents and it is herewith confirmed that:

- Council owns the floodwalls and is responsible for the aesthetic maintenance and insurance of the floodwalls. Council funds its cost by means of a general rate.
- The West Coast Regional Council, by law, is responsible for the actual protection against flooding and therefore the maintenance and renewal of the floodwalls. The WCRC funds this by means of a special rate against the rating District benefiting from the protection.
- The two local authorities jointly agree on the maintenance requirements for the floodwalls.

Council has clear legal responsibilities in terms of the Local Government Act, 2002 as well as the 1974 version of the Act, the Resource Management Act, 1991 and other legislation i.e. the Soil Conservation and Rivers Control Act, 1941. Public drainage systems are generally designed in line with accepted industry standards and are therefore limited in function to its design capacity. It is therefore important to note that land drainage systems do not provide a guarantee against flooding.

Owners of private drains also have a responsibility and both Council and the West Coast Regional Council are tasked to ensure that these responsibilities are adhered to. In terms of current legal precedent, a private drain generally:

- is not owned by a local authority,
- has not been constructed by a local authority,
- is not or has not been maintained by a local authority, and
- is generally for the use of one or a small group of properties.

Attention is drawn to the Summary of the Water and Wastewater Assessment attached hereto.

### [2.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goals for the provision of land drainage infrastructure in the Grey District are:

- To contribute to personal and property safety through competent urban stormwater collection systems.
- To ensure that Greymouth/Cobden/Blaketown remains protected against flooding.
- In conjunction with the West Coast Regional Council, to ensure adequate land drainage protocols in non urban areas.
- To ensure owner compliance for responsibilities for private drains.

Council's objectives are:

- To comply with its legal responsibilities at all times.
- To ensure access for all properties in built-up areas to a reticulated stormwater drainage system, unless other functional protocols are or can be put in place.
- In conjunction with the West Coast Regional Council, to develop and manage land drainage in non urban areas effectively.
- To manage systems prudently, responsibly and in line with public expectations.
- To improve inter agency cooperation to ensure optimum efficiency.
- To mitigate environmental effects.

**[2.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE**

Outcome	How the group of activities contributes
A District enjoying access to quality affordable essential services.	The service is important in a high rainfall area.
A thriving local economy creating opportunities.	Competent land drainage is a prerequisite for local investment and economic growth.
An attractive District where residents want to be.	Competent land drainage adds to quality of life.
Law, order, personal and property safety.	Flooding is a significant risk to personal and property safety.

**[2.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

The higher than normal rainfall over the years compelled Council to give specific attention to stormwater disposal and it is respectfully suggested that the performance of our systems, with few exceptions, is very good. It is, however an activity requiring constant maintenance and Council is well aware of its responsibilities in this regard. Council is pro-active in its dealing with resource consents and subdivision consents to ensure that developers make an equitable contribution to services. The current focus on stormwater stems from the fact that it is linked to the Greymouth area sewerage scheme which has to be completed by 2014 in order to make use of full Government subsidies. Council works to a clearly defined action plan to achieve this timeline. The current joint sewage/stormwater scheme will largely be retained as a stormwater system.

The Greymouth/Blaketown/Cobden floodwall system is also performing well, in spite of concerns with some residents about its foundations being suspect. It has proven to be most reliable since its erection and represents the single most important reason for ongoing prosperity in former flood plains.

An emerging issue is the exposure of lower Rapahoe to an ever-rising sea. An informal solution has recently been introduced which, once legalised, may well provide a level of protection for the short term. Requests to the Government to recognise this as a special case and part-fund a permanent solution, have been unsuccessful.

2. 2006-2009

Stormwater is an integral part of the Greymouth sewerage scheme as it involves a separation of sewage from stormwater. The focus of Council activity will be on this to a large extent with the provision of a stormwater pump associated with Sawyers Creek flooding as the only significant other capital focus area.

3. 2010-2016

Future projected population increases and growth in general will increase the demand on existing systems. The focus of Council is on long-term sustainability and future growth. The reality of open waterways like Sawyers Creek, Range Creek and Raleigh Creek in built up areas may become controversial, and public feedback on this will be sought.

Council intends pursuing with the West Coast Regional Council, the possibility of transfer of ownership of the floodwalls to that Council. As to Council's assumed responsibility for the wider land drainage function in conjunction with the West Coast Regional Council, the provision of \$ 50,000 p.a. may prove to be totally inadequate and may have to be adjusted. Public input on this question will give some direction to the process.

Specific focus areas are:

- Ensuring minimum disruption to whitebait and other freshwater life as a result of quality of run-off or maintenance and operations.
- Minimising contaminants, mitigating peak flows and respecting Maori relationship with water.
- Improving the robustness and accuracy of Council data, processes and systems in order to provide for better decision-making.
- Continuous planning of improved service delivery and also new services in outlying areas.
- Getting final sign-off on the division of the land drainage function between Council and the West Coast Regional Council.
- Ensuring adequate maintenance to the Greymouth/Blaketown/Cobden floodwalls.

**[2.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEING FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

Council accepts that stormwater disposal has potentially negative implications and is committed to mitigate such effects as much as possible. Particular attention will be given to:

- There is a potential for negative impact on natural water sources due to contaminants from run-off.
- Drainage systems may not always cope with rainfall variabilities with consequential negative effects of flooding on roads and properties.
- Drain clearance can have short-term adverse effects on biodiversity, ecosystems and water quality.

**[2.8] SERVICE LEVEL EXPECTATIONS**

The separation of sewage from stormwater will result in an appreciably higher level of service, not so much in respect of the service as such, but distinctly in its impact on the environment. The project will discontinue a long standing practice of discharging raw sewage into the Grey River and various creeks and will allow the current collection system to handle stormwater only. The unfinished issues relating to the land drainage function may continue to cause no-cover areas with resultant potential delays as will the potential inadequacy of a budget of \$50,000. The remaining uncertainty re a Rapahoe sea protection scheme is a source of concern.

**[2.9] ASSET MANAGEMENT**

*Note: The Greymouth/Blaketown/Cobden floodwall system, albeit in Council ownership, is under the control of the West Coast Regional Council in respect of its maintenance, renewal and ongoing performance. Council's input into this process takes place through the Joint Floodwall Committee. This plan therefore does not provide for any capital, maintenance or renewal expenditure other than those associated with beautification.*

*As to stormwater, the fact that we find ourselves in a high rainfall area has developed a series of formal and less formal collection and disposal systems that function admirably. Under the circumstances, this activity is in performing quite well.*

**How will Council assess and manage implications of changes to demand or changes to service provision levels?**

Council finds itself in the fortunate position that its continued attention to the elimination of performance inadequacies in urban systems leaves us with generally well performing systems. There are residual issues related to open drainage systems in the form of creeks especially in Runanga, Greymouth and Cobden, but this is managed as the cost of piping these is prohibitive. Population growth will affect asset planning and modelling of existing systems is used to ensure a pro-active response to changes in demand.

Stormwater in non urban settlements are dealt with by more natural means, i.e. public and private drains. These are continually assessed and more formal solutions will be implemented if necessary.

**What additional asset capacity is required?**

The main focus is on separating sewage from the stormwater system in the Greymouth area. The activity management plan provides for a more problem solving approach while also ensuring that changing needs are catered for through modelling.

**How will additional asset capacity be undertaken?**

Future development zones are being identified pro-actively and new developments will be dealt with by means of Financial Contributions (or Development Contributions once in place). Development areas are generally well serviced and it is not expected that significant new capacity will be required.

**Additional capacity created.**

Attention is drawn to the financial information hereunder.

**How will it be funded?**

New subdivisions will be funded by the developers via vesting and/or financial contributions. Council-created assets will be funded from rates and/or special reserves.

**How will maintenance, renewal or replacement be undertaken?**

Maintenance and renewals are undertaken contractually under supervision of Council staff.

**How maintenance, renewal and replacement costs are met.**

Maintenance is an expenditure on all residents connected to stormwater as a rate.

**Assumptions about useful life and sources of funding for replacement.**

Assets are being provided and maintained with a long-term useful life focus (please refer to assumptions relating to [fixed assets](#), page 144 for further information). It is often linked to Resource Consents which have a 35 year life.

**[2.10] KEY PERFORMANCE MEASURES**

Performance measures may apply in respect of more than one outcome. The following lay-out was chosen for purposes of convenience and does not provide for this interrelationship.

**Performance measure: Efficient management of the stormwater activity.**

Outcome:	How affected?
An attractive District where residents want to be.	Competent disposal of surface water contributes to an attractive living/working environment.
Law, order, personal and property safety.	Competent disposal of surface water enhances personal and property safety.
A thriving local economy creating opportunities.	Stormwater management is a requirement for economic growth.

Outputs:	Measurement:
<b>Strategic:</b>	
Po-active identification, assessment, prioritisation and costing of District stormwater needs.	<ul style="list-style-type: none"> <li>▪ Developing and maintaining a ten year District needs plan by December 2007.</li> <li>▪ Removing one remaining area of surface water ponding p.a.</li> </ul>
Ensuring that private drains in the District are maintained.	<ul style="list-style-type: none"> <li>▪ Identification of private drains by December 2007.</li> <li>▪ Implementation of an effective monitoring programme by July 2008.</li> </ul>
<b>Operational:</b>	
Stormwater and public drains. <ul style="list-style-type: none"> <li>▪ Emergency work.</li> <li>▪ Major blockages/Failures.</li> <li>▪ Incidents of ponding (rain events within design capacity).</li> <li>▪ Properties flooded (rain events within design capacity).</li> <li>▪ Buildings flooded (rain events within design capacity).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attended within 3 hours of report.</li> <li>▪ Attended within 1 day of report.</li> <li>▪ 15 p.a. and reducing.</li> <li>▪ Less than 5 p.a.</li> <li>▪ Nil.</li> </ul>

Outputs:	Measurement:
<ul style="list-style-type: none"> <li>Service provision where secondary flow paths exist.</li> <li>Service provision where secondary flow paths do not exist.</li> </ul>	<ul style="list-style-type: none"> <li>All new and renewed stormwater systems provided to cope with a 1 in 5 year return period storm, with the exception of the Greymouth CBD stormwater system which is designed to cope with an annual return period storm (The Greymouth CBD stormwater system is designed to be compatible with the maximum pumping capacity of the Greymouth Flood Protection Scheme flood pumps).</li> <li>All new and renewed stormwater systems provided to cope with a 1 in 100 year return period storm.</li> </ul>
Control over total cost.	<ul style="list-style-type: none"> <li>100%.</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>Minimum 90%.</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>24 hours notice to affected areas.</li> </ul>
Separation of stormwater reticulation from sewerage reticulation in Greymouth, Cobden, and Blaketown: <ul style="list-style-type: none"> <li>Separation of sewerage and stormwater reticulation schemes.</li> <li>Discharges of sewerage into stormwater.</li> </ul>	<ul style="list-style-type: none"> <li>Completed by 30 June 2014. Stages completed in line with Greymouth sewerage upgrade action plan.</li> <li>Properties to separate discharges no later than separate reticulation schemes available for them to connect to.</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>24 hours notice to affected areas.</li> </ul>
Maintain drainage systems in accordance with resource consents.	<ul style="list-style-type: none"> <li>All systems to comply 100% with relevant consents.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Effective flood protection.

Outcome:	How affected?
A thriving local economy creating opportunities.	Flood management is a requirement for economic growth.
An attractive District where residents want to be.	Competent flood protection contributes to an attractive living/working environment.
Law, order, personal and property safety.	Competent flood protection enhances personal and property safety.

Outputs:	Measurement:
<b>Strategic:</b>	
Ensuring that the Greymouth Blaketown/Cobden floodwalls are maintained to a high standard and that it remains capable of preventing flooding of the adjacent areas.	<ul style="list-style-type: none"> <li>▪ Full participation on the Joint Floodwall Committee.</li> <li>▪ Maintaining the level of the floodwalls to withstand floods of 1:50 years with 600mm of freeboard.</li> </ul>
In cooperation with the WCRC implement a protocol to deal with the land drainage function outside built-up areas.	<ul style="list-style-type: none"> <li>▪ Agreement with WCRC by July 2006 and appropriate public disclosure.</li> </ul>
In cooperation with the WCRC, endeavour to implement a coastal protection scheme for Rapahoe.	<ul style="list-style-type: none"> <li>▪ Application for funding to the Crown by 30 July 2006.</li> <li>▪ Feedback to the community on options by October 2006.</li> </ul>
<b>Operational:</b>	
Attendance of Joint Floodwall Committee meetings.	<ul style="list-style-type: none"> <li>▪ 100%</li> </ul>
Frequency of Joint Floodwall Committee meetings.	<ul style="list-style-type: none"> <li>▪ Minimum once p.a.</li> </ul>
Attendance to Council responsibilities re land drainage. <ul style="list-style-type: none"> <li>▪ Emergency.</li> <li>▪ Other.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attended within 3 hours of report.</li> <li>▪ Attended within 1 day of report.</li> </ul>
Notice of planned road closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>



**[2.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

**1. COST OF SERVICE STATEMENT**

<b>Budget 2005/06</b>	<b>STORMWATER &amp; FLOOD PROTECTION</b>	<b>Budget 2006/07</b>	<b>Estimate 2007/08</b>	<b>Estimate 2008/09</b>	<b>Estimate 2009/10</b>	<b>Estimate 2010/11</b>	<b>Estimate 2011/12</b>	<b>Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>
	Income Statement										
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Operating Expenditure:</b>										
-	Employee Costs	-	-	-	-	-	-	-	-	-	-
(77,430)	Support Costs	(45,859)	(47,268)	(50,072)	(49,666)	(51,826)	(53,218)	(54,363)	(54,491)	(57,494)	(56,451)
(250,082)	Operating & Maintenance Costs	(245,189)	(265,164)	(273,243)	(272,579)	(282,672)	(295,467)	(293,057)	(302,111)	(313,601)	(309,512)
-	Interest Expense	(10,378)	(21,055)	(20,197)	(24,377)	(27,938)	(26,463)	(24,869)	(23,149)	(21,291)	(19,285)
(214,841)	Depreciation	(372,884)	(378,326)	(436,047)	(438,196)	(440,455)	(495,326)	(497,803)	(500,385)	(548,796)	(551,583)
<b>(542,353)</b>		<b>(674,310)</b>	<b>(711,813)</b>	<b>(779,559)</b>	<b>(784,818)</b>	<b>(802,891)</b>	<b>(870,474)</b>	<b>(870,092)</b>	<b>(880,136)</b>	<b>(941,182)</b>	<b>(936,831)</b>
	<b>Revenue:</b>										
-	User Charges	-	-	-	-	-	-	-	-	-	-
-	Other Revenue	21,060	21,924	22,844	23,758	24,638	25,476	26,266	27,002	27,704	28,342
-	Subsidies/Donations	-	-	-	-	-	-	-	-	-	-
-	Internal Recoveries	-	-	-	-	-	-	-	-	-	-
-	Rates - UAGC	-	-	-	-	-	-	-	-	-	-
489,390	Rates - General	486,540	536,050	559,539	579,036	611,473	638,831	650,726	672,934	700,527	708,203
-	Rates - Targeted	-	-	-	-	-	-	-	-	-	-
<b>489,390</b>		<b>507,600</b>	<b>557,974</b>	<b>582,383</b>	<b>602,794</b>	<b>636,111</b>	<b>664,307</b>	<b>676,992</b>	<b>699,936</b>	<b>728,231</b>	<b>736,545</b>
<b>(52,963)</b>	<b>Net Surplus/(Deficit)</b>	<b>(166,710)</b>	<b>(153,839)</b>	<b>(197,176)</b>	<b>(182,024)</b>	<b>(166,780)</b>	<b>(206,167)</b>	<b>(193,100)</b>	<b>(180,200)</b>	<b>(212,951)</b>	<b>(200,286)</b>
	<b>Budget 2005/06</b>	<b>Budget 2006/07</b>	<b>Estimate 2007/08</b>	<b>Estimate 2008/09</b>	<b>Estimate 2009/10</b>	<b>Estimate 2010/11</b>	<b>Estimate 2011/12</b>	<b>Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>
	Capital Items & sources of funds										
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Capital Items:</b>										
(135,772)	Renewal Works	(176,210)	(186,127)	(196,773)	(274,440)	(280,737)	(229,248)	(239,848)	(250,201)	(260,497)	(270,419)
(148,992)	New Capital	(240,203)	(255,266)	(116,714)	(123,203)	(129,683)	(136,103)	(142,436)	(148,622)	(154,779)	(160,711)
-	Assets Vested	(21,060)	(21,924)	(22,844)	(23,758)	(24,638)	(25,476)	(26,266)	(27,002)	(27,704)	(28,342)
-	Debt Principal Repayment	(5,008)	(10,754)	(11,612)	(15,002)	(18,495)	(19,971)	(21,564)	(23,285)	(25,142)	(27,148)
(8,314)	Funding of Reserves	-	-	-	-	-	-	-	-	-	-
-	Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(293,078)</b>		<b>(442,481)</b>	<b>(474,071)</b>	<b>(347,943)</b>	<b>(436,403)</b>	<b>(453,553)</b>	<b>(410,798)</b>	<b>(430,114)</b>	<b>(449,110)</b>	<b>(468,122)</b>	<b>(486,620)</b>
	<b>Funded By:</b>										
-	New Loans Raised	135,753	144,904	-	66,795	62,240	-	-	-	-	-
131,200	Funding from Reserves	100,554	104,680	109,072	113,436	117,638	121,639	125,411	128,925	132,277	135,323
214,841	Depreciation	372,884	378,326	436,047	438,196	440,455	495,326	497,803	500,385	548,796	551,583
(52,963)	Net Surplus/(Deficit)	(166,710)	(153,839)	(197,176)	(182,024)	(166,780)	(206,167)	(193,100)	(180,200)	(212,951)	(200,286)
<b>293,078</b>		<b>442,481</b>	<b>474,071</b>	<b>347,943</b>	<b>436,403</b>	<b>453,553</b>	<b>410,798</b>	<b>430,114</b>	<b>449,110</b>	<b>468,122</b>	<b>486,620</b>

2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2005/06	STORMWATER & FLOOD PROTECTION	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
	Main Items of Capital Expenditure										
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
34,047	Other Townships	53,773	56,817	60,087	63,428	66,764	70,069	73,329	76,514	79,684	82,738
17,023	Other Townships (Rural Works)	18,531	19,580	20,707	21,858	23,008	24,147	25,270	26,368	27,460	28,513
10,800	Upgrade Taylorville Drains	-	-	-	-	-	-	-	-	-	-
76,734	Urban Greymouth - Minor	83,532	88,260	93,341	98,530	103,712	108,846	113,911	118,858	123,782	128,526
22,698	Manholes and Sumps	24,709	26,108	27,611	29,146	30,679	32,197	33,696	35,159	36,615	38,019
87,696	Greymouth/Cobden/Blaketown	95,465	100,869	106,675	112,606	118,528	124,396	130,184	135,838	141,465	146,887
2,192	New Connections	2,387	2,522	2,667	2,815	2,963	3,110	3,255	3,396	3,537	3,672
10,962	Implement Life Lines Recommend	-	-	-	-	-	-	-	-	-	-
43,200	SW Pump Station Jack Road	-	-	-	-	-	-	-	-	-	-
-	SW Pump Station Cob/GM Flood S	135,753	-	-	-	-	-	-	-	-	-
-	Replace Johnson Street SW Pump	-	-	-	66,795	-	-	-	-	-	-
2,192	Flood Gate Replacement	2,263	2,333	2,400	2,465	2,527	2,585	2,639	2,690	2,733	2,776
-	Replace Tarry Creek SW Pumps	-	-	-	-	62,240	-	-	-	-	-
-	SW Pump Station Saltwater Crk	-	144,904	-	-	-	-	-	-	-	-



[2.12] FINANCIAL NOTES

1. BALANCED BUDGET

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Operating Expenditure for stormwater and flood protection is not fully funded throughout the ten years of the plan. Council has decided to fund the difference from the Infrastructural Renewal Special Reserve, a portion of which is funded annually from the Uniform Annual General Charge Rate.

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

Contract rates will not increase more than forecast price adjustments (refer page 143 for a list of price adjustments). The past two - three years have seen the demand for construction contractors increase dramatically on the West Coast, increasing contract rates above those seen in other parts of the country. Council has determined what the rates will be in the next 12 months; anything beyond this is provided solely as an estimate and will be reviewed annually during preparation of each Annual Plan.

## [3] sewerage

### [3.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Sewerage

### [3.2] RATIONALE FOR GROUPING

Even though there are synergies with other activities, i.e. health promotion, this is an important cost activity and community focus and is dealt with on a stand-alone basis.

### [3.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

Council provides reticulated sewerage treatment and disposal systems to achieve high quality health and to minimise adverse effects on the receiving environment. On-site disposal arrangements are operational in most outlying residential areas, managed in terms of resource consents issued by the West Coast Regional Council with Council's involvement mainly focusing on health impacts. Unsuitable soil conditions, combined with other factors, make most of the on-site arrangements ineffective and unworkable and providing reticulated treatment and disposal systems is a special feature of Council's long-term planning.

Council manages four sewer schemes (plus one currently under construction), the status of which is:

- Greymouth/Blaketown/Cobden: Non-complying with Resource Management Act, 1991 but under full replacement.
- Runanga: Complying with the Resource Management Act, 1991 except in respect of the pipe systems which, in heavy rains, also collect ground water.
- Moana: Complying with the Resource Management Act, 1991 but subject to continuous management to achieve this.
- Karoro/South Beach/Paroa: Complying with the Resource Management Act, 1991.
- Blackball: Under construction to comply with the Resource Management Act, 1991

Unsuitable soil conditions in other built-up areas make current on-site disposal arrangements impractical and ineffective and Council places a strong emphasis on implementing reticulated schemes throughout. This is made easier as a result of the availability of Government subsidies (SWSS) which make schemes affordable where it otherwise would not have been.

Attention is drawn to the Summary of the Water and Wastewater Assessment attached hereto.

### [3.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goals for the provision of sewerage infrastructure in the Grey District are:

- To provide for the safe, efficient and affordable collection, treatment and disposal of sewage in built-up areas within the District.
- To limit impacts on the environment.
- To respect Maori cultural concerns re disposal practices.
- To optimally make use of Government subsidies.

Council's objectives are:

- To comply with statutory/legislative responsibilities.
- To meet with public expectations.
- To facilitate public reticulation schemes for residential towns throughout the District.
- To mitigate environmental effects.

**[3.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE**

Outcome	How the group of activities contributes
A District enjoying quality essential services.	Sewage disposal is an important essential service.
A thriving local economy creating opportunities.	Competent sewage disposal is a prerequisite for local investment and economic growth.
An attractive District where residents want to be.	Competent sewage disposal management adds to quality of life.
Law, order, personal and property safety.	Sewage disposal management has a health focus.

**[3.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

The primary focus is on the Greymouth area sewer scheme as well as the Blackball scheme as current projects. Other potential schemes like Taylorville/Kaiata and Iveagh Bay are receiving specific attention given the potential of cooperation with private schemes. Council is pro-active in its dealing with resource consents and subdivision consents to ensure that developers make an equitable contribution to services.

The South Beach/Paroa scheme is not functioning to optimum performance as a result of only 50% of the scheme properties having connected to the scheme. The lack of flow in the collection system results in build-up in lower-lying areas, notably the Jacks Road area.

2. 2006-2009

The main focus over the next three years, and for some years after, will be on the Greymouth area sewer scheme. The Blackball scheme will also be completed whilst the Te Kinga scheme (subject to cooperation with the Ngai Tahu subdivision and community support), Moana upgrade, Kaiata scheme and Dobson scheme (subject to cooperation with Kaiata Industrial Park) will also be discussed with the relevant communities.

3. FUTURE

The Greymouth area scheme will represent a significant focus area for some years to come. The attraction of the Crown sewer subsidy scheme (SWSS) serves as a significant motivation to consult as many as possible of our other urban communities with on-site disposal systems to connect to water-borne reticulation. Future populations shall be provided for through appropriate consent conditions. The focus of Council is on long-term sustainability and future growth and the capacity of existing treatment facilities will be carefully considered as basis for new development.

Specific focus areas are:

- Addressing specific, known problem areas on a priority basis.
- Minimising overflow events into waterways wherever possible, both as a health and amenity measure and as a means of respecting Maori relationship with water.
- Improving the robustness and accuracy of Council data, processes and systems in order to provide for better decision-making.
- Continuous planning of sewer service delivery in outlying areas. The actual decision to engage in formal schemes will be determined by essentially two factors, the availability of maximum subsidies under SWSS and the consent of each community as they will fund the services.

**[3.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEING FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

Council accepts that sewage disposal has potentially negative implications and is committed to mitigate such effects as much as possible. Particular attention will be given to:

- There is a potential for pollution of natural water sources and other waterways through sewer deposits and overflows. This situation will in the case of Greymouth area continue for some years and will be eliminated as part of the scheme currently under way. The situation in respect of rural areas is less clear and Council accepts that potentially large numbers of rural properties channel sewage into private and public drains.
- There are negative effects from a Maori perspective from the disposal of human waste to water.
- Odours may from time to time come up as a problem.

**[3.8] SERVICE LEVEL EXPECTATIONS**

Council is of the opinion that the implementation of the Greymouth and Blackball schemes and the future attention to community schemes, albeit potentially costly, will improve the level of service.

**[3.9] ASSET MANAGEMENT**

*Note: Council is endeavouring to incorporate community schemes with nearby new township developments thereby reducing costs and rationalising on the number of schemes.*

**How will Council assess and manage implications of changes to demand or changes to service provision levels?**

The Greymouth area sewer scheme is under way and is set to monopolise Council capital expenditure for the next decade. The project provides for a modern sewage collection, treatment and disposal regime and incorporates growth based on modelling of future growth expectations. In other built-up areas provision of formal schemes are not dictated by growth but more by the ability of benefiting communities to pay for schemes. The introduction by the Crown of its Water and Wastewater subsidy scheme, giving high percentage support to smaller communities, makes this more affordable and the Blackball scheme, as our first non-urban scheme, is well underway. Council is and will be consulting with other outlying communities on such community schemes.

Soil conditions throughout the District make most on-site systems less effective and there is a real threat to the health of some communities. Consultation on community schemes will focus on these communities first.

**What additional asset capacity is required?**

Capacity is a secondary consideration and health and affordability are the driving factors for new schemes. New schemes are designed to accommodate expected growth in those areas.

**How will additional asset capacity be undertaken?**

It is addressed through the focus on providing safe sewage disposal mechanisms as outlined.

**Additional capacity created:**

Attention is drawn to the financial information hereunder. It provides for:

- Kaiata (Yr 3) \$ 1.298M
- Dobson (Yr 3) \$ 2.739M
- Taylorville (Yr 4) \$ 2.288M
- Rapahoe (Yr 5) \$ 765,748

**How will it be funded?**

It will be funded through SWSS subsidies and targeted rates on benefiting communities. New subdivisions will be funded by the developers via vesting and/or financial contributions.

**How will maintenance, renewal or replacement be undertaken?**

Maintenance and renewals are undertaken contractually under supervision of Council staff.

**How maintenance, renewal and replacement costs are met.**

Maintenance is an expenditure on all residents connected to sewerage as a rate.

**Assumptions about useful life and sources of funding for replacement.**

Assets are being provided and maintained with a long-term useful life focus. (please refer to assumptions relating to [fixed assets](#), page 144 for further information) It is often linked to resource consents which have a 35 year life.

**[3.10] KEY PERFORMANCE MEASURES**

Performance measures may apply to more than one outcome. The lay-out does not provide for this interrelationship.

**Performance measure: Efficient management of the sewerage activity.**

Outcome:	How affected?
A District enjoying quality affordable essential services.	Sewage disposal is an important essential service.
A thriving local economy creating opportunities.	Competent sewage collection, treatment and disposal are a requirement for economic growth.
An attractive District where residents want to be.	Competent management of sewage contributes to an attractive living/working environment.
Law, order, personal and property safety.	Competent sewage management enhances personal and property safety.

Outputs:	Measurement:
<b>Strategic:</b>	
Po-active identification, assessment, prioritisation and costing of District sewerage needs.	<ul style="list-style-type: none"> <li>▪ Maintaining a current ten year District needs plan.</li> <li>▪ Consulting with urban communities without water-borne systems on community systems.</li> </ul>
Optimal use of Government subsidies under SWSS.	<ul style="list-style-type: none"> <li>▪ Timely application for SWSS funding for community sewerage schemes.</li> </ul>
<b>Operational:</b>	
Sewerage systems. <ul style="list-style-type: none"> <li>▪ Emergency Work ( outages, broken pipes)</li> <li>▪ Blockages.</li> <li>▪ New connections.</li> <li>▪ Availability of service.</li> <li>▪ Overflow events.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attended within 1 hour of report.</li> <li>▪ Attended within 3 hours of report.</li> <li>▪ Within 10 days of request.</li> <li>▪ 100%.</li> <li>▪ Maximum of 10 per annum in 2006/07 and reducing thereafter.</li> </ul>
Connection of properties using on-site disposal systems, where able to be connected to a Council sewerage reticulation scheme.	<ul style="list-style-type: none"> <li>▪ All applicable properties in Paroa/South Beach connected by 30 June 2008.</li> </ul>
Upgrade Greymouth sewerage scheme.	<ul style="list-style-type: none"> <li>▪ Completed by 30 June 2014.</li> <li>▪ Budgeted Capital Works per annum completed to within 15%.</li> </ul>
Construct new reticulated sewerage schemes when local communities agree to fund their share of the cost.	<ul style="list-style-type: none"> <li>▪ Blackball – by 30 June 2007.</li> <li>▪ Te Kinga – by 30 June 2007.</li> <li>▪ Boddytown – by 30 June 2007.</li> <li>▪ Dobson and Kaiata – by 30 June 2009.</li> <li>▪ Rapahoe – by 30 June 2011.</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas.</li> </ul>

<b>Outputs:</b>	<b>Measurement:</b>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Mitigate environmental impacts.

Outcome:	How affected?
An attractive District where residents want to be.	Competent management of sewage contributes to an attractive living/working environment.
Law, order, personal and property safety.	Competent, safe disposal of sewage enhances personal and property safety.
A thriving local economy creating opportunities.	Environmental retention is a requirement for economic growth.

Outputs:	Measurement:
<b>Strategic:</b>	
Commitment to mitigate impacts of sewerage activity on the environment.	<ul style="list-style-type: none"> <li>Design and operations aimed at mitigating environmental effects.</li> </ul>
Respecting relationship of Maori with water.	<ul style="list-style-type: none"> <li>Consultation with Maori on the activity and associated environmental protection measures during the resource consent process.</li> </ul>
<b>Operational:</b>	
Environmental compliance per waste treatment scheme. <ul style="list-style-type: none"> <li>Resource consent compliance regarding effluent discharge quality.</li> <li>Complaints of odours.</li> <li>Other complaints.</li> </ul>	<ul style="list-style-type: none"> <li>More than 90% compliance.</li> <li>Maximum 5 p.a.</li> <li>Maximum 20 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

**[3.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

1. COST OF SERVICE STATEMENT

Budget SEWERAGE 2005/06 Income Statement	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating Expenditure:</b>										
- Employee Costs	-	-	-	-	-	-	-	-	-	-
(274,548) Support Costs	(44,382)	(47,041)	(51,874)	(52,005)	(56,469)	(59,639)	(65,308)	(77,680)	(86,720)	(88,870)
(319,089) Operating & Maintenance Costs	(304,920)	(343,144)	(375,413)	(401,090)	(452,659)	(493,651)	(547,528)	(709,479)	(781,985)	(815,616)
(37,899) Interest Expense	(95,053)	(110,059)	(162,912)	(451,679)	(472,052)	(355,472)	(345,532)	(824,328)	(1,053,709)	(1,024,009)
(472,760) Depreciation	(476,514)	(528,209)	(660,903)	(747,040)	(826,286)	(960,693)	(1,055,340)	(1,156,857)	(1,250,141)	(1,250,351)
<b>(1,104,296)</b>	<b>(920,869)</b>	<b>(1,028,453)</b>	<b>(1,251,102)</b>	<b>(1,651,814)</b>	<b>(1,807,466)</b>	<b>(1,869,455)</b>	<b>(2,013,708)</b>	<b>(2,768,344)</b>	<b>(3,172,555)</b>	<b>(3,178,846)</b>
<b>Revenue:</b>										
- User Charges	201,945	237,629	541,640	584,971	893,192	371,232	144,237	155,776	280,752	181,697
225,344 Other Revenue	278,436	234,807	239,883	197,103	205,253	87,748	66,436	13,501	13,852	14,171
347,700 Subsidies/Donations	1,694,000	1,333,333	-	4,057,222	2,059,200	2,666,667	-	1,759,111	-	-
- Internal Recoveries	-	-	-	-	-	-	-	-	-	-
- Rates - UAGC	-	-	-	-	-	-	-	-	-	-
- Rates - General	-	-	-	-	-	-	-	-	-	-
1,295,882 Rates - Targeted	1,321,062	1,404,842	1,553,922	1,634,677	1,753,292	1,845,598	1,943,739	2,156,935	2,278,073	2,353,960
<b>1,868,926</b>	<b>3,495,443</b>	<b>3,210,611</b>	<b>2,335,445</b>	<b>6,473,973</b>	<b>4,910,937</b>	<b>4,971,245</b>	<b>2,154,412</b>	<b>4,085,323</b>	<b>2,572,677</b>	<b>2,549,828</b>
<b>764,630 Net Surplus/(Deficit)</b>	<b>2,574,574</b>	<b>2,182,158</b>	<b>1,084,343</b>	<b>4,822,159</b>	<b>3,103,471</b>	<b>3,101,790</b>	<b>140,704</b>	<b>1,316,979</b>	<b>(599,878)</b>	<b>(629,018)</b>
<b>Budget SEWERAGE 2005/06 Capital Items &amp; sources of funds</b>	<b>Budget 2006/07</b>	<b>Estimate 2007/08</b>	<b>Estimate 2008/09</b>	<b>Estimate 2009/10</b>	<b>Estimate 2010/11</b>	<b>Estimate 2011/12</b>	<b>Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Capital Items:</b>										
( 144,680 ) Renewal Works	( 167,583 )	( 174,458 )	( 181,779 )	( 189,052 )	( 196,054 )	( 202,723 )	( 209,009 )	( 214,866 )	( 220,452 )	( 225,529 )
( 2,189,857 ) New Capital	( 4,082,493 )	( 2,788,757 )	( 6,232,500 )	( 5,229,136 )	( 5,312,882 )	( 4,154,040 )	( 8,439,683 )	( 5,069,347 )	-	-
Assets Vested	( 10,530 )	( 10,962 )	( 11,422 )	( 11,879 )	( 12,319 )	( 12,738 )	( 13,133 )	( 13,501 )	( 13,852 )	( 14,171 )
( 12,269 ) Debt Principal Repayment	( 214,953 )	( 6,265 )	( 25,615 )	( 2,022,709 )	( 2,288,568 )	( 154,175 )	( 89,000 )	( 109,215 )	( 390,040 )	( 349,805 )
( 57,786 ) Funding of Reserves	( 113,337 )	( 235,351 )	( 97,329 )	( 304,341 )	( 76,324 )	( 55,976 )	( 45,354 )	( 45,654 )	( 45,878 )	( 46,018 )
- Internal Transfers	( 123,449 )	( 161,368 )	( 73,951 )	( 89,289 )	( 243,981 )	( 132,776 )	3,476	2,506	1,421	211
<b>(2,404,592)</b>	<b>(4,712,345)</b>	<b>(3,377,161)</b>	<b>(6,622,596)</b>	<b>(7,846,406)</b>	<b>(8,130,128)</b>	<b>(4,712,428)</b>	<b>(8,792,703)</b>	<b>(5,450,077)</b>	<b>(668,801)</b>	<b>(635,312)</b>
<b>Funded By:</b>										
- New Loans Raised	402,385	666,794	3,635,023	2,277,207	831,134	29,733	6,073,717	2,976,241	18,538	13,979
1,167,202 Funding from Reserves	1,258,872	-	1,242,327	-	3,369,237	620,212	1,522,942	-	-	-
472,760 Depreciation	476,514	528,209	660,903	747,040	826,286	960,693	1,055,340	1,156,857	1,250,141	1,250,351
764,630 Net Surplus/(Deficit)	2,574,574	2,182,158	1,084,343	4,822,159	3,103,471	3,101,790	140,704	1,316,979	( 599,878 )	( 629,018 )
<b>2,404,592</b>	<b>4,712,345</b>	<b>3,377,161</b>	<b>6,622,596</b>	<b>7,846,406</b>	<b>8,130,128</b>	<b>4,712,428</b>	<b>8,792,703</b>	<b>5,450,077</b>	<b>668,801</b>	<b>635,312</b>



2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2005/06	SEWERAGE Main Items of Capital Expenditure	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
140,400	General Renewals	150,579	156,757	163,335	169,870	176,162	182,153	187,802	193,064	198,084	202,645
947,700	Blackball Scheme Construction	1,440,203	-	-	-	-	-	-	-	-	-
-	Te Kinga Scheme (Share)	178,200	-	-	-	-	-	-	-	-	-
-	Moana Waste Water Treatment Plant Upgrade	-	653,400	-	-	-	-	-	-	-	-
-	Kaiata Scheme	-	-	1,298,000	-	-	-	-	-	-	-
-	Dobson Scheme	-	-	2,739,000	-	-	-	-	-	-	-
-	Karoro Plant Expansion	-	-	-	-	237,600	-	-	-	-	-
-	Taylorville Scheme	-	-	-	2,288,000	-	-	-	-	-	-
1,417,346	Greymouth Scheme (Stage 1 & 2)	2,210,094	2,135,357	2,195,500	2,941,136	4,309,534	4,154,040	8,439,683	5,069,347	-	-
-	Boddytown Scheme	253,996	-	-	-	-	-	-	-	-	-
-	Rapahoe Scheme	-	-	-	-	765,748	-	-	-	-	-

[3.12] FINANCIAL NOTES

1. BALANCED BUDGET

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

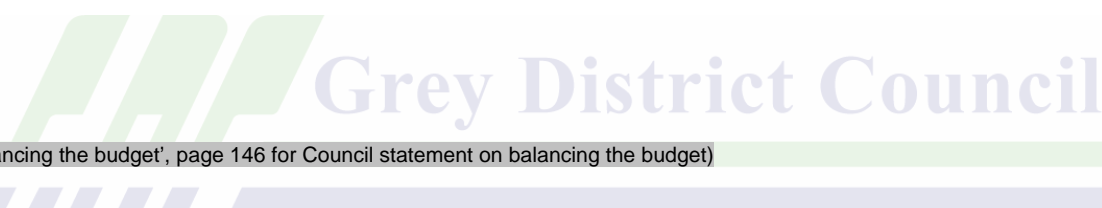
Budget is balanced

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

Contract rates will not increase more than forecast price adjustments (refer page 143 for a list of price adjustments). The past two - three years have seen the demand for construction contractors increase dramatically on the West Coast, increasing contract rates above those seen in other parts of the country. Council has determined what the rates will be in the next 12 months; anything beyond this is provided solely as an estimate and will be reviewed annually during preparation of each Annual Plan.

Sanitary Works Subsidy Scheme (SWSS) rates will be as forecast. Considered low risk as rates for Greymouth and Blackball are confirmed. Other schemes will be fully consulted on closer to the time of implementation



## [4] water supply

### [4.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Water Supply

### [4.2] RATIONALE FOR GROUPING

This is an important cost activity and community focus and is dealt with on a stand-alone basis.

### [4.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

Water is an essential need for individuals whilst it is also an important commodity in local manufacturing. It also has special relevance to the health of any community. The New Zealand Drinking Water Standard (DWS) was set in 2005 and it is expected that compliance will become mandatory soon.

Council manages five water schemes, the DWS compliance status of which are:

- Greymouth area: Chlorinated. Very good quality but a filtration capability may have to be introduced to address clarity issues in prolonged high river conditions.
- Runanga/Rapahoe: Untreated. Potential quality and risk issues. (The community prefers non-chlorination)
- Stillwater: Chlorinated. Generally good quality. Filtration is expected to become a requirement.
- Blackball: Chlorinated. Generally good quality. Filtration is expected to become a requirement.
- Dobson: Chlorinated. Generally good quality. Filtration is expected to become a requirement. (Opportunity to link with Coal Creek)

Attention is drawn to the Summary of the Water and Wastewater Assessment attached hereto.

### [4.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goals for the provision of water in the Grey District are:

- To ensure adequate supplies of potable water for human and industrial consumption within the District.
- To ensure sufficient water supplies in the District for fire fighting purposes.
- To encourage the sustainable use of water as limited resource and to discourage wastage.

Council's objectives are:

- To comply with statutory/legislative responsibilities.
- To meet with public expectations.
- To continually assess the quality and adequacy of private water supplies in the District.
- To manage water as a costly commodity better.

**[4.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE**

Outcome	How the group of activities contributes
A District enjoying quality affordable essential services.	Water is an important essential service.
A thriving local economy creating opportunities.	Availability of water for commerce and industry is a prerequisite for local investment and economic growth.
An attractive District where residents want to be.	Good quality water in adequate quantities adds to quality of life.
Law, order, personal and property safety.	Good quality water is of special relevance to physical health.

**[4.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

The water reticulation system in built-up areas, generally speaking, is functioning adequately and residents are enjoying good quality water. The Runanga supply, in spite of strong taste attributes, is not always satisfactory from a health perspective, a situation no doubt exacerbated by the community's wish for the water not to be chlorinated.

Outside areas are generally supplied by means of roof collection systems which, generally is satisfactory.

2. 2006-2009

Main focus areas will be:

- Cobden Bridge Main replacement
- Runanga Trunk Main
- Lifelines
- Boddytown scheme
- Moana scheme
- Connecting Dobson/Taylorville to the Greymouth scheme.

3. 2010-2016

The primary focus will be the provision of water purification for Council's existing schemes, should this become a statutory requirement, and bringing the Blackball scheme up to fire fighting standard.

**[4.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

Council accepts that water provision may have negative implications and is committed to avoid such effects as much as possible. Particular attention will be given to:

- There is a latent threat of public health issues. Council is, however, most attentive and extensive management protocols are in place to avoid related threats.
- There may, in disaster or prolonged drought situations, be low flow and associated pressure problems.

**[4.8] SERVICE LEVEL EXPECTATIONS**

Council expects to maintain levels of service with filtration, albeit costly, resulting in premium quality water.

**[4.9] ASSET MANAGEMENT**

**How will Council assess and manage implications of changes to demand or changes to service provision level?**

Current water supplies are in good condition and provide capacity for expansion. Modelling of supplies show that adequate capacity exists for expansion. This is particularly true of the Coal Creek intake which can be expanded to supply Rapahoe/Runanga, should this become an issue. The activity management plan fully provides for the detail aspects of the service. The focus over the next few years will be on ensuring compliance with drinking water standards, safety of distribution and emergency measures.

**What additional asset capacity is required?**

Capacity is not regarded to be a focal issue. The focus is more on new schemes (Moana, Boddytown) and security of distribution. New developments are dealt with in terms of Council's Financial Contribution policy.

**How will additional asset capacity be undertaken?**

Supply and reservoir capacity needs in respect of new subdivisions currently in process are provided for through appropriate consent and financial contribution agreements. As to main services, no supply issues are foreseen. Should reservoir capacity have to be created, this will be dealt with either in the context of individual developments or collectively for an area.

**Additional capacity created.**

Attention is drawn to the financial information hereunder. It provides for:

- New schemes/Upgrades:
  - Boddytown (Yr 2) \$ 147,093
  - Moana (Yr 2) \$ 1.993M
  - Dobson/Taylorville (Yr 3) \$ 333,066
  - Blackball (Yr 8) \$ 622,974
- Filtration:
  - Coal Creek Supply (Yr 4) \$ 1.764M
  - Blackball supply (Yr 5) \$ 143,689
- Reticulation:
  - Cobden Bridge Trunk Main replacement (Yr 1) \$ 197,778

Grey District Council

**How will it be funded?**

New subdivisions will be funded by the developers via vesting and/or financial contributions. Council created assets are funded from loans (over a period of 30 years), with the related debt servicing costs met by the benefiting ratepayers.

**How will maintenance, renewal or replacement be undertaken?**

Maintenance and renewals are undertaken contractually under supervision of Council staff.

**How maintenance, renewal and replacement costs are met.**

Maintenance is an expenditure on all residents connected to water as a rate.

**Assumptions about useful life and sources of funding for replacement.**

Assets are being provided and maintained with a long-term useful life focus. (please refer to assumptions relating to [fixed assets](#), page 144 for further information) It is often linked to resource consents which have a 35 year life.

**[4.10] KEY PERFORMANCE MEASURES**

Performance measures may apply to more than one outcome. The lay-out used does not provide for this interrelationship.

**Performance measure: Efficient management of the water activity.**

Outcome:	How affected?
An attractive District where residents want to be.	Availability of good water contributes to an attractive living/working environment.
Law, order, personal and property safety.	Good water enhances personal and property safety.
A thriving local economy creating opportunities.	Good water is a requirement for economic growth.

Outputs:	Measurement:
<b>Strategic:</b>	
Pro-active identification, assessment, prioritisation and costing of District water needs.	<ul style="list-style-type: none"> <li>▪ Maintaining a current ten year District needs plan.</li> <li>▪ For capital works decision-making based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>
<b>Operational:</b>	
Emergency work (pipe breakages, pump outages).	<ul style="list-style-type: none"> <li>▪ Attended within 2 hours of report.</li> </ul>
Major pipe breaks/leaks.	<ul style="list-style-type: none"> <li>▪ Attended within 2 hours of report.</li> </ul>
New connections.	<ul style="list-style-type: none"> <li>▪ Within 5 days of request.</li> </ul>
Availability of service.	<ul style="list-style-type: none"> <li>▪ 85%.</li> </ul>
Unaccountable water.	<ul style="list-style-type: none"> <li>▪ Greymouth area – 10%.</li> <li>▪ Runanga-Rapahoe – 15%.</li> <li>▪ Stillwater – 5%.</li> <li>▪ Dobson-Taylorville – 15%.</li> <li>▪ Blackball – 5%.</li> </ul>
Storage capacity.	<ul style="list-style-type: none"> <li>▪ Greymouth – 12 Hours.</li> <li>▪ All other schemes – 24Hours.</li> </ul>
Upgrade quality on existing schemes, subject to the standards being mandated by central Government.	<ul style="list-style-type: none"> <li>▪ Filtration plant on Coal Creek Plant by 30 June 2010.</li> <li>▪ Filtration on other schemes by 30 June 2011.</li> </ul>
Construct new reticulated water schemes when local communities agree to fund their share of the cost.	<ul style="list-style-type: none"> <li>▪ Moana – by 30 June 2007.</li> <li>▪ Boddytown – by 30 June 2008.</li> </ul>

Outputs:	Measurement:
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>Minimum 80%.</li> </ul>
Notice of planned disruptions.	<ul style="list-style-type: none"> <li>24 hours notice to affected areas.</li> </ul>
Capacity of all schemes to be adequate for fire fighting purposes.	<ul style="list-style-type: none"> <li>Renew Runanga trunk main and main to Rapahoe by 30 June 2007.</li> <li>Upgrade Blackball scheme by 30 June 2014.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>80% satisfaction rating.</li> </ul>

**Performance measure: Maintaining high quality of water.**

Outcome:	How affected?
An attractive District where residents want to be.	Availability of good water contributes to an attractive living/working environment.
Law, order, personal and property safety.	Good water enhances personal and property safety.
A thriving local economy creating opportunities.	Quality water is a requirement for economic growth.

Outputs:	Measurement:
<b>Strategic:</b>	
Meeting legislative requirements.	<ul style="list-style-type: none"> <li>Full compliance with legislative requirements re health and aesthetic quality.</li> </ul>
Meeting public requirements.	<ul style="list-style-type: none"> <li>80% satisfaction rating.</li> </ul>
Integrating private schemes into district water supply profile.	<ul style="list-style-type: none"> <li>Annual assessment of private water supplies in keeping with the water and wastewater review.</li> </ul>
<b>Operational:</b>	
Compliance with Drinking Water standards (refer table below for water grading).	<ul style="list-style-type: none"> <li>Greymouth area -Ab (after filtration upgrade).</li> <li>Runanga-Rapahoe- Bc.</li> <li>Stillwater – Bc.</li> <li>Dobson-Taylorville – Bb.</li> <li>Blackball – Bb.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>80% satisfaction rating.</li> </ul>

Source & Treatment Plant Grading	Distribution System Grading	Risk Level	Means
A1	NA	Very Low	Completely satisfactory Demonstrably high quality.
A	(a)	Very Low	Completely satisfactory.
B	(b)	Low	Satisfactory.
C	(c)	Moderate	Marginal.
D	(d)	High	Unsatisfactory.
E	(e)	Very High	Completely unsatisfactory.



**[4.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

1. COST OF SERVICE STATEMENT

Budget WATER SUPPLY 2005/06 Income Statement	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating Expenditure:</b>										
- Employee Costs	-	-	-	-	-	-	-	-	-	-
(85,942) Support Costs	(70,878)	(73,865)	(82,621)	(85,238)	(89,582)	(91,747)	(93,713)	(94,718)	(99,582)	(97,888)
(535,188) Operating & Maintenance Costs	(636,375)	(682,405)	(804,673)	(908,032)	(930,704)	(963,070)	(980,448)	(1,015,108)	(1,040,955)	(1,054,804)
(219,501) Interest Expense	(268,367)	(449,185)	(471,823)	(648,356)	(679,981)	(670,795)	(660,883)	(650,187)	(638,647)	(626,195)
(400,951) Depreciation	(350,320)	(369,886)	(441,109)	(463,127)	(486,379)	(541,322)	(543,155)	(545,066)	(590,019)	(592,084)
<b>(1,241,582)</b>	<b>(1,325,940)</b>	<b>(1,575,341)</b>	<b>(1,800,226)</b>	<b>(2,104,753)</b>	<b>(2,186,646)</b>	<b>(2,266,934)</b>	<b>(2,278,199)</b>	<b>(2,305,079)</b>	<b>(2,369,203)</b>	<b>(2,370,971)</b>
<b>Revenue:</b>										
1,015 User Charges	-	102,467	110,664	119,517	129,079	139,405	150,558	162,602	175,611	189,659
- Other Revenue	10,530	10,962	11,422	11,879	12,319	12,738	13,133	13,501	13,852	14,171
- Subsidies/Donations	-	-	-	-	-	-	-	-	-	-
- Internal Recoveries	-	-	-	-	-	-	-	-	-	-
- Rates - UAGC	-	-	-	-	-	-	-	-	-	-
- Rates - General	-	-	-	-	-	-	-	-	-	-
1,076,836 Rates - Targeted	1,253,349	1,453,485	1,658,642	1,992,660	2,074,563	2,131,488	2,159,851	2,217,133	2,248,500	2,281,343
<b>1,077,851</b>	<b>1,263,879</b>	<b>1,566,914</b>	<b>1,780,728</b>	<b>2,124,056</b>	<b>2,215,961</b>	<b>2,283,631</b>	<b>2,323,542</b>	<b>2,393,236</b>	<b>2,437,963</b>	<b>2,485,173</b>
<b>(163,731) Net Surplus/(Deficit)</b>	<b>(62,061)</b>	<b>(8,427)</b>	<b>(19,498)</b>	<b>19,303</b>	<b>29,315</b>	<b>16,697</b>	<b>45,343</b>	<b>88,157</b>	<b>68,760</b>	<b>114,202</b>
<b>Budget WATER SUPPLY 2005/06 Capital Items &amp; sources of funds</b>										
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Capital Items:</b>										
(172,043) Renewal Works	(558,980)	(415,998)	(228,468)	(244,999)	(247,536)	(262,251)	(263,586)	(277,552)	(277,739)	(290,953)
(131,846) New Capital	(315,144)	(2,272,253)	(452,965)	(2,459,403)	(616,739)	(106,732)	(111,698)	(116,549)	(121,377)	(126,029)
(10,530) Assets Vested	(10,530)	(10,962)	(11,422)	(11,879)	(12,319)	(12,738)	(13,133)	(13,501)	(13,852)	(14,171)
(5,839) Debt Principal Repayment	(42,009)	(67,002)	(75,846)	(103,242)	(116,321)	(125,508)	(135,420)	(146,115)	(157,656)	(170,107)
(51,234) Funding of Reserves	(6,181)	(6,305)	(14,348)	(25,694)	(37,821)	(50,790)	(64,661)	(79,506)	(88,155)	(105,026)
- Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(360,962)</b>	<b>(932,844)</b>	<b>(2,772,520)</b>	<b>(783,049)</b>	<b>(2,845,217)</b>	<b>(1,030,736)</b>	<b>(558,019)</b>	<b>(588,498)</b>	<b>(633,223)</b>	<b>(658,779)</b>	<b>(706,286)</b>
<b>Funded By:</b>										
35,517 New Loans Raised	233,235	2,383,485	361,438	2,362,787	515,042	-	-	-	-	-
88,225 Funding from Reserves	411,350	27,576	-	-	-	-	-	-	-	-
400,951 Depreciation	350,320	369,886	441,109	463,127	486,379	541,322	543,155	545,066	590,019	592,084
(163,731) Net Surplus/(Deficit)	(62,061)	(8,427)	(19,498)	19,303	29,315	16,697	45,343	88,157	68,760	114,202
<b>360,962</b>	<b>932,844</b>	<b>2,772,520</b>	<b>783,049</b>	<b>2,845,217</b>	<b>1,030,736</b>	<b>558,019</b>	<b>588,498</b>	<b>633,223</b>	<b>658,779</b>	<b>706,286</b>



2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2005/06	WATER SUPPLY Main Items of Capital Expenditure	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
33,544	Laterals - Renewals	37,301	40,152	43,176	45,170	46,843	48,436	49,936	51,335	52,669	53,883
111,812	General Mains - Renewals	121,227	130,493	140,321	146,802	152,239	157,416	162,291	166,840	171,176	175,118
-	Cobden Bridge Main Replacement	-	197,778	-	-	-	-	-	-	-	-
-	Runanga Renew Trunk Main	361,350	-	-	-	-	-	-	-	-	-
-	Implement Life Lines Recommend	56,862	-	-	-	-	-	-	-	-	-
-	Boddytown Scheme	-	147,093	-	-	-	-	-	-	-	-
60,291	New Lines	64,439	68,087	72,006	76,009	80,006	83,967	87,874	91,691	95,489	99,149
-	Moana Scheme	-	1,993,626	-	-	-	-	-	-	-	-
-	Coal Ck Filtration Plant Cons	-	-	-	1,764,577	-	-	-	-	-	-
-	Blackball Water Upgrade (2006/07)	165,000	-	-	-	-	-	-	-	-	-
-	Stillwater Filtration Plant	-	-	-	-	117,513	-	-	-	-	-
-	Blackball Filtration Plant	-	-	-	-	143,689	-	-	-	-	-
-	DBSN-TYLVLE Link to GM Scheme	-	-	333,066	346,392	-	-	-	-	-	-
-	Runanga Filtration Plan Constr	-	-	-	214,614	225,900	-	-	-	-	-

[4.12] FINANCIAL NOTES

1. BALANCED BUDGET

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget shows a small amount of deficit

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

Contract rates will not increase more than forecast price adjustments (refer page 143 for a list of price adjustments). The past two - three years have seen the demand for construction contractors increase dramatically on the West Coast, increasing contract rates above those seen in other parts of the country. Council has determined what the rates will be in the next 12 months; anything beyond this is provided solely as an estimate and will be reviewed annually during preparation of each Annual Plan.

## [5] refuse collection & disposal

### [5.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Refuse Collection and Disposal

### [5.2] RATIONALE FOR GROUPING

This is an important cost activity and community focus and is dealt with on a stand-alone basis.

### [5.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

A competent waste collection and disposal service and facilities help maintain good health and quality of life. Availability of the service also minimises illegal dumping.

The availability of McLeans Landfill as fully consented disposal site is a major advantage and, with the recent introduction of Cell 2, the District is well positioned for the future. The possibility of it being a regional disposal facility has now diminished and Council's focus is on managing it to the best advantage of our District and its people.

Two important related issues are:

- The unavailability of contractors to recover glass, plastic and other such recyclable materials rendering any formal waste recycling initiatives ineffective.
- The availability for local disposal of low grade asbestos products subject to it being fully wrapped in plastic and it being buried in allocated areas specifically identified for this purpose.

Attention is drawn to the Summary of the Solid Waste Activity Management Plan.

### [5.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goals for the provision of solid waste infrastructure in the Grey District are:

- To ensure the health of our community and the amenity of our District through effective waste management practices.
- To provide for convenience in waste disposal.
- To reduce impacts on the environment

Council's objectives are:

- To comply at all times with legal/statutory requirements
- To meet public expectations for the service.
- To focus on waste minimisation and re-use as alternative for recycling which is not a practical option at this point in time.

### [5.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE

Outcome	How the group of activities contributes
A District enjoying quality affordable essential services.	Refuse disposal is an important essential service.
A thriving local economy creating opportunities.	The ability to effectively dispose of refuse is a prerequisite for local investment and economic growth.
An attractive District where residents want to be.	Good waste disposal arrangements avoid it becoming an amenity value problem.

Outcome	How the group of activities contributes
Law, order, personal and property safety.	Good refuse disposal is of special relevance to physical health.

## [5.6] KEY ISSUES FACING THE ACTIVITIES

### 1. CURRENT

Cell 2 of McLeans Landfill is now completed and, generally speaking, the service is well in hand. The landfill is fully consented and designed and day to day management ensures minimum environmental risk. A much bigger potential risk exists in respect to Council's closed landfills which, without exception, did not have the benefit of having been designed in compliance with the Resource Management Act, 1991, yet are subject to RMA compliance in respect of environmental effects. Another potential issue that is coming to the fore is the (understandable) growing public pressure for the final rehabilitation of such landfills. Except in the case of McLeans, no financial provision had been made for this and it will have to be done as a direct cost.

McLeans Landfill will no longer be made into a regional facility.

### 2. 2006-2009

The focus will be on:

- Refining practices aimed at extending the life of the landfill.
- Efficiency improvement.
- Continued monitoring and management of closed landfill effluent.
- Gradual reclamation of Cobden landfill (also refer community services & facilities page 96).

### 3. 2010-2016

Council accepts that the large number of new properties created, as well as socio-economic changes, will result in higher volumes of waste being generated. Whilst this is to be expected, the trend is contrary to Council's longer term aim of waste minimisation. The failure of the recycling initiative will not assist this and Council, at least in the short to medium term, accepts that waste volumes will increase. Further investigation is to be undertaken as Council appreciates the need to reduce waste.

Notwithstanding the above, Cell 2 provides capacity for an estimated 15 years.

## [5.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES

Council accepts that refuse collection and disposal may have negative implications and is committed to avoid such effects as much as possible. Particular attention will be given to:

- Avoiding pollution during refuse collection and transport.
- Avoiding pollution through positive landfill management.
- Avoiding groundwater contamination as a result of landfill effluent.
- Avoiding health risks to refuse workers through sound work practices.

## [5.8] SERVICE LEVEL EXPECTATIONS

Council expects that the levels of service will remain unchanged with Cobden residents seeing the benefits from the gradual reinstatement of the Cobden landfill.

## [5.9] ASSET MANAGEMENT

### How will Council assess and manage implications of changes to demand or changes to service provision levels?

The activity management plan shows that McLeans Landfill is fully consented and the current cell will provide in the needs of the District for the next 15 years. This is based on a modelling of existing capacity plus growth. The calculations are conservative and it is expected that the stated life expectancy can be further extended through waste minimisation.

The focus is more on:

- Collection throughout the District and transport to McLeans Landfill. This is done under contracts and the actual volume to be transported provides for growth.
- Hazardous waste disposal. Low grade asbestos will be buried in a surveyed area of McLeans Landfill subject to certain conditions, i.e. it is fully wrapped and buried immediately. Other hazardous waste is sent to a consented hazardous waste landfill in Canterbury.
- Reclamation of closed landfills. This will receive quite some attention and monitoring of environmental impacts is a special focus area.

**What additional asset capacity is required?**

No additional capacity is envisaged during the planning period.

**How will maintenance, renewal or replacement be undertaken?**

Maintenance and renewals are undertaken contractually under supervision of Council staff.

**How maintenance, renewal and replacement costs are met.**

Maintenance is funded from general rates and user charges.

**[5.10] KEY PERFORMANCE MEASURES**

Performance measure: Efficient management of the refuse activity.

Outcome:	How affected?
A District enjoying quality affordable essential services.	Refuse disposal is an important essential service.
A thriving local economy creating opportunities.	Refuse disposal management is a requirement for economic growth.
An attractive District where residents want to be.	Competent disposal of refuse contributes to an attractive living/working environment.
Law, order, personal and property safety.	Competent disposal of refuse enhances personal and property safety.

Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of the activity.	<ul style="list-style-type: none"> <li>▪ Decision-making based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>
Implementation of closed landfill remediation schemes.	<ul style="list-style-type: none"> <li>▪ An action plan developed by 30 September 2009.</li> </ul>
<b>Operational:</b>	
Collection <ul style="list-style-type: none"> <li>▪ Bags collected.</li> <li>▪ Frequency of service.</li> <li>▪ Availability of service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 per property.</li> <li>▪ Once per week, except Greymouth central business district which is twice per week.</li> <li>▪ Once per week on designated days.</li> </ul>

Outputs:	Measurement:
<b>Disposal.</b> <ul style="list-style-type: none"> <li>McLeans Landfill open during consented hours.</li> </ul>	<ul style="list-style-type: none"> <li>100%.</li> </ul>
<b>General</b> <ul style="list-style-type: none"> <li>% of budgeted capital programme completed within budget year.</li> <li>Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>Minimum 80%.</li> <li>Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Managing environmental effects.

Outcome:	How affected?
A thriving local economy creating opportunities.	Solid waste management is a requirement for economic growth.
An attractive District where residents want to be.	Environmentally sensitive disposal of refuse contributes to an attractive living/working environment.
Law, order, personal and property safety.	Competent disposal of refuse enhances personal and property safety.

Outputs:	Measurement:
<b>Strategic:</b>	
A commitment to reducing environmental impacts associated with refuse collection and disposal.	<ul style="list-style-type: none"> <li>Design and operations aimed at reducing environmental effects.</li> </ul>
<b>Operational</b>	
Complaints re spillage during collection and transport to McLeans Landfill.	<ul style="list-style-type: none"> <li>Maximum 15 p.a.</li> </ul>
Compliance with discharge permit conditions for closed landfills.	<ul style="list-style-type: none"> <li>80%.</li> </ul>
Compliance with discharge permit conditions for McLeans Landfill.	<ul style="list-style-type: none"> <li>100%.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

**[5.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

1. COST OF SERVICE STATEMENT

Budget 2005/06	REFUSE COLLECTION & DISPOSAL Income Statement	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Operating Expenditure:</b>										
-	Employee Costs	-	-	-	-	-	-	-	-	-	-
(75,158)	Support Costs	(75,490)	(75,113)	(79,584)	(80,955)	(85,213)	(88,162)	(90,765)	(92,580)	(96,711)	(97,463)
(656,983)	Operating & Maintenance Costs	(767,862)	(770,655)	(803,367)	(835,838)	(1,052,188)	(1,090,757)	(1,128,552)	(1,165,400)	(1,199,883)	(1,235,453)
(145,665)	Interest Expense	(156,493)	(151,456)	(146,017)	(140,144)	(133,803)	(126,955)	(119,561)	(111,578)	(102,957)	(93,648)
(196,250)	Depreciation	(147,603)	(148,244)	(148,904)	(149,582)	(150,278)	(150,991)	(151,719)	(152,462)	(153,218)	(153,986)
<b>(1,074,056)</b>		<b>(1,147,448)</b>	<b>(1,145,468)</b>	<b>(1,177,872)</b>	<b>(1,206,519)</b>	<b>(1,421,482)</b>	<b>(1,456,865)</b>	<b>(1,490,597)</b>	<b>(1,522,020)</b>	<b>(1,552,769)</b>	<b>(1,580,550)</b>
	<b>Revenue:</b>										
110,605	User Charges	153,092	160,096	167,092	174,051	180,958	187,770	194,458	200,994	207,131	213,464
-	Other Revenue	-	-	-	-	-	-	-	-	-	-
-	Subsidies/Donations	-	-	-	-	-	-	-	-	-	-
-	Internal Recoveries	-	-	-	-	-	-	-	-	-	-
-	Rates - UAGC	-	-	-	-	-	-	-	-	-	-
314,794	Rates - General	323,407	291,146	293,632	311,558	338,817	340,973	342,648	363,751	346,285	345,719
577,959	Rates - Targeted	612,788	641,277	669,767	698,139	866,637	899,862	932,528	964,496	994,580	1,025,641
<b>1,003,358</b>		<b>1,089,287</b>	<b>1,092,519</b>	<b>1,130,491</b>	<b>1,183,748</b>	<b>1,386,412</b>	<b>1,428,605</b>	<b>1,469,634</b>	<b>1,529,241</b>	<b>1,547,996</b>	<b>1,584,824</b>
<b>(70,698)</b>	<b>Net Surplus/(Deficit)</b>	<b>(58,161)</b>	<b>(52,949)</b>	<b>(47,381)</b>	<b>(22,771)</b>	<b>(35,070)</b>	<b>(28,260)</b>	<b>(20,963)</b>	<b>7,221</b>	<b>(4,773)</b>	<b>4,274</b>
	<b>Budget 2005/06</b>	<b>Budget 2006/07</b>	<b>Estimate 2007/08</b>	<b>Estimate 2008/09</b>	<b>Estimate 2009/10</b>	<b>Estimate 2010/11</b>	<b>Estimate 2011/12</b>	<b>Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>
	<b>REFUSE COLLECTION &amp; DISPOSAL Capital Items &amp; sources of funds</b>										
	<b>Capital Items:</b>										
(20,808)	Renewal Works	(6,280)	(6,475)	(6,663)	(25,504)	(7,014)	(7,175)	(7,326)	(27,825)	(7,585)	(7,706)
(28,928)	New Capital Assets Vested	(9,705)	(10,006)	(10,297)	(10,575)	(10,840)	(11,089)	(11,322)	(11,537)	(11,722)	(11,909)
(69,184)	Debt Principal Repayment	(63,137)	(68,174)	(73,614)	(79,487)	(85,828)	(92,676)	(100,069)	(108,053)	(116,674)	(125,982)
-	Funding of Reserves	(10,320)	(10,640)	(10,949)	(11,245)	(11,526)	(11,791)	(12,039)	(12,268)	(12,464)	(12,663)
-	Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(118,920)</b>		<b>(89,442)</b>	<b>(95,295)</b>	<b>(101,523)</b>	<b>(126,811)</b>	<b>(115,208)</b>	<b>(122,731)</b>	<b>(130,756)</b>	<b>(159,683)</b>	<b>(148,445)</b>	<b>(158,260)</b>
	<b>Funded By:</b>										
-	New Loans Raised	-	-	-	-	-	-	-	-	-	-
(6,632)	Funding from Reserves	-	-	-	-	-	-	-	-	-	-
196,250	Depreciation	147,603	148,244	148,904	149,582	150,278	150,991	151,719	152,462	153,218	153,986
<b>(70,698)</b>	<b>Net Surplus/(Deficit)</b>	<b>(58,161)</b>	<b>(52,949)</b>	<b>(47,381)</b>	<b>(22,771)</b>	<b>(35,070)</b>	<b>(28,260)</b>	<b>(20,963)</b>	<b>7,221</b>	<b>(4,773)</b>	<b>4,274</b>
<b>118,920</b>		<b>89,442</b>	<b>95,295</b>	<b>101,523</b>	<b>126,811</b>	<b>115,208</b>	<b>122,731</b>	<b>130,756</b>	<b>159,683</b>	<b>148,445</b>	<b>158,260</b>

## 2. SIGNIFICANT CAPITAL EXPENDITURE

NIL

**[5.12] FINANCIAL NOTES**

## 1. BALANCED BUDGET

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget shows a small amount of deficit

## 2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

Contract rates will not increase more than forecast price adjustments (refer page 143 for a list of price adjustments). The past two - three years have seen the demand for construction contractors increase dramatically on the West Coast, increasing contract rates above those seen in other parts of the country. Council has determined what the rates will be in the next 12 months; anything beyond this is provided solely as an estimate and will be reviewed annually during preparation of each Annual Plan.

**AMENDMENT to the 2006 – 16 Long Term Community Outcomes Plan:**

(refer section SECTION A[4] amendments to the grey district council long term community outcomes plan 2006 – 2016, page 8)

Council's Long Term Community Outcomes Plan signalled that 4 refuse bags would be collected per property, per collection, for those properties that are on the collection route and pay the targeted rate.

This has been amended to a limit of 2 per property per collection. This will be controlled by the use of a 'tag system', with the following criteria:

- Ratepayers who are within the collection route will continue to pay a targeted rate;
- These ratepayers will receive 104 appropriately marked tags per annum (2/week) to attach to their refuse bag;
- Those who wish to put out in excess of 104 per annum will have the ability to purchase additional tags at a cost of **\$1.80** each.

**Note:**

- More than 2 bags per week can be placed out for collection. Users will pay (or have to use an alternative) if they want to use in excess of their 104 tags for the year.
- Those properties in the Central Business District, where refuse is collected twice weekly, will receive 208 tags. These properties currently, and will continue to, pay a higher targeted rate.

Council is facing increasing costs associated with the operation of the district landfill, as well as costs associated with the refuse collection contract. This measure has been introduced to limit the costs that are passed onto the ratepayer and instead accentuate the 'exacerbator pays' principal (refer rates for refuse collection on page **Error! Bookmark not defined.**).

It is noted that currently less than 2 bags per property are placed out per week on average. This means that the majority of ratepayers will receive the same level of service for no additional charge. Those who create the heavier demand will incur the additional costs.

## [6] rural fire authority

### [6.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Rural Fire Authority

### [6.2] RATIONALE FOR GROUPING

This activity is delivered as a joint regional initiative and cannot effectively be integrated into any of Council's other activities. Having said this, there is potential for this activity to be combined with Civil Defence and Emergency Management or, as a minimum, a service delivery arrangement to be agreed, subject to regional agreement and approval by the New Zealand Fire Service and the Crown Agency for Civil Defence and Emergency Management.

This plan does not provide for it as negotiations with stakeholders are still to commence. It is, however, identified as something that may come up during the planning period.

### [6.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

Council is one of four agencies involved in the West Coast Rural Fire Authority delivering a rural fire service in the West Coast region. The authority covers especially vegetation fires in rural areas and provide support to volunteer fire services under control of a Rural Fire Officer. Council also undertakes other support services to volunteer fire services in the District.

The West Coast Rural Fire Authority is a Council Controlled Organisation for the purposes of the Local Government Act, 2002 and attention is drawn to the specific disclosure contained later in this plan.

### [6.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goal for the provision of rural fire services in the Grey District is:

- To provide for a competent fire fighting ability for rural areas in our District.

Council's objectives are:

- To meet public expectations for the service
- To continue to, through its association with the West Coast Rural Fire Authority and otherwise, ensure a competent fire service for rural areas.

### [6.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE

Outcome	How the group of activities contributes
A thriving local economy creating opportunities.	The ability to effectively manage fires in rural areas is a prerequisite for local investment and economic growth in such areas.
An attractive District where residents want to be.	Good fire services in outlying areas add to quality of life.
Law, order, personal and property safety.	The availability of competent fire services directly relates to this.



**[6.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

The service is well in hand with the Rural Fire Officer taking control of the service. Volunteer fire crews are in place and quality of performance remains high.

2. 2006-2009

The potential of integrating this service on a regional basis with Civil Defence and Emergency Management will be fully investigated in consultation with other stakeholders.

3. 2010-2016

Development growth will also extend to rural areas and the demands on this service are expected to increase.

**[6.7] NEGATIVE IMPACTS OF COUNCIL INVOLVEMENT IN THE SERVICE**

There are no significant negative effects generated from this activity other than limitations imposed on individual freedoms in the interests of community safety and agreed standards. Fires are, in spite of the best efforts of all concerned, a reality and often impacts negatively on life and property.

**[6.8] SERVICE LEVEL EXPECTATIONS**

Council, in consultation with and in cooperation with the other service delivery authorities will endeavour to maintain levels of service. The outcome of Council's efforts to integrate this with Civil Defence and Emergency Management for staffing will impact on this.

**[6.9] ASSET MANAGEMENT**

Assets comprise a range of fire fighting equipment and clothing. Even though the service is expected to grow, it falls under the West Coast Rural Fire Authority and Council holds no significant assets.

**[6.10] KEY PERFORMANCE MEASURES**

Performance measures may apply to more than one outcome. The lay-out does not acknowledge this interrelationship.

Performance measure: Efficient management of the Rural Fire Service activity in consultation with other service providers.

Outcome:	How affected?
A thriving local economy creating opportunities.	The ability to effectively manage fires in rural areas is a prerequisite for local investment and economic growth in such areas.
An attractive District where residents want to be.	Good fire services in outlying areas add to quality of life.
Law, order, personal and property safety.	The availability of competent fire services directly relates to this.

Outputs:	Measurement:
<b>Strategic:</b>	
Efficient joint management of the activity.	<ul style="list-style-type: none"> <li>▪ Active participation in West Coast Rural Fire Authority (WCRFA) activities and decision-making.</li> </ul>
Maintaining an operational ability to fight rural fires.	<ul style="list-style-type: none"> <li>▪ Response planning through the WCRFA.</li> </ul>
<b>Operational:</b>	
Joint Management. <ul style="list-style-type: none"> <li>▪ Attendance of WCRFA meetings.</li> <li>▪ Frequency of meetings.</li> <li>▪ Availability of service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ Four times a year.</li> <li>▪ 85%.</li> </ul>
Response. <ul style="list-style-type: none"> <li>▪ Response performance.</li> <li>▪ Response times from receipt of call-out to mobilisation, from mobilisation to actual arrival at the fire scene and from arrival at fire scene to time taken to declare fire out.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ 20 minutes from receipt of call to mobilisation.</li> <li>▪ 40 minutes from mobilisation to arrival at fire scene for first fire suppression response.</li> <li>▪ 6 hours from first fire suppression response to suppression and declare fire out.</li> </ul>
General <ul style="list-style-type: none"> <li>▪ % of budgeted capital programme completed within budget year.</li> <li>▪ Complaints about the service.</li> <li>▪ Numbers of permits issued annually and an assessment of where and what permits are being issued for, (e.g. vegetation clearance, back yard fires, bond fires (on the beach), other).</li> <li>▪ Number of wild fires with lives, property and other values injured, threatened or destroyed respectively; how fire suppressed, location, extent and probable cause plus costs of suppression.</li> <li>▪ Number of permitted fires that have got out of control, lives, property and other values injured, threatened or destroyed respectively, extent of fire, how fire suppressed and probable cause, plus costs of suppression.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimum 80%.</li> <li>▪ Maximum 20 p.a.</li> <li>▪ Minimum 500 permits.</li>   <li>▪ Maximum 12 wild fires.</li>   <li>▪ Maximum 3 out of control permitted fires.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

**[6.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

1. COST OF SERVICE STATEMENT

Budget 2005/06	RURAL FIRE Income Statement	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Operating Expenditure:</b>										
-	Employee Costs	-	-	-	-	-	-	-	-	-	-
(17,887)	Support Costs	(14,774)	(15,028)	(16,004)	(15,930)	(16,574)	(17,036)	(17,356)	(17,438)	(18,314)	(18,040)
(57,553)	Operating & Maintenance Costs	(57,047)	(60,140)	(64,383)	(66,483)	(69,718)	(74,154)	(76,246)	(79,519)	(83,947)	(86,022)
-	Interest Expense	-	-	-	-	-	-	-	-	-	-
-	Depreciation	(2,532)	(2,962)	(3,316)	(3,691)	(4,087)	(4,505)	(4,945)	(5,718)	(6,203)	(6,709)
<b>(75,440)</b>		<b>(74,353)</b>	<b>(78,130)</b>	<b>(83,703)</b>	<b>(86,104)</b>	<b>(90,379)</b>	<b>(95,695)</b>	<b>(98,547)</b>	<b>(102,675)</b>	<b>(108,464)</b>	<b>(110,771)</b>
	<b>Revenue:</b>										
-	User Charges	-	-	-	-	-	-	-	-	-	-
-	Other Revenue	-	-	-	-	-	-	-	-	-	-
4,060	Subsidies/Donations	4,190	4,320	4,445	4,565	4,680	4,787	4,888	4,981	5,060	5,141
-	Internal Recoveries	-	-	-	-	-	-	-	-	-	-
-	Rates - UAGC	-	-	-	-	-	-	-	-	-	-
72,903	Rates - General	71,620	75,033	80,230	82,242	92,794	91,013	93,435	97,120	102,455	112,800
-	Rates - Targeted	-	-	-	-	-	-	-	-	-	-
<b>76,963</b>		<b>75,810</b>	<b>79,353</b>	<b>84,675</b>	<b>86,807</b>	<b>97,474</b>	<b>95,800</b>	<b>98,323</b>	<b>102,101</b>	<b>107,515</b>	<b>117,941</b>
<b>1,523</b>	<b>Net Surplus/(Deficit)</b>	<b>1,457</b>	<b>1,223</b>	<b>972</b>	<b>703</b>	<b>7,095</b>	<b>105</b>	<b>(224)</b>	<b>(574)</b>	<b>(949)</b>	<b>7,170</b>
Budget 2005/06	RURAL FIRE Capital Items & sources of funds	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Capital Items:</b>										
-	Renewal Works	-	-	-	-	(6,681)	-	-	-	-	(8,510)
(1,523)	New Capital	(1,619)	(14,050)	(1,822)	(1,928)	(2,035)	(2,144)	(2,255)	(16,254)	(2,477)	(2,592)
-	Assets Vested	-	-	-	-	-	-	-	-	-	-
-	Debt Principal Repayment	-	-	-	-	-	-	-	-	-	-
-	Funding of Reserves	(2,370)	(2,466)	(2,466)	(2,466)	(2,466)	(2,466)	(2,466)	(2,777)	(2,777)	(2,777)
-	Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(1,523)</b>		<b>(3,989)</b>	<b>(16,516)</b>	<b>(4,288)</b>	<b>(4,394)</b>	<b>(11,182)</b>	<b>(4,610)</b>	<b>(4,721)</b>	<b>(19,031)</b>	<b>(5,254)</b>	<b>(13,879)</b>
	<b>Funded By:</b>										
-	New Loans Raised	-	-	-	-	-	-	-	-	-	-
-	Funding from Reserves	-	12,331	-	-	-	-	-	13,887	-	-
-	Depreciation	2,532	2,962	3,316	3,691	4,087	4,505	4,945	5,718	6,203	6,709
1,523	Net Surplus/(Deficit)	1,457	1,223	972	703	7,095	105	(224)	(574)	(949)	7,170
<b>1,523</b>		<b>3,989</b>	<b>16,516</b>	<b>4,288</b>	<b>4,394</b>	<b>11,182</b>	<b>4,610</b>	<b>4,721</b>	<b>19,031</b>	<b>5,254</b>	<b>13,879</b>

2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2005/06	RURAL FIRE Main Items of Capital Expenditure	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
-	Equipment - Renewals	-	-	-	-	6,681	-	-	-	-	8,510
1,645	General Capital	1,619	1,719	1,822	1,928	2,035	2,144	2,255	2,367	2,477	2,592
-	Vehicle Replacement	-	12,331	-	-	-	-	-	13,887	-	-

[6.12] FINANCIAL NOTES

1. BALANCED BUDGET

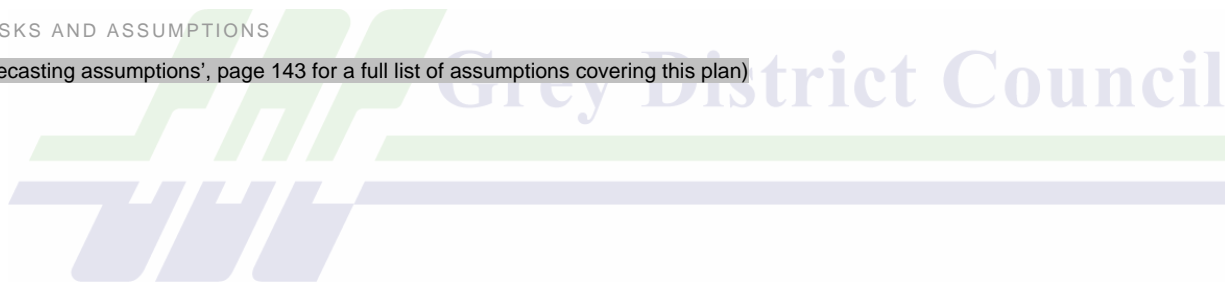
(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget is balanced

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

N/A



# [7] economic development

## [7.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Economic Development Facilitation and Youth

## [7.2] RATIONALE FOR GROUPING

This activity is essentially a stand-alone focus area, even though virtually every other activity of Council and other local and regional promotional agencies add to it. It incorporates action initiated by Council itself and as part of other agencies.

## [7.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

The current economic development focus involves essentially three components, namely:

- The activities of other agencies, both local and regional, focusing on economic development facilitation, notably the West Coast Development Trust and Tourism West Coast.
- Council's part-time economic development initiative which includes marketing of the District and its opportunities, together with a strong youth development and external funding access focus.
- Council's underlying focus on good strategic planning and competent services, thereby making the District an attractive living and investment location.

## [7.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goal for economic development facilitation in the Grey District is:

- To ensure the long-term viability of our District through facilitation of new and exciting opportunities for locals and potential investors, coordination of and support for other such efforts within the District and effective marketing of our District and its people.
- To ensure viable, sustainable development in the West Coast region as a whole.

Council's objectives are:

- To diversify and expand the local economy further.
- To participate fully in regional initiatives to strengthen the West Coast economy.
- To concentrate on youth retention as special focus area.
- To continue supporting local promotional bodies financially subject to rationalisation for optimum efficiency.
- To optimise financial access to West Coast Development Trust funding for local promotional and other agencies.
- To secure other services through expanding the size of the community.

## [7.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE

Outcome	How the group of activities contributes
A thriving local economy creating opportunities	Economic development facilitation is aimed at creating prosperity for all.

Outcome	How the group of activities contributes
An attractive District where residents want to be.	Economic development managed correctly creates prosperity which makes the District attractive as a living and visiting location.
Affordable access to quality medical health services.	Current Crown Health funding methodologies are population-based and increasing our population through local opportunity creation is important.
Affordable access to quality education.	Strengthening our population base through opportunity creation is necessary to secure quality local education.

**[7.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

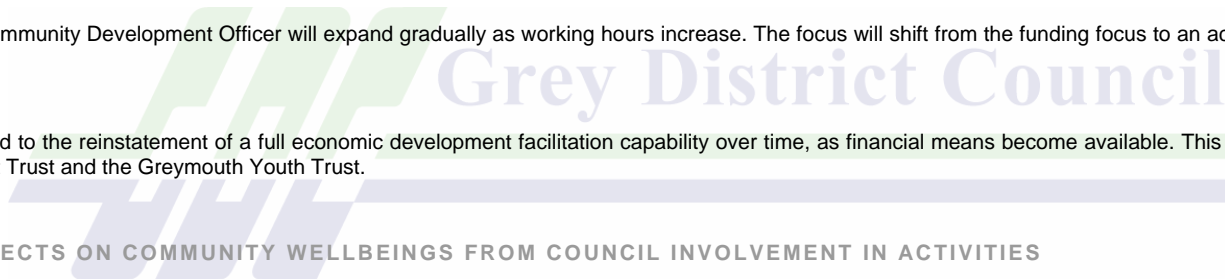
As stated, the current focus is narrow and addresses only three aspects of the total economic development spectrum. Financial constraints make this unavoidable and Council's administration will continue to deal with the total function to the best of their available ability.

2. 2006-2009

The focus of the Community Development Officer will expand gradually as working hours increase. The focus will shift from the funding focus to an active economic development facilitation role.

3. 2010-2016

Council is committed to the reinstatement of a full economic development facilitation capability over time, as financial means become available. This person will work closely with the West Coast Development Trust and the Greymouth Youth Trust.



**[7.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

There are no significant negative impacts associated with this activity.

**[7.8] SERVICE LEVEL EXPECTATIONS**

Council expects that the level of service will improve as the impact of the community development initiative becomes more evident.

**[7.9] ASSET MANAGEMENT**

No significant assets are involved.

**Performance measure: Growing and diversifying the local economy further.**

Outcome:	How affected?
A thriving local economy creating opportunities.	Opportunities are the key for future success.
Affordable access to quality medical health services.	More residents make health services more viable and secure Crown funding.
An attractive District where residents want to be.	A growing economy provides opportunity which makes an area attractive as a living and working environment.
Affordable access to quality education.	More residents make schools and other educational institutions more viable.

Outputs:	Measurement:
<b>Strategic:</b>	
Growing our local population through creation of local opportunity.	<ul style="list-style-type: none"> <li>▪ Decision-making based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> <li>▪ Administrative and regulatory processes that support investment.</li> </ul>
Optimise funding access through West Coast Development Trust.	<ul style="list-style-type: none"> <li>▪ Cooperate with WCDT as primary economic development agency in achieving outcomes.</li> <li>▪ Facilitate applications for funding of local initiatives to WCDT and other funding organisations.</li> </ul>
Support local agencies involved in Marketing and Economic Development	<ul style="list-style-type: none"> <li>▪ Continue supporting bodies like Tourism West Coast, Greymouth Business &amp; Promotion Association and the i-Site.</li> </ul>
<b>Operational:</b>	
Creating opportunity. <ul style="list-style-type: none"> <li>▪ Developer access to Mayor and Chief Executive Officer.</li> <li>▪ Complaints re restrictive processes/policies.</li> <li>▪ Review of CBD expansion plan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Upon request or within 24 hours.</li> <li>▪ No more than 50 p.a.</li> <li>▪ By 30 June 2007.</li> </ul>
Funding facilitation. <ul style="list-style-type: none"> <li>▪ Applications to WCDT.</li> <li>▪ Applications to other funders.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 20 p.a.</li> <li>▪ 6 p.a.</li> </ul>
Local agency support. <ul style="list-style-type: none"> <li>▪ Financial support on Annual Plan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annually.</li> </ul>

<b>Outputs:</b>	<b>Measurement:</b>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

**Performance measure: Working towards strengthening the regional economy**

<b>Outcome:</b>	<b>How affected?</b>
A thriving local economy creating opportunities	Opportunities are the key for future success.
An attractive District where residents want to be.	A growing economy provides opportunity which makes an area attractive as living/working environment.

<b>Outputs:</b>	<b>Measurement:</b>
<b>Strategic:</b>	
Active participation in Regional Economic Development Initiatives.	<ul style="list-style-type: none"> <li>Working with other West Coast territorial local authorities in strengthening the regional economy.</li> <li>Working on and with the West Coast Development Trust as regional economic development agency and keeper of the West Coast Adjustment Package.</li> </ul>
<b>Operational:</b>	
Regional economic development. <ul style="list-style-type: none"> <li>Attendance of Mayors' forum meetings.</li> <li>Compliance with Triennial Agreement.</li> </ul>	<ul style="list-style-type: none"> <li>100%.</li> <li>100%.</li> </ul>
WCDT representation/association. <ul style="list-style-type: none"> <li>Attendance of WCDT meetings.</li> <li>Consultation with WCDT on initiatives planned.</li> </ul>	<ul style="list-style-type: none"> <li>100%.</li> <li>100%.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>



Performance measure: Working towards developing opportunities for youth.

Outcome:	How affected?
A thriving local economy creating opportunities.	Creating social and economic opportunities for our young people is a requirement for economic growth.
An attractive District where residents want to be.	Positive Youth development contributes to an attractive living/working environment.

Outputs:	Measurement:
<b>Strategic:</b>	
Develop a policy and action plans for youth development.	<ul style="list-style-type: none"> <li>▪ Undertake a youth needs assessment.</li> <li>▪ Use the needs assessment as basis for a youth development policy and action plan, developed in consultation with youth.</li> </ul>
Consult inclusively with youth.	<ul style="list-style-type: none"> <li>▪ Maintain regular consultation with youth.</li> </ul>
<b>Operational:</b>	
Youth policy and action plan. <ul style="list-style-type: none"> <li>▪ Youth needs assessment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Identify potential participants by July 2006.</li> <li>▪ Questionnaire to respondents by October 2006.</li> <li>▪ Analysis of responses.</li> </ul>
Policy and action plan.	<ul style="list-style-type: none"> <li>▪ Youth forum by January 2007.</li> <li>▪ Draft Policy and Action Plan by March 2007.</li> <li>▪ Confirmation, Youth Policy/Action Plan by youth by June 2007.</li> <li>▪ Approval by Council by July 2007.</li> </ul>
<b>Consultation:</b>	
Development of an inclusive database.	<ul style="list-style-type: none"> <li>▪ July 2006.</li> </ul>
Youth meetings.	<ul style="list-style-type: none"> <li>▪ Two-monthly.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

**[7.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

1. COST OF SERVICE STATEMENT

Budget 2005/06	ECONOMIC DEVELOPMENT Income Statement	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Operating Expenditure:</b>										
	- Employee Costs	(23,949)	(24,691)	(25,408)	(26,095)	(26,747)	(27,362)	(27,938)	(28,469)	(28,924)	(29,386)
(51,975)	Support Costs	(36,373)	(36,913)	(39,487)	(39,064)	(40,744)	(41,902)	(42,747)	(42,770)	(45,170)	(44,399)
(190,500)	Operating & Maintenance Costs	(165,852)	(167,800)	(166,544)	(166,869)	(168,908)	(167,471)	(169,548)	(167,995)	(168,211)	(168,429)
	- Interest Expense	-	-	-	-	-	-	-	-	-	-
	- Depreciation	(2,258)	(4,515)	(4,515)	(4,515)	(4,515)	(4,736)	(4,957)	(4,957)	(4,957)	(4,957)
<b>(242,475)</b>		<b>(228,432)</b>	<b>(233,919)</b>	<b>(235,954)</b>	<b>(236,543)</b>	<b>(240,914)</b>	<b>(241,471)</b>	<b>(245,190)</b>	<b>(244,191)</b>	<b>(247,262)</b>	<b>(247,171)</b>
	<b>Revenue:</b>										
	- User Charges	-	-	-	-	-	-	-	-	-	-
	- Other Revenue	-	-	-	-	-	-	-	-	-	-
	- Subsidies/Donations	-	-	-	-	-	-	-	-	-	-
	- Internal Recoveries	-	-	-	-	-	-	-	-	-	-
	- Rates - UAGC	-	-	-	-	-	-	-	-	-	-
45,013	Rates - General	41,533	43,829	44,961	44,686	48,236	47,798	50,572	48,904	51,402	50,730
159,500	Rates - Targeted	156,564	156,628	156,690	156,749	156,805	174,545	156,908	156,954	156,993	157,033
<b>204,513</b>		<b>198,097</b>	<b>200,457</b>	<b>201,651</b>	<b>201,435</b>	<b>205,041</b>	<b>222,343</b>	<b>207,480</b>	<b>205,858</b>	<b>208,395</b>	<b>207,763</b>
<b>(37,962)</b>	<b>Net Surplus/(Deficit)</b>	<b>(30,335)</b>	<b>(33,462)</b>	<b>(34,303)</b>	<b>(35,108)</b>	<b>(35,873)</b>	<b>(19,128)</b>	<b>(37,710)</b>	<b>(38,333)</b>	<b>(38,867)</b>	<b>(39,408)</b>
	<b>Budget 2005/06</b>										
	<b>ECONOMIC DEVELOPMENT</b> <b>Capital Items &amp; sources of funds</b>										
	<b>Capital Items:</b>										
	- Renewal Works	-	-	-	-	-	-	-	-	-	-
	- New Capital	( 180,600 )	-	-	-	-	( 17,687 )	-	-	-	-
	Assets Vested	-	-	-	-	-	-	-	-	-	-
	- Debt Principal Repayment	-	-	-	-	-	-	-	-	-	-
	- Funding of Reserves	-	-	-	-	-	-	-	-	-	-
	- Internal Transfers	-	-	-	-	-	-	-	-	-	-
		<b>(180,600)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17,687)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Funded By:</b>										
	- New Loans Raised	-	-	-	-	-	-	-	-	-	-
37,962	Funding from Reserves	208,677	28,947	29,788	30,593	31,358	32,079	32,753	33,376	33,910	34,451
	- Depreciation	2,258	4,515	4,515	4,515	4,515	4,736	4,957	4,957	4,957	4,957
<b>( 37,962 )</b>	<b>Net Surplus/(Deficit)</b>	<b>( 30,335 )</b>	<b>( 33,462 )</b>	<b>( 34,303 )</b>	<b>( 35,108 )</b>	<b>( 35,873 )</b>	<b>( 19,128 )</b>	<b>( 37,710 )</b>	<b>( 38,333 )</b>	<b>( 38,867 )</b>	<b>( 39,408 )</b>
		<b>180,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>17,687</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2005/06	ECONOMIC DEVELOPMENT Main Items of Capital Expenditure	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	- Welcome to Grey District Signs	-	-	-	-	-	17,687	-	-	-	-
	- Albert Mall Development	180,600	-	-	-	-	-	-	-	-	-

1. BALANCED BUDGET

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget shows small deficit, funded from Special Reserves

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

N/A



## [8] property & housing

### [8.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Property
- Parking
- Retirement Housing

### [8.2] RATIONALE FOR GROUPING

These activities are grouped together as property owned by Council, including Harbour Board Endowment land (refer 'council controlled organisations (CCOs)', page 185 for further information on Port Westland Ltd).

### [8.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

Council manages its rental property portfolio with a view to securing a reasonable financial return whilst at the same time adhering to its social conscience and providing for the convenience of residents and visitors. Council is committed to freeholding as many as possible of its rental properties in order to give lessees the opportunity of full ownership.

Council continues to manage Harbour Board Endowment land on behalf of the port as beneficiary of any net return from such land in terms of legislation. Operational port assets are to be transferred to the port company. (refer to page 145 'Port Westland Ltd for further details on the assumptions relating to port assets).

Council is committed to continue managing its retirement housing portfolio on a break even basis thereby keeping rentals as low as possible.

Provision of affordable, conveniently located parking remains a particular focus area.

As to its fixed property portfolio, Council is committed to selling off any surplus land thereby making it available for development. Unlike previously, where land was used as a means of facilitating development, the aim is to optimise financial return for Council. This process is expected to continue for some time. Note: as the property to be disposed of as not been directly quantified it has not been disclosed in the balance sheet as 'Property Intended for Sale'.

### [8.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goals for the combined property portfolio in the Grey District are:

- To manage Council's land holdings prudently to secure optimum income on the basis that all land surplus to requirements will be sold off at the highest price.
- To manage its retirement housing portfolio on the basis that rentals will be structured so that the portfolio breaks even financially.
- To manage its parking portfolio prudently and with the emphasis on safety and convenience and to be proactive in the provision of new parking.

Council's objectives are:

- To meet users' and public expectations
- To meet legal/statutory responsibilities.
- To terminate its involvement in forestry and to settle any outstanding dues.

**[8.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE**

Outcome	How the group of activities contributes
A thriving local economy creating opportunities.	Council has in the past facilitated economic development through making available Council land.
An attractive District where residents want to be.	In particular Council's retirement housing and parking initiatives add to the District appeal as living and investment location.
Law, order, personal and property safety.	Parking has a strong safety focus.
Good social development services.	Provision of affordable retirement housing has a strong social focus for Council.

**[8.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

Council is strongly committed to freeholding as much as possible of its residential leasehold portfolio. Council is strongly convinced that full property ownership is hugely beneficial for strong and positive social development. Over the past year the window of opportunity for freeholding has diminished as a result of the significant increase in property valuations making it unaffordable for many.

A dedicated focus on selling other Council land not needed for strategic purposes is also under way under management of an appointed estate agent. The sale of Council's Iveagh Bay land is currently under way and should be finalised by June 2006. Note: as the property to be disposed of has not been directly quantified, it has not been disclosed in the balance sheet as 'Property Intended for Sale'.

Council's Tainui Street offices are bursting at the seams as result of recent appointments in the building and resource consent teams and the consequential impact on records and record keeping.

Council acknowledges that there is a shortage in available parking notably in central Greymouth, and is endeavouring to address this through intensified time-limit parking enforcement and the development of a new parking area behind Duke Backpackers.

Council's commitment to providing quality retirement housing is unwavering and the merits of commitment to a further housing scheme are being investigated. Favourable encouragement loans are on offer by the Crown.

2. 2006-2009

Provision is made for structural adjustments to Council's offices to create more room. How this is to be achieved is still to be decided.

Council will be creating further parking behind Duke Backpackers and will undertake parking area resealing.

Freeholding will continue as will the impetus to sell off surplus land.

3. 2010-2016

Council accepts that leasehold property rent renewals and reviews will be an especially difficult issue, given ever increasing property valuations, and will ensure that associated processes are both fair and robust. It accepts the need to keep lessees well informed of the associated processes and issues. In the meantime, the focus on freeholding remains in place.

The sale of surplus Council land is expected to continue for some time. The success of this initiative may be constrained by the significant number of new subdivisions currently under way, but this is not seen as being negative at all. Note: as the property to be disposed of has not been directly quantified, it has not been disclosed in the balance sheet as 'Property Intended for Sale'.

Council's retirement housing portfolio will be maintained to a high standard and Council remains committed to maintaining it as safe, convenient and socially satisfying living for our elderly. Should investigation reveal the need for additional schemes, this will be addressed in consultation with all stakeholders, including the community.

Council accepts that development will increase the need for parking and this matter will be dealt with as part of CBD planning.

**[8.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

Council accepts that maintaining affordable ground rentals in respect of its leasehold portfolio is becoming more and more of a problem. Whilst it cannot manage property valuation increases, it remains committed to retaining rental income to below investment interest levels. This means that there is at least a measure of cross subsidisation involved which may be perceived as being unfair.

Council furthermore accepts that Council's decision to engage estate agents to sell surplus Council property may result in prices above registered valuation.

Council's retirement housing portfolio has no known negative implications other than perhaps measures associated with noise and speed in the vicinity of such schemes.

**[8.8] SERVICE LEVEL EXPECTATIONS**

Council expects to maintain if not improve levels of service with only parking availability in the Greymouth CBD, where the demand for parking may outstrip the ability to create further parking, as potential area of service level decline.

**[8.9] ASSET MANAGEMENT**

**How will Council assess and manage implications of changes to demand or changes to service provision levels?**

Council will invest in strategic land purchases i.e. for the provision of future parking areas or other services. This will be based on activity management plans for each of Council's services. New development is not expected to require Council to acquire significant new land holdings and rather Council is divesting from it. Should land be required, it will be purchased pro-actively on a case by case basis. Parking remains a focus area and, to a large extent, Council land purchases will be focused on future parking provision. For retirement housing, current thinking is that Council has enough units available.

**What additional asset capacity is required?**

For some time the main administration offices of Council have been short on space and as such an upgrade has been signalled in year 1 of the plan. This includes refitting the existing office space and adding an extension.

There is demand for additional parking space in the CBD and the purchase and/or redevelopment of additional land to provide new parking spaces will be considered on a case-by-case basis.

**How will additional asset capacity be undertaken?**

Future development zones are being identified pro-actively and new developments will be dealt with by means of financial contributions (or development contributions once in place). Development areas are generally well serviced and it is not expected that significant new capacity will be required outside of the CBD.

**Additional capacity created:**

Attention is drawn to the financial information hereunder. Of note:

- Civic Chambers Upgrade (Yr 1) \$518,000
- New Carparks (Yr 1) \$78,563
- New Carparks (Yr4) \$95,472

**How will it be funded?**

Parking - Council created assets will be funded from rates and/or contributions levied from development in the vicinity.

Council Chambers – from special reserves set aside for the purpose, which have been sourced from prior property disposals.

**How will maintenance, renewal or replacement be undertaken?**

Maintenance of land holdings to a large extent involves aesthetic maintenance. This is done under contract, with Council's In-house Task Force undertaking the maintenance of some property. Contracts are supervised by Council staff.

The retirement housing portfolio is also maintained under contract with the expenditure a cost against the relevant (self-funding) account.

**How maintenance, renewal and replacement costs are met.**

Maintenance of property and parking is funded from general rates.

**Assumptions about useful life and sources of funding for replacement.**

Assets are being provided and maintained with a long-term useful life focus (please refer to assumptions relating to [fixed assets](#), page 144 for further information).

**[8.10] KEY PERFORMANCE MEASURES**

Performance measures apply to more than one outcome. The lay-out used does not recognise this interrelationship.

**Performance measure: Efficient management of Council's land holdings**

Outcome:	How affected?
A thriving local economy creating opportunities.	Making property available for development stimulates growth.
Outputs:	Measurement:
<b>Strategic:</b>	
Retaining land with a present or future strategic value. Selling of surplus land.	<ul style="list-style-type: none"> <li>▪ Full assessment of strategically valuable land by October 2007.</li> <li>▪ Sale of 40% of surplus land per lists cleared for sale.</li> </ul>
<b>Operational:</b>	
Land sales: <ul style="list-style-type: none"> <li>▪ Updated lists of property for sale.</li> <li>▪ Price to be achieved.</li> <li>▪ Retained land kept neat and tidy.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Three monthly.</li> <li>▪ The reserve price as determined from time to time.</li> <li>▪ 65%.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: Safe and comfortable retirement housing.

Outcome:	How affected?
An attractive District where residents want to be.	The ability to promote elderly residents to good quality retirement schemes contributes to an attractive living/working environment.
Law, order, personal and property safety.	Retirement schemes offer a safe, secure and comfortable environment.
A thriving local economy creating opportunities.	Retirement schemes as progression add to the attraction as investment location.
Good social development services.	We owe it to our elderly to provide them with the opportunity to retire gracefully and comfortably.

Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of the activity.	<ul style="list-style-type: none"> <li>▪ 90% of users satisfied.</li> <li>▪ Repayment of debt at a minimum equivalent to 20 year table mortgage rate.</li> </ul>
Determine the need for further such schemes.	<ul style="list-style-type: none"> <li>▪ Report by September 2006.</li> <li>▪ Review Rental Housing Policy by August 2006.</li> </ul>
<b>Operational:</b>	
Occupation rates.	<ul style="list-style-type: none"> <li>▪ Above 85%.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 5 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectation.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: Convenient parking.

Outcome:	How affected?
An attractive District where residents want to be.	Convenient parking adds to the attraction of the living/working environment.
Law, order, personal and property safety.	Availability of convenient parking enhances personal and property safety.
A thriving local economy creating opportunities.	Parking is a requirement for commercial success.



Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of available parking.	<ul style="list-style-type: none"> <li>Optimising accessibility of available parking through policing.</li> </ul>
Provide for future needs pro-actively.	<ul style="list-style-type: none"> <li>An action plan developed by 30 September 2009</li> </ul>
<b>Operational:</b>	
Available parking: <ul style="list-style-type: none"> <li>Policing of Greymouth CBD.</li> <li>Policing of Shakespeare St across from High School.</li> <li>Policing of Tainui St across from Polytechnic.</li> </ul>	<ul style="list-style-type: none"> <li>90% coverage on a weekly basis.</li> <li>Once per month, or as required.</li> <li>Once per week, or as required.</li> </ul>
New Parking <ul style="list-style-type: none"> <li>New carpark behind Duke Backpackers.</li> </ul>	<ul style="list-style-type: none"> <li>Completed by 30 June 2007.</li> </ul>
General <ul style="list-style-type: none"> <li>% of budgeted capital programme completed within budget year.</li> <li>Complaints about the service (excluding infringement appeals).</li> </ul>	<ul style="list-style-type: none"> <li>100%.</li> <li>Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>



**[8.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

1. COST OF SERVICE STATEMENT

Budget 2005/06	PROPERTY & HOUSING Income Statement	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Operating Expenditure:</b>										
(18,628)	Employee Costs	(28,868)	(29,763)	(30,628)	(31,456)	(32,242)	(32,983)	(33,677)	(34,317)	(34,866)	(35,422)
(202,541)	Support Costs	(228,014)	(231,973)	(247,339)	(245,230)	(255,434)	(262,319)	(267,779)	(268,296)	(282,892)	(277,701)
(380,485)	Operating & Maintenance Costs	(470,022)	(485,050)	(511,741)	(513,767)	(527,191)	(552,865)	(551,824)	(562,917)	(586,233)	(582,215)
(106,567)	Interest Expense	(84,855)	(83,106)	(81,216)	(79,176)	(76,973)	(74,595)	(72,027)	(69,253)	(66,259)	(63,026)
(218,381)	Depreciation	(459,136)	(470,838)	(470,838)	(494,564)	(499,338)	(499,338)	(516,178)	(516,178)	(516,178)	(529,626)
<b>(926,602)</b>		<b>(1,270,895)</b>	<b>(1,300,730)</b>	<b>(1,341,762)</b>	<b>(1,364,193)</b>	<b>(1,391,178)</b>	<b>(1,422,100)</b>	<b>(1,441,485)</b>	<b>(1,450,961)</b>	<b>(1,486,428)</b>	<b>(1,487,990)</b>
	<b>Revenue:</b>										
778,957	User Charges	763,149	770,655	779,148	786,639	794,181	801,810	808,361	813,726	818,257	824,516
-	Other Revenue	356,502	330,802	306,366	283,185	261,234	240,518	221,019	202,699	185,345	169,474
2,030	Subsidies/Donations	2,095	2,160	2,223	2,283	2,340	2,394	2,444	2,490	2,530	2,571
98,219	Internal Recoveries	127,811	131,943	136,039	139,968	143,727	147,279	150,605	153,705	156,403	159,067
11,255	Rates - UAGC	-	-	-	-	-	-	-	-	-	-
58,201	Rates - General	55,453	56,487	59,681	59,620	61,968	63,246	64,874	65,062	68,020	67,221
-	Rates - Targeted	-	-	-	-	-	-	-	-	-	-
<b>948,662</b>		<b>1,305,010</b>	<b>1,292,047</b>	<b>1,283,457</b>	<b>1,271,695</b>	<b>1,263,450</b>	<b>1,255,247</b>	<b>1,247,303</b>	<b>1,237,682</b>	<b>1,230,555</b>	<b>1,222,849</b>
<b>22,060</b>	<b>Net Surplus/(Deficit)</b>	<b>34,115</b>	<b>(8,683)</b>	<b>(58,305)</b>	<b>(92,498)</b>	<b>(127,728)</b>	<b>(166,853)</b>	<b>(194,182)</b>	<b>(213,279)</b>	<b>(255,873)</b>	<b>(265,141)</b>
	<b>Budget 2005/06</b>										
	<b>PROPERTY &amp; HOUSING</b> <b>Capital Items &amp; sources of funds</b>										
	<b>Capital Items:</b>										
(23,345)	Renewal Works	(25,635)	(48,354)	(32,636)	(27,933)	(28,631)	(35,413)	(29,905)	(30,474)	(30,961)	(31,455)
(75,000)	New Capital	(596,833)	-	-	(95,472)	-	-	-	-	-	-
	Assets Vested	-	-	-	-	-	-	-	-	-	-
(25,878)	Debt Principal Repayment	(21,931)	(23,681)	(25,570)	(27,610)	(29,813)	(32,192)	(34,760)	(37,533)	(40,528)	(43,761)
(234,833)	Funding of Reserves	(490,022)	(464,397)	(434,626)	(414,797)	(389,634)	(368,255)	(347,588)	(330,332)	(306,326)	(295,718)
-	Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(359,056)</b>		<b>(1,134,421)</b>	<b>(536,432)</b>	<b>(492,832)</b>	<b>(565,812)</b>	<b>(448,078)</b>	<b>(435,860)</b>	<b>(412,253)</b>	<b>(398,339)</b>	<b>(377,815)</b>	<b>(370,934)</b>
	<b>Funded By:</b>										
22,300	New Loans Raised	-	-	-	-	-	-	-	-	-	-
96,315	Funding from Reserves	641,170	74,277	80,299	163,746	76,468	103,375	90,257	95,440	117,510	106,449
218,381	Depreciation	459,136	470,838	470,838	494,564	499,338	499,338	516,178	516,178	516,178	529,626
22,060	Net Surplus/(Deficit)	34,115	(8,683)	(58,305)	(92,498)	(127,728)	(166,853)	(194,182)	(213,279)	(255,873)	(265,141)
<b>359,056</b>		<b>1,134,421</b>	<b>536,432</b>	<b>492,832</b>	<b>565,812</b>	<b>448,078</b>	<b>435,860</b>	<b>412,253</b>	<b>398,339</b>	<b>377,815</b>	<b>370,934</b>

2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2005/06	PROPERTY & HOUSING Main Items of Capital Expenditure	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
23,345	General Renewals	25,635	26,430	27,197	27,933	28,631	29,289	29,905	30,474	30,961	31,455
-	Civic Chambers Upgrade	518,270	-	-	-	-	-	-	-	-	-
-	Carparking - Reseals	-	21,924	5,438	-	-	6,124	-	-	-	-
81,000	New Carparks	78,563	-	-	95,472	-	-	-	-	-	-

1. BALANCED BUDGET

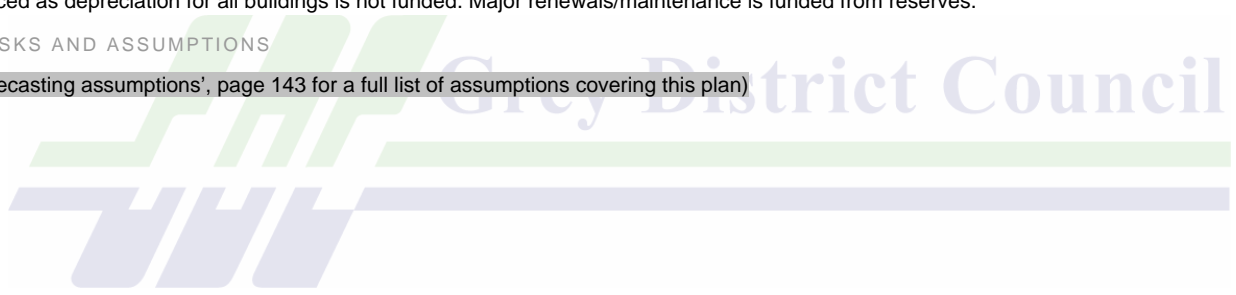
(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget is not balanced as depreciation for all buildings is not funded. Major renewals/maintenance is funded from reserves.

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

N/A



## [9] community services & facilities

### [9.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Airport
- Civic Centre
- Libraries
- Reserves
- Rest Rooms and Public Conveniences
- Swimming Baths
- Events and Recreation Management
- Cemeteries
- Council's In-House Task Force
- Arts, Culture and Heritage

### [9.2] RATIONALE FOR GROUPING

The above mentioned activities/services all contribute to wholeness of life in the District and are collectively dealt with as Community Services. Quality of life within any community relies on the availability and quality of community services hence Council's involvement.

### [9.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

Local authorities generally accept responsibility for a range of activities/services that add to the quality of life in their areas of jurisdiction, in spite of the fact that, without fail, such services are not self funding and require extensive general rate input. Council is involved in each of the services outlined above for the following reasons.

- **Airport:** Historically, the airport acted as a support facility for the Grey Base Hospital and as a base for owners of private recreational aircraft but, in more recent times, it also became the base for Air West Coast. The airport not only represents a convenient mode of long distance travel but is also a significant strategic asset.
- **Civic Centre:** An indoor sport facility is a significant asset in a region subject the high and regular rainfall. Even though the facility is not used to optimum capacity, the recent introduction of a climbing wall has added further motivation for the continued operation of the venue.
- **Libraries:** Libraries have a recreational and education role and Council is committed to retaining this service into the future.
- **Reserves:** Parks and reserves are an important aesthetic and recreational activity. Council has requested a full review of the parks and reserves currently maintained with a view to a meaningful rationalisation that will see important parks, walking tracks and reserves developed and maintained to a higher standard with lower value facilities being declared surplus and incorporated in Council's property portfolio put up for sale.
- **Rest Rooms and Public Conveniences:** Council has both a health promotion and public convenience focus with its involvement in this activity.
- **Swimming Baths:** What has become a customary recreational facility in the local Government context has developed a much more significant focus in this case with the focus and overwhelming public support for an aquatic centre in Greymouth which will have a recreational, health promotion and professional sport use. Support from within the Northern Ward for an upgraded Runanga pool is also significant, made possible by the Runanga Swimming Pool Community Trust Inc fundraising.
- **Events and Recreation Management:** Events and social functions contribute to a feeling of oneness and belonging as necessary ingredient of a successful community.
- **Cemeteries:** This is yet another customary local Government service which, in our case, is provided with pride and compassion, as is evidenced by the aesthetic quality of our facilities.
- **Council's In-house Task Force:** The need to retain a general factotum type capability after Council contracted out its technical operations, resulted in this activity being created. It has since proven itself to be indispensable and highly productive.
- **Arts, Culture and Heritage:** Council recognises the importance of its own History House, as well as its joint action with the Greymouth Heritage Trust in the establishment and development of Coal River Park. Furthermore, Council recognises and supports a variety of community driven initiatives and projects.

**[9.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES**

The goal for the provision of Community Services in the Grey District is:

- To create a social environment that supplements residential life through a range of affordable services that makes life in the Grey District whole and caters for a range of recreational, educational and convenience needs.

Council's objectives are to meet public expectations and comply with legal/statutory responsibilities in general and specifically:

- As Council to provide for indoor sport needs both locally and regionally.
- To make the library experience both intellectually and socially satisfying.
- To maintain the airport as a strategic facility and to maximise income from commercial activities.
- To develop and maintain walking tracks, parks and reserves in strategic locations where they can be of best use to the public.
- To provide and maintain good quality public conveniences for the use of residents and visitors.
- To bring the aquatic centre initiative to fruition and to renew the Runanga Pool per the available budget.
- To add to the social life experienced in the District by providing and supporting a range of exciting, enriching (and health beneficial) events and initiatives.
- To manage cemeteries to a standard that reflects respect for those resting there.
- To continue to deploy Council's in-house technical operational capability to address those tasks that otherwise would not be undertaken and would detract from the amenity values of the District.
- To continue supporting arts, culture and heritage in the Grey District, subject to rationalisation initiatives that may be expected from time to time.

**[9.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE**

Outcome	How the group of activities contributes
A thriving local economy creating opportunities.	Economic growth relies heavily on a healthy social and community environment.
An attractive District where residents want to be.	Good community services add to the District appeal as a living and investment location.
Law, order, personal and property safety.	The airport plays an important supporting role to Grey Base Hospital whilst many of the other services facilitate healthy lifestyles.
Affordable access to quality medical health services.	The airport plays an important supporting role to Grey Base Hospital
Affordable access to quality education.	The library fulfils a supportive education function.

**[9.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

Based on a recent review, Council remains committed to maintaining its involvement in the individual activities.

2. 2006-2009

Council will review its future involvement in the individual activities on an ongoing basis in consultation with the community. It is expected that:

- The airport review and expected commercial development at the airport will make it more viable whilst strengthening the strategic value of the facility, also as a Lifeline asset. Limited capital development is envisaged
- Further negotiations with Tai Poutini Polytechnic, schools and other education and training providers re cooperation in the provision of library services may bring efficiencies without threat to any existing users or groups.
- The Parks and reserves review may result in a reduction in the number of reserves being maintained and the associated sale of unwanted reserves as surplus property. The primary capital expenditure will be on Moana foreshore.
- New public conveniences will be built where the need for it develops. Upgrades of different facilities are provided for.

- The aquatic centre fundraising will be successful and construction of the new facility will commence by July 2008. Council is expected to take over the operation of the new facility.
- The cooperation with Sport Canterbury West Coast will continue as will Council's focus on physical health promotion in all its events
- Council will retain its In-House Task Force as a well-performing and most efficient operational capability.
- Council will continue to seek opportunities to make History House more self-funding. Council also expects to facilitate financial support for arts, culture and heritage from the West Coast Development Trust thereby reducing general ratepayer input where possible.

3. 2010-2016

Council will review its future involvement in the individual activities on an ongoing basis in consultation with the community. Interesting issues signalled include:

- Reseal of the airport runway
- A replacement of the Council offices fountain.

**[9.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

Attention is drawn to the activity management plans for each of the activities for an outline of potential negative effects. As to negative effects of Council's involvement in the group of activities as such, ongoing general rate input is required for the activities to be maintained. This may result in questioning of the merits of Council's continued involvement in such activities. Council would welcome debate on this as it has previously undertaken a critical review in this regard. As to specific matters to be looked at, the following should be noted:

- Noise, emissions, operational risk and development height restrictions associated with the airport.
- Potential noise, user safety risks, and under-use associated with the Civic Centre.
- Potential costs to achieve and maintain sufficient new book stocks. Also the cost associated with electronic books.
- The cost of maintaining parks and reserves to a high standard, and the potential impact of Council's parks and reserves review.
- The cost of maintaining old buildings to an acceptable, clean and healthy standard.
- Operational and user risk associated with swimming pool management.
- User risks and noise issues related to events.
- Cost associated with maintaining current high aesthetic values in respect of cemeteries.
- Operational risks related to the In-house Task Force
- Cost of maintaining and developing arts, culture and heritage.

**[9.8] SERVICE LEVEL EXPECTATIONS**

It is expected that service levels will be affected as follows:

- Airport: Council is confident that improved management practices and further commercial activities will improve the level of service.
- Civic Centre: Council is committed to maintaining levels of service.
- Libraries: Council will endeavour to maintain levels of service but the ever-dwindling amount available to be spent on new books may result in potential decline.
- Reserves: Council will maintain service levels with the goodwill of volunteers. The Moana foreshore development is a major improvement.
- Rest Rooms: Council is committed to maintaining levels of service.
- Swimming baths: The proposed aquatic centre will mean a significant improvement in the current level of service. Until it is built current service levels are expected to decline.
- Event and Recreation Management: Service levels will be maintained.
- Cemeteries: Council is committed to maintain current high standards with the cooperation of volunteers.
- In house Task Force: Council is committed to maintaining levels of service.
- Arts Culture and Heritage: Current levels may decline as a result of Council's ability to support facilities like the Left Bank Art Gallery and the Regent Theatre reducing year to year.

**[9.9] ASSET MANAGEMENT****How will Council assess and manage implications of changes to demand or changes to service provision levels?**

**Airport:** Physical restrictions related to the available length of runway and potentially compromised flight approaches make it most unlikely that the airport will ever need to be substantially redeveloped. This may change if the current regional services into Hokitika are discontinued but the current expectation is that any future growth will be able to be accommodated with what we have. Air West Coast intends providing a new arrivals/departures facility with associated parking and landscaping which will be sufficient for the planning period.

**Civic Centre:** It is currently grossly under-utilised and can, with good rostering and planning, accommodate more than double its current usage.

**Libraries:** The Greymouth Library has recently been upgraded and will be able to accommodate expected new growth. The Runanga Library is under-utilised and can accommodate significant growth in user numbers.

**Reserves:** Council is not expecting to have to build new parks other than the Moana foreshore, and new subdivisions are expected to provide new open spaces. The reinstatement of Cobden landfill as an ongoing project over time is an important spending indicator for the future.

**Rest Rooms and Public Conveniences:** It is expected that there will be additional need for public conveniences in Moana, Blackball, Lake Haupiri and Lake Poerua.

**Swimming Baths:** The current Greymouth Town Baths are maintained to a low standard in anticipation of the new aquatic centre which will provide for the current and future needs of the District. Runanga Pool is seeing a compliance upgrade and a new roof and can accommodate more than double the current number of users. The strategic question is whether the Runanga Pool is financially sustainable.

**Events and Recreation Management:** No direct assets are involved.

**Cemeteries:** It is expected that further sectors of the Gladstone Cemetery will have to be opened during the planning period.

**Council's In-house task force:** Only a vehicle and sundry gardening equipment are involved. It is a general rate cost.

**Arts, Culture and Heritage:** This consists of History House, the Left Bank Art Gallery buildings and Council's involvement in the Coal River Park development which includes the Harbour Board building. Even though History House in particular is experiencing a shortage of room in which to display its full historical collection, it remains financially unviable and Council is not convinced that addressing the accommodation problem will change the financial fortunes of the service.

**What additional asset capacity is required?**

Attention is drawn to the financial information hereunder. It provides for:

- |                                    |           |                        |
|------------------------------------|-----------|------------------------|
| • Gladstone Cemetery (Phase II)    | (Yr 3, 8) | \$ 33,488 and \$40,418 |
| • Moana Foreshore                  | (Yr 1)    | \$ 106,657             |
| • Cobden Campervan Dumping Station | (Yr1)     | \$ 54,180              |
| • Blackball Rest Rooms             | (Yr 2)    | \$ 114,512             |
| • Moana Rest Rooms                 | (Yr 3)    | \$ 117,839             |
| • Lake Poerua Rest Rooms           | (Yr 5)    | \$ 124,049             |
| • Lake Haupiri Rest Rooms          | (Yr 8)    | \$ 129,570.            |

**How will it be funded?**

It will be funded through loans, rates and contributions from Reserves.

**How will maintenance, renewal or replacement be undertaken?**

Maintenance and renewals are undertaken contractually under supervision of Council staff.

**How maintenance, renewal and replacement costs are met.**

Maintenance is funded from rates.

**Assumptions about useful life and sources of funding for replacement.**

Assets are being provided and maintained with a long-term useful life focus. (please refer to assumptions relating to [fixed assets](#), page 144 for further information) It is often linked to Resource Consents which have a 35 year life.

**[9.10] KEY PERFORMANCE MEASURES**

Performance measure: A safe airport.

Outcome:	How affected?
A thriving local economy creating opportunities.	Economic growth relies heavily on a healthy social and community environment.
An attractive District where residents want to be.	Good community services add to the District appeal as a living and investment location.
Law, order, personal and property safety.	The airport plays an important supporting role to Grey Base Hospital whilst many of the other services facilitate healthy lifestyles.
Affordable access to quality medical health services.	The airport is a major strategic asset for Grey Base Hospital.

Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of the activity.	<ul style="list-style-type: none"> <li>▪ Management in full compliance with legal and user requirements.</li> <li>▪ Implement land/other fee recovery per recommendations of Airport Management Review by December 2006.</li> </ul>
<b>Operational:</b>	
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>▪ Minimum 90%.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 10 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>



Performance measure: An efficient indoor sports centre.

Outcome:	How affected?
A thriving local economy creating opportunities	It makes the District more attractive as investment location.
An attractive District where residents want to be.	Sport facilities, especially indoor facilities, contribute to an attractive living/working environment.
Law, order, personal and property safety.	There is a strong physical health benefit.

Outputs:	Measurement:
<b>Strategic:</b>	
Investigate the provision of modern indoor facilities as part of the proposed aquatic centre.	<ul style="list-style-type: none"> <li>A report by October 2006.</li> </ul>
Finding solutions to the ongoing shortage of parking for users of the Civic Centre.	<ul style="list-style-type: none"> <li>Achieve finality by December 2006.</li> </ul>
<b>Operational:</b>	
New indoor facilities as part of aquatic centre. <ul style="list-style-type: none"> <li>Report.</li> </ul>	<ul style="list-style-type: none"> <li>October 2006.</li> </ul>
Civic Centre parking problem. <ul style="list-style-type: none"> <li>Lasting solution.</li> </ul>	<ul style="list-style-type: none"> <li>December 2006.</li> </ul>
General <ul style="list-style-type: none"> <li>Access to facility.</li> <li>Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>100% of open hours.</li> <li>Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Convenient, accessible libraries.

Outcome:	How affected?
----------	---------------

Outcome:	How affected?
A thriving local economy creating opportunities.	Libraries as available service are a requirement for local investment.
An attractive District where residents want to be.	Good comfortable libraries contribute to an attractive living/working environment.

Outputs:	Measurement:
<b>Strategic:</b>	
Maintain a friendly, helpful and calm atmosphere where users can relax.	<ul style="list-style-type: none"> <li>Maintain a positive environment inviting users to visit.</li> </ul>
Maintain a quality book stock.	<ul style="list-style-type: none"> <li>35,000 books of which no more than 10% are older than 7 years.</li> </ul>
Making Pioneer Library accessible.	<ul style="list-style-type: none"> <li>Investigation report on potential amalgamation with History House collection by July 2007.</li> </ul>
<b>Operational:</b>	
Number of books.	<ul style="list-style-type: none"> <li>35,000.</li> </ul>
Currency of books.	<ul style="list-style-type: none"> <li>Maximum 10% older than 7 years.</li> </ul>
Availability of service.	<ul style="list-style-type: none"> <li>90% during advertised hours.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>Maximum 15 p.a.</li> </ul>
Ventilation problem.	<ul style="list-style-type: none"> <li>Final solution by October 2006.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Well maintained parks and reserves.

Outcome:	How affected?
A thriving local economy creating opportunities.	Economic growth relies heavily on a healthy social and community environment.
An attractive District where residents want to be.	Good community services add to the District appeal as living and investment location.

Outputs:	Measurement:
<b>Strategic:</b>	
A rationalisation of Council's parks and reserves portfolio.	<ul style="list-style-type: none"> <li>Review by December 2006.</li> </ul>
Maintaining parks and reserves to acceptable standards.	<ul style="list-style-type: none"> <li>Comply with NZ Standards for playgrounds.</li> </ul>
<b>Operational:</b>	
Complete review.	<ul style="list-style-type: none"> <li>October 2006.</li> </ul>
General: <ul style="list-style-type: none"> <li>% of budgeted capital programme completed within budget year.</li> <li>Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>Minimum 80%.</li> <li>Maximum 20 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

## Grey District Council

Performance measure: Good, inviting rest rooms

Outcome:	How affected?
A thriving local economy creating opportunities.	It adds to the attraction as investment location.
An attractive District where residents want to be.	Rest room facilities add to making the District an attractive living/working environment.
Law, order, personal and property safety.	Availability of rest rooms avoids practices that can affect health.

Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of the activity.	<ul style="list-style-type: none"> <li>Maintaining clean and convenient public toilets.</li> </ul>
<b>Operational:</b>	
Frequency of cleaning.	<ul style="list-style-type: none"> <li>Daily when open.</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>Minimum 80%.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>Maximum 30 p.a.</li> </ul>

<b>Outputs:</b>	<b>Measurement:</b>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

**Performance measure: Safe and comfortable swimming pools.**

Outcome:	How affected?
A thriving local economy creating opportunities.	It adds to the attraction as investment location.
An attractive District where residents want to be.	A town pool is a major recreational attraction which contributes to an attractive living/working environment.
Law, order, personal and property safety.	There are definite physical health benefits.

Outputs:	Measurement:
<b>Strategic:</b>	
Replace the Greymouth Town Baths as soon as possible with an aquatic centre.	<ul style="list-style-type: none"> <li>Finalise fund raising by June 2008.</li> <li>Put in place designs and project management arrangements.</li> <li>Manage existing baths as efficiently as possible.</li> </ul>
Redevelopment and New Roof - Runanga Baths.	<ul style="list-style-type: none"> <li>Implement redevelopment by June 2007.</li> </ul>
<b>Operational:</b>	
Greymouth Baths: <ul style="list-style-type: none"> <li>Number of incidents involving safety of bathers.</li> <li>Compliance with Health and Safety regulations.</li> <li>Frequency of service.</li> <li>Availability of service.</li> </ul>	<ul style="list-style-type: none"> <li>No more than 5 p.a.</li> <li>100%.</li> <li>Sept – March.</li> <li>100% during advertised hours.</li> </ul>
Aquatic centre. <ul style="list-style-type: none"> <li>Appointment of project manager and designers.</li> <li>Conclude fundraising.</li> <li>Construction of aquatic centre incorporating War Memorial facade.</li> </ul>	<ul style="list-style-type: none"> <li>By July 2006.</li> <li>By June 2008.</li> <li>By November 2009.</li> </ul>
Runanga Baths. <ul style="list-style-type: none"> <li>New roof and general renewal.</li> </ul>	<ul style="list-style-type: none"> <li>June 2007.</li> </ul>

Outputs:	Measurement:
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Exciting events and recreational activities.

Outcome:	How affected?
A thriving local economy creating opportunities.	A happy community is a progressive, growing community.
An attractive District where residents want to be.	Exciting community events contribute to an attractive living/working environment.

Outputs:	Measurement:
<b>Strategic:</b>	
Strengthen current co-operation with Sport Canterbury West Coast in respect of joint events management.	<ul style="list-style-type: none"> <li>Renew cooperation as a matter of good practice.</li> </ul>
Further develop and expand current events and the events calendar.	<ul style="list-style-type: none"> <li>An action plan developed by 30 September.</li> </ul>
Financially support other community initiatives adding value to this outcome.	<ul style="list-style-type: none"> <li>Continued support for community events.</li> </ul>
<b>Operational:</b>	
Sport West Coast. <ul style="list-style-type: none"> <li>Renew current agreement.</li> </ul>	<ul style="list-style-type: none"> <li>By July 2006</li> </ul>
Events <ul style="list-style-type: none"> <li>Number of Events provided.</li> </ul>	<ul style="list-style-type: none"> <li>10 p.a.</li> </ul>
Financial support. <ul style="list-style-type: none"> <li>Provision on Annual Plans.</li> </ul>	<ul style="list-style-type: none"> <li>Annually.</li> </ul>
General <ul style="list-style-type: none"> <li>Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>Maximum 10 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectation.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: High quality and aesthetically pleasing cemeteries.

Outcome:	How affected?
A thriving local economy creating opportunities.	It adds to the attraction as investment location.
An attractive District where residents want to be.	It adds to making the District an attractive living/working environment.

Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of the activity.	<ul style="list-style-type: none"> <li>Maintain current high standards of maintenance and service delivery.</li> </ul>
<b>Operational:</b>	
Maintained and mowed to acceptable standard.	<ul style="list-style-type: none"> <li>90% p.a.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Quality ad hoc service delivery by means of Council's In-house Task Force.

Outcome:	How affected?
A thriving local economy creating opportunities.	A tidy area is a requirement for economic growth.
An attractive District where residents want to be.	It adds to keeping the District tidy.
Law, order, personal and property safety.	Service often involves overgrown and vermin infected properties.

Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of the activity.	<ul style="list-style-type: none"> <li>Maintaining current outputs.</li> </ul>

Outputs:	Measurement:
<b>Operational:</b>	
Response to call-out.	<ul style="list-style-type: none"> <li>▪ Within 48 hours of report.</li> </ul>
Properties maintained.	<ul style="list-style-type: none"> <li>▪ 25 p.a.</li> </ul>
Other tasks.	<ul style="list-style-type: none"> <li>▪ 300 p.a.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: Promotion of arts, culture and heritage.

Outcome:	How affected?
A thriving local economy creating opportunities.	It adds to the attraction of local investment.
An attractive District where residents want to be.	A vibrant focus on arts, culture and heritage contributes to an attractive living/working environment.

Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of the History House.	<ul style="list-style-type: none"> <li>▪ Decrease deficit by 3% p.a.</li> </ul>
Strengthening work of the Joint Heritage Committee.	<ul style="list-style-type: none"> <li>▪ Regular attendance and participation.</li> </ul>
Support for local arts and culture bodies.	<ul style="list-style-type: none"> <li>▪ Maintain support.</li> </ul>
<b>Operational:</b>	
History House. <ul style="list-style-type: none"> <li>▪ Number of visitors.</li> <li>▪ Accessibility of facility.</li> <li>▪ Quality of collection.</li> <li>▪ Complaints about the service.</li> <li>▪ Financial support - provision on annual plan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 60 p.m.</li> <li>▪ 100% during advertised hours.</li> <li>▪ Maintained and expanded.</li> <li>▪ Maximum 10 p.a.</li> <li>▪ Annually.</li> </ul>

Outputs:	Measurement:
Joint Heritage Committee. <ul style="list-style-type: none"> <li>▪ Meetings.</li> <li>▪ Attendance.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4 p.a.</li> <li>▪ 100%.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>





**[9.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

**[9.11.a] COST OF SERVICE STATEMENT**

<b>Budget 2005/06</b>	<b>COMMUNITY SERVICES &amp; FACILITIES</b>	<b>Budget 2006/07</b>	<b>Estimate 2007/08</b>	<b>Estimate 2008/09</b>	<b>Estimate 2009/10</b>	<b>Estimate 2010/11</b>	<b>Estimate 2011/12</b>	<b>Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>
	Income Statement										
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Operating Expenditure:</b>										
(379,753)	Employee Costs	(426,812)	(440,070)	(452,876)	(465,148)	(476,805)	(487,803)	(498,101)	(507,617)	(514,707)	(522,957)
(273,853)	Support Costs	(293,552)	(295,701)	(318,972)	(316,605)	(330,003)	(338,849)	(347,119)	(351,590)	(369,132)	(368,529)
(824,148)	Operating & Maintenance Costs	(959,960)	(970,171)	(1,513,440)	(937,045)	(976,788)	(991,643)	(1,025,915)	(1,101,599)	(1,074,715)	(1,156,483)
(26,390)	Interest Expense	(4,092)	(12,442)	(20,387)	(18,708)	(26,263)	(23,621)	(30,553)	(44,504)	(40,003)	(35,143)
(224,386)	Depreciation	(244,819)	(260,750)	(278,909)	(300,809)	(304,750)	(317,202)	(339,056)	(343,763)	(354,218)	(371,870)
<b>(1,728,530)</b>		<b>(1,929,235)</b>	<b>(1,979,134)</b>	<b>(2,584,584)</b>	<b>(2,038,315)</b>	<b>(2,114,609)</b>	<b>(2,159,118)</b>	<b>(2,240,744)</b>	<b>(2,349,073)</b>	<b>(2,352,775)</b>	<b>(2,454,982)</b>
	<b>Revenue:</b>										
177,519	User Charges	204,121	211,938	219,640	227,187	234,551	241,692	248,581	255,179	261,186	267,351
-	Other Revenue	-	-	-	-	-	-	-	-	-	-
19,592	Subsidies/Donations	164,046	19,614	19,661	19,706	19,748	19,789	19,826	19,861	19,891	19,921
-	Internal Recoveries	-	-	-	-	-	-	-	-	-	-
786,628	Rates - UAGC	826,037	893,851	939,728	933,368	959,250	1,012,212	1,008,814	1,107,908	1,060,847	1,079,251
638,844	Rates - General	650,803	710,351	757,778	744,907	797,567	851,763	856,544	893,168	937,585	927,474
-	Rates - Targeted	-	-	-	-	-	-	-	-	-	-
<b>1,622,583</b>		<b>1,845,007</b>	<b>1,835,754</b>	<b>1,936,807</b>	<b>1,925,168</b>	<b>2,011,116</b>	<b>2,125,456</b>	<b>2,133,765</b>	<b>2,276,116</b>	<b>2,279,509</b>	<b>2,293,997</b>
<b>(105,947)</b>	<b>Net Surplus/(Deficit)</b>	<b>(84,228)</b>	<b>(143,380)</b>	<b>(647,777)</b>	<b>(113,147)</b>	<b>(103,493)</b>	<b>(33,662)</b>	<b>(106,979)</b>	<b>(72,957)</b>	<b>(73,266)</b>	<b>(160,985)</b>
	<b>Capital Items &amp; sources of funds</b>										
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Capital Items:</b>										
(115,850)	Renewal Works	(95,563)	(129,906)	(111,062)	(201,936)	(119,555)	(187,572)	(390,444)	(394,932)	(152,065)	(243,315)
(105,573)	New Capital	(598,131)	(241,812)	(173,381)	(46,874)	(147,320)	(129,719)	(153,937)	(91,678)	(91,350)	(72,480)
-	Assets Vested	-	-	-	-	-	-	-	-	-	-
-	Debt Principal Repayment	(3,744)	(11,956)	(21,052)	(22,732)	(33,117)	(35,759)	(47,566)	(56,417)	(60,918)	(65,778)
(26,295)	Funding of Reserves	(86,987)	(87,962)	(98,855)	(99,117)	(99,366)	(105,999)	(106,218)	(106,421)	(111,781)	(112,254)
-	Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(247,718)</b>		<b>(784,425)</b>	<b>(471,636)</b>	<b>(404,350)</b>	<b>(370,659)</b>	<b>(399,358)</b>	<b>(459,049)</b>	<b>(698,165)</b>	<b>(649,448)</b>	<b>(416,114)</b>	<b>(493,827)</b>
	<b>Funded By:</b>										
-	New Loans Raised	54,180	114,513	117,839	-	124,049	-	129,570	230,837	-	-
129,279	Funding from Reserves	569,654	239,753	655,379	182,997	74,052	175,509	336,518	147,805	135,162	282,942
224,386	Depreciation	244,819	260,750	278,909	300,809	304,750	317,202	339,056	343,763	354,218	371,870
(105,947)	Net Surplus/(Deficit)	(84,228)	(143,380)	(647,777)	(113,147)	(103,493)	(33,662)	(106,979)	(72,957)	(73,266)	(160,985)
<b>247,718</b>		<b>784,425</b>	<b>471,636</b>	<b>404,350</b>	<b>370,659</b>	<b>399,358</b>	<b>459,049</b>	<b>698,165</b>	<b>649,448</b>	<b>416,114</b>	<b>493,827</b>

[9.11.b] SIGNIFICANT CAPITAL EXPENDITURE

Budget 2005/06	COMMUNITY SERVICES & FACILITIES	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
	Main Items of Capital Expenditure										
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
-	Runway Reseal (Complete)	-	-	-	-	-	-	275,791	-	-	-
54,810	Development Costs	28,122	-	-	-	-	-	-	-	-	-
-	Airport Runway Extn	99,000	-	-	-	-	-	-	-	-	-
5,400	Repaint Roof	-	-	-	-	-	-	-	37,442	-	-
-	Civic Centre- Repaint Exterior	-	-	-	91,928	-	-	-	-	-	-
-	Civic Centre- Interior Refurbish	-	-	-	-	-	-	-	-	-	109,000
43,848	Book Purchases	40,748	42,642	44,537	46,423	48,298	50,150	51,970	53,752	55,429	57,160
10,800	General Renewals	16,655	17,430	18,204	18,975	19,741	20,498	21,242	21,971	22,656	23,363
-	Reseal Carparks (Some)	-	23,239	-	-	-	27,331	-	-	-	-
-	Replace Fountain	-	-	-	-	-	-	-	230,837	-	-
21,924	Other Park Enhancements	22,207	22,895	-	24,197	-	25,372	-	26,398	-	27,248
-	Moana Foreshore Development	106,657	-	-	-	-	-	-	-	-	-
7,560	New Walkways/Parks	5,470	56,392	-	-	-	62,492	-	-	66,059	-
-	Playground Equip Power Rd Park	26,254	-	-	-	-	-	-	-	-	-
-	Defrd Maint - Trees High St	21,878	-	-	-	-	-	-	-	-	-
-	Cobden Landfill Reinstatement	19,144	19,737	20,310	20,859	21,381	21,872	22,332	22,757	23,121	23,490
21,924	Replacement Fixtures & Fitting	22,327	23,366	24,404	25,437	26,465	27,479	28,477	29,453	30,372	31,320
10,962	Repainting & Structure Refurbishment	-	-	12,202	-	-	13,740	-	-	15,186	-
11,880	McGinley Park Toilets	-	-	-	-	-	-	-	-	-	-
-	Cobden Campervan Dump Station	54,180	-	-	-	-	-	-	-	-	-
-	Blackball	-	114,513	-	-	-	-	-	-	-	-
-	Moana	-	-	117,839	-	-	-	-	-	-	-
-	Lake Poerua	-	-	-	-	124,049	-	-	-	-	-
-	Lake Haupiri	-	-	-	-	-	-	129,570	-	-	-
-	Runanga Pool Roof Renewal	206,400	-	-	-	-	-	-	-	-	-
21,924	Reseal Internal Access-ways	-	-	-	-	-	28,005	-	-	-	-
-	Gladstone Cemetery Stage 2	-	-	33,488	-	-	-	-	40,418	-	-

1. BALANCED BUDGET

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget is not balanced, all years. Depreciation on buildings is not fully funded as it is currently deemed unaffordable for the only additional source of income (increase rates). Reserves are used to fund major renewals/maintenance of assets.

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

N/A

**AMENDMENT from the 2006 – 16 Long Term Community Outcomes Plan:**

(refer section SECTION A[4] amendments to the grey district council long term community outcomes plan 2006 – 2016, page 8)

That Council considers the following projects for receipt of the Major District Initiative (MDI) funding that is available from the West Coast Development Trust.

- West Coast Theatre Trust – Regent Theatre Upgrade
- Rugby League West Coast
- West Coast Bowls
- Climbing Wall Trust
- Westurf
- West Coast Hockey
- Cobden Sports Complex
- West Coast Tennis Association
- Greymouth Golf Club

These are in addition to the proposed new Aquatic Centre.

The projects will be considered in full detail upon presentation of a suitable project plan to Council.



# [10] civil defence

## [10.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Emergency Management and Civil Defence

## [10.2] RATIONALE FOR GROUPING

In terms of more recent legislative changes this activity has developed a strong regional focus and is managed as a stand-alone activity. Notwithstanding, it is, when operational, staffed mainly by Council staff and integration with other Council activities is, therefore, a natural consequence.

## [10.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

The West Coast region is exposed to a range of natural disasters and it is necessary to maintain a high level of operational preparedness to respond to any such events, both in respect of infrastructure provision and the health and wellbeing of residents.

Council's current investment in this activity is a reflection of its ability to deal with such an event in the normal course of its activities, without it being declared as a Civil Defence event, as was evidenced in the 2004 tornado event.

## [10.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goal for the provision of Civil Defence and Emergency Management in the Grey District is:

- To develop and maintain a full response capability in the event of a natural or other disaster.

Council's objective is:

- To manage Council's responsibilities in terms of the Civil Defence and Emergency Management Act, 2002 in consultation and cooperation with other local authorities and service providers.

## [10.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE

Outcome	How the group of activities contributes
A thriving local economy creating opportunities.	The ability to deal with disasters builds confidence that the local economy will be able to recover quickly.
An attractive District where residents want to be.	The ability to deal with disasters builds confidence.
Law, order, personal and property safety.	The safety of people and property and the ability to manage crime in the event of an emergency is of primary importance and being prepared is a basic responsibility.

**[10.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

Council accepts that its spending on this activity may be perceived to be less than many other local authorities, and this may be the result of a false sense of security based on its long and successful history in dealing with regular flooding disasters. Notwithstanding, Council is of the opinion that its handling of the 2005 tornado disaster, albeit relatively small in impact, in consultation with Civil Defence and other agencies confirms an operational capacity and capability that bodes well for the District. It is therefore intent upon focusing on operational readiness in the form of regular exercises rather than a financial investment in equipment and stores that may not be used.

2. 2006-2009

Council will strengthen its involvement in the regional Civil Defence and Emergency Management Group. It will also pursue, with its neighbours, the appointment of a joint Civil Defence Officer for the region as a whole. Operationally, the focus will remain on maintaining a high level of readiness involving volunteers from within the community.

3. 2010-2016

It is expected that Council spending may have to be reviewed. Council will strengthen its involvement in the regional Civil Defence and Emergency Management Group. Operationally, the focus will remain on maintaining a high level of readiness involving volunteers from within the community.

**[10.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

There are no significant negative implications of Council's involvement in this activity. There may be noise and other effects associated with Civil Defence exercises, whilst the involvement of members of the local workforce in the persons of Civil Defence volunteers may result in temporary absences.

**[10.8] SERVICE LEVEL EXPECTATIONS**

Council is committed to improve the level of service by correcting current perceptions that the activity is not well organised.

**[10.9] ASSET MANAGEMENT**

No assets are involved.

**[10.10] KEY PERFORMANCE MEASURES**

Performance measure: A high level of preparedness to respond to disasters.

Outcome:	How affected?
A thriving local economy creating opportunities.	The ability to deal with disasters builds confidence that the local economy will be able to recover quickly.
An attractive District where residents want to be.	The ability to deal with disasters builds confidence.

Outcome:	How affected?
Law, order, personal and property safety.	The safety of people and property and the ability to manage crime in the event of an emergency is of primary importance and being prepared is a basic responsibility.
Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of the activity in consultation with other local authorities, volunteers and suppliers.	<ul style="list-style-type: none"> <li>▪ Active participation in West Coast Emergency Management and Civil Defence Group.</li> <li>▪ Regular contact with Volunteers.</li> <li>▪ Open communication channels and committed, trained corps.</li> </ul>
Implementation of Lifelines.	<ul style="list-style-type: none"> <li>▪ Implement Lifelines planning.</li> </ul>
<b>Operational:</b>	
WCEM&CD Group. <ul style="list-style-type: none"> <li>▪ Meetings.</li> <li>▪ Attendance.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 p.a.</li> <li>▪ 100%.</li> </ul>
Contact with Volunteers. <ul style="list-style-type: none"> <li>▪ Meetings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 p.a.</li> </ul>
General <ul style="list-style-type: none"> <li>▪ Training exercises.</li> <li>▪ Review of Civil Defence Plan and confirming contacts.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1 p.a.</li> <li>▪ Once p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

**[10.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

**[10.11.a] COST OF SERVICE STATEMENT**

<b>Budget CIVIL DEFENCE 2005/06 Income Statement</b>	<b>Budget 2006/07</b>	<b>Estimate 2007/08</b>	<b>Estimate 2008/09</b>	<b>Estimate 2009/10</b>	<b>Estimate 2010/11</b>	<b>Estimate 2011/12</b>	<b>Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating Expenditure:</b>										
(9,207) Employee Costs	(11,502)	(11,859)	(12,204)	(12,536)	(12,852)	(13,152)	(13,434)	(13,696)	(13,258)	(13,470)
(26,871) Support Costs	(29,519)	(29,965)	(31,991)	(31,686)	(33,087)	(33,844)	(34,690)	(34,673)	(36,606)	(35,879)
(8,000) Operating & Maintenance Costs	(5,160)	(5,320)	(5,474)	(5,622)	(5,763)	(5,896)	(6,020)	(6,135)	(6,233)	(6,331)
- Interest Expense	-	-	-	-	-	-	-	-	-	-
- Depreciation	-	-	-	-	-	-	-	-	-	-
<b>(44,078)</b>	<b>(46,181)</b>	<b>(47,144)</b>	<b>(49,669)</b>	<b>(49,844)</b>	<b>(51,702)</b>	<b>(52,892)</b>	<b>(54,144)</b>	<b>(54,504)</b>	<b>(56,097)</b>	<b>(55,680)</b>
<b>Revenue:</b>										
- User Charges	-	-	-	-	-	-	-	-	-	-
- Other Revenue	-	-	-	-	-	-	-	-	-	-
1,015 Subsidies/Donations	568	585	602	618	634	649	662	675	686	696
- Internal Recoveries	-	-	-	-	-	-	-	-	-	-
43,063 Rates - UAGC	45,613	46,559	49,067	49,226	51,068	52,243	53,482	53,829	55,411	54,984
- Rates - General	-	-	-	-	-	-	-	-	-	-
- Rates - Targeted	-	-	-	-	-	-	-	-	-	-
<b>44,078</b>	<b>46,181</b>	<b>47,144</b>	<b>49,669</b>	<b>49,844</b>	<b>51,702</b>	<b>52,892</b>	<b>54,144</b>	<b>54,504</b>	<b>56,097</b>	<b>55,680</b>
<b>- Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**[10.11.b] SIGNIFICANT CAPITAL EXPENDITURE**

N/A

1. **BALANCED BUDGET**

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget is balanced.

2. **SIGNIFICANT RISKS AND ASSUMPTIONS**

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

N/A

# [11] democracy

## [11.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Council
- Northern Ward Community Board
- Effective and Open Consultation

## [11.2] RATIONALE FOR GROUPING

Council places a high premium on inclusive local Government and as such places a high premium on efficiency of public democracy as well as partnering with the community.

## [11.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

Council strongly subscribes to a participatory democracy style of local governance and therefore places a high premium on effective, meaningful consultation with its public and Iwi as well on accountability, openness and transparency. Since the 1989 reorganisation Council has retained an optimum size of eight members, elected in ward context, plus the Mayor elected at large. It fully subscribes to keeping associated costs to an absolute minimum and, whilst Council recognises that this denies its wider membership the benefit of regular interaction with members of other local authorities, it believes that it remains well positioned to meet its stated objectives.

The Northern Ward Community Board is a remnant of the 1989 reorganisation. During 2004, strong support for its disbandment emanated from within the Ward and this resulted in the subsequent representation review providing for it to not be reinstated. The resultant process, however, proved there is support for its retention from within the Ward. However the Local Government Commission has released its decision that the board will cease from the October 2007 election.

Council is committed to open consultation with its community on a basis much wider than is expected in legislation. For this purpose, it developed a consultation policy aimed at strengthening its aim of partnering the community.

## [11.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goals of the Public Democracy group of activities are:

- To provide for effective governance of and leadership in our District and its future development.
- To create and make use of every opportunity to make the District community part of this process.

Council's objectives are:

- To be effective in representation of its community, both in terms of cost and quality with the focus on best practice, transparency, and accountability.
- To be accessible and responsive to the community.
- To exercise its control function over Council's operations and see to the execution of its policies and decisions.
- To represent the District responsibly and with dignity.
- To keep the community informed of its activities and important issues affecting the District.
- To maintain meaningful contact with Te Runanga O Ngati Waewae as well as local Maori from other tribes.



**[11.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE**

Outcome	How the group of activities contributes
A District enjoying quality affordable essential services.	This can only be achieved through good governance.
A thriving local economy creating opportunities.	Good governance is a requirement for economic growth.
Affordable access to quality medical health services.	Whilst not a core function, a definite social focus area.
An active partnership between Council and our community.	Good governance is based on strong public input.
An attractive District where residents want to be.	Good governance brings confidence and opportunities.
Law, order, personal and property safety.	Good governance plays a key role in achieving this outcome.
Affordable access to quality education.	Whilst not a core function, a definite social focus area.
Good social development services.	Council represents the community and seeks the best for the community.



**[11.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

Council seems to enjoy a high level of public approval, as is evidenced by generally favourable comment received. Council maintains effective, responsible governance with individual members maintaining high levels of compliance with the Code of Conduct for Elected Members as well as applicable provisions in legislation, notably the Local Authorities (Members' Interest) Act. Council activities enjoy regular coverage in both the local and regional media. Council encourages attendance at the monthly Council forum and requests for speaking rights on items on the agenda are regularly approved. In addition, unlike local authorities of our size, the Mayor works normal office hours and follows an open door policy. Individual Council members are receptive to inputs from their constituents and encourage contact.

The Northern Ward Community Board, likewise, is enjoying higher levels of approval based on active Board involvement in social issues in the Northern Ward. Due to the decision that the board will cease from October 2007, this is only relevant for year 1 of this plan.

Council is strictly adhering to its consultation policy and public input ranges from very low to moderate with the subject of consultation dictating response levels.

2. 2006-2009

Council is committed to strengthening the partnership with its community and will endeavour to sustain if not increase, public participation. Significant issues facing the District in the short to medium term will pose a challenge to Council's governance and it is expected that Council will face up to this challenge. Since the Northern Ward Community Board has not been retained (effective October 2007), it is expected that a community association will develop as lobby group with Council.

Consultation practices and processes will be further refined and improved.

3. 2010-2016

Council accepts that growth will increase not only the ratio of constituents per number of elected members but also the number and diversity of issues raised.

**[11.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

There are no known negative impacts.

**[11.8] SERVICE LEVEL EXPECTATIONS**

Council intends improving levels of service.

**[11.9] ASSET MANAGEMENT**

No significant assets are involved

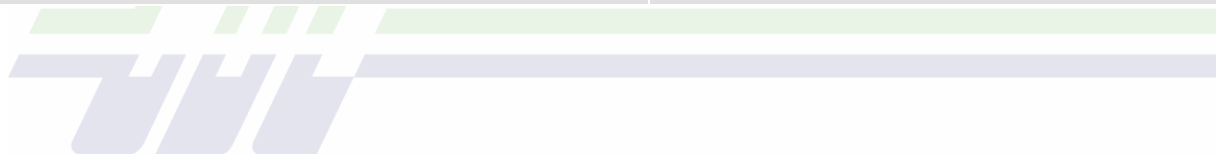
**[11.10] KEY PERFORMANCE MEASURES**

Performance measure: Through good governance, to provide in for needs of our District and its people.

Outcome:	How affected?
A District enjoying quality affordable essential services.	This can only be achieved through good governance.
A thriving local economy creating opportunities.	Good governance is a requirement for economic growth
Affordable access to quality medical health services.	Whilst not a core function, a definite social focus area.
An active partnership between Council and our community.	Good governance is based on strong public input.
An attractive District where residents want to be.	Good governance brings confidence and opportunities.
Law, order, personal and property safety.	Good governance plays a key role in achieving this outcome.
Affordable access to quality education.	Whilst not a core function, a definite social focus area.
Good social development services.	Council represents the community and seeks the best for the community.

Outputs:	Measurement:
<b>Strategic:</b>	
Effective participatory representation.	<ul style="list-style-type: none"> <li>▪ Accessibility and responsiveness.</li> <li>▪ Accountability (Audit, Council minutes, Annual Report).</li> <li>▪ Transparency.</li> <li>▪ Good order.</li> <li>▪ External representation.</li> </ul>
Regular consultation with Maori.	<ul style="list-style-type: none"> <li>▪ Open consultation.</li> </ul>
<b>Operational:</b>	
Accessibility and responsiveness. <ul style="list-style-type: none"> <li>▪ Informal contact.</li> <li>▪ Council forum.</li> <li>▪ Speaking rights.</li> </ul>	<ul style="list-style-type: none"> <li>▪ At all reasonable hours.</li> <li>▪ Monthly upon booking of time.</li> <li>▪ 10 days notice.</li> </ul>

Outputs:	Measurement:
<b>Accountability</b> <ul style="list-style-type: none"> <li>▪ Audit report to press.</li> <li>▪ Annual report availability.</li> <li>▪ Council minutes accessibility( In-open).</li> <li>▪ Response to written inputs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annually.</li> <li>▪ Free upon request.</li> <li>▪ During office hours.</li> <li>▪ Within 10 days of receipt.</li> </ul>
<b>Transparency</b> <ul style="list-style-type: none"> <li>▪ Decisions in-committee.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No more than 10%.</li> </ul>
<b>Good Order</b> <ul style="list-style-type: none"> <li>▪ Member compliance with ethical rules.</li> <li>▪ Notice of meetings.</li> <li>▪ Following Standing Orders.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ 5 days.</li> <li>▪ 100%.</li> </ul>
<b>Maori</b> <ul style="list-style-type: none"> <li>▪ Meetings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Per Memorandum of Understanding.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>



**[11.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

1. COST OF SERVICE STATEMENT

Budget DEMOCRACY 2005/06	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
<b>Income Statement</b>										
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Operating Expenditure:</b>										
(100) Employee Costs	-	-	-	-	-	-	-	-	-	-
(433,772) Support Costs	(496,035)	(507,303)	(531,799)	(535,480)	(554,218)	(566,757)	(580,664)	(584,900)	(606,554)	(605,891)
(319,266) Operating & Maintenance Costs	(340,738)	(363,294)	(361,506)	(355,263)	(392,708)	(388,539)	(379,649)	(417,357)	(410,167)	(398,829)
- Interest Expense	-	-	-	-	-	-	-	-	-	-
(3,459) Depreciation	(3,075)	(3,075)	(3,075)	(3,075)	(3,075)	(3,075)	(3,075)	(3,075)	(3,075)	(3,075)
<b>(756,597)</b>	<b>(839,848)</b>	<b>(873,672)</b>	<b>(896,380)</b>	<b>(893,818)</b>	<b>(950,001)</b>	<b>(958,371)</b>	<b>(963,388)</b>	<b>(1,005,332)</b>	<b>(1,019,796)</b>	<b>(1,007,795)</b>
<b>Revenue:</b>										
- User Charges	-	18,620	-	-	20,171	-	-	21,469	-	-
35,793 Other Revenue	680,000	730,000	780,000	850,000	810,000	880,000	920,000	1,000,000	1,050,000	1,100,000
- Subsidies/Donations	-	-	-	-	-	-	-	-	-	-
- Internal Recoveries	-	-	-	-	-	-	-	-	-	-
694,266 Rates - UAGC	875,870	974,417	1,014,509	1,005,763	1,045,651	1,073,132	1,072,157	1,096,716	1,131,865	1,114,068
- Rates - General	-	-	-	-	-	-	-	-	-	-
73,572 Rates - Targeted	74,623	-	-	-	-	-	-	-	-	-
<b>803,631</b>	<b>1,630,493</b>	<b>1,723,037</b>	<b>1,794,509</b>	<b>1,855,763</b>	<b>1,875,822</b>	<b>1,953,132</b>	<b>1,992,157</b>	<b>2,118,185</b>	<b>2,181,865</b>	<b>2,214,068</b>
<b>47,034 Net Surplus/(Deficit)</b>	<b>790,645</b>	<b>849,365</b>	<b>898,129</b>	<b>961,945</b>	<b>925,821</b>	<b>994,761</b>	<b>1,028,769</b>	<b>1,112,853</b>	<b>1,162,069</b>	<b>1,206,273</b>
<b>Budget DEMOCRACY 2005/06</b>	<b>Budget 2006/07</b>	<b>Estimate 2007/08</b>	<b>Estimate 2008/09</b>	<b>Estimate 2009/10</b>	<b>Estimate 2010/11</b>	<b>Estimate 2011/12</b>	<b>Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>
<b>Capital Items &amp; sources of funds</b>										
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Capital Items:</b>										
- Renewal Works	-	-	-	-	-	-	-	-	-	-
- New Capital	-	-	-	-	-	-	-	-	-	-
- Assets Vested	-	-	-	-	-	-	-	-	-	-
- Debt Principal Repayment	-	-	-	-	-	-	-	-	-	-
(70,793) Funding of Reserves	(835,000)	(895,000)	(945,000)	(1,010,000)	(975,000)	(1,045,000)	(1,080,000)	(1,165,000)	(1,215,000)	(1,260,000)
- Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(70,793)</b>	<b>(835,000)</b>	<b>(895,000)</b>	<b>(945,000)</b>	<b>(1,010,000)</b>	<b>(975,000)</b>	<b>(1,045,000)</b>	<b>(1,080,000)</b>	<b>(1,165,000)</b>	<b>(1,215,000)</b>	<b>(1,260,000)</b>
<b>Funded By:</b>										
- New Loans Raised	-	-	-	-	-	-	-	-	-	-
20,300 Funding from Reserves	41,280	42,560	43,796	44,980	46,104	47,164	48,156	49,072	49,856	50,652
3,459 Depreciation	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075
<b>47,034 Net Surplus/(Deficit)</b>	<b>790,645</b>	<b>849,365</b>	<b>898,129</b>	<b>961,945</b>	<b>925,821</b>	<b>994,761</b>	<b>1,028,769</b>	<b>1,112,853</b>	<b>1,162,069</b>	<b>1,206,273</b>
<b>70,793</b>	<b>835,000</b>	<b>895,000</b>	<b>945,000</b>	<b>1,010,000</b>	<b>975,000</b>	<b>1,045,000</b>	<b>1,080,000</b>	<b>1,165,000</b>	<b>1,215,000</b>	<b>1,260,000</b>

Note: 'Other Revenue' is interest returned on 'Special Funds' which is transferred to the Special Funds.

2. SIGNIFICANT CAPITAL EXPENDITURE

N/A

1. BALANCED BUDGET

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget is balanced

2. SIGNIFICANT RISKS AND ASSUMPTION

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

N/A



## [12] administration

### [12.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Support Services
- Office of the CEO
- Finance and Information Technology
- Asset Management
- Technical Services
- Environmental Services Management

### [12.2] RATIONALE FOR GROUPING

The above represent Council's administration and are grouped together. The focus remains on keeping the associated cost implication as low as possible and the cost of administration as percentage of total expenditure of 18% is appreciably lower than the New Zealand local Government average of 23%.

### [12.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

In 1997 Council undertook a formal management restructuring to ensure optimum efficiency of its executive function. The recommendations of the report could not be fully implemented for reasons of affordability and Council currently has four departments under the management of departmental managers and a Chief Executive Officer who has management control over a number of operational functions which cannot be incorporated under one or more of the departments.

The Chief Executive is responsible to Council for the efficient management of Council's administration, the execution of Council's decisions and policies, advice to Council and its structures including NWCB as well as a range of other functions. Departmental managers report to the Chief Executive Officer for the efficient management of their departments, the execution of Council and Chief Executive directives and policies and advise him on operational matters. There is a clear division between governance and administration and, whilst the Chief Executive and staff are prohibited to involve themselves in policy formulation, the Mayor and Councillors are prohibited from being actively involved in the administration.

### [12.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goal for Council's administration is:

- To be efficient, service orientated and accountable to Council

Council's objectives are:

- To implement Council/NWCB decisions and policy positively, promptly and efficiently.
- To provide clear and well researched advice to Council/NWCB to facilitate good decisions.
- To exercise the powers and responsibilities delegated by Council positively and responsibly.
- To manage Council's activities and services efficiently
- To maintain processes that facilitates efficient planning and financial reporting of the services and performance of Council.

### [12.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE

Council's administration supports all of the eight outcomes as it provides the operational capacity to achieve them.

**[12.6] KEY ISSUES FACING THE ACTIVITIES****1. CURRENT**

Council maintains a small, well trained and committed administration. Staff turnover is low and morale is generally high. Quality of output and productivity per capita is high as is evidenced by Audit reports and a comparison of the staff complement with other similar and even smaller local authorities. There are, however, clear indications of stress and burn-out as a result of exceptionally long work hours in some cases.

The recent five-yearly salary review has brought salaries on par with the market.

**2. 2006-2009**

It is expected that the size of Council's administration will remain more or less at current levels, in spite of the expected further increase in workload. This very conservative approach has been in place since the early 1990s and staff health and safety must be considered to be under risk given the increase in workload and performance. Management plans to deal with issues as they come up have been put in place, but it is acknowledged they do not provide a solution.

A specific, exciting focus area will be the implementation of the Wider Moana Development Plan. It is important to note that funding is not readily available and that it will be funded from land sales in the area. The Iveagh Bay land sale is earmarked to be a funding mechanism.

**3. 2010-2016**

Council accepts that the growth cycle and higher expectations re legislative and other compliance will continue to put pressure on its administration. It is impossible to predict how the matter will be addressed other than to indicate that it will be done objectively and realistically.

**[12.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

No negative implications are being foreseen. Attention is however drawn to the word of caution from Audit New Zealand that the high workload facing a too small administration creates a climate conducive to clerical errors, the implications of which may be significant.

**[12.8] SERVICE LEVEL EXPECTATIONS**

From a purely operational point of view, the levels of service are expected to increase. This is dependent upon Council's ability to recruit and retain qualified staff in the building and planning sectors as this will determine the speed and quality of work done. Council will, as far as is possible and efficient, engage external consultants to supplement current operational capacity.

From a physical, environmental planning point of view, service delivery is expected to decline. This relates to the financial inability of Council to undertake important projects and area development planning.

**[12.9] ASSET MANAGEMENT**

The main assets involved are related to operation of Council activities (e.g. motor vehicles and IT equipment). The costs of these are recovered against the activity outputs using a cost allocation system (refer to the accounting policy on cost allocation<sup>149</sup> for further information)

[12.10] KEY PERFORMANCE MEASURES

Performance measure: Full accountability to Council for all statutory functions, Council policies and decisions.

Outcome:	How affected?
All Outcomes.	Council's administration is responsible through the Chief Executive Officer for the achievement of all Council's decisions, policies and directives, including this plan.

Outputs:	Measurement:
<b>Strategic:</b>	
Implementation of Council's policies.	<ul style="list-style-type: none"> <li>Execution of Council decisions, implementation of Council policies and processes.</li> </ul>
Quality advice to Council, NWCB, Council committees/subcommittees.	<ul style="list-style-type: none"> <li>Providing well researched, considered advice supported by all practicable alternative solutions and likely cost and impacts of each.</li> </ul>
Execution of delegated authority.	<ul style="list-style-type: none"> <li>Always acting positively and responsibly.</li> </ul>
Management of Council assets.	<ul style="list-style-type: none"> <li>Management of assets with a view to extending their useful life whilst at the same time maintaining high levels of user safety.</li> </ul>
<b>Operational:</b>	
The Chief Executive is responsible to Council for all executive aspects of operations.	<ul style="list-style-type: none"> <li>Compliance with performance measures expected from the Chief Executive Officer.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>
Chief Executive Compliance with performance expectations set by Council.	<ul style="list-style-type: none"> <li>100%.</li> </ul>



**[12.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

**1. COST OF SERVICE STATEMENT**

<b>Budget</b>	<b>ADMINISTRATION</b>	<b>Budget</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
<b>2005/06</b>	<b>Income Statement</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
<b>\$</b>		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>Operating Expenditure:</b>										
(2,098,667)	Employee Costs	(2,430,619)	(2,505,940)	(2,578,672)	(2,648,345)	(2,714,486)	(2,776,862)	(2,835,236)	(2,889,138)	(2,935,273)	(2,982,113)
(166,221)	Support Costs	(243,256)	(255,543)	(273,750)	(281,947)	(284,742)	(292,128)	(297,845)	(300,804)	(312,225)	(318,536)
(1,242,498)	Operating & Maintenance Costs	(1,179,356)	(1,183,274)	(1,281,503)	(1,253,320)	(1,310,978)	(1,344,185)	(1,370,973)	(1,359,505)	(1,461,473)	(1,416,746)
-	Interest Expense	-	-	-	-	-	-	-	-	-	-
(65,991)	Depreciation	(222,390)	(229,206)	(244,719)	(257,595)	(268,167)	(275,736)	(235,209)	(246,189)	(255,548)	(261,320)
<b>(3,573,377)</b>		<b>(4,075,621)</b>	<b>(4,173,963)</b>	<b>(4,378,644)</b>	<b>(4,441,207)</b>	<b>(4,578,373)</b>	<b>(4,688,911)</b>	<b>(4,739,263)</b>	<b>(4,795,636)</b>	<b>(4,964,519)</b>	<b>(4,978,715)</b>
	<b>Revenue:</b>										
200,680	User Charges	193,366	199,362	205,151	210,698	215,963	220,928	225,575	229,865	233,538	237,266
90,000	Other Revenue	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
360,326	Subsidies/Donations	67,444	83,661	92,803	97,202	115,279	106,383	109,911	113,332	116,515	119,576
2,926,514	Internal Recoveries	3,664,595	3,747,188	3,931,746	3,969,454	4,076,847	4,188,471	4,275,879	4,321,996	4,472,351	4,478,317
-	Rates - UAGC	-	-	-	-	-	-	-	-	-	-
-	Rates - General	-	-	-	-	-	-	-	-	-	-
-	Rates - Targeted	-	-	-	-	-	-	-	-	-	-
<b>3,577,520</b>		<b>4,015,405</b>	<b>4,120,211</b>	<b>4,319,700</b>	<b>4,367,354</b>	<b>4,498,089</b>	<b>4,605,782</b>	<b>4,701,365</b>	<b>4,755,193</b>	<b>4,912,404</b>	<b>4,925,159</b>
<b>4,143</b>	<b>Net Surplus/(Deficit)</b>	<b>(60,216)</b>	<b>(53,752)</b>	<b>(58,944)</b>	<b>(73,853)</b>	<b>(80,284)</b>	<b>(83,129)</b>	<b>(37,898)</b>	<b>(40,443)</b>	<b>(52,115)</b>	<b>(53,556)</b>
	<b>Budget</b>	<b>Budget</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>ADMINISTRATION</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
	<b>Capital Items &amp; sources of funds</b>										
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>Capital Items:</b>										
(65,633)	Renewal Works	(63,567)	(141,725)	(59,889)	(84,614)	(88,635)	(66,970)	(72,892)	(127,188)	(53,125)	(73,911)
(94,500)	New Capital	(170,173)	(157,637)	(110,373)	(57,291)	(152,739)	(160,466)	(139,640)	(65,097)	(161,768)	(173,649)
-	Assets Vested	-	-	-	-	-	-	-	-	-	-
-	Debt Principal Repayment	-	-	-	-	-	-	-	-	-	-
-	Funding of Reserves	(144,837)	(154,911)	(162,180)	(164,850)	(169,095)	(173,388)	(177,085)	(179,309)	(183,116)	(187,123)
-	Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(160,133)</b>		<b>(378,577)</b>	<b>(454,273)</b>	<b>(332,442)</b>	<b>(306,755)</b>	<b>(410,469)</b>	<b>(400,824)</b>	<b>(389,617)</b>	<b>(371,594)</b>	<b>(398,009)</b>	<b>(434,683)</b>
	<b>Funded By:</b>										
-	New Loans Raised	-	-	-	-	-	-	-	-	-	-
90,000	Funding from Reserves	216,403	278,819	146,667	123,013	222,586	208,217	192,306	165,848	194,576	226,919
65,991	Depreciation	222,390	229,206	244,719	257,595	268,167	275,736	235,209	246,189	255,548	261,320
4,143	Net Surplus/(Deficit)	(60,216)	(53,752)	(58,944)	(73,853)	(80,284)	(83,129)	(37,898)	(40,443)	(52,115)	(53,556)
<b>160,134</b>		<b>378,577</b>	<b>454,273</b>	<b>332,442</b>	<b>306,755</b>	<b>410,469</b>	<b>400,824</b>	<b>389,617</b>	<b>371,594</b>	<b>398,009</b>	<b>434,683</b>

2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2005/06	ADMINISTRATION Main Items of Capital Expenditure	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9,720	Office Equipment	9,288	62,776	9,854	10,121	10,373	10,612	10,835	11,041	11,218	11,397
37,800	IT - General Renewals	42,342	68,317	26,729	49,089	74,006	28,785	49,395	81,990	30,428	49,861
-	IT - Server Renewals	9,048	7,653	14,491	22,257	1,029	24,272	9,291	24,281	7,990	9,108
97,200	IT - Electronic Archiving	-	-	-	-	-	-	-	-	-	-
-	IT - Remote Access	-	-	17,518	17,992	-	-	19,262	19,629	-	-
-	IT - New Projects	-	-	21,898	-	-	-	-	-	-	-
-	Vehicle Replacements	165,013	149,817	66,030	33,676	144,267	155,160	114,358	36,451	156,159	167,951

1. BALANCED BUDGET

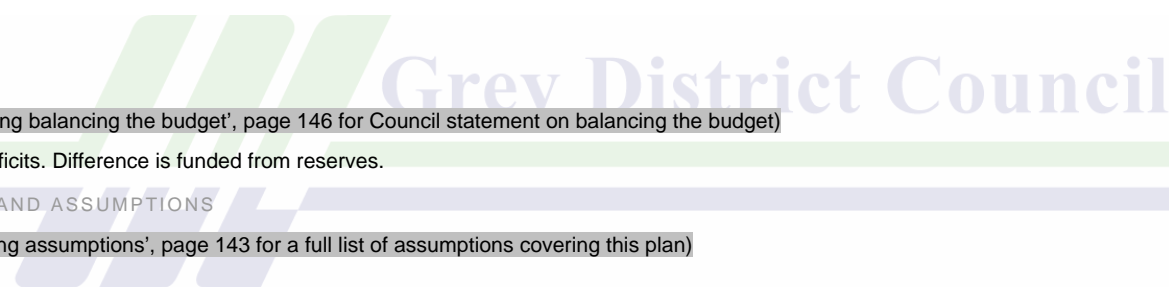
(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget is shows small deficits. Difference is funded from reserves.

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

N/A



## [13] environmental services

### [13.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Planning
- Amenity Management
- Access to Official Information
- Health Regulation
- Building Control
- Dog and Stock Control

### [13.2] RATIONALE FOR DELIVERY OF THE GROUP OF ACTIVITIES

Local Government legislation makes it compulsory, wherever possible, to maintain a clear division between operations and regulation. It is a reality that local authorities, as facilitators of development and growth, also have to be seen to comply with associated statutory environmental constraints and that there is no conflict of interest in this regard.

### [13.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

The above services add to Council's commitment to and responsibilities for maintaining a healthy balance between development and its impact on the environment, both physical and natural. The services also, to a higher or lesser extent, involve a regulatory function component.

### [13.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goals for the provision of environmental regulation services in the Grey District are:

- Through positive strategic and environmental planning and positive regulatory enforcement practices to ensure harmony between development activities and the physical and natural environment thereby creating sustainability and securing the rights of all.

Council's focus areas are:

- **Environmental Planning:** Council administers both the Resource Management Act, 1991 and the Grey District Plan with a view to managing and mitigating the effects of activities undertaken in the District on the physical and natural environment. Furthermore, Council undertakes planning for specific issues and areas to ensure harmony with other activities and minimum environmental impacts. Current projects include the Wider Moana Development Plan and a review of options for expanding the Greymouth central business district. Council is also involved in joint development planning for the Punakaiki area.
- **Amenity Management:** Council has a specific focus on improving the general appearance of the District, notably built-up areas, and is committed to achieving this by positive enforcement of environmental and aesthetic controls.
- **Access to Official Information:** Whilst this relates to the governance function as means of securing accountability and transparency, the main focus is the issuing of credible, robust Land Information Memoranda to prospective buyers of property. Unlike many local authorities, and based on an earlier legal challenge on the level and robustness of information to be provided, Council sees this as particularly important and invests a great deal of effort and time to ensure that all known information is provided.
- **Health Regulation:** Council administers the Health Act, the Hazardous Substances and New Organisms Act and a range of other legislation and regulations. It protects our community through investigating infectious and notifiable diseases, promoting the adoption of food safety programmes and investigating and managing environmental nuisances, including noise. It also provides a District licensing agency service for liquor, gaming machines, food premises, camping grounds, hairdressing businesses, funeral parlours and amusement devices. Council is also involved in the management and control of sex premises and of hazardous substances in some locations.
- **Building Control:** Council enforces the Building Act, 2004, providing an information, consents, inspection and enforcement service for buildings and swimming pool fencing to ensure that all buildings in the District are safe, sanitary, fit for purpose and constructed in accordance with the Building Code.
- **Dog and Stock Control:** Council controls animals in the District through dog registration, ranging and enforcement, provision of dog and stock pounds and investigation of nuisances caused by wandering animals.

**[13.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE**

Outcome	How the group of activities Contribute
A thriving local economy creating opportunities.	Good planning and clear boundaries are important requirements for economic development.
An attractive District where residents want to be.	An organised, healthy community is a happy one.
An active partnership between Council and our community.	Regulation, if correctly applied, safeguards rights and maintain standards per the community expectations. Regulation enforcement makes for certainty and retention of rights and values. The Grey District Plan was approved by the community as its standard for environmental planning.
Law, order, personal and property safety.	Virtually all the associated activities foster health and safety and this is a key focus for the activity.

**[13.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

In spite of a significant workload, this group of activities performs well, even though this is largely as a consequence of a high level of dedication and personal commitment of staff involved with the activities as well as those adding value to outputs. Environmental planning is not getting the required level of attention but the current campaign to appoint a Policy Planner is aimed at addressing this.

For some time Council had trouble recruiting qualified, competent staff but the recent five-yearly salary review has made us more competitive and we have had more recent successes in recruitment. Based on a recent review, Council remains committed to maintaining its involvement in the individual activities.

The regulatory nature of the functions involved has earned the relevant department a not entirely fair negative reputation which Council is currently addressing.

2. 2006-2009

It is expected that the pressure on this department and, through it, other departments will continue and even increase. The challenge will be to recruit and retain qualified staff in positions amidst national competition for such staff. A specific focus area will be the requirement to accredit as a Building Consent Authority in terms of the Building Act 2004 which requires the development of additional administrative and audit processes and a greater investment in training and introduces significantly higher compliance requirements both in respect of quality of staff and associated administrative processes. The focus on changing the public perception of the activity will continue.

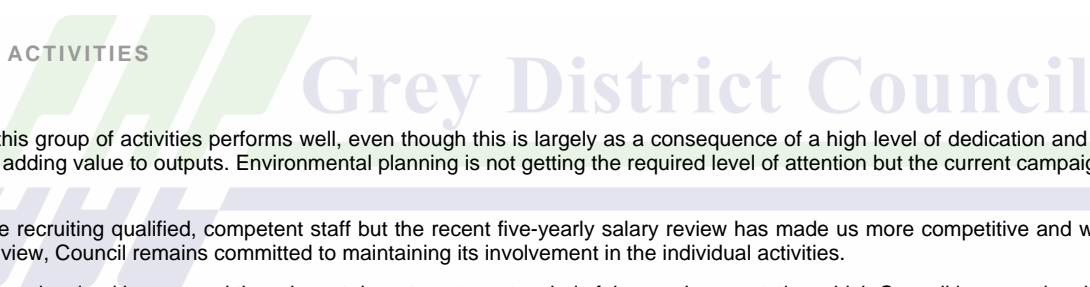
Council's inability to undertake a number of development plans because of budgetary constraints is a significant issue.

3. 2010-2016

It is expected that the increased economic growth will impact particularly on this group of activities. The appointment of additional staff is, however, expected to at least partly address the additional workload and will allow some attention to physical planning issues that have been identified earlier. These include the implementation of the Moana Foreshore Plan (Ref (9) Community Services and Facilities), an investigation into options for an extension of the Greymouth CBD and other worthwhile projects. Extension of the timetable for accreditation as a Building Consent Authority to encompass the acquisition of formal qualifications for all building control staff will place a very significant emphasis on staff training and development.

**[13.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

The primary negative implication is one of cost, even though Council has no choice, given its statutory responsibilities in respect of each of the activities. Staff working in these activities are in high demand as a result of recent legislative changes, notably the Building Act, which is reflected in market value remuneration. Attention is drawn to the activity management plans for each of the activities for an outline of potential negative effects.



**[13.8] SERVICE LEVEL EXPECTATIONS**

Improving public perceptions about the activity, through better understanding of the legal and administrative requirements involved and changed practices and requirements will result in better services. Relieving current bottlenecks related to an inadequate staff complement to deal with the workload will also be dealt with through the deployment of more staff and the use of contractors as appropriate.

**[13.9] ASSET MANAGEMENT**

Assets involved are vehicles required for the delivery of service which are replaced in line with Council's policy on vehicle acquisitions and disposal.

**[13.10] KEY PERFORMANCE MEASURES**

Performance measure: Enhance the District Plan to achieve a coherent vision for the development of the District.

Outcome:	How affected?
An attractive District where residents want to be.	Good planning and aesthetic standards contribute to an attractive living/working environment.
Law, order, personal and property safety.	Planning and the District Plan contribute to a healthy, safe environment.
A thriving local economy creating opportunities.	It adds to the attraction for local investment.

Outputs:	Measurement:
<b>Strategic:</b>	
Develop the District Plan and supporting environmental policy which: <ul style="list-style-type: none"> <li>▪ provide clear guidance to residents concerning development within the District.</li> <li>▪ reflect community expectations for sustainable, harmonious development.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A District Plan which is couched in plain English and can be understood readily by residents.</li> <li>▪ Improved community perceptions of departmental performance – per customer satisfaction rating.</li> </ul>
Clear, positive, consistent application of the Resource Management Act, 1991 and Council's District Plan.	<ul style="list-style-type: none"> <li>▪ Decision-making based on the cost-benefit assessment of alternatives as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>
<b>Operational:</b>	
RMA and District Plan. <ul style="list-style-type: none"> <li>▪ Response timelines.</li> <li>▪ Prompt, courteous and fair enforcement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As prescribed in the Act.</li> <li>▪ Verified complaints max 5 p.a.</li> </ul>

Outputs:	Measurement:
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Effective implementation of the Building Act, 2004

Outcome:	How affected?
An attractive District where residents want to be.	Good building control standards contribute to an attractive living/working environment.
Law, order, personal and property safety.	The activity contributes to a healthy, safe environment.
A thriving local economy creating opportunities.	It adds to the attraction for local investment.

Outputs:	Measurement:
<b>Strategic:</b>	
Achieve accreditation as a Building Consent Authority.	<ul style="list-style-type: none"> <li>Timetable and criteria as laid down in regulations.</li> </ul>
Clear, positive, consistent application of the Building Act and Building Code so that buildings within the District are safe, sanitary and fit for purpose.	<ul style="list-style-type: none"> <li>Decision-making based on the cost-benefit assessment of alternatives as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>
<b>Operational:</b>	
Building Act: <ul style="list-style-type: none"> <li>Response timelines.</li> <li>Enforcement.</li> </ul>	<ul style="list-style-type: none"> <li>As prescribed in the Act.</li> <li>Prompt, courteous and fair.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Through licensing and appropriate enforcement, improve harmony between residents and their environment.

Outcome:	How affected?
An attractive District where residents want to be.	Good regulation and appropriate enforcement contribute to an attractive living/working environment.
Law, order, personal and property safety.	The activity contributes to a healthy, safe environment.
A thriving local economy creating opportunities.	It adds to the attraction for local investment.

Outputs:	Measurement:
<b>Strategic:</b>	
Prompt reaction to requests for official information.	<ul style="list-style-type: none"> <li>Compliance with legislative requirements.</li> </ul>
Positive enforcement of bylaws as a mechanism to protect rights.	<ul style="list-style-type: none"> <li>Implementation of Council Bylaws and Compliance Policy.</li> </ul>
Responsible health regulation.	<ul style="list-style-type: none"> <li>Ensuring a high standard of public health.</li> </ul>
Positive dog and stock control.	<ul style="list-style-type: none"> <li>Manage the keeping of dogs and wandering stock.</li> </ul>
<b>Operational:</b>	
Official Information: <ul style="list-style-type: none"> <li>Responses to requests for information.</li> <li>LIM requests.</li> </ul>	<ul style="list-style-type: none"> <li>Within 20 working days.</li> <li>10 working days.</li> </ul>
Bylaw enforcement: <ul style="list-style-type: none"> <li>Action.</li> <li>Amenity improvement.</li> </ul>	<ul style="list-style-type: none"> <li>Per Council's Enforcement Policy.</li> <li>Clearance of 6 untidy properties p.a.</li> </ul>
Health Regulation <ul style="list-style-type: none"> <li>Inspection of hairdresser salons, food premises, gaming machine outlets, camping grounds, funeral parlours and sex premises.</li> <li>Managing infectious and notifiable diseases in consultation with the District Medical Officer of Health.</li> <li>Food safety programmes.</li> <li>Dangerous goods.</li> <li>Environmental nuisance, i.e. noise.</li> </ul>	<ul style="list-style-type: none"> <li>Annually or per bylaws.</li> <li>Per legislation.</li> <li>Per legislation.</li> <li>Per legislation.</li> <li>Per legislation.</li> </ul>
Animal Control.	<ul style="list-style-type: none"> <li>Compliance with dog registration - 95%.</li> <li>Improved dog owner understanding of rights and responsibilities.</li> </ul>

Outputs:	Measurement:
<b>Governance:</b>	
Compliance with public expectations.	▪ 75% satisfaction rating.





**[13.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

**1. COST OF SERVICE STATEMENT**

<b>Budget 2005/06</b>	<b>ENVIRONMENTAL SERVICES Income Statement</b>	<b>Budget 2006/07</b>	<b>Estimate 2007/08</b>	<b>Estimate 2008/09</b>	<b>Estimate 2009/10</b>	<b>Estimate 2010/11</b>	<b>Estimate 2011/12</b>	<b>Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Operating Expenditure:</b>										
(24,705)	Employee Costs	(524)	(541)	(556)	(571)	(586)	(599)	(612)	(623)	(633)	(643)
(908,431)	Support Costs	(1,282,082)	(1,322,897)	(1,373,272)	(1,399,343)	(1,439,542)	(1,473,551)	(1,504,073)	(1,525,773)	(1,567,174)	(1,580,021)
(417,796)	Operating & Maintenance Costs	(377,905)	(357,262)	(370,566)	(380,655)	(390,243)	(399,292)	(407,769)	(415,609)	(422,335)	(429,166)
-	Interest Expense	-	-	-	-	-	-	-	-	-	-
-	Depreciation	(35,728)	(38,329)	(41,538)	(42,931)	(44,884)	(47,414)	(50,068)	(51,594)	(53,713)	(56,446)
<b>(1,350,932)</b>		<b>(1,696,239)</b>	<b>(1,719,029)</b>	<b>(1,785,932)</b>	<b>(1,823,500)</b>	<b>(1,875,255)</b>	<b>(1,920,856)</b>	<b>(1,962,522)</b>	<b>(1,993,599)</b>	<b>(2,043,855)</b>	<b>(2,066,276)</b>
	<b>Revenue:</b>										
490,651	User Charges	908,154	939,008	969,078	998,190	1,026,186	1,052,942	1,078,357	1,102,254	1,123,355	1,144,902
-	Other Revenue	-	-	-	-	-	-	-	-	-	-
-	Subsidies/Donations	-	-	-	-	-	-	-	-	-	-
-	Internal Recoveries	-	-	-	-	-	-	-	-	-	-
410,115	Rates - UAGC	337,882	313,061	331,860	331,784	343,591	352,768	359,939	361,292	379,224	376,830
447,811	Rates - General	459,968	472,409	486,434	493,834	504,603	513,042	520,845	525,348	535,190	537,056
-	Rates - Targeted	-	-	-	-	-	-	-	-	-	-
<b>1,348,577</b>		<b>1,706,004</b>	<b>1,724,478</b>	<b>1,787,372</b>	<b>1,823,808</b>	<b>1,874,380</b>	<b>1,918,752</b>	<b>1,959,141</b>	<b>1,988,894</b>	<b>2,037,769</b>	<b>2,058,788</b>
<b>(2,355)</b>	<b>Net Surplus/(Deficit)</b>	<b>9,765</b>	<b>5,449</b>	<b>1,440</b>	<b>308</b>	<b>(875)</b>	<b>(2,104)</b>	<b>(3,381)</b>	<b>(4,705)</b>	<b>(6,086)</b>	<b>(7,488)</b>
	<b>Budget 2005/06</b>	<b>Budget 2006/07</b>	<b>Estimate 2007/08</b>	<b>Estimate 2008/09</b>	<b>Estimate 2009/10</b>	<b>Estimate 2010/11</b>	<b>Estimate 2011/12</b>	<b>Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>
	<b>ENVIRONMENTAL SERVICES Capital Items &amp; sources of funds</b>										
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	<b>Capital Items:</b>										
(2,538)	Renewal Works	(2,619)	(2,700)	(2,779)	(2,854)	(2,925)	(2,993)	(3,056)	(3,114)	(3,163)	(3,214)
(51,278)	New Capital	(43,372)	(74,076)	(77,031)	(7,060)	(41,585)	(77,474)	(83,499)	(7,702)	(45,006)	(83,798)
-	Assets Vested	-	-	-	-	-	-	-	-	-	-
-	Debt Principal Repayment	-	-	-	-	-	-	-	-	-	-
(14,204)	Funding of Reserves	(31,235)	(31,738)	(33,325)	(33,325)	(33,848)	(34,915)	(36,073)	(36,073)	(36,639)	(37,794)
-	Internal Transfers	-	-	-	-	-	-	-	-	-	-
<b>(68,020)</b>		<b>(77,226)</b>	<b>(108,514)</b>	<b>(113,135)</b>	<b>(43,239)</b>	<b>(78,358)</b>	<b>(115,382)</b>	<b>(122,628)</b>	<b>(46,889)</b>	<b>(84,808)</b>	<b>(124,806)</b>
	<b>Funded By:</b>										
-	New Loans Raised	-	-	-	-	-	-	-	-	-	-
70,375	Funding from Reserves	31,733	64,736	70,157	-	34,349	70,072	75,941	-	37,181	75,848
-	Depreciation	35,728	38,329	41,538	42,931	44,884	47,414	50,068	51,594	53,713	56,446
(2,355)	Net Surplus/(Deficit)	9,765	5,449	1,440	308	(875)	(2,104)	(3,381)	(4,705)	(6,086)	(7,488)
<b>68,020</b>		<b>77,226</b>	<b>108,514</b>	<b>113,135</b>	<b>43,239</b>	<b>78,358</b>	<b>115,382</b>	<b>122,628</b>	<b>46,889</b>	<b>84,808</b>	<b>124,806</b>

2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2005/06	ENVIRONMENTAL SERVICES Main Items of Capital Expenditure	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
48,600	Sub-Division Development Contributions (Council Share)	-	-	-	-	-	-	-	-	-	-
-	Building Control - Vehicle Replacement	31,733	64,736	33,015	-	34,349	70,072	35,737	-	37,181	75,848
-	Animal Control - Vehicle Replacement	-	-	37,142	-	-	-	40,204	-	-	-

1. BALANCED BUDGET

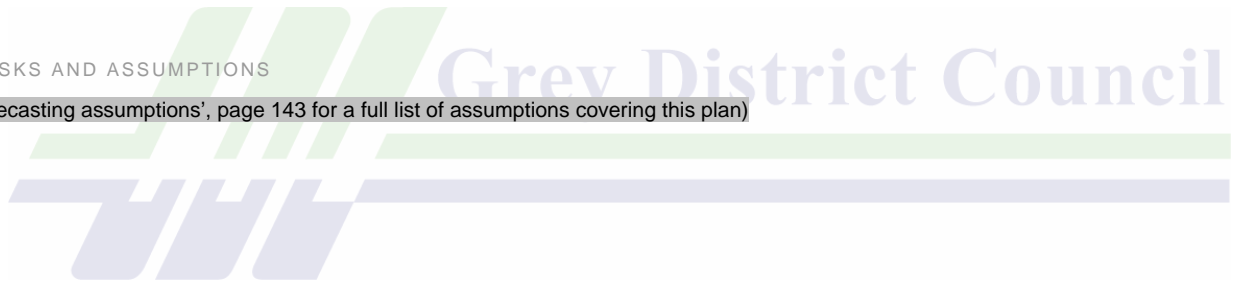
(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget is balanced.

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

N/A



## [14] liaison with other agencies

### [14.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Co-operation with West Coast District Health Board & other service providers
- Co-operation with New Zealand Police, New Zealand Fire Service, etc.
- Restorative Justice
- Education - Co-Operation with relevant service providers

### [14.2] RATIONALE FOR GROUPING

These activities are related less to the core business of Council, and more to where Council acts as the facilitating or liaising agency.

### [14.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

Three of the community outcomes represent functions not delivered by Council. Council is therefore reliant upon the actual service providers to achieve such outcomes. These are:

- Law, order, personal and property safety. The primary service provider is the NZ Police with the NZ Fire Service another important agency.
- Affordable access to quality medical health services. The primary service provider is the WCDHB through Grey Base Hospital with local doctors and other medical service providers also important.
- Affordable access to quality education. The primary service providers would be the Education Ministry, Tai Poutini Polytechnic, schools, Karoro Learning Centre.

Council will develop a close association with all of these service providers in order to achieve the outcomes. In the meantime, Council's activity management plans incorporate the strategic plans of the relevant service providers.

Council also is a facilitator for a range of community driven projects related to:

- Restorative Justice.
- A community patrol initiative.
- The Big Brother Big Sister project.

### [14.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goal for the liaison with other agencies is:

- To align other service provider activity to achieve the non-Council related outcomes.

The goal for the Community Development activity is:

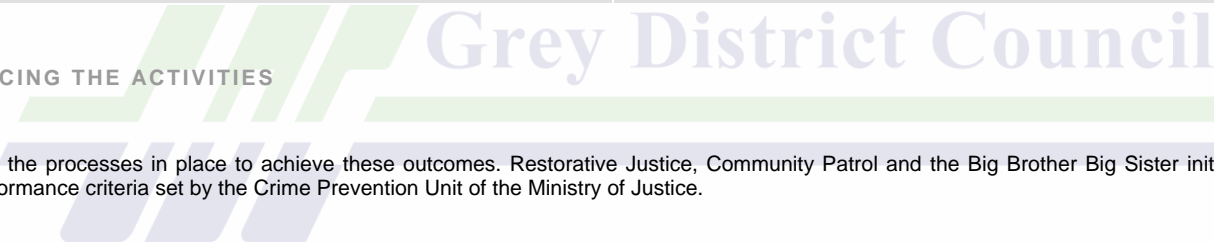
- To ensure achievement of outcomes set by the relevant Crown funding agencies.

Council's objectives are:

- To put in place agreements with other service providers providing for clear goals, action plans and evaluation methodologies.
- To co-ordinate achievement of the related outcomes and to report regularly on progress.
- To maintain funding of community projects by Crown agencies.

**[14.5] IDENTIFICATION OF THE COMMUNITY OUTCOMES TO WHICH THE ACTIVITIES PRIMARILY CONTRIBUTE**

Community Outcome	How the group of activities contributes
A thriving local economy creating opportunities.	Safer communities are good for economic growth.
Affordable access to quality medical health services.	Council cannot deliver the services by itself and has to co-ordinate achievement of the outcome with service providers in the field.
An attractive District where residents want to be.	Retaining these services in the District is essential to retain residents and attract future residents.
Law, order, personal and property safety.	Council cannot deliver the services by itself and has to co-ordinate achievement of the outcome with service providers in the field. Community services are aimed at making the community safer.
An active partnership between Council and our community.	Whilst not a core function, a definite social focus area.
Affordable access to quality education.	Council cannot deliver the services by itself and has to co-ordinate achievement of the outcome with service providers in the field.



Grey District Council

**[14.6] KEY ISSUES FACING THE ACTIVITIES**

1. CURRENT

Council is still to put the processes in place to achieve these outcomes. Restorative Justice, Community Patrol and the Big Brother Big Sister initiatives are in place and functioning in compliance with performance criteria set by the Crime Prevention Unit of the Ministry of Justice.

2. 2006-2009

As a matter of priority, Council will seek the cooperation of the identified bodies in the achievement of the community identified outcomes. In doing so, Council will not be seeking major strategic direction changes from these service providers as it is convinced that the outcomes can be satisfied as a consequence of their current strategic planning and that the focus should be on agreeing on action plans and performance measures

Restorative Justice, Community Patrol and the Big Brother Big Sister initiatives are reliant upon continued Government financial support. It is expected that the Government support will be renewed in 2007/08.

3. 2010-2016

Implementation of action plans will be the main focus. It is accepted that Crown funding of the community safety projects will continue.

**[14.7] NEGATIVE EFFECTS ON COMMUNITY WELLBEINGS FROM COUNCIL INVOLVEMENT IN ACTIVITIES**

Attention is drawn to the activity management plans for each of the activities for an outline of potential negative effects. In general, there are no significant effects involved.

**[14.8] SERVICE LEVEL EXPECTATIONS**

The improved co-operation and co-ordination with other service providers will have positive effects on current levels of service. Also, the success of Restorative Justice, the Big Brother Big Sister project, Community Patrol etc will result in a safer environment.

**[14.9] ASSET MANAGEMENT**

No assets involved.

**[14.10] KEY PERFORMANCE MEASURES**

Performance measure: To co-ordinate delivery of functions not delivered by local authorities in order to ensure that outcomes are achieved.

Outcome:	How affected?
Affordable access to quality medical health services.	The WCDHB, St John, doctors and other health service providers are involved in service delivery for this outcome.
Law, order, personal and property safety.	The NZ Police and NZ Fire Service provide services for this outcome.
Affordable access to quality education.	Tai Poutini Polytechnic, Ministry of Education, schools and other education service providers are involved in this outcome.

Outputs:	Measurement:
<b>Strategic:</b>	
Accept current strategic plans of the service providers as fully aimed at meeting the outcomes.	<ul style="list-style-type: none"> <li>▪ No action.</li> </ul>
Developing joint action plans.	<ul style="list-style-type: none"> <li>▪ Action plans by October 2006.</li> </ul>
Developing measurement and reporting protocols.	<ul style="list-style-type: none"> <li>▪ Measurements and reporting protocols in place by December 2006.</li> </ul>
<b>Operational:</b>	
Reporting on achievement of outcomes.	<ul style="list-style-type: none"> <li>▪ Annually.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: Maintain Government funding for community safety projects.

Outcome:	How affected?
A thriving local economy creating opportunities.	Safer communities are good for economic growth.
An attractive District where residents want to be.	Safety builds confidence.
Law, order, personal and property safety.	Projects enhance safety.

Outputs:	Measurement:
<b>Strategic:</b>	
Secure renewal funding.	<ul style="list-style-type: none"> <li>▪ Apply on time and per funding requirement.</li> <li>▪ Fully comply with reporting and other compliance provisions.</li> </ul>
<b>Operational:</b>	
Funding applications.	<ul style="list-style-type: none"> <li>▪ Per funder's directive.</li> </ul>
Performance management and report back.	<ul style="list-style-type: none"> <li>▪ Per funder's directive.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

**[14.11] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

1. COST OF SERVICE STATEMENT

Budget LIAISON WITH OTHER AGENCIES 2005/06 Income Statement	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating Expenditure:</b>										
(3,553) Employee Costs	(1,047)	(1,080)	(1,111)	(1,141)	(1,170)	(1,197)	(1,222)	(1,245)	(1,265)	(1,285)
(44,266) Support Costs	(48,441)	(48,664)	(53,417)	(51,672)	(54,515)	(56,233)	(57,248)	(56,732)	(61,376)	(58,865)
(41,495) Operating & Maintenance Costs	(44,371)	(45,747)	(47,075)	(48,348)	(49,556)	(50,695)	(51,762)	(52,747)	(53,589)	(54,445)
- Interest Expense	-	-	-	-	-	-	-	-	-	-
- Depreciation	-	-	-	-	-	-	-	-	-	-
<b>(89,314)</b>	<b>(93,859)</b>	<b>(95,491)</b>	<b>(101,603)</b>	<b>(101,161)</b>	<b>(105,241)</b>	<b>(108,125)</b>	<b>(110,232)</b>	<b>(110,724)</b>	<b>(116,230)</b>	<b>(114,595)</b>
<b>Revenue:</b>										
- User Charges	-	-	-	-	-	-	-	-	-	-
- Other Revenue	-	-	-	-	-	-	-	-	-	-
58,871 Subsidies/Donations	58,000	58,000	58,000	58,000	58,000	58,000	58,000	58,000	58,000	58,000
- Internal Recoveries	-	-	-	-	-	-	-	-	-	-
31,966 Rates - UAGC	35,859	37,491	43,603	43,161	47,241	50,125	52,232	52,724	58,230	56,595
- Rates - General	-	-	-	-	-	-	-	-	-	-
- Rates - Targeted	-	-	-	-	-	-	-	-	-	-
<b>90,837</b>	<b>93,859</b>	<b>95,491</b>	<b>101,603</b>	<b>101,161</b>	<b>105,241</b>	<b>108,125</b>	<b>110,232</b>	<b>110,724</b>	<b>116,230</b>	<b>114,595</b>
<b>1,523 Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2. SIGNIFICANT CAPITAL EXPENDITURE

N/A

1. BALANCED BUDGET

(refer 'statement concerning balancing the budget', page 146 for Council statement on balancing the budget)

Budget is balanced.

2. SIGNIFICANT RISKS AND ASSUMPTIONS

(refer significant forecasting assumptions', page 143 for a full list of assumptions covering this plan)

N/A

The logo for Grey District Council, featuring a stylized 'G' composed of three parallel diagonal bars in shades of green and blue.

**SECTION D**  
**FORECAST FINANCIAL STATEMENTS &**  
**INFORMATION**

Grey District Council





# [1] introduction

## [1.1] STATEMENT OF RESPONSIBILITY

The forecast financial statements are prepared on the basis of best-estimate assumptions as to future events which the Council expects to take place as of June 2006.

## [1.2] AUTHORISATION FOR ISSUE

This document was authorised for issue by Council on, and is dated, **26 JUNE 2006**.

## [1.3] PURPOSE FOR WHICH THIS PLAN IS PREPARED

This Grey District Council 2006-16 Long Term Community Outcomes Plan is prepared in accordance with the Local Government Act 2002, which requires a council, at all times, to have a Long Term Council Community 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.

## [1.4] COMPARATIVE INFORMATION

The 2005/06 comparative information is based on the 2005/06 Annual Plan. The financial statements include income and expenditure from port activities However there is no equivalent cost of service statement in the 'groups of activities' that relates to port activities as the port assets are to be transferred to Port Westland Limited, a CCO. (refer to 'council controlled organisations (CCOs)', page 185 for further details on Port Westland Ltd)

## [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] significant forecasting assumptions

### [2.1] GOVERNANCE STRUCTURE

It is assumed that the governance structure will remain in the state as anticipated by this plan (noting the anticipated changes to the Northern Ward Community Board), over the duration of this plan. This is deemed to be a low risk assumption for the purposes of this plan.

### [2.2] NON GROUPED ACCOUNTS

The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements in the LTCOP is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries.

### [2.3] INTEREST RATES

Interest rates on borrowings are calculated on:

- Current rates for existing borrowings (6.10% - 8.15%).
- 7.50% p.a. – 7.75% p.a. for new or re-financed borrowing.

This carries a moderate risk given the rate input that is required on most of the debt servicing.

Interest rates on investments are calculated at 6.0% p.a. across all years. This is seen as low risk assumption as the majority of interest income is apportioned to Council's special reserves, and not used as a source of funds for activity income.

### [2.4] PRICE ADJUSTMENTS AND PROJECTED GROWTH

Inflation assumptions in the financial forecasts have been included on a line by line basis; with equivalents from 2005/06 estimates used as the basis for calculating future years expenditure items. The rates used are as shown in the following table, with the most appropriate index being used for each budget/project line. These rates are based largely on those forecast by Business and Economic Research Limited (BERL) and produced for the Society of Local Government Managers (SOLGM). This data has been supplemented with known local trends for the first year of the plan.

	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
<b>Building Costs</b>	3.2%	3.1%	2.9%	2.7%	2.5%	2.3%	2.1%	1.9%	1.6%	1.6%
<b>CPI - General</b>	3.2%	3.1%	2.9%	2.7%	2.5%	2.3%	2.1%	1.9%	1.6%	1.6%
<b>Electricity Index</b>	6.0%	3.9%	4.1%	3.8%	3.6%	3.3%	3.0%	2.8%	2.5%	2.2%
<b>Primary Producers Index</b>	5.3%	4.1%	4.2%	4.0%	3.7%	3.4%	3.1%	2.8%	2.6%	2.3%
<b>Roading Index</b>	9.5%	4.2%	4.0%	3.7%	3.4%	3.1%	2.8%	2.6%	2.3%	2.3%

The Primary Producers Index has been applied to construction work, excluding roading.

An average District growth assumption of 1.5% p.a. has been included in this plan. This is based on the known and forecast development in the District. This carries a low risk as variable costs associated with the growth will be offset by increases in associated revenue (e.g. rates and user fees).

**[2.5] DEVOOLUTIONS OF RESPONSIBILITY**

For the purposes of this plan it is assumed that there will be no devolutions of responsibilities from Central Government to Local Government, particularly not without equivalent increase in funding required. For the purposes of a ten year plan this is considered to carry a low risk.

**[2.6] 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.

**[2.7] 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. This is considered a low risk assumption.

**[2.8] FIXED ASSETS****1. USEFUL LIFE**

The Council has made a number of assumptions about the useful lives of its assets. 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.

**2. SOURCES OF FUNDS FOR REPLACEMENT**

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

- The Council has, over the term of the LTCOP, set revenue levels sufficient to fully fund depreciation of its assets.
- 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. This has been determined at the major asset class level rather than on a more detailed basis.

**3. 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.

**[2.9] 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).

This assumption is deemed to carry a moderate risk to the integrity of this plan, as it relies on private and public contractors outside of Council's control.

**[2.10] RESOURCE CONSENTS**

Council is assuming that the major 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.

**[2.11] VESTING ASSETS**

For the purposes of this Plan it has been assumed there will be vesting of assets in Council. This has been based on historical information. However it is noted that they are:

- beyond Council's control and their number and value are very difficult to predict,
- likely to be immaterial in the context overall asset values, and
- being brand new, unlikely to impose any significant extra costs from those generated from current AMPs.

**[2.12] GRANTS AND SUBSIDIES**

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

- Land Transport New Zealand (LTNZ) - Subsidies have been included at the approved rate for the 2006/07 year. For the remaining nine years it is assumed that the level of subsidy will increase in proportion to increased costs and that the percentage of subsidy to cost, in each category, will not change. We have rated the level of uncertainty as low based on the fact that Government has recently increased petrol tax to provide additional funding for roading and that it is unlikely this commitment to improve roads will change in the near to medium future.
- Rate requirements for some new sewerage schemes have been calculated on a certain level of Sanitary Works Subsidy Scheme (SWSS) subsidies from Central Government. Any variance will have an impact on ratepayer input and/or affordability of the schemes.
- No provision is made for the receipt of any subsidies on Water Supply.

**[2.13] PORT WESTLAND OPERATIONS**

(refer 'council controlled organisations (CCOs)', page 185 for further information on the Port Westland)

In 2006 the operation of a port activity at the Greymouth port has moved, in 2006 from a Council activity to a Council Controlled Organisation. For the purposes of this plan the following assumptions have been made that have effect on the document.

- Existing assets associated with the port operations are to be transferred to Port Westland Ltd. The timing and value of this transfer has not yet been agreed upon and quantities are therefore is not represented in this plan. There is an option that existing assets may be leased to the new company operation and therefore depreciation on the existing assets is included in this plan as an operating expenditure
- No income stream or dividend return has been included from the Port Westland Limited as:
  - it is projected to be nil for the first three years of the plan, and
  - any future returns after the third year are yet to be accurately quantified, and are not expected to be used as a source of funds for existing Council activities.
- Revenue and expenditure relating to the above assumptions is shown in the Property and Housing group of activities statement.

**[2.14] GENERAL COMMITMENTS AND CONTINGENCIES**

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

### [3] statement concerning balancing the budget

A local authority is required under the Local Government Act 2002 to ensure that, for each year, its projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.

The key indicator to achieving this outcome is that of the estimated net surplus/(deficit) in the forecast income statement, excluding revenue from 'Assets Vested in Council' and one-off capital revenue, as is shown in the following table:

Budget 2005/06		Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
356,811	Net Surplus/(Loss) after Tax*	2,600,305	2,893,496	649,636	5,368,670	4,613,877	3,719,601	924,115	2,431,442	155,848	278,812
	<b>Less Non Operating Income</b>										
-	Assets Vested	357,858	372,850	387,838	402,325	416,137	429,174	441,336	452,929	463,503	474,179
255,780	LTNZ Subsidies for Capital Projects	513,438	1,069,225	1,023,274	1,002,382	866,464	338,286	347,751	356,803	365,004	373,412
347,700	Capital Subsidies for Sewerage Works	1,694,000	1,333,333	-	4,057,222	2,059,200	2,666,667	-	1,759,111	-	-
115,229	Other Revenue for Capital Works	174,105	165,445	129,339	214,107	178,122	-	-	-	-	-
<b>(361,898)</b>	<b>Net Surplus/(Loss) excluding 'Capital' Revenue</b>	<b>(139,096)</b>	<b>(47,357)</b>	<b>(890,815)</b>	<b>(307,366)</b>	<b>1,093,954</b>	<b>285,474</b>	<b>135,028</b>	<b>(137,401)</b>	<b>(672,659)</b>	<b>(568,779)</b>

\* refer Prospective Income Statement

Included in the above 'Net Surplus/Loss' is operating expenditure of approximately \$235,000 attributable to annual depreciation on port operational assets. This will continue to not be funded from operating income for the purposes of this plan. It is envisaged that, in the future, dividends and/or income returned from Port Westland Limited will be available to renew operating port assets (refer section on Council Controlled Organisations for further information on Port Westland Limited page 185). Taking this into account Council has decided it has set operating revenues at an appropriate level to cover each year's operating expenditure.

Analysing on an activity by activity basis there are activities that do not have a balanced budget, notably 'Roading' and 'Stormwater & Flood Protection'. The activity management plans for each of the activities as outlined in this plan have been used as the basis for recommending the works to be carried out for each activity and their priority. Council has decided in some instances to defer capital and renewal works to future years or not include them at all in the plan, so as to balance the requirements of the work with affordability. Further specific details of this on an activity by activity basis is disclosed within each group of activity section, after the financial cost of service statements.

## [4] basis of recognising components of the financial statements

### [4.1] ASSETS

A transaction results in an asset being recognised in the balance sheet when it will probably give rise to ongoing benefits for Council, and these benefits can be measured with reliability.

### [4.2] LIABILITIES

A transaction results in a liability being recognised in the balance sheet when it will probably give rise to the need for Council to sacrifice assets in the future and those sacrifices can be measured with reliability.

### [4.3] REVENUE

Revenue is recognised in the income statement when a transaction gives rise to an increase in the value of Council's net assets, and that increase can be measured with reliability.

### [4.4] EXPENSES

An expense is recognised in the income statement when a transaction results in a decrease in the value of Council's net assets, and that decrease can be measured with reliability.

### [4.5] RATEPAYERS' EQUITY

Ratepayers' equity is the community's interest in Council as measured by the value of total assets less total liabilities. Ratepayers' equity is classified into a number of components in order to identify clearly the nature of Council's reserves:

- Accumulated Balance (District Funds)
- Revaluation Reserve
- Special Reserves

## [5] statement of accounting policies

### [5.1] REPORTING ENTITY

The Grey District Council (GDC) was formed on 01 November 1989 and is a territorial local authority governed by the Local Government Act 2002.

The financial forecasts reflect the operations of the Grey District Council but do not include the consolidated results of Council Controlled Organisations.

Council's operations are divided into the following areas:

- Asset Management and Engineering
- Environmental Services
- Finance and Information Technology
- Support Services

### [5.2] STATEMENT OF COMPLIANCE

The financial statements of the Grey District Council have been prepared and comply with section 111 of the Local Government Act 2002, the Financial Reporting Act 1993, and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). These are the Council's first New Zealand International Financial Reporting Standards (NZ-IFRS) financial estimates and NZ-IFRS 1 has been applied.

The Grey District Council is a Public Benefit Entity whose primary objective is to provide goods and services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return. All available reporting exemptions allowed for under the framework for Public Benefit Entities have been adopted.

The financial statements are presented in New Zealand Dollars (NZD).

### [5.3] BASIS OF FINANCIAL STATEMENT PREPARATION AND MEASUREMENT BASE

The financial statements for the Grey District Council have been prepared on the historical cost basis, modified by the revaluation of certain assets as specified in the accounting policies below.

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period 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 the financial estimates and in preparing an opening NZ-IFRS balance sheet at 01 July 2005 for the purposes of the transition to IFRS.

### [5.4] SPECIFIC ACCOUNTING POLICIES

The following accounting policies which materially affect the measurement of results and the balance sheet have been applied:

#### 1. 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 the Council, and are represented by the costs of providing the service less all directly related revenue that can be allocated to these activities.



## 2. COST ALLOCATION

Grey District Council has derived the net cost of service for each significant activity of the Council using the cost allocation system outlined below.

- Criteria for direct and indirect costs:
  - "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.
- Cost allocation policy:
  - Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.
- Cost drivers for allocation of indirect costs:
  - The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and floor area.

## 3. GOODS AND SERVICES TAX

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense. Any amounts owing to the Inland Revenue Department for GST collected are shown in the balance sheet as a liability.

## 4. TAXATION

Provision is made for taxation after taking advantage of all allowable deductions under current tax legislation.

Future tax benefits attributable to tax losses and timing differences are only recognised when there is probable realisation. Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## 5. RECOGNITION OF REVENUE

- Rates and levies are recognised as income when assessments are issued.
- Revenue from the sale of goods and services is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer or the obligation to pay arises or in the case of Licence fees, upon renewal of the licence.
- Grants and subsidies
  - Land Transport New Zealand subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled and are recognised at their fair value.
  - Other grants and bequests are recognised as revenue when control over the assets is obtained.
- Vested assets are recognised when the significant risks and rewards of ownership have been transferred to the Council and when the obligation to accept transfer of the assets to the Council has been determined.

## 6. RECOGNITION OF EXPENDITURE

Expenditure is recognised when the service has been provided or the goods received or when it has been established that rewards of ownership have been transferred from the seller/provider to the Council and when it is certain the obligation to pay arises.

## 7. FINANCIAL INSTRUMENTS

The Grey District Council is party to financial instrument arrangements as part of everyday operations. These financial instruments include cash, bank balances, short-term investments, accounts receivable, accounts payable, and term debt. Revenue and expenditure in relation to all financial instruments are recognised in the income statement.

All financial instruments are recognised in the balance sheet with the exception of Guarantees and Contingent Assets and Contingent Liabilities which are disclosed by way of Notes to the Financial Statements.

The following methods and assumptions were used to value each class of financial instrument:

- Accounts receivable are recorded at estimated realisable value, after providing against debts where collection is doubtful.

- Short term investments are valued at fair value.
- Investments in Government and local authority stock are valued at held to maturity.
- Share investments, gifted in trust, are valued at fair value.
- Loans receivable are recorded at fair value.
- Port investments are recorded at cost.
- All other financial instruments, including cash and bank balances, accounts payable, and term debt are valued at fair value.

8. ACCOUNTS RECEIVABLE

Accounts receivable (debtors) are shown at their estimated realisable value after providing against debts where collection is doubtful.

9. PROPERTIES INTENDED FOR RESALE

Properties intended for resale are valued at the lower of carrying value and fair value. These are recorded separately in the balance sheet and are not depreciated.

10. INVESTMENT PROPERTY

Council does not currently hold any property that falls under the definition of investment property. In the event of investment property acquisition, it would be held at fair value and the portfolio valued annually by an independent valuation professional.

11. PROPERTY, PLANT AND EQUIPMENT

The cost of purchased property plant and equipment is the value of consideration given to acquire the assets and the value of other attributed costs which have been incurred in bringing the assets to the location and condition necessary for their intended service. Costs cease to be capitalised as soon as the asset is ready for productive use.

Council's assets are divided into three categories, operational assets, infrastructural assets and restricted assets.

a. CLASSIFICATION

**Operational Assets:** These include land, buildings, furniture and fittings, plant and machinery, library books, port assets, aerodrome and computer equipment.

**Infrastructural Assets:** These are the fixed utility systems that provide a continuing service to the community and are not generally regarded as tradable. They include roading network, water and sewerage services, stormwater systems, and flood protection assets.

**Restricted Assets:** These assets cannot be readily disposed of because of legal or other restrictions, and provide a benefit or service to the community. They include Reserve Board assets, Heritage assets, and sports fields and parks.

b. VALUATION

Council's assets are valued on the following basis:

OPERATIONAL ASSETS	VALUATION BASIS
General Land	Fair Value
Other Land	Historical Cost
Buildings	Fair Value
Plant & Machinery	Depreciated Historical Cost
Furniture & Fittings	Depreciated Historical Cost
Computer Equipment	Depreciated Historical Cost
Library Stocks	Depreciated Historical Cost
Breakwaters & Wharves	Depreciated Historical Cost
Aerodrome	Improvements – Depreciated Replacement Value
	Fair Value

**INFRASTRUCTURAL ASSETS**

- Land Under Roads
- Water Supply Systems
- Drainage/Sewerage Systems
- Roading Network
- Flood Protection System

**VALUATION BASIS**

- Fair Value
- Optimised Depreciated Replacement Cost
- Optimised Depreciated Replacement Cost
- Optimised Depreciated Replacement Cost
- Cost

**RESTRICTED ASSETS**

- Reserve Board Assets
- Sports fields and Parks
- Heritage Assets

**VALUATION BASIS**

- Historical Cost
- Improvements – Optimised Depreciated Replacement Cost
- Depreciated Historical Cost(Deemed Cost) as at 1991
- Subsequent additions at cost.

All asset additions subsequent to valuation are recorded at cost.

Council revalues the following classes of assets on a three yearly basis:

- General land
- Buildings
- Aerodrome
- Infrastructural land (land under roads)
- Water supply systems
- Drainage and sewerage
- Rooding networks
- Sports fields and parks



**C. DEPRECIATION**

Depreciation is calculated on a straight-line basis at rates which will write off the cost or revalued amounts of the assets to their estimated residual values over their useful lives. Depreciation rates are as follows:

ASSET CLASS	DEPRECIATION METHOD	LIFE (YRS)	%
Land	Not Depreciated	-	-
Buildings			
- Structure	Straight Line	40	2.5
- Fit Out	Straight Line	15	6.5
- Services	Straight Line	18	5.5
Aerodrome	Straight Line	3 – 60	1.7 – 33.3
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

ASSET CLASS	DEPRECIATION METHOD	LIFE (YRS)	%
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 – 15	12.5
Water Supply Systems			
- Pipe Network	Straight Line	60 – 80	1.25 – 1.7
- Pumps and Electrical	Straight Line	10	10
- Reservoirs	Straight Line	60 – 80	1.25 – 1.7
Drainage and Sewerage			
- Pipe Network	Straight Line	60 – 80	1.25 – 1.7
- Pumps and Electrical	Straight Line	10	10
- Ponds	Straight Line	60	1.7
Heritage Assets	Straight Line	40	2.5
Roading Networks			
- Formation	Not Depreciated		
- Pavement Structure - Sealed	Straight Line	30 – 50	2 – 3.3
- Pavement Structure - Unsealed	Straight Line	8 – 20	5 – 12.5
- Pavement Surfacing	Straight Line	4 – 23	4.3 – 25
- Kerb and Channelling	Straight Line	50 – 80	1.25 – 2
- Bridges	Straight Line	35 – 100	1 – 2.9
- Footpaths	Straight Line	40	2.5
- Drainage: Surface Water Channels	Straight Line	50 – 80	1.25 – 2
- Drainage: Culverts and Catchpits	Straight Line	25 – 80	1.25 – 4
-Traffic Signs and Pavement Marking	Straight Line	10 – 15	6.67 – 10
Flood Protection Scheme	Straight Line	100	1
Parking Developments	Straight Line	50	2
Sports fields and Parks (Improvements)	Straight Line	5 – 100	1 – 20
Work in Progress	Not Depreciated	-	-

#### d. CAPITAL WORK IN PROGRESS

Capital works in progress are not depreciated. The total cost of a project is transferred to the relevant class on completion and then depreciated.

#### e. IMPAIRMENT

The carrying amounts of assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. If the estimated recoverable amount of the asset is less than the carrying amount the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the income statement.

#### f. VESTED ASSETS

Infrastructural assets vested to the Council in the period have been valued at fair value and subsequently depreciated.

### 12. EQUITY

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses that Council make of its accumulated surpluses. The components of equity are:

- Accumulated Funds (District Funds)
- Special Funds (Special Reserves)
- Trusts, Bequests and Other Reserves
- Asset Revaluation Reserves

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

### 14. EMPLOYEE ENTITLEMENTS

Provision is made in respect of the Council's liability for annual leave, long service leave, sick leave and retirement gratuities.

Liabilities for accumulating short-term compensated absences (e.g. annual and sick leave) are measured as the amount of unused entitlement accumulated at the balance sheet date that the entity anticipates employees will use in future periods in excess of the days that they will be entitled to in each of those periods.

Entitlements that are payable beyond twelve 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
- contractual entitlements information.

### 15. LANDFILL POST-CLOSURE COSTS

As operator of the Blackball and McLeans Pit Landfills, the Council has a legal obligation under the resource consent to provide ongoing maintenance and monitoring services at the landfill site after closure.

The provision is measured based on the present value of the 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 used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the Council.

### 16. STATEMENT OF CASHFLOWS

The following are the definitions of terms used in the statement of cashflows:

- "Operating Activities" include cash received from all income sources of the 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, cash at bank (net of overdrafts) and short-term deposits (maturities of three months or less).

#### 17. CONTINGENT ASSET AND LIABILITY POLICY

Contingent liabilities and contingent assets are recorded in the Statement of Contingent Liabilities and Contingent Assets at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

#### 18. PROVISIONS

A provision is recognised in the balance sheet when the Council has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

#### 19. LEASES

The Council enters into operating leases of certain property, plant and equipment. Leases in which substantially all of the risks and rewards of ownership transfer to the lessee are classified as finance leases. At inception, finance leases are recognised as assets and liabilities on the balance sheet at the lower of the fair value of the leased property and the present value of the minimum lease payments. Any additional direct costs of the lessee are added to the amount recognised as an asset. Subsequently, assets leased under a finance lease are depreciated as if the assets are owned.

##### a. OPERATING LEASE PAYMENTS

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

##### b. FINANCE LEASE PAYMENTS

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

##### c. COUNCIL AS LESSOR

Revenue received under operating leases is recognised in the income statement on a straight-line basis over the term of the lease. Costs associated with the lease are recognised in the income statement in the period of expenditure.

### [5.5] CHANGES IN ACCOUNTING POLICIES

These are the Grey District Council's first financial statements that apply and conform to the New Zealand International Financial Reporting Standards (NZ-IFRS). As a result from New Zealand Generally Accepted Accounting Practices (NZ GAAP) to NZ-IFRS, there are no significant or material effects on the financial information to report.

# [6] prospective income statement

Budget 2005/06		Note	Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Income</b>												
3,787,446	Rates - General	1	3,999,930	4,197,303	4,432,976	4,673,834	5,195,951	5,503,070	5,628,408	5,801,959	5,967,438	6,050,464
1,977,293	Rates - Uniform Annual General Charge		2,121,261	2,265,379	2,378,767	2,363,302	2,446,801	2,540,480	2,546,624	2,672,469	2,685,577	2,681,728
2,976,689	Rates - Targeted		3,157,558	3,383,278	3,753,941	4,185,068	4,542,139	4,730,482	4,860,362	5,151,450	5,323,346	5,452,096
207,060	Rates - Water Meter Charges		260,828	272,954	285,080	297,157	309,158	321,011	332,664	344,068	354,800	365,881
88,000	Rate Penalties		90,816	93,632	96,351	98,956	101,429	103,761	105,943	107,958	109,683	111,434
3,768,061	Subsidies and Grants		5,010,352	5,243,508	4,326,937	8,585,412	7,410,149	7,614,581	5,109,410	7,025,124	5,411,713	5,551,889
351,137	Interest Income		1,037,906	1,043,845	1,098,461	1,125,224	1,092,934	1,045,010	1,063,303	1,090,000	1,140,000	1,190,000
458,384	Regulatory Income		858,795	888,750	918,018	946,434	973,853	1,000,150	1,025,222	1,048,904	1,069,972	1,091,515
3,020,695	User Charges & Other Income		1,791,201	1,970,149	2,258,972	2,425,657	2,756,697	2,075,114	1,885,641	1,954,852	2,092,740	2,031,225
30,450	Profit on Sale of Property Plant & Equipment		356,502	330,802	306,366	283,185	261,234	240,518	221,019	202,699	185,345	169,474
-	Assets Vested		357,858	372,850	387,838	402,325	416,137	429,174	441,336	452,929	463,503	474,179
<b>16,665,215</b>	<b>Total Income</b>		<b>19,043,007</b>	<b>20,062,450</b>	<b>20,243,707</b>	<b>25,386,554</b>	<b>25,506,483</b>	<b>25,603,351</b>	<b>23,219,933</b>	<b>25,852,413</b>	<b>24,804,116</b>	<b>25,169,885</b>
<b>Expenditure</b>												
(10,719,328)	Operations & Maintenance	2	(9,961,324)	(10,294,866)	(11,407,297)	(11,150,012)	(11,806,387)	(12,135,233)	(12,449,889)	(12,959,715)	(13,327,648)	(13,564,707)
(987,891)	Interest Expense		(632,592)	(872,844)	(965,795)	(1,432,239)	(1,481,569)	(1,336,802)	(1,306,216)	(1,769,193)	(1,961,936)	(1,892,684)
(4,601,185)	Depreciation		(5,848,786)	(6,001,244)	(7,220,979)	(7,435,633)	(7,604,650)	(8,411,715)	(8,539,713)	(8,692,063)	(9,358,684)	(9,433,682)
<b>(16,308,404)</b>	<b>Total Expenditure</b>		<b>(16,442,702)</b>	<b>(17,168,954)</b>	<b>(19,594,071)</b>	<b>(20,017,884)</b>	<b>(20,892,606)</b>	<b>(21,883,750)</b>	<b>(22,295,818)</b>	<b>(23,420,971)</b>	<b>(24,648,268)</b>	<b>(24,891,073)</b>
<b>356,811</b>	<b>Net Surplus/(Loss) before Tax</b>		<b>2,600,305</b>	<b>2,893,496</b>	<b>649,636</b>	<b>5,368,670</b>	<b>4,613,877</b>	<b>3,719,601</b>	<b>924,115</b>	<b>2,431,442</b>	<b>155,848</b>	<b>278,812</b>
-	Tax Expense		-	-	-	-	-	-	-	-	-	-
<b>356,811</b>	<b>Net Surplus/(Loss) after Tax</b>		<b>2,600,305</b>	<b>2,893,496</b>	<b>649,636</b>	<b>5,368,670</b>	<b>4,613,877</b>	<b>3,719,601</b>	<b>924,115</b>	<b>2,431,442</b>	<b>155,848</b>	<b>278,812</b>

## [7] prospective statement of movements in equity

Budget 2005/06 \$		Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
<b>258,015,722</b>	Equity at start of the period	<b>259,004,591</b>	<b>261,889,623</b>	<b>303,688,278</b>	<b>305,051,766</b>	<b>310,709,103</b>	<b>344,415,409</b>	<b>348,736,038</b>	<b>349,917,501</b>	<b>378,858,140</b>	<b>379,508,115</b>
356,811	Net (Surplus)/Deficit for the Period Increase (Decrease) in	2,600,305	2,893,496	649,636	5,368,670	4,613,877	3,719,601	924,115	2,431,442	155,848	278,812
632,058	Revaluation Reserves	284,727	38,905,159	713,852	288,667	29,092,429	601,028	257,348	26,509,197	494,127	170,043
<b>988,869</b>	<b>Total recognised revenues and expenses for the period</b>	<b>2,885,032</b>	<b>41,798,655</b>	<b>1,363,488</b>	<b>5,657,337</b>	<b>33,706,306</b>	<b>4,320,629</b>	<b>1,181,463</b>	<b>28,940,639</b>	<b>649,975</b>	<b>448,855</b>
<b>259,004,591</b>	Equity at end of the period	<b>261,889,623</b>	<b>303,688,278</b>	<b>305,051,766</b>	<b>310,709,103</b>	<b>344,415,409</b>	<b>348,736,038</b>	<b>349,917,501</b>	<b>378,858,140</b>	<b>379,508,115</b>	<b>379,956,970</b>





# [8] prospective balance sheet

Budget 2005/06 \$		Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
<b>ASSETS</b>											
<b>Non Current Assets</b>											
252,676,655	Property, plant and equipment	257,851,887	301,584,950	307,319,283	313,820,261	348,292,049	351,298,476	358,544,848	388,636,948	386,969,144	385,264,880
3,220,059	Other Investments	2,597,399	2,851,965	2,841,188	3,008,514	2,692,174	2,804,824	2,884,247	3,038,287	3,258,120	3,481,127
<b>255,896,714</b>		<b>260,449,286</b>	<b>304,436,915</b>	<b>310,160,471</b>	<b>316,828,775</b>	<b>350,984,223</b>	<b>354,103,300</b>	<b>361,429,095</b>	<b>391,675,235</b>	<b>390,227,264</b>	<b>388,746,007</b>
<b>Current Assets</b>											
1,606,280	Cash and cash equivalents	2,284,641	2,505,550	2,491,958	2,635,129	2,351,135	2,445,242	2,509,597	2,639,338	2,826,760	3,016,290
42,140	Cash Held by Reserve Boards	42,140	42,140	42,140	42,140	42,140	42,140	42,140	42,140	42,140	42,140
2,096,961	Trade and other receivables	3,071,531	3,236,647	3,263,978	4,106,997	4,124,440	4,138,221	3,744,427	4,175,258	4,001,197	4,059,568
-	Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-
11,273,957	Other Investments	10,389,597	11,407,860	11,364,751	12,034,056	10,768,697	11,219,297	11,536,986	12,153,151	13,032,480	13,924,508
<b>15,019,338</b>		<b>15,787,909</b>	<b>17,192,197</b>	<b>17,162,827</b>	<b>18,818,322</b>	<b>17,286,412</b>	<b>17,844,900</b>	<b>17,833,150</b>	<b>19,009,887</b>	<b>19,902,577</b>	<b>21,042,506</b>
<b>270,916,052</b>	<b>Total Assets</b>	<b>276,237,195</b>	<b>321,629,112</b>	<b>327,323,298</b>	<b>335,647,097</b>	<b>368,270,635</b>	<b>371,948,200</b>	<b>379,262,245</b>	<b>410,685,122</b>	<b>410,129,841</b>	<b>409,788,513</b>
<b>EQUITY</b>											
146,879,535	District Funds	151,595,917	153,374,322	154,652,365	158,693,965	165,654,554	168,903,842	170,380,757	171,489,212	170,343,396	169,475,419
18,287,470	Special Reserves	16,171,393	17,286,484	16,658,077	17,985,147	15,638,435	16,108,748	15,555,948	16,878,935	18,180,599	19,327,388
93,837,586	Revaluation Reserves	94,122,313	133,027,472	133,741,324	134,029,991	163,122,420	163,723,447	163,980,795	190,489,993	190,984,120	191,154,163
<b>259,004,591</b>	<b>TOTAL EQUITY</b>	<b>261,889,623</b>	<b>303,688,278</b>	<b>305,051,766</b>	<b>310,709,103</b>	<b>344,415,409</b>	<b>348,736,037</b>	<b>349,917,500</b>	<b>378,858,140</b>	<b>379,508,115</b>	<b>379,956,970</b>
<b>LIABILITIES</b>											
<b>Non Current Liabilities</b>											
5,183,940	Loans and borrowings	6,178,870	8,644,109	11,511,451	13,269,733	12,492,313	12,137,323	16,121,875	17,967,895	17,359,713	16,748,819
-	Employee benefits	171,694	187,463	160,590	221,730	203,251	233,286	204,749	301,943	324,302	322,204
1,076,766	Provisions	1,072,791	1,070,222	1,069,146	1,069,652	1,071,833	1,075,791	1,081,633	1,089,472	1,099,426	1,111,624
<b>6,260,706</b>		<b>7,423,355</b>	<b>9,901,794</b>	<b>12,741,187</b>	<b>14,561,115</b>	<b>13,767,397</b>	<b>13,446,400</b>	<b>17,408,257</b>	<b>19,359,310</b>	<b>18,783,441</b>	<b>18,182,647</b>
<b>Current Liabilities</b>											
3,000,000	Loans and borrowings	2,648,088	3,704,619	4,933,479	5,687,029	5,353,849	5,201,710	6,909,375	7,700,527	7,439,877	7,178,065
134,839	Employee benefits	-	-	43,541	-	37,034	26,536	75,619	-	-	26,053
2,271,595	Trade and other payables	4,023,989	4,074,464	4,285,830	4,415,132	4,415,360	4,249,455	4,657,383	4,467,445	4,093,913	4,135,411
244,321	Provisions	252,140	259,957	267,495	274,718	281,586	288,062	294,111	299,700	304,495	309,367
<b>5,650,755</b>		<b>6,924,217</b>	<b>8,039,040</b>	<b>9,530,345</b>	<b>10,376,879</b>	<b>10,087,829</b>	<b>9,765,763</b>	<b>11,936,488</b>	<b>12,467,672</b>	<b>11,838,285</b>	<b>11,648,896</b>
<b>11,911,461</b>	<b>TOTAL LIABILITIES</b>	<b>14,347,572</b>	<b>17,940,834</b>	<b>22,271,532</b>	<b>24,937,994</b>	<b>23,855,226</b>	<b>23,212,163</b>	<b>29,344,745</b>	<b>31,826,982</b>	<b>30,621,726</b>	<b>29,831,543</b>
<b>270,916,052</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>276,237,195</b>	<b>321,629,112</b>	<b>327,323,298</b>	<b>335,647,097</b>	<b>368,270,635</b>	<b>371,948,200</b>	<b>379,262,245</b>	<b>410,685,122</b>	<b>410,129,841</b>	<b>409,788,513</b>

# [9] prospective statement of cash flows

Budget 2005/06		Budget 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cash Flows from Operating Activities</b>											
16,314,078	Cash from Rates, Grants, Subsidies & Other Sources	16,316,171	18,149,838	18,423,710	22,732,802	23,718,734	23,874,868	21,888,069	23,675,954	23,189,330	23,277,861
351,137	Cash from Interest and Dividends Received	1,037,906	1,043,845	1,098,461	1,125,224	1,092,934	1,045,010	1,063,303	1,090,000	1,140,000	1,190,000
(11,158,962)	Cash Disbursed to Employees and Suppliers	(9,090,591)	(10,247,705)	(11,308,225)	(11,132,821)	(11,748,384)	(12,120,103)	(12,426,541)	(12,879,759)	(13,281,565)	(13,550,915)
(548,260)	Interest Paid on Long Term Debt	(632,592)	(872,844)	(965,795)	(1,432,239)	(1,481,569)	(1,336,802)	(1,306,216)	(1,769,193)	(1,961,936)	(1,892,684)
-	Income Tax Paid	-	-	-	-	-	-	-	-	-	-
<b>4,957,993</b>	<b>Net Cash Inflows (Outflows) From Operating Activities</b>	<b>7,630,893</b>	<b>8,073,134</b>	<b>7,248,151</b>	<b>11,292,966</b>	<b>11,581,715</b>	<b>11,462,973</b>	<b>9,218,615</b>	<b>10,117,002</b>	<b>9,085,829</b>	<b>9,024,262</b>
<b>Cash Flows From Investing Activities</b>											
260,000	Cash from Disposal of Property, Plant, & Equipment	701,950	641,705	586,179	535,017	487,883	444,501	404,604	367,926	334,049	303,308
(16,069,471)	Purchase of Property, Plant and Equipment	(9,845,218)	(10,763,887)	(12,021,142)	(13,385,340)	(12,852,296)	(10,772,959)	(14,886,405)	(12,257,162)	(7,301,569)	(7,191,326)
351,110	Net Decrease/(Increase) in Investments	1,547,717	(1,251,814)	77,017	(811,304)	1,609,304	(533,279)	(364,677)	(735,198)	(1,062,055)	(1,074,008)
<b>(15,458,361)</b>	<b>Net Cash Inflows (Outflows) From Investing Activities</b>	<b>(7,595,550)</b>	<b>(11,373,996)</b>	<b>(11,357,946)</b>	<b>(13,661,627)</b>	<b>(10,755,109)</b>	<b>(10,861,737)</b>	<b>(14,846,477)</b>	<b>(12,624,434)</b>	<b>(8,029,575)</b>	<b>(7,962,026)</b>
<b>Cash Flows from Financing Activities</b>											
9,749,696	Cash Provided from Raising Loans	1,000,245	3,740,464	4,381,285	4,848,297	1,532,465	29,733	6,203,287	3,207,078	18,538	13,979
(480,658)	Repayment of Long Term Debt	(357,227)	(218,694)	(285,083)	(2,336,465)	(2,643,065)	(536,862)	(511,070)	(569,906)	(887,370)	(886,685)
<b>9,269,038</b>	<b>Net Cash Inflows (Outflows) From Financing Activities</b>	<b>643,018</b>	<b>3,521,770</b>	<b>4,096,202</b>	<b>2,511,832</b>	<b>(1,110,600)</b>	<b>(507,129)</b>	<b>5,692,217</b>	<b>2,637,172</b>	<b>(868,832)</b>	<b>(872,706)</b>
(1,231,330)	Net Increase (Decrease) in Cash Held	678,361	220,909	(13,592)	143,171	(283,994)	94,107	64,355	129,741	187,422	189,530
2,837,610	Add Bank Balance at 01 July	1,606,280	2,284,641	2,505,550	2,491,958	2,635,129	2,351,135	2,445,242	2,509,597	2,639,338	2,826,760
<b>1,606,280</b>	<b>Bank Balance at End of Period</b>	<b>2,284,641</b>	<b>2,505,550</b>	<b>2,491,958</b>	<b>2,635,129</b>	<b>2,351,135</b>	<b>2,445,242</b>	<b>2,509,597</b>	<b>2,639,338</b>	<b>2,826,760</b>	<b>3,016,290</b>

# [10] additional notes to the statements

## [1] income by activity

Budget 2005/06 \$		Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
4,955,949	Roading	5,563,338	6,395,591	6,923,002	7,428,370	8,595,321	8,253,784	8,517,927	8,771,121	9,015,664	9,240,059
489,390	Stormwater & Flood Protection	507,600	557,974	582,383	602,794	636,111	664,307	676,992	699,936	728,231	736,545
1,868,926	Sewerage	3,495,443	3,210,611	2,335,445	6,473,973	4,910,937	4,971,245	2,154,412	4,085,323	2,572,677	2,549,828
1,077,851	Water Supply	1,263,879	1,566,914	1,780,728	2,124,056	2,215,961	2,283,631	2,323,542	2,393,236	2,437,963	2,485,173
1,003,358	Refuse Collection & Disposal	1,089,287	1,092,519	1,130,491	1,183,748	1,386,412	1,428,605	1,469,634	1,529,241	1,547,996	1,584,824
76,963	Rural Fire Authority	75,810	79,353	84,675	86,807	97,474	95,800	98,323	102,101	107,515	117,941
204,513	Economic Development	198,097	200,457	201,651	201,435	205,041	222,343	207,480	205,858	208,395	207,763
718,493	Property and Housing*	1,177,199	1,160,104	1,147,418	1,131,727	1,119,723	1,107,968	1,096,698	1,083,977	1,074,152	1,063,782
1,622,583	Community Services and Facilities	1,845,007	1,835,754	1,936,807	1,925,168	2,011,116	2,125,456	2,133,765	2,276,116	2,279,509	2,293,997
44,078	Civil Defence	46,181	47,144	49,669	49,844	51,702	52,892	54,144	54,504	56,097	55,680
803,631	Democracy	1,630,493	1,723,037	1,794,509	1,855,763	1,875,822	1,953,132	1,992,157	2,118,185	2,181,865	2,214,068
651,006	Administration*	350,810	373,023	387,954	397,900	421,242	417,311	425,486	433,197	440,053	446,842
1,348,577	Environmental Services	1,706,004	1,724,478	1,787,372	1,823,808	1,874,380	1,918,752	1,959,141	1,988,894	2,037,769	2,058,788
90,837	Liaison with other Agencies	93,859	95,491	101,603	101,161	105,241	108,125	110,232	110,724	116,230	114,595
1,709,060	Port Operations**	-	-	-	-	-	-	-	-	-	-
<b>16,665,215</b>	<b>Total Income</b>	<b>19,043,007</b>	<b>20,062,450</b>	<b>20,243,707</b>	<b>25,386,554</b>	<b>25,506,483</b>	<b>25,603,351</b>	<b>23,219,933</b>	<b>25,852,413</b>	<b>24,804,116</b>	<b>25,169,885</b>

\* Figures shown have been adjusted for internal charges (netted off)

\*\* Port Operations no longer included as an activity as now operated as a Council Controlled Organisation

[2] expenditure by activity

Budget 2005/06 \$		Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
(4,673,111)	Roading	(5,911,878)	(6,085,798)	(7,194,866)	(7,344,717)	(7,497,043)	(8,108,233)	(8,214,191)	(8,314,398)	(8,845,887)	(8,937,284)
(542,353)	Stormwater & Flood Protection	(674,310)	(711,813)	(779,559)	(784,818)	(802,891)	(870,474)	(870,092)	(880,136)	(941,182)	(936,831)
(1,104,296)	Sewerage	(920,869)	(1,028,453)	(1,251,102)	(1,651,814)	(1,807,466)	(1,869,455)	(2,013,708)	(2,768,344)	(3,172,555)	(3,178,846)
(1,241,582)	Water Supply	(1,325,940)	(1,575,341)	(1,800,226)	(2,104,753)	(2,186,646)	(2,266,934)	(2,278,199)	(2,305,079)	(2,369,203)	(2,370,971)
(1,074,056)	Refuse Collection & Disposal	(1,147,448)	(1,145,468)	(1,177,872)	(1,206,519)	(1,421,482)	(1,456,865)	(1,490,597)	(1,522,020)	(1,552,769)	(1,580,550)
(75,440)	Rural Fire Authority	(74,353)	(78,130)	(83,703)	(86,104)	(90,379)	(95,695)	(98,547)	(102,675)	(108,464)	(110,771)
(242,475)	Economic Development	(228,432)	(233,919)	(235,954)	(236,543)	(240,914)	(241,471)	(245,190)	(244,191)	(247,262)	(247,171)
(836,706)	Property and Housing*	(1,143,084)	(1,168,787)	(1,205,723)	(1,224,225)	(1,247,451)	(1,274,821)	(1,290,880)	(1,297,256)	(1,330,025)	(1,328,923)
(1,728,530)	Community Services and Facilities	(1,929,235)	(1,979,134)	(2,584,584)	(2,038,315)	(2,114,609)	(2,159,118)	(2,240,744)	(2,349,073)	(2,352,775)	(2,454,982)
(44,078)	Civil Defence	(46,181)	(47,144)	(49,669)	(49,844)	(51,702)	(52,892)	(54,144)	(54,504)	(56,097)	(55,680)
(756,597)	Democracy	(839,848)	(873,672)	(896,380)	(893,818)	(950,001)	(958,371)	(963,388)	(1,005,332)	(1,019,796)	(1,007,795)
(646,863)	Administration*	(411,026)	(426,775)	(446,898)	(471,753)	(501,526)	(500,440)	(463,384)	(473,640)	(492,168)	(500,398)
(1,350,932)	Environmental Services	(1,696,239)	(1,719,029)	(1,785,932)	(1,823,500)	(1,875,255)	(1,920,856)	(1,962,522)	(1,993,599)	(2,043,855)	(2,066,276)
(89,314)	Liaison with other Agencies	(93,859)	(95,491)	(101,603)	(101,161)	(105,241)	(108,125)	(110,232)	(110,724)	(116,230)	(114,595)
(1,902,071)	Port Operations**	-	-	-	-	-	-	-	-	-	-
<b>(16,308,404)</b>	<b>Total Expenditure</b>	<b>(16,442,702)</b>	<b>(17,168,954)</b>	<b>(19,594,071)</b>	<b>(20,017,884)</b>	<b>(20,892,606)</b>	<b>(21,883,750)</b>	<b>(22,295,818)</b>	<b>(23,420,971)</b>	<b>(24,648,268)</b>	<b>(24,891,073)</b>

\* Figures shown have been adjusted for internal charges (netted off)

\*\* Port operations no longer included as an activity as now operated as a Council Controlled Organisation

[3] rate remissions granted per policy

Budget 2005/06 \$		Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
(27,500)	Rate Remissions Granted	(24,252)	(25,004)	(25,730)	(26,426)	(27,086)	(27,709)	(28,292)	(28,830)	(29,290)	(29,758)

These have been included as an operating expense, in the democracy activity.

[4] capital expenditure by activity

Budget 2005/06 \$		Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
(2,888,531)	Roading	(3,392,169)	(3,847,601)	(4,138,303)	(4,415,177)	(5,402,930)	(4,802,125)	(4,970,449)	(5,134,329)	(5,287,888)	(5,432,851)
(284,764)	Stormwater & Flood Protection	(416,413)	(441,393)	(313,487)	(397,643)	(410,420)	(365,351)	(382,284)	(398,823)	(415,276)	(431,130)
(2,334,537)	Sewerage	(4,250,076)	(2,963,215)	(6,414,279)	(5,418,188)	(5,508,936)	(4,356,763)	(8,648,692)	(5,284,213)	(220,452)	(225,529)
(303,889)	Water Supply	(874,124)	(2,688,251)	(681,433)	(2,704,402)	(864,275)	(368,983)	(375,284)	(394,101)	(399,116)	(416,982)
(49,736)	Refuse Collection & Disposal	(15,985)	(16,481)	(16,960)	(36,079)	(17,854)	(18,264)	(18,648)	(39,362)	(19,307)	(19,615)
(1,523)	Rural Fire Authority	(1,619)	(14,050)	(1,822)	(1,928)	(8,716)	(2,144)	(2,255)	(16,254)	(2,477)	(11,102)
-	Economic Development	(180,600)	-	-	-	-	(17,687)	-	-	-	-
(98,345)	Property and Housing	(622,468)	(48,354)	(32,636)	(123,405)	(28,631)	(35,413)	(29,905)	(30,474)	(30,961)	(31,455)
(221,423)	Community Services and Facilities	(693,694)	(371,718)	(284,443)	(248,810)	(266,875)	(317,291)	(544,381)	(486,610)	(243,415)	(315,795)
-	- Civil Defence	-	-	-	-	-	-	-	-	-	-
-	- Democracy	-	-	-	-	-	-	-	-	-	-
(160,133)	Administration	(233,740)	(299,362)	(170,262)	(141,905)	(241,374)	(227,436)	(212,532)	(192,285)	(214,893)	(247,560)
(53,816)	Environmental Services	(45,991)	(76,776)	(79,810)	(9,914)	(44,510)	(80,467)	(86,555)	(10,816)	(48,169)	(87,012)
(1,523)	Liaison with other Agencies	-	-	-	-	-	-	-	-	-	-
<b>(6,398,220)</b>	<b>Total Capital Expenditure</b>	<b>(10,726,879)</b>	<b>(10,767,201)</b>	<b>(12,133,435)</b>	<b>(13,497,451)</b>	<b>(12,794,521)</b>	<b>(10,591,924)</b>	<b>(15,270,985)</b>	<b>(11,987,267)</b>	<b>(6,881,954)</b>	<b>(7,219,031)</b>

Does not include comparatives for port operations in 2005/06

[5] debt repayment by activity

Budget 2005/06 \$		Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
(3,279)	Roading	(6,445)	(30,862)	(51,774)	(65,683)	(70,923)	(76,581)	(82,691)	(89,288)	(96,412)	(104,104)
-	- Stormwater & Flood Protection	(5,008)	(10,754)	(11,612)	(15,002)	(18,495)	(19,971)	(21,564)	(23,285)	(25,142)	(27,148)
(12,269)	Sewerage	(214,953)	(6,265)	(25,615)	(2,022,709)	(2,288,568)	(154,175)	(89,000)	(109,215)	(390,040)	(349,805)
(5,839)	Water Supply	(42,009)	(67,002)	(75,846)	(103,242)	(116,321)	(125,508)	(135,420)	(146,115)	(157,656)	(170,107)
(69,184)	Refuse Collection & Disposal	(63,137)	(68,174)	(73,614)	(79,487)	(85,828)	(92,676)	(100,069)	(108,053)	(116,674)	(125,982)
-	- Rural Fire Authority	-	-	-	-	-	-	-	-	-	-
-	- Economic Development	-	-	-	-	-	-	-	-	-	-
(25,878)	Property and Housing	(21,931)	(23,681)	(25,570)	(27,610)	(29,813)	(32,192)	(34,760)	(37,533)	(40,528)	(43,761)
-	- Community Services and Facilities	(3,744)	(11,956)	(21,052)	(22,732)	(33,117)	(35,759)	(47,566)	(56,417)	(60,918)	(65,778)
-	- Civil Defence	-	-	-	-	-	-	-	-	-	-
-	- Democracy	-	-	-	-	-	-	-	-	-	-
-	- Administration	-	-	-	-	-	-	-	-	-	-
-	- Environmental Services	-	-	-	-	-	-	-	-	-	-
-	- Liaison with other Agencies	-	-	-	-	-	-	-	-	-	-
<b>(116,449)</b>	<b>Total Debt Repayment</b>	<b>(357,227)</b>	<b>(218,694)</b>	<b>(285,083)</b>	<b>(2,336,465)</b>	<b>(2,643,065)</b>	<b>(536,862)</b>	<b>(511,070)</b>	<b>(569,906)</b>	<b>(887,370)</b>	<b>(886,685)</b>

Does not include comparatives for port operations in 2005/06

[6] liability management

Note: Current Portion of Term Debt shown in the balance sheet includes projected amount of debt due for repayment and refinancing within the next 12 months.

	Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
<b>Projected Total Debt</b>	<b>8,826,958</b>	<b>12,348,728</b>	<b>16,444,930</b>	<b>18,956,762</b>	<b>17,846,162</b>	<b>17,339,033</b>	<b>23,031,250</b>	<b>25,668,422</b>	<b>24,799,590</b>	<b>23,926,884</b>
Projected Total Asset Value	276,237,195	321,629,112	327,323,298	335,647,097	368,270,635	371,948,200	379,262,245	410,685,122	410,129,841	409,788,513
total debt as a % of total assets	3.20%	3.84%	5.02%	5.65%	4.85%	4.66%	6.07%	6.25%	6.05%	5.84%
<b>Policy Limit</b>	<b>20%</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Projected Total Operating Revenue	18,328,647	19,358,798	19,549,503	24,701,044	24,829,111	24,933,659	22,557,577	25,196,784	24,155,269	24,526,232
total debt as a % of total operating revenue	48.16%	63.79%	84.12%	76.74%	71.88%	69.54%	102.10%	101.87%	102.67%	97.56%
<b>Policy Limit</b>	<b>135%</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Projected Number of Rateable Properties	7,096	7,202	7,310	7,420	7,531	7,644	7,759	7,875	7,994	8,113
outstanding debt per rateable property	1,244	1,715	2,250	2,555	2,370	2,268	2,968	3,259	3,102	2,949
<b>Policy Limit</b>	<b>3,500</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Gross Interest Paid	632,592	872,844	965,795	1,432,239	1,481,569	1,336,802	1,306,216	1,769,193	1,961,936	1,892,684
Total Operating Revenue (Revenue Excluding Capital Subsidies and Assets Vested)	16,303,606	17,121,597	18,703,256	19,710,518	21,986,560	22,169,224	22,430,846	23,283,570	23,975,609	24,322,294
Interest Paid as % of Operating Revenue	3.9%	5.1%	5.2%	7.3%	6.7%	6.0%	5.8%	7.6%	8.2%	7.8%
<b>Policy Limit</b>	<b>15%</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Council funds significant new capital development over the expected useful life of the new asset, so as to provide inter-generational equity with regards to funding. This is typically achieved by loan funding the new development. For example, the Greymouth Water Supply Filtration upgrade has been signalled in year 5, at an approximate cost of \$1.8 million, for which a loan has been uplifted and repayment expenditure included over a period of 30 years.

# [11] funding impact statement & other rating information

Schedule 10, Local Government Act 2002 - To assist the ratepayer in understanding the indicative impact of this plan.

## [11.1] REVENUE & FINANCING MECHANISMS

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:

Budget 2005/06 \$		Budget 2006/07 \$	Estimate 2007/08 \$	Estimate 2008/09 \$	Estimate 2009/10 \$	Estimate 2010/11 \$	Estimate 2011/12 \$	Estimate 2012/13 \$	Estimate 2013/14 \$	Estimate 2014/15 \$	Estimate 2015/16 \$
	<b>Funds Required</b>										
(2,926,716)	Employee Costs	(2,923,321)	(3,013,944)	(3,101,455)	(3,185,292)	(3,264,888)	(3,339,958)	(3,410,220)	(3,475,105)	(3,528,926)	(3,585,276)
(7,792,614)	Operating & Maintenance Costs (excl Depreciation)	(7,038,003)	(7,280,922)	(8,305,842)	(7,964,720)	(8,541,499)	(8,795,275)	(9,039,669)	(9,484,610)	(9,798,722)	(9,979,431)
(987,891)	Interest on Borrowing	(632,592)	(872,844)	(965,795)	(1,432,239)	(1,481,569)	(1,336,802)	(1,306,216)	(1,769,193)	(1,961,936)	(1,892,684)
(2,876,951)	Renewal Capital Expenditure	(2,867,233)	(3,015,508)	(3,052,424)	(3,500,777)	(4,654,656)	(4,783,525)	(5,142,257)	(5,386,039)	(5,191,234)	(5,457,086)
(13,192,520)	New Capital Expenditure	(7,859,646)	(7,751,693)	(9,081,011)	(9,996,674)	(8,139,865)	(5,808,399)	(10,128,728)	(6,601,228)	(1,690,720)	(1,761,945)
(480,658)	Debt Repayments	(357,227)	(218,694)	(285,083)	(2,336,465)	(2,643,065)	(536,862)	(511,070)	(569,906)	(887,370)	(886,685)
(397,151)	Transfer to Reserves/Internal Transfer	(1,913,738)	(2,150,138)	(1,873,029)	(2,155,124)	(2,039,061)	(1,981,356)	(1,868,008)	(1,954,834)	(2,000,715)	(2,059,162)
<b>(28,654,501)</b>	<b>Total Funds Required</b>	<b>(23,591,760)</b>	<b>(24,303,743)</b>	<b>(26,664,639)</b>	<b>(30,571,291)</b>	<b>(30,764,603)</b>	<b>(26,582,177)</b>	<b>(31,406,168)</b>	<b>(29,240,915)</b>	<b>(25,059,623)</b>	<b>(25,622,269)</b>
	<b>Rates Income</b>										
3,787,446	General Rates	3,999,930	4,197,303	4,432,976	4,673,834	5,195,951	5,503,070	5,628,408	5,801,959	5,967,438	6,050,464
1,977,293	Uniform Annual General Charge	2,121,261	2,265,379	2,378,767	2,363,302	2,446,801	2,540,480	2,546,624	2,672,469	2,685,577	2,681,728
1,295,882	Targeted Sewerage Rates	1,321,062	1,404,842	1,553,922	1,634,677	1,753,292	1,845,598	1,943,739	2,156,935	2,278,073	2,353,960
869,776	Targeted Water Rates	992,521	1,180,531	1,373,562	1,695,503	1,765,405	1,810,477	1,827,187	1,873,065	1,893,700	1,915,462
207,060	Water Meter Sales	260,828	272,954	285,080	297,157	309,158	321,011	332,664	344,068	354,800	365,881
577,959	Targeted Refuse Rates	612,788	641,277	669,767	698,139	866,637	899,862	932,528	964,496	994,580	1,025,641
159,500	Targeted District Promotion Rate	156,564	156,628	156,690	156,749	156,805	174,545	156,908	156,954	156,993	157,033
73,572	Targeted NWCB Rate	74,623	-	-	-	-	-	-	-	-	-
88,000	Rate Penalties	90,816	93,632	96,351	98,956	101,429	103,761	105,943	107,958	109,683	111,434
<b>9,036,488</b>	<b>Total Rates Income</b>	<b>9,630,393</b>	<b>10,212,546</b>	<b>10,947,115</b>	<b>11,618,317</b>	<b>12,595,478</b>	<b>13,198,804</b>	<b>13,474,001</b>	<b>14,077,904</b>	<b>14,440,844</b>	<b>14,661,603</b>
	<b>Other Funding Sources</b>										
3,768,061	Subsidies and Grants	5,010,352	5,243,508	4,326,937	8,585,412	7,410,149	7,614,581	5,109,410	7,025,124	5,411,713	5,551,889
351,137	Interest Income	1,037,906	1,043,845	1,098,461	1,125,224	1,092,934	1,045,010	1,063,303	1,090,000	1,140,000	1,190,000
458,384	Regulatory Income	858,795	888,750	918,018	946,434	973,853	1,000,150	1,025,222	1,048,904	1,069,972	1,091,515
3,020,695	User Charges & Other Income	1,791,201	1,970,149	2,258,972	2,425,657	2,756,697	2,075,114	1,885,641	1,954,852	2,092,740	2,031,225
30,450	Profit on Sale of Property	356,502	330,802	306,366	283,185	261,234	240,518	221,019	202,699	185,345	169,474
9,749,696	New Loans Raised	1,000,245	3,740,464	4,381,285	4,848,297	1,532,465	29,733	6,203,287	3,207,078	18,538	13,979
2,239,590	Funding from Reserves	3,906,366	873,679	2,427,485	738,765	4,141,792	1,378,267	2,424,284	634,353	700,472	912,584
<b>19,618,013</b>	<b>Total Other Funding Sources</b>	<b>13,961,367</b>	<b>14,091,197</b>	<b>15,717,524</b>	<b>18,952,974</b>	<b>18,169,125</b>	<b>13,383,373</b>	<b>17,932,167</b>	<b>15,163,011</b>	<b>10,618,779</b>	<b>10,960,666</b>
<b>28,654,501</b>	<b>TOTAL FUNDING</b>	<b>23,591,760</b>	<b>24,303,743</b>	<b>26,664,639</b>	<b>30,571,291</b>	<b>30,764,603</b>	<b>26,582,177</b>	<b>31,406,168</b>	<b>29,240,915</b>	<b>25,059,623</b>	<b>25,622,269</b>

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

#### [11.2] RATES

Rates are assessed under the Local Government (Rating) Act 2002 on all rateable rating units in the Rating Information Database. Where rates are set on value, the land value of the property will apply (except for the District Promotion targeted rate which is calculated on capital value). The latest revaluation was carried out as at 01 September 2003 and will be effective for the 2006/07 rating year. District revaluations are carried out at a three yearly interval.

#### [11.3] POLICY OBJECTIVE

- To provide Council with adequate income 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

#### [11.4] 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.

#### [11.5] GENERAL RATE

The Council sets a general rate based on the land value of each rating unit in the District. The general rate will be set on a differential basis based on land use as described as follows:

##### 1. RESIDENTIAL

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

- Residential Zone ONE (refer [8.10] Map of Rating Zones below for location)
- Residential Zone TWO (refer [8.10] Map of Rating Zones below for location)
- Residential Zone THREE (refer [8.10] Map of Rating Zones below for location)

##### 2. 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.

3. RURAL

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

4. FARMING FORESTRY

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

5. COMMERCIAL

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

- Commercial Zone ONE (refer [8.10] Map of Rating Zones below for location)
- Commercial Zone TWO (refer [8.10] Map of Rating Zones below for location)
- Commercial Zone THREE (refer [8.10] Map of Rating Zones below for location)



**[11.6] GENERAL RATING DIFFERENTIALS**

1. PERCENTAGE OF GENERAL RATES PAYABLE PER RATING CATEGORY

	Residential Zone 1	Residential Zone 2	Residential Zone 3	Rural Residential	Rural Use	Commercial Zone 1	Commercial Zone 2	Commercial Zone 3	Farming Forestry
Community Services	38.40%	2.40%	14.72%	8.34%	4.19%	25.42%	1.07%	1.40%	4.06%
Environmental Services	50.14%	10.60%	8.44%	11.60%	3.53%	5.73%	0.51%	0.66%	8.79%
Refuse Disposal Site(s)	50.15%	10.50%	8.49%	11.67%	3.54%	5.77%	0.49%	0.65%	8.74%
Roading	29.93%	2.04%	4.04%	3.51%	4.61%	28.32%	1.64%	1.61%	24.29%
Stormwater	71.26%	4.56%	7.17%	5.17%	1.23%	9.10%	0.55%	0.97%	0.00%
Flood Protection	61.87%	3.96%	2.51%	6.30%	2.01%	18.33%	0.84%	0.84%	3.35%
Rural Fire	11.45%	5.04%	5.86%	3.93%	14.23%	1.62%	0.29%	0.56%	57.00%

2. RATES PER DOLLAR OF LAND VALUE PAYABLE BY EACH CATEGORY

a. RESIDENTIAL ZONE 1

Rate 2005/06	Residential - Zone 1	Rate 2006/07
0.004098	Community Services	0.004098
0.003266	Environmental Services	0.003269
0.002296	Refuse Disposal Site(s)	0.002299
0.007182	Roading	0.007977
0.002458	Stormwater	0.002458
0.002257	Flood Protection	0.002257
0.000118	Rural Fire	0.000118
<b>0.021675</b>	<b>TOTAL</b>	<b>0.022476</b>
<b>TOTAL % CHANGE</b>		<b>3.7%</b>

(note: per dollar of land value)

b. RESIDENTIAL ZONE 2

Rate 2005/06	Residential - Zone 2	Rate 2006/07
0.002459	Community Services	0.002459
0.006622	Environmental Services	0.006622
0.004655	Refuse Disposal Site(s)	0.004655
0.004310	Roading	0.005087
0.001475	Stormwater	0.001475
0.001354	Flood Protection	0.001354
0.000486	Rural Fire	0.000486
<b>0.021361</b>	<b>TOTAL</b>	<b>0.022138</b>
<b>TOTAL % CHANGE</b>		<b>3.6%</b> (note: per dollar of <b>land value</b> )

c. RESIDENTIAL ZONE 3

Rate 2005/06	Residential - Zone 3	Rate 2006/07
0.002986	Community Services	0.002986
0.001041	Environmental Services	0.001041
0.000732	Refuse Disposal Site(s)	0.000733
0.001756	Roading	0.002028
0.000465	Stormwater	0.000465
0.000173	Flood Protection	0.000173
0.000114	Rural Fire	0.000114
<b>0.007267</b>	<b>TOTAL</b>	<b>0.007540</b>
<b>TOTAL % CHANGE</b>		<b>3.8%</b> (note: per dollar of <b>land value</b> )

d. RURAL RESIDENTIAL

Rate 2005/06	Rural Residential Use	Rate 2006/07
0.001816	Community Services	0.001816
0.001535	Environmental Services	0.001535
0.001079	Refuse Disposal Site(s)	0.001080
0.001627	Roading	0.001889
0.000360	Stormwater	0.000360
0.000464	Flood Protection	0.000464
0.000082	Rural Fire	0.000082
<b>0.006963</b>	<b>TOTAL</b>	<b>0.007226</b>
<b>TOTAL % CHANGE</b>		<b>3.8%</b> (note: per dollar of <b>land value</b> )

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e. RURAL

Rate 2005/06	Rural Use	Rate 2006/07
0.001190	Community Services	0.001190
0.000610	Environmental Services	0.000610
0.000429	Refuse Disposal Site(s)	0.000429
0.003026	Roading	0.003238
0.000112	Stormwater	0.000112
0.000193	Flood Protection	0.000193
0.000386	Rural Fire	0.000386
<b>0.005946</b>	<b>TOTAL</b>	<b>0.006158</b>
<b>TOTAL % CHANGE</b>		<b>3.6%</b> (note: per dollar of land value)

f. COMMERCIAL ZONE 1

Rate 2005/06	Commercial - Zone 1	Rate 2006/07
0.008775	Community Services	0.008775
0.001201	Environmental Services	0.001201
0.000845	Refuse Disposal Site(s)	0.000846
0.022833	Roading	0.024148
0.001005	Stormwater	0.001005
0.002140	Flood Protection	0.002140
0.000054	Rural Fire	0.000054
<b>0.036853</b>	<b>TOTAL</b>	<b>0.038169</b>
<b>TOTAL % CHANGE</b>		<b>3.6%</b> (note: per dollar of land value)

g. COMMERCIAL ZONE 2

Rate 2005/06	Commercial - Zone 2	Rate 2006/07
0.006664	Community Services	0.006664
0.001941	Environmental Services	0.001941
0.001365	Refuse Disposal Site(s)	0.001365
0.023904	Roading	0.025247
0.001088	Stormwater	0.001088
0.001764	Flood Protection	0.001764
0.000174	Rural Fire	0.000174
<b>0.036900</b>	<b>TOTAL</b>	<b>0.038243</b>
<b>TOTAL % CHANGE</b>		<b>3.6%</b> (note: per dollar of land value)

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h. COMMERCIAL ZONE 3

Rate 2005/06	Commercial - Zone 3	Rate 2006/07
0.005453	Community Services	0.005453
0.001567	Environmental Services	0.001567
0.001102	Refuse Disposal Site(s)	0.001102
0.014606	Roading	0.015499
0.001199	Stormwater	0.001199
0.001108	Flood Protection	0.001108
0.000210	Rural Fire	0.000210
<b>0.025245</b>	<b>TOTAL</b>	<b>0.026138</b>
<b>TOTAL % CHANGE</b>		<b>3.5%</b> (note: per dollar of <b>land value</b> )

i. FARMING/FORESTRY

Rate 2005/06	Farming/Forestry	Rate 2006/07
0.000159	Community Services	0.000159
0.000209	Environmental Services	0.000209
0.000147	Refuse Disposal Site(s)	0.000147
0.002241	Roading	0.002342
-	Stormwater	-
0.000045	Flood Protection	0.000045
0.000213	Rural Fire	0.000213
<b>0.003014</b>	<b>TOTAL</b>	<b>0.003115</b>
<b>TOTAL % CHANGE</b>		<b>3.4%</b> (note: per dollar of <b>land value</b> )

Projection for future years (taking into account projected growth in the rating base – refer significant assumptions, page 143)

Rate 2005/06	Rate 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
<b>TOTAL AVERAGE GENERAL RATES % CHANGE</b>	<b>3.7%</b>	3.4%	4.1%	3.9%	9.5%	4.3%	0.8%	1.6%	1.3%	0.0%

[11.7] UNIFORM ANNUAL GENERAL CHARGE

The Uniform Annual General Charge is charged at 1 full charge per rating assessment. The Council sets a uniform annual general charge to fund the following activities:

- Airport (part)
- Affordable access to quality medical health services
- Civic Centre
- Library
- Swimming Baths
- Council
- Consultation

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- Access to Official Information
- Law Order & Safety
- Civil Defence & Emergency Management
- Restorative Justice
- Co-operation with Department of Education School Principals & Other Education Providers

refer SECTION A[4] amendments to the grey district council long term community outcomes plan 2006 – 2016, page 8, for changes to activities that the UAGC funds

The rates for 2006/07 and projections for future years are: (taking into account projected growth in the rating base – refer significant assumptions, page 143):

Rate 2005/06	UAGC	Rate 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
347.35	Rate	357.30	366.90	379.70	379.70	379.70	388.50	388.50	397.60	397.60	397.60
	<b>Percentage Change</b>	<b>2.9%</b>	2.7%	3.5%	0.0%	0.0%	2.3%	0.0%	2.3%	0.0%	0.0%

Includes GST

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**[11.8] TARGETED RATES**

1. SEWERAGE

The Council sets a targeted rate for sewage disposal on the basis of a 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. 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 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 2006/07 and projections for future years are (taking into account projected growth in the rating base – refer significant assumptions, page 143):

Rate 2005/06	SEWERAGE	Rate 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
235.10	Blackball	253.60	406.60	414.10	423.00	432.10	441.50	450.00	485.10	504.40	516.00
397.65	Greymouth	409.60	421.90	434.60	447.60	461.00	474.90	489.10	529.00	553.20	569.80
167.30	Karoro	172.40	177.50	182.90	188.30	235.10	241.60	248.30	280.30	296.60	304.90
140.40	Runanga	144.70	149.00	153.50	158.10	162.80	167.70	172.70	203.10	217.60	224.10
140.40	South Beach/Paroa	144.70	149.00	153.50	158.10	162.80	167.70	172.70	203.10	217.60	224.10
140.40	Moana	144.70	149.00	153.50	158.10	162.80	167.70	172.70	203.10	217.60	224.10
-	Kaiata	-	-	344.75	355.10	365.75	376.72	388.02	424.83	445.99	459.37
-	Dobson	-	-	468.55	482.61	497.09	512.00	527.36	568.35	593.81	611.62
-	Taylorville	-	-	-	382.80	394.28	406.11	418.29	456.01	478.10	492.44
-	Boddytown	265.00	421.90	434.60	447.60	461.00	474.90	489.10	529.00	553.20	569.80
-	Rapahoe	-	-	-	-	317.40	470.40	478.80	518.30	536.50	546.80
-	Te-Kinga	263.20	420.00	432.60	445.60	459.00	472.70	486.90	526.70	550.90	567.40
423.00	South Beach Loan	423.00	423.00	423.00	423.00	423.00	423.00	423.00	423.00	423.00	423.00

Includes GST

## 2. WATER SUPPLY

The Council sets a targeted rate for water supply on the basis of a 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 2006/07 and projections for future years are (taking into account projected growth in the rating base – refer significant assumptions, page 143):

Rate 2005/06	WATER	Rate 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
156.70	Blackball	298.80	301.10	332.00	353.10	419.20	422.50	419.90	423.30	421.50	420.00
156.70	Dobson/Taylorville	165.30	169.50	310.60	443.30	442.90	445.40	442.70	446.00	443.40	441.90
222.60	Greymouth	247.10	255.40	287.10	355.30	355.90	360.10	358.30	362.60	361.50	360.90
181.20	Runanga	195.70	199.60	232.20	286.60	321.60	326.60	325.70	330.70	330.50	330.70
156.70	Stillwater	165.30	169.50	202.30	225.30	480.80	486.70	481.20	487.10	482.50	478.40
-	Moana	-	476.80	518.91	551.37	563.66	579.69	590.06	606.66	618.30	630.55
-	Boddytown	-	327.73	358.28	378.93	379.17	382.89	380.67	384.41	382.90	381.69
148.00	South Beach Water Loan	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00

Includes GST

3. METERED WATER SUPPLY

The Council sets a metered water targeted rate for the water supply that is based on the volume of water supplied to all rating units where the volume supplied is considered to be in excess of 300m<sup>3</sup> per annum.

The rate for 2006/07 and projections for future years are: (for all water consumed in excess of 300m<sup>3</sup>)

Rate 2005/06	METERED WATER	Rate 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
0.65	Rate	0.75	0.78	0.81	0.84	0.87	0.90	0.92	0.94	0.96	0.98
<b>Percentage Change</b>		<b>15.4%</b>	4.0%	3.8%	3.7%	3.6%	3.4%	2.2%	2.2%	2.1%	2.1%

Includes GST

4. REFUSE COLLECTION

The Council sets a targeted rate for refuse collection on the basis of a targeted rate per separately used or inhabited part of a rating unit for which the service is available. The charge will be set only for those units for which the service is available and have capital improvements on the unit.

The rates for 2006/07 and projections for future years are (taking into account projected growth in the rating base – refer significant assumptions, page 143):

Rate 2005/06	REFUSE	Rate 2006/07	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10	Estimate 2010/11	Estimate 2011/12	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16
115.00	Residential Collection	120.40	124.20	127.80	131.30	160.70	164.50	168.10	171.50	174.50	177.60
230.00	Commercial - Twice Weekly (where available)	240.80	248.40	255.60	262.60	321.40	329.00	336.20	343.00	349.00	355.20
<b>Percentage Change</b>		<b>4.7%</b>	3.2%	2.9%	2.7%	22.4%	2.4%	2.2%	2.0%	1.7%	1.8%

Includes GST

5. DISTRICT PROMOTION RATE

The Council sets a targeted rate to fund promotion and marketing opportunities in the District. This is set on commercial and industrial rating units. The rate per dollar of **Capital Value** is:

Rate 2005/06	DISTRICT PROMOTION	Rate 2006/07
0.001500	Rate	0.001500
<b>Percentage Change</b>		<b>0.0%</b>

Includes GST

As the rate is calculated on capital value it is not possible to give an indication of rate per dollar for future years. However based on this plan the overall rate take is expected to increase at no greater than CPI.



6. NORTHERN WARD COMMUNITY BOARD

The Council sets a targeted rate for those rating units located in the Northern Ward.

The rate for 2006/07 is:

Rate 2005/06	NWCB Rate	Rate 2006/07
89.77	Rate	90.30
<b>Percentage Change</b>		<b>0.6%</b>

Includes GST

[11.9] 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.

[11.10] RATES PAYABLE BY INSTALMENT



	Due Date and Payable	FINAL Date for payment
Instalment 1	01 August	20 September
Instalment 2	01 November	20 December
Instalment 3	01 February	20 March
Instalment 4	01 May	20 June

[11.11] RATES PENALTIES

CURRENT PENALTIES	PENALTY DATE	Penalty incurred on current instalment balance outstanding
Instalment 1 Penalty	21 September	10%
Instalment 2 Penalty	21 December	10%
Instalment 3 Penalty	21 March	10%
Instalment 4 Penalty	21 June	10%

WATER METER RATE PENALTIES	PENALTY DATE	Penalty incurred on TOTAL balance outstanding
Instalment Penalty	20 <sup>th</sup> of month following invoice date	10%

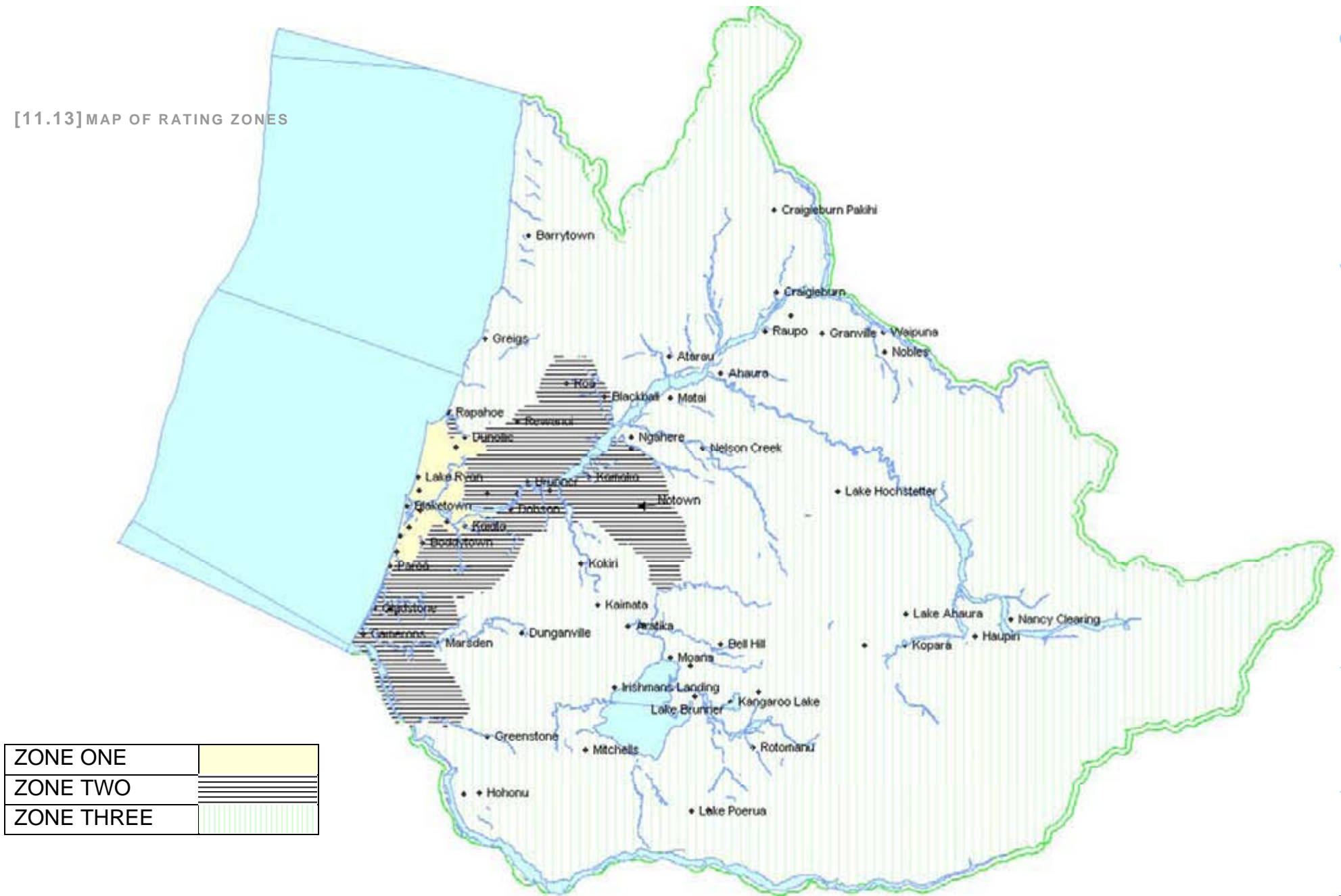
ARREARS PENALTIES	PENALTY DATE	Penalty incurred on TOTAL balance outstanding
Annual Penalty	01 July	10%

**[11.12] RATE REMISSION AND POSTPONEMENT POLICIES**

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



[11.13] MAP OF RATING ZONES



ZONE ONE	
ZONE TWO	
ZONE THREE	

# [12] fees & charges

Other fees may be payable, this is an outline of the main fees payable.

Errors and Omissions Excepted

Roading		2006/07 Fee	05/06 Fee
Consent to Undertake Work on Road		no charge	no charge
Sewerage		2006/07 Fee	05/06 Fee
<b>Financial Contributions (payable on receiving consent for subdivision)</b>			
Moana	per lot	3,675.40	1,913.00
South Beach/Paroa	per lot	8,603.80	7,888.00
Karoro	per lot	2,062.20	1,936.88
<i>Other contributions to proposed 'as required' works may be set through separate</i>			
Water		2006/07 Fee	05/06 Fee
<b>Financial Contributions (payable on receiving consent for subdivision)</b>			
South Beach/Paroa	per lot	2,868.00	2,630.00
Moana	per lot	4,941.00	-
<i>Other contributions to proposed 'as required' works may be set through separate</i>			
Refuse		2006/07 Fee	05/06 Fee
McLeans Landfill			
General (minimum fee of \$2.)	per cubic metre	10.50	10.00
Penalty for uncovered trucks and trailers		10.50	10.00
Green Waste	per cubic metre	2.50	2.00
Whiteware	per item	1.50	1.00
Scrap Metal	per cubic metre	2.50	2.00
Council Refuse Bags (disposal of)		free	free
		-	-
Disposal of Cars/Ute/Light Trucks - Prepared	each	free	free
Disposal of Cars/Ute/Light Trucks - Un-Prepared	each	26.00	25.00
		-	-
Tyres - Car/Motorcycle	each	1.00	0.50
Tyres - 4WD	each	1.50	1.00
Tyres - Truck	each	5.50	5.00
Tyres - Tractor	each	5.50	5.00
		-	-
Resource Centres	per cubic metre	21.00	20.00

Rural Fire	2006/07 Fee	05/06 Fee
Rural Fire Permit	no charge	no charge

AIRPORT		seating capacity of aircraft (note for cargo 90kg equivalent to one seat)		
		up to 4	5 or 6	6+
<b>Microlights, Gliders, and Helicopters*</b>				
Per Movement		5.00	n/a	n/a
Pre Purchase 25 units**	20% discount	100.00	n/a	n/a
Pre Purchase 100 units**	25% discount	375.00	n/a	n/a
Lease within Aerodrome facility (includes unlimited annual movements)**		market rental	n/a	n/a
<b>Single Engine*</b>				
Per Movement		10.00	15.00	20.00
Pre Purchase 25 units**	20% discount	200.00	300.00	400.00
Pre Purchase 100 units**	25% discount	750.00	1,125.00	1,500.00
<b>Twin Engine*</b>				
Per Movement		20.00	25.00	30.00
Pre Purchase 25 units**	20% discount	400.00	500.00	600.00
Pre Purchase 100 units**	25% discount	1,500.00	1,875.00	2,250.00
<b>Other</b>				
Administration	per account required to be sent	10.00	10.00	10.00
Lights	per activation	10.00	10.00	10.00

\*Airport rated for 5700 kg maximum take off weight (aircraft, fuel, passengers and freight)

\*\* Must be prepaid

Exceptions to above fees

- Army or Air Force - no charge
- Airshows - negotiated fee based on normal charges

Property	2006/07 Fee	05/06 Fee
Contact Support Services for availability and details		

Retirement Housing	2006/07 Fee	05/06 Fee
Contact Support Services for availability and details		

Parking	2006/07 Fee	05/06 Fee
Contact Support Services for availability and details		

Civic Centre	2006/07 Fee	05/06 Fee
Hire		
Hourly Charge	per hour	16.50
Other		16.50
Light Meters		2.00

Libraries		2006/07 Fee	05/06 Fee
Loan			
Fiction (GT \$2.)	<i>per book</i>	1.00	1.00
Fiction (LT \$2.)	<i>per book</i>	0.50	0.50
Non-Fiction	<i>per book</i>	no charge	no charge
Children's Books	<i>per book</i>	no charge	no charge
Large Print	<i>per book</i>	0.50	0.50
Talking Books	<i>per book</i>	no charge	no charge
Commuter Tapes (Abridged Talking Books)	<i>per unit</i>	1.00	1.00
Fines		-	-
Overdue adult Books	<i>1 week</i>	1.00	1.00
" "	<i>2 weeks</i>	2.00	2.00
" "	<i>3 weeks</i>	4.00	4.00
" "	<i>4 weeks</i>	5.00	5.00
Overdue Children's Books	<i>1 week</i>	0.60	0.60
" "	<i>2 weeks</i>	1.00	1.00
" "	<i>3 weeks</i>	1.50	1.50
" "	<i>4 weeks</i>	2.00	2.00
Other		-	-
Book Reserve Fee	<i>per book</i>	0.50	0.50
Non Resident Subscription (add card issue)	<i>per year or part thereof</i>	40.00	40.00
Replacement Library Card	<i>each</i>	2.00	2.00
Internet Use	<i>per 15min</i>	2.00	2.00
Internet Use	<i>per 3min</i>	3.50	3.50
Internet Use	<i>per hour</i>	6.00	6.00
Historic Research from Pioneer Library Records	<i>per 15min + photocopy charges</i>	5.00	5.00
Interloan Request	<i>per book (+ \$4. postage per book and any external charges imposed)</i>	2.00	2.00
Multimedia Printouts	<i>per A4</i>	0.50	0.50
Damaged Book Charge		-	-
Minor Damage	<i>per book</i>	2.00	2.00
Serious Damage	<i>per book</i>	\$5.00 - \$15.00	\$5.00 - \$15.00
Damaged Book Beyond Repair - New Book	<i>per book</i>	at cost + 10% admin	at cost + 10% admin
Damaged Book Beyond Repair - Well Used Book	<i>per book</i>	proportion of purchase	proportion of purchase
Photocopying		-	-
Normal A4	<i>per sheet</i>	0.20	0.20
Normal A3	<i>per sheet</i>	0.30	0.30
Student A4	<i>per sheet</i>	0.15	0.15
Student A3	<i>per sheet</i>	0.25	0.25

Swimming Baths	2006/07 Fee	05/06 Fee
Individual Charge		
Child	1.00	1.00
Adult	3.00	3.00
Senior	1.50	1.50
12 Swim Concession	-	-
Child	11.00	11.00
Adult	33.00	33.00
Senior	16.50	16.50
5 Swim Concession	-	-
Child	45.00	45.00
Adult	145.00	145.00
Senior	67.50	67.50
Complex Hire	-	-
Schools	18.50	18.50
Swimming Club	18.50	18.50
Under 7's	18.50	18.50
Permanent Season Users	26.00	26.00
Other Groups	26.00	26.00
Casual Hires	36.00	36.00
Aquajogging	-	-
Adults	4.50	4.50
Senior	3.00	3.00
Lifeguard Supervision - Outside Normal Public Hours	20.00	20.00
	<i>per hour</i>	
Cemeteries	2006/07 Fee	05/06 Fee
Plot Purchase	300.00	250.00
Ashes Lawn	80.00	60.00
Cremation Berm	120.00	110.00
Baby Plots	70.00	55.00
RSA Plots	No Charge	No Charge
Paupers' Plots	No Charge	No Charge
Single Plot	450.00	390.00
Ashes Lawn	120.00	98.00
Cremation Berm	120.00	98.00
Baby Plots	90.00	80.00
RSA Plots	No Charge	No Charge
Paupers' Plots	No Charge	No Charge
Interment	-	-
12 years and over	250.00	180.00
Under 12 Years	100.00	60.00
Stillborn	50.00	30.00
Ashes	100.00	55.00
Disinterment	320.00	267.00
Re-interment	320.00	267.00
Extra Depth (over 6ft)	100.00	60.00
Weekend & Public Holidays	180.00	162.00
Lowering Device	35.00	30.00
Memorial Permit	25.00	23.00
	<i>additional charge</i>	

History House	2006/07 Fee	05/06 Fee
Admission		
Adults	3.00	3.00
Children	1.00	1.00
Photographs		
Postcard Size	8.00	8.00
Laser Copy A4	15.00	15.00
Laser Copy A3	15.00	15.00
Laminated	<i>additional to above</i>	3.00
Sepia	<i>additional to above</i>	3.00
Other		
Research	<i>per hour</i>	25.00
Approved Meetings	15.00	15.00
Photocopying	<i>per copy</i>	0.15
Postage	3.00	3.00
Courier Deliveries	<b>at cost</b>	<b>at cost</b>

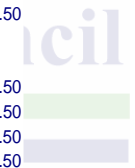




PLANNING	2006/07 Fee	05/06 Fee
<b>All Fees Listed are Deposits. Additional charges will be charged at time/cost</b>		
<b>Subdivisions</b>		
Boundary Adjustments	315.00	350.00
Non-notified (2 - 5 lots)	540.00	350.00
Non-notified (6 - 10 lots)	1,035.00	350.00
Non-notified (11+ lots)	1,406.25	400.00
Public notification - subdivision	900.00	600.00
Survey Plan - without inspection	202.50	65.00
Survey Plan - with one inspection	315.00	150.00
s226 certificate	405.00	200.00
Other certificates	112.50	65.00
Esplanade reserve reduction/waiver	371.25	400.00
Reapproval lapsed consent	405.00	150.00
ROW/Easement amendments	281.25	150.00
<b>Land Use Consents</b>		
Hazardous substances	450.00	200.00
Signs	405.00	200.00
Relocated buildings	315.00	200.00
Bulk & locn/recession plane/setback	337.50	200.00
Heritage	315.00	200.00
Non-rural/residential activities	675.00	200.00
Utilities	405.00	200.00
Vegetation clearance	371.25	200.00
Sub-sized lots	630.00	200.00
Limited Notification - Land Use*	630.00	600.00
Public Notification - Land Use*	945.00	600.00
<b>Plan Changes</b>		
District Plan Changes - major	11,250.00	1,000.00
District Plan Changes - minor	5,625.00	1,000.00
<b>Other</b>		
Designation/Heritage Order	2,250.00	500.00
Alteration of designation	900.00	-
Compliance Certificate	225.00	200.00
s357 objection	337.50	150.00
Consent variation - non-notified	303.75	200.00
Consent variation - notified	585.00	600.00
Outline Plan	225.00	
Comments on Draft Applications	staff hourly rates	
Consultants/Peer Review	at cost	
Hearings - Commissioner	at cost	
- Facilities	at cost	
Resource Consent Monitoring of Conditions	staff hourly rates	
District Plan Slaes (printed)	150.00	135.00

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

BUILDING	2006/07 Fee	05/06 Fee
<b>Set Fees (incl the appropriate CCC)</b>		
BWOF		
BWOF Late Fee	150.00	135.00
Demolition - large /commercial	450.00	412.50
Demolition - residential	202.50	177.50
Fire Installations	225.00	177.50
Garages/carports	450.00	342.50
Garden Sheds	450.00	307.50
Minor building works	247.50	177.50
Minor plumbing & drainage	247.50	177.50
Relocated buildings	1,080.00	817.50
Swimming Pools	540.00	472.50
Towers/Signs etc	540.00	497.50
<b>Deposits Only (Costs to be Charged based on Actual Time)</b>		
PIM (only)	135.00	120.00
CCC (flat fee - adds to consent fee)	337.50	112.50
<b>Residential</b>		
Minor Alterations	540.00	343.50
Major Alterations	1,035.00	722.50
Pre-fab construction dwellings	1,800.00	1,467.50
New Dwellings	2,475.00	1,643.50
Multi-Unit Residential	3,600.00	1,947.50
<b>Industrial/Commerical</b>		
Minor alterations	765.00	557.50
Major Alterations	2,025.00	862.50
Farm Buildings	472.50	462.50
Workshops	1,237.50	662.50
Woolsheds	1,350.00	627.50
Dairy sheds	2,250.00	947.50
Shop/Office - single	2,700.00	1,477.50
Shop/Office - complex	4,050.00	2,112.50
Large multi-function complex	6,525.00	3,012.50
Consultants/Peer Review	at cost	
<b>Enforcement</b>		
Work done for a Certificate of Acceptance	100% loading on normal charges	
Work done following a Notice to Fix	100% loading on normal charges	



AMENITY MANAGEMENT		2006/07 Fee	05/06 Fee
Advertising Signs Fees		75.00	73.00
Hawkers Fees		115.00	112.50
Itinerant Traders Fees		127.50	126.56
<b>Abandoned Vehicles</b>			
Towage		at cost	at cost
Inspection & Administration	<i>per hour</i>	75.00	70.00
Storage of Vehicle	<i>per day</i>	6.00	5.50
<b>Amusement Devices</b>			
One Device		12.50	11.25
Each Additional Device		2.50	2.25
Each Device for a further period of 7 days		1.25	1.13
ANIMAL CONTROL		2006/07 Fee	05/06 Fee
<b>Dog Registration</b>			
Pet		60.00	58.00
Desexed		48.00	48.00
Working		25.00	25.00
Late Regn		90.00	87.00
<b>Dog Impounding</b>			
1st Offence		55.00	55.00
2nd Offence		110.00	80.00
3rd Offence		165.00	100.00
Sustenance (per day)		7.75	7.50
<b>After Office Hours</b>			
Applicable Fee above Plus		\$75/hr + mileage	\$70/hr + mileage
HEALTH		2006/07 Fee	05/06 Fee
Food Licensing			
Food Gr 1		240.00	225.00
Food Gr 2		360.00	337.00
Food Gr 3		480.00	450.00
No Kitchen facilities		120.00	100.00
Hairdressers		225.00	225.00
Camping/Offensive Trades		225.00	225.00
OFFICIAL INFORMATION		2006/07 Fee	05/06 Fee
LIMs		225.00	195.00

Administration - Charge Out Rates	2006/07 Fee	05/06 Fee
Management/CEO	120.00	111.00
Engineers	95.00	89.00
Engineering Assistants/Officers	85.00	79.00
Planners	85.00	70.00
Building Officers	85.00	70.00
Monitoring Staff	75.00	60.00
Animal Control Officer	75.00	70.00
Administration/Customer Service Officers	55.00	48.00
<i>Fees and actual time hours are recoverable from applicants</i>		



## [13] council controlled organisations (CCOs)

The Local Government Act 2002 defines as Council Controlled Organisations (CCOs) entities in which:

- the Council has more than a 50% shareholding, or
- are controlled directly or indirectly by one or more local authorities, or
- the Council has the ability to appoint more than 50% of the directors,

The Grey District Council has one organisation that meets these criteria and are therefore Council Controlled Organisations.

### [13.1] PORT WESTLAND LIMITED

#### 1. BACKGROUND

The port, as a Council activity, has operated at a loss for some years and the shortfalls have in recent years been funded from proceeds from the sale of Harbour Board endowment land. Further to this, the maintenance and renewal of assets has been deferred wherever practical. This has been an interim measure as neither practice is practicable for a viable port operation (e.g. Martin's Quay – fishing wharf now only has a small area that is safe to use operationally).

With the potential to act as a local transfer port becoming more of a reality, the decision has been made to constitute Port Westland Limited, with the Council retaining a 100% shareholding. The board membership of three will contain one elected representative from Council, and two further appointments made by Council. Port Westland Limited will be responsible for all aspects of the port related operations for the port in Greymouth. Harbour Board endowment land will remain in Council ownership, with net proceeds from such continuing to fund port related activities. Port operational assets will be transferred to Port Westland Limited. (refer to assumptions relating to [Port Westland Operations](#), page 145 for further detail)

In the near future Port Westland Limited will be working through the options of a joint venture company to operate all or part of the port operations.

The Council is not expecting any significant dividend to be payable from the Port Westland Limited in the first three years of the plan. This is due to the capital programme that will be required to attract further business and catch up on the deferred maintenance. A dividend should be payable in future years of this plan. However, due to uncertainties at the time of preparing this document, they cannot be accurately quantified and so have not been included. Any such dividend will not have a material affect on the viability and funding of other Council activities.

#### 2. SIGNIFICANT POLICIES AND OBJECTIVES

The **Vision** of Port Westland Ltd is to make Port Westland into a safe, successful and self funding port undertaking and to optimise the strategic and other benefits this holds for the Grey District, the West Coast region and New Zealand while recognising the community interest in the recreational, heritage and visitor resources inherent in port assets.

The **Mission** of Port Westland is to manage Port Westland prudently, competently and responsibly per its Constitution, the Statement of Intent and the outcomes expected of it by the shareholder.

The core values of Port Westland Ltd are:

- Economic viability
- Environmental sustainability
- Social responsibility
- Responsiveness to customers
- Service delivery

3. KEY PERFORMANCE TARGETS

OUTCOME	STRATEGIC PERFORMANCE TARGET
<b>ENVIRONMENTAL CARE:</b>	
To minimise the adverse impact of the company's operations on the environment	<ul style="list-style-type: none"> <li>▪ To ensure compliance with Resource Management Act consents at all times.</li> <li>▪ To remain receptive to inputs from residents in the Port vicinity re operational impact on the immediate living/working environment</li> <li>▪ To monitor potential impacts on a continuous basis.</li> <li>▪ To use energy efficiently and where appropriate recover energy from operational activities.</li> </ul>
<b>EMPLOYEES, HEALTH and SAFETY:</b>	
To be an industry best workplace.	<ul style="list-style-type: none"> <li>▪ To demonstrate a commitment to best management practice in equal employment opportunities.</li> <li>▪ To take all practical steps to provide employees with safe working conditions that do not detrimentally affect their health and safety and to have no successful prosecutions under the Health and Safety in Employment Act, 1992.</li> </ul>
<b>STAKEHOLDER RELATIONSHIPS:</b>	
To be responsive to stakeholder requirements.	<ul style="list-style-type: none"> <li>▪ To work with Users in a positive and collaborative manner.</li> <li>▪ To consult with the community and stakeholders on matters of relevance to them</li> <li>▪ To meet with the West Coast Fishermen's Association at least quarterly.</li> </ul>
<b>CUSTOMER SERVICE COMMITMENT:</b>	
To provide high quality products and meet customer service level requirements.	<ul style="list-style-type: none"> <li>▪ To achieve full compliance with contractual service delivery standards</li> <li>▪ To be accessible to users, both politically and operationally</li> </ul>
<b>ASSET MANAGEMENT:</b>	
To manage and maintain the long-term integrity of assets.	<ul style="list-style-type: none"> <li>▪ To manage all assets in perpetuity.</li> </ul>
<b>ECONOMIC PERFORMANCE:</b>	
To manage the business efficiently and to operate on a least-cost philosophy subject to fulfilling other environmental, social and legislative requirements.	<ul style="list-style-type: none"> <li>▪ To investigate and implement efficiency improvement</li> <li>▪ To not do anything that may impact on the Shareholder's legal position;</li> <li>▪ Achieve an income ratio to interest of 3.50 times or better.</li> <li>▪ Renewing / replacing long-term debt facilities at least 6 months before their maturity.</li> <li>▪ Achieve a net debt to total capitalisation ratio of less than or equal to 60% (excluding the impact of asset revaluations).</li> <li>▪ Maintain the CPI pricing philosophy.</li> </ul>





**SECTION E**  
**POLICIES**

Grey District Council



# [1] revenue and financing policy

Section 103, Local Government Act 2002

Note: Description of specific facets of significant activities and the associated budgets is covered in the Long Term Community Outcomes Plan; refer SECTION C, Groups of Activities.

## [1.1] OBJECTIVE

To achieve a fair and equitable mix of funding for each of the activities undertaken by this Council. The sources of funds available to be used are:

- General rates
- Targeted rates
- Fees and charges
- Interest and dividends from investments
- Borrowing
- Proceeds from asset sales
- Development contributions
- Financial contributions (under the Resource Management Act 1991)
- Grants and subsidies
- Other sources

## [1.2] FUNDING METHODOLOGIES

Refer Section 103(3) of the Local Government Act 2002

In determining this question, Council took into consideration -

- the community outcome.
- the distribution of benefits between the community as a whole, any identifiable part of it and individuals.
- the period in or over which those benefits are expected to occur.
- the extent to which the actions/inactions of particular individuals or groups contribute to the need to undertake the activity.
- the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.
- the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community.

Based on this funding is done in a variety of ways referred to above. The actual impact is outlined in the below in [1.5] funding mix for significant activities.

**[1.3] OPERATING EXPENDITURE**

The Council's policies and practices as regards to the funding of its operating expenses are set to ensure that it complies with applicable legislation and generally accepted accounting practice. The following table summarises the sources of funds used to fund operating expenses for Council's activities:

Significant Activities	General Rates	Targeted Rates	Grants & Subsidies	Fees & Charges	Interest	Other	Reserves	Borrowings
Roading	✓✓		✓✓			✓		
Stormwater & Flood Protection	✓✓							
Sewerage		✓✓						
Water Supply		✓✓						
Refuse Collection & Disposal*	✓✓	✓✓		✓✓				
Rural Fire Authority	✓✓			✓				
Economic Development**	✓✓	✓✓				✓		
Property and Housing	✓			✓✓				
Community Services and Facilities	✓✓		✓	✓				
Civil Defence	✓✓		✓					
Democracy	✓✓	✓					✓	
Administration			✓	✓	✓			
Environmental Services	✓✓			✓✓				
Liaison with other Agencies	✓✓							

✓✓ Denotes the more significant source of funding

✓ Denotes a source of funding

\* Refuse Collection is a targeted Rate

\*\* The 'District Promotion' Rate is a targeted rate payable by Commercial & Industrial ratepayers

**[1.3.a] GENERAL RATES**

Funding from general rates is applied to those activities where it has been deemed that there is a general District-wide benefit to providing the service, or where there would be an economic inefficiency to implement a targeted rate.

Bearing in mind the legislative 30% 'cap'<sup>3</sup> on charging a Uniform Annual General Charge, the uniform charge is applied where services relate more to people (e.g. Libraries).

**[1.3.b] TARGETED RATES**

Funding from targeted rates is applied to specific activities where it has been deemed that there is a direct benefit to those ratepayers receiving a particular service (e.g. Council reticulated water supply).

**[1.3.c] FEES AND CHARGES**

Where Council has deemed there is a direct or partial benefit to the end user (e.g. building control). For activities where enforcement action is necessary the exacerbator pays principle applies where practical.

<sup>3</sup> In no case can the Uniform Annual General charge exceed 30 percent of total rates revenue (s21, Local Government (Rating) Act 2002)

**[1.3.d] INTEREST**

Council receives the majority of its interest relating to the special funds it has set aside (refer policy on special funds, page 227). The interest earned on these funds is transferred to the special funds balances. A small amount of interest is returned from time to time where Council has excesses of cash on hand, which is used to offset administration (internal) costs.

**[1.3.e] BORROWING**

Not used for operating expenditure.

**[1.3.f] PROCEEDS FROM ASSET SALES**

Not used for operating expenditure.

**[1.3.g] DEVELOPMENT CONTRIBUTIONS**

Not currently levied.

**[1.3.h] FINANCIAL CONTRIBUTIONS (UNDER THE RESOURCE MANAGEMENT ACT 1991)**

Financial contributions are charged where new development creates increased demand on maintenance of reserves.

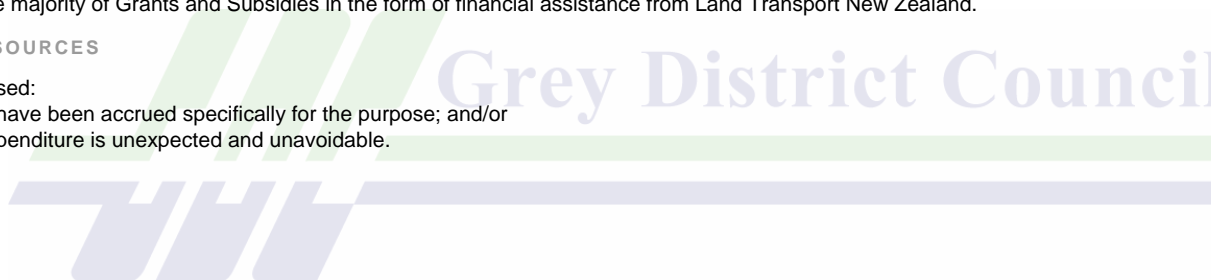
**[1.3.i] GRANTS AND SUBSIDIES**

Council receives the majority of Grants and Subsidies in the form of financial assistance from Land Transport New Zealand.

**[1.3.j] OTHER SOURCES**

Special funds are used:

- where funds have been accrued specifically for the purpose; and/or
- where the expenditure is unexpected and unavoidable.



**[1.4] CAPITAL EXPENDITURE**

The Council's policies and practices as regards to the funding of its capital expenditure are set to ensure that it complies with applicable legislation and generally accepted accounting practice. The following table summarises the sources of funds used to fund capital expenses for Council's activities:

Significant Activities	General Rates	Targeted Rates	Grants & Subsidies	Fees & Charges	Interest	Other	Reserves	Borrowings
Roading	✓✓		✓✓	✓			✓	✓
Stormwater & Flood Protection	✓✓					✓	✓✓	
Sewerage		✓✓	✓✓	✓	✓	✓	✓✓	✓✓
Water Supply		✓✓		✓		✓	✓	✓✓
Refuse Collection & Disposal								✓✓
Rural Fire Authority	✓							
Economic Development							✓✓	
Property and Housing				✓			✓	✓
Community Services and Facilities	✓						✓✓	✓
Civil Defence								
Democracy								
Administration				✓				
Environmental Services	✓			✓			✓	
Liaison with other Agencies								

✓✓ Denotes the more significant source of funding

✓ Denotes a source of funding

**[1.4.a] GENERAL RATES**

Funding from general rates is applied to those activities where it has been deemed that there is a general District-wide benefit to providing the service, or where there would be an economic inefficiency to implement a targeted rate.

Bearing in mind the legislative 30% cap<sup>4</sup> on charging a Uniform Annual General Charge, the uniform charge is applied where services relate more to people (e.g. Libraries).

**[1.4.b] TARGETED RATES**

Funding from targeted rates is applied to specific activities where it has been deemed that there is a direct benefit to those ratepayers receiving a particular service (e.g. Council reticulated water supply).

**[1.4.c] FEES AND CHARGES**

Where Council has deemed there is a direct or partial benefit to the end user (e.g. building control). For activities where enforcement action is necessary the exacerbator pays principle applies where practical.

<sup>4</sup> In no case can the Uniform Annual General charge exceed 30 percent of total rates revenue (s21, Local Government (Rating) Act 2002)

**[1.4.d] INTEREST**

Council receives the majority of its interest relating to the special funds' it has set aside (refer policy on special funds, page 227). The interest earned on these funds is transferred to the special funds balances. A small amount of interest is returned from time to time where Council has excesses of cash on hand, which is used to offset administration (internal) costs.

**[1.4.e] BORROWING**

Used to fund new developments where the benefit will extend into the future. The benefiting communities service the loan repayments.

**[1.4.f] PROCEEDS FROM ASSET SALES**

Set aside for future use, in line with Council's policy on Special Funds (refer policy on special funds, page 227 )

**[1.4.g] DEVELOPMENT CONTRIBUTIONS**

Not currently levied.

**[1.4.h] FINANCIAL CONTRIBUTIONS (UNDER THE RESOURCE MANAGEMENT ACT 1991)**

Charged where the demand for Council development in the present and future is from new development

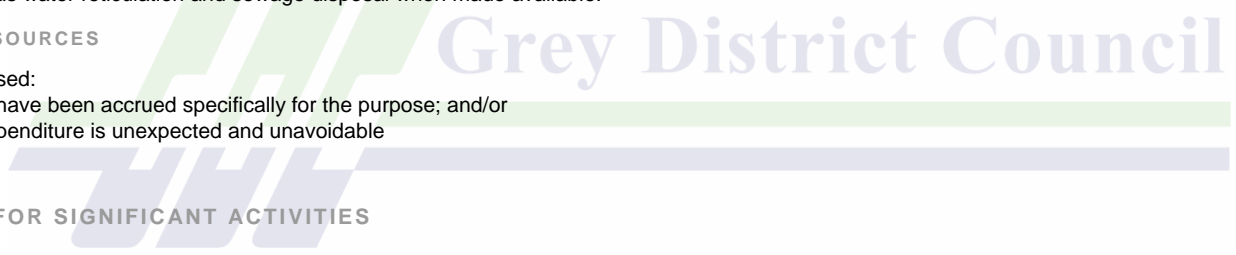
**[1.4.i] GRANTS AND SUBSIDIES**

Council receives the majority of grants and subsidies in the form of financial assistance from Land Transport New Zealand. Subsidies are also used for the development of other infrastructure such as water reticulation and sewage disposal when made available.

**[1.4.j] OTHER SOURCES**

Special funds are used:

- where funds have been accrued specifically for the purpose; and/or
- where the expenditure is unexpected and unavoidable



**[1.5] FUNDING MIX FOR SIGNIFICANT ACTIVITIES**

**[1.5.a] ROADING**

Budget 2005/06 %		Budget 2006/07 %	Forecast 2007/08 %	Forecast 2008/09 %	Projection 2009/10 %	Projection 2010/11 %	Projection 2011/12 %	Projection 2012/13 %	Projection 2013/14 %	Projection 2014/15 %	Projection 2015/16 %
33.5%	Rates - UAGC										
	Rates - General	31.0%	29.5%	29.7%	30.8%	31.3%	35.8%	35.8%	35.8%	35.8%	35.7%
	Rates - Targeted										
2.6%	User Charges	3.0%	2.6%	1.9%	2.9%	2.1%	0.1%	0.1%	0.1%	0.1%	0.1%
57.9%	Grants & Subsidies	49.0%	54.8%	57.3%	56.8%	58.8%	57.6%	57.7%	57.8%	57.8%	57.9%
0.4%	Reserves	6.9%		0.7%	1.1%	1.9%					
3.0%	Borrowing	2.8%	6.3%	3.7%	1.9%						
2.5%	Other	7.3%	6.9%	6.7%	6.6%	5.9%	6.4%	6.4%	6.4%	6.3%	6.3%
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A District enjoying quality affordable essential services.
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):

- o The benefits apply to the community as a whole as people are free to use any public road in the District.
- o Financial assistance from Land Transport New Zealand in part reflects the private benefits. The local share payable by Council and works that are not eligible for financial assistance are funded mainly by general rates (refer table above).
- o The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - o For maintenance and renewals the benefits accrue to the current users of the District roading network and also future users by maintaining the current levels of service.
  - o For the development of new roads, much of the benefit will be gained by future communities.
    - Where the development of new roads has been undertaken to facilitate economic development, the local share of the cost is loan funded to spread the cost over time.
    - New assets generated from new development are generally paid for by the developer, with the assets then vested in Council. Any share payable by Council is funded from special funds set aside for economic development.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - o The demand for maintenance of roads is created directly from the amount and type of use of the roads.
  - o Council receives financial assistance for the maintenance, renewal, and improvement of roads from Land Transport New Zealand, which is funded via petrol tax and road user charges. This in part reflects the demand usage on the roading network. The balance (local share) must be funded from other sources, the majority of which is rate funded.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - o The roading general rate makes up approximately 20% of Council's rate take, and therefore for accountability and transparency a separate general rate is struck.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - o An efficient road transport network is deemed by Council as an essential service and therefore has a significant impact on the social, economic and environmental wellbeing of the community.

**[1.5.b] STORMWATER & FLOOD PROTECTION**

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
78.9%	Rates - UAGC										
	Rates - General	65.4%	66.4%	80.9%	74.0%	74.9%	81.3%	81.1%	81.2%	81.4%	81.2%
	Rates - Targeted										
	User Charges										
	Grants & Subsidies										
21.1%	Reserves	13.5%	13.0%	15.8%	14.5%	14.4%	15.5%	15.6%	15.6%	15.4%	15.5%
	Borrowing	18.3%	17.9%		8.5%	7.6%					
	Other	2.8%	2.7%	3.3%	3.0%	3.0%	3.2%	3.3%	3.3%	3.2%	3.3%
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - o A District enjoying quality affordable essential services.
  - o A thriving local economy creating opportunities.
  - o An attractive District where residents want to be.
  - o Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - o The benefits apply to the wider community by having urban and other areas served with adequate stormwater disposal and protected from flooding.
  - o Stormwater and Flood Protection are each funded by a separate general rate that is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - o For maintenance and renewals the benefits accrue to the current community and also future users by maintaining the current levels of service.
  - o For the development of new assets, much of the benefit will be gained by future communities.
    - Capital improvements are loan funded to and repaid over the period of benefit.
    - New assets generated from new development are generally paid for by the developer, with the assets then vested in Council. Any share payable by Council is funded from special funds set aside for economic development.

- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - The demand for stormwater disposal is generated mostly by commercial and residential development in urban areas.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The stormwater and flood protection activities make up a significant portion of Council's rate take, and therefore for accountability and transparency a separate general rate is struck.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - An efficient stormwater disposal system and adequate flood protection are deemed by Council as essential services and therefore has a significant impact on the social, economic and environmental wellbeing of the community.

**[1.5.c] SEWERAGE**

Budget 2005/06	Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%	%	%	%	%	%	%	%	%	%	%
Rates - UAGC										
Rates - General										
42.7%	25.6%	36.2%	21.5%	18.7%	19.2%	32.8%	19.9%	30.5%	87.9%	91.8%
Rates - Targeted										
User Charges	3.9%	6.1%	7.5%	6.7%	9.8%	6.6%	1.5%	2.2%	10.8%	7.1%
11.5%	32.9%	34.4%		46.4%	22.6%	47.4%		24.9%		
Grants & Subsidies										
38.4%	24.4%		17.2%		37.0%	11.0%	15.6%			
Reserves										
Borrowing	7.8%	17.2%	50.4%	26.0%	9.1%	0.5%	62.3%	42.2%	0.7%	0.6%
7.4%	5.4%	6.1%	3.3%	2.3%	2.3%	1.6%	0.7%	0.2%	0.5%	0.6%
Other										
<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>TOTAL</b>										

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A District enjoying quality affordable essential services.
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the connecting properties that utilise a Council sewage disposal scheme.
  - Whilst effective sewage disposal has positive environmental benefits for the District as a whole, Council considers that only those properties that are connected or able to be connected to a Council scheme will pay via a targeted rate.
  - The targeted rate is set at a different rate for each scheme available/used (refer SECTION D[11] funding impact statement & other rating information ).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For maintenance and renewals the benefits accrue to the current users of the Council operated schemes as well as future users benefiting by maintaining the current levels of service.
  - For new developments, the benefit will be shared by current and future communities.
    - The Council share of new developments is paid directly by the benefiting communities, over the anticipated benefiting period.
    - Where available special funds may be used that have been set aside for the specific purpose
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Properties connected to Council schemes create the need for Council to operate and maintain schemes.
  - Some areas in the District where on-site disposal schemes are not working effectively create the need for those communities to have a Council scheme
  - New development creates the need for upgrades or new schemes. The cost is borne by those that benefit, either through targeted rates and/or financial contributions charged.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The targeted sewerage rates make up a significant portion of Council's rate take and therefore, for accountability and transparency, a separate rate is struck for each Council operated scheme.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - Sewage disposal is deemed by Council as an essential service and therefore has a significant impact on the social, economic and environmental wellbeing of the community.
  - Effective treatment and disposal will protect the health of current and future communities.
  - Effective treatment will prevent any adverse effect on the environment now and in the future.

[1.5.d] WATER SUPPLY

Budget 2005/06 %		Budget 2006/07 %	Forecast 2007/08 %	Forecast 2008/09 %	Projection 2009/10 %	Projection 2010/11 %	Projection 2011/12 %	Projection 2012/13 %	Projection 2013/14 %	Projection 2014/15 %	Projection 2015/16 %
	Rates - UAGC										
89.6%	Rates - General										
	Rates - Targeted	65.7%	36.5%	77.4%	44.4%	76.0%	93.3%	93.0%	92.6%	92.2%	91.8%
0.1%	User Charges		2.6%	5.2%	2.7%	4.7%	6.1%	6.5%	6.8%	7.2%	7.6%
	Grants & Subsidies										
7.3%	Reserves	21.6%	0.7%								
3.0%	Borrowing	12.2%	59.9%	16.9%	52.7%	18.9%					
	Other	0.6%	0.3%	0.5%	0.3%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A District enjoying quality affordable essential services.
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the connecting properties that utilise a Council water reticulation scheme.
  - Council considers that only those properties that are connected or able to be connected to a Council scheme will pay via a targeted rate.
  - The targeted rate is set at a different rate for each scheme available/used (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For maintenance and renewals the benefits accrue to the current users of the Council operated schemes as well as future users benefiting by maintaining the current levels of service.
  - For new developments, the benefit will be shared by current and future communities.
    - The Council share of new developments is paid directly by the benefiting communities, over the anticipated benefiting period (loan funded).
    - Where available special funds may be used that have been set aside for the specific purpose.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Properties connected to Council schemes create the need for Council to operate and maintain schemes.
  - Some areas in the District where on-site collection schemes are not working effectively create the need for those communities to have a Council scheme
  - New development creates the need for upgrades or new schemes. The cost is borne by those that benefit, either through targeted rates and/or financial contributions charged.
  - High volume users contribute by way of a water meter rate.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The targeted water rates make up a significant portion of Council's rate take and therefore, for accountability and transparency, a separate rate is struck for each Council operated scheme.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - Water supply is deemed by Council as an essential service and therefore has a significant impact on the social, economic and environmental wellbeing of the community.
  - The supply of clean water will protect the health of current and future communities.
  - Efficient use of water resources will prevent any adverse effect on the environment now and in the future.



**[1.5.e] REFUSE COLLECTION & DISPOSAL**

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
	Rates - UAGC										
31.6%	Rates - General	29.7%	26.7%	26.0%	26.3%	24.4%	23.9%	23.3%	23.8%	22.4%	21.8%
58.0%	Rates - Targeted	56.3%	58.7%	59.3%	59.0%	62.5%	63.0%	63.5%	63.1%	64.3%	64.7%
11.1%	User Charges	14.1%	14.7%	14.8%	14.7%	13.1%	13.1%	13.2%	13.1%	13.4%	13.5%
	Grants & Subsidies										
-0.7%	Reserves										
	Borrowing										
	Other										
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A District enjoying quality affordable essential services.
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - A District-wide compliant facility for refuse has a benefit to the whole community and is serviced by a general rate.
  - The cost of the Council refuse collection and disposal of the refuse is funded from a targeted rate, where those who benefit from the service pay.
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For maintenance and renewals the benefits accrue to the current users of the refuse collection and disposal service and also future users by maintaining the current levels of service.
  - Development of new capacity in the landfill is funded over the period that the area will be operational. This includes future costs for monitoring and reinstating closed sites.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - The demand for the operation and maintenance of facilities is created by the present community.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The refuse activity makes up a significant portion of Council's rate take and therefore, for accountability and transparency, a separate general rate and a separate targeted rate are struck.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - An efficient and compliant refuse disposal facility and refuse collection service are deemed by Council as essential services and therefore have a significant impact on the social, economic and environmental wellbeing of the community.
  - An environmentally compliant refuse disposal facility will protect the environment now and into the future.

**[1.5.f] RURAL FIRE AUTHORITY**

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
	Rates - UAGC										
94.7%	Rates - General	94.5%	81.8%	94.8%	94.7%	95.2%	95.0%	95.0%	83.7%	95.3%	95.6%
	Rates - Targeted										
	User Charges										
5.3%	Grants & Subsidies	5.5%	4.7%	5.3%	5.3%	4.8%	5.0%	5.0%	4.3%	4.7%	4.4%
	Reserves		13.5%						12.0%		
	Borrowing										
	Other										
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as the whole District benefits from an effective Rural Fire Service.
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate against the level of benefit (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For maintenance and renewals the benefits accrue to the current community and also future users by maintaining the current levels of service.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Council has a statutory responsibility under the Forest and Rural Fires Act.
  - Council can recover costs from the exacerbator, however operation and maintenance costs are funded from a general rate
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The Rural Fire general rate makes up a small portion of Council's rate take. However for differentiation purposes a separate general rate is struck.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - Contributing towards an effective Rural Fire Service will protect the District environment now and into the future.

[1.5.g] ECONOMIC DEVELOPMENT

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
18.6%	Rates - UAGC										
65.8%	Rates - General	10.2%	19.1%	19.4%	19.3%	20.4%	18.8%	21.1%	20.4%	21.2%	20.9%
	Rates - Targeted	38.5%	68.3%	67.7%	67.6%	66.3%	68.6%	65.3%	65.6%	64.8%	64.8%
	User Charges										
	Grants & Subsidies										
15.7%	Reserves	51.3%	12.6%	12.9%	13.2%	13.3%	12.6%	13.6%	14.0%	14.0%	14.2%
	Borrowing										
	Other										
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A thriving local economy creating opportunities.
  - Affordable access to quality medical health services.
  - An attractive District where residents want to be.
  - Affordable access to quality education.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as economic growth will have positive spin-offs for all ratepayers.
  - A separate targeted rate is levied against commercial and industrial properties, and used to fund specific District promotion.
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - Benefits accrue to the current community as well as the facilitation of growth in the District having a long-term benefit. The benefits can potentially extend well beyond the period that the expenditure is incurred.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Council strategies to work in line with other district and regional agencies, such as The West Coast Development Trust.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The targeted 'District promotion' rate is levied specifically against commercial and industrial properties.
  - The residual funding balance is not a significant amount to warrant funding from a separate rate and is funded via the 'community services' general rate.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - Positive economic development has a significant impact on both the current community as well as future communities.

[1.5.h] PROPERTY AND HOUSING

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
1.2%	Rates - UAGC										
6.0%	Rates - General	3.1%	4.6%	4.9%	4.6%	5.2%	5.2%	5.5%	5.5%	5.7%	5.7%
	Rates - Targeted										
80.4%	User Charges	42.0%	62.4%	63.5%	60.7%	66.4%	66.2%	68.1%	69.0%	68.7%	70.5%
0.2%	Grants & Subsidies	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
9.9%	Reserves	35.3%	6.0%	6.5%	12.6%	6.4%	8.5%	7.6%	8.1%	9.9%	9.1%
2.3%	Borrowing										
	Other	19.6%	26.8%	25.0%	21.9%	21.8%	19.9%	18.6%	17.2%	15.6%	14.5%
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - An active partnership between Council and our community.
  - Law, order, personal and property safety.
  - Good social development services.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits accrue mainly to the user of the facilities.
  - Municipal buildings are essential for all Council activities and costs are recovered against all activities undertaken by Council
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For operations, maintenance and renewals the benefits accrue to the current users the facilities and also future users by maintaining the current levels of service.
  - For the development of new facilities much of the benefit will be gained by future communities therefore any expenditure will be funded over the period of benefit.
    - New assets generated from new development are generally paid for by the developer, from financial contributions levied
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Demand for additional parking space is driven mainly by new development..
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The majority of funding is from user pays income.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - Council provided retirement housing has a significant social impact on the current community by providing affordable accommodation.

[1.5.i] COMMUNITY SERVICES AND FACILITIES

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
44.9%	Rates - UAGC	33.5%	40.8%	34.7%	44.3%	43.4%	44.0%	38.8%	41.7%	43.9%	41.9%
36.5%	Rates - General	26.4%	32.4%	28.0%	35.3%	36.1%	37.0%	33.0%	33.6%	38.8%	36.0%
	Rates - Targeted										
10.1%	User Charges	8.3%	9.7%	8.1%	10.8%	10.6%	10.5%	9.6%	9.6%	10.8%	10.4%
1.1%	Grants & Subsidies	6.6%	0.9%	0.7%	0.9%	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%
7.4%	Reserves	23.1%	11.0%	24.2%	8.7%	3.4%	7.6%	12.9%	5.6%	5.6%	11.0%
	Borrowing	2.2%	5.2%	4.4%		5.6%		5.0%	8.7%		
	Other										
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.

- Law, order, personal and property safety.
- Affordable access to quality medical health services.
- Affordable access to quality education.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as all residents have access to community facilities.
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For operation, maintenance and renewals the benefits accrue to the current users of the facilities and also future users by maintaining the current levels of service.
  - For the development of new facilities, much of the benefit will be gained by future communities.
    - Where practical funding is spread over the full benefiting period
    - It is recognised that new development may also require the engagement of the community and funding from external sources. (e.g. proposed aquatic centre)
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - The Council undertakes these activities to ensure that the community has access to a broad range of recreational, arts, cultural and social opportunities.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - Community facilities make up a significant proportion of Council's rate take, and therefore for accountability and transparency a separate general rate is struck.
  - Some of the activities are funded from the Uniform Annual General Charge.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - A significant impact on the social, economic and environmental wellbeing of the community by providing recreational opportunities, cultural enrichment, and the opportunity to enhance mental and physical wellbeing

**AMENDMENT from the 2006 – 16 Long Term Community Outcomes Plan:**  
 (refer SECTION A[4] amendments to the grey district council long term community outcomes plan 2006 – 2016, page 8)

Council's Long Term Community Outcomes Plan signalled that the following activities would have their rate input funded from the Uniform Annual General Charge.

- Cemeteries
- Arts, Culture and Heritage

Council resolved in March 2007 that they would signal as part of the 2007/08 Draft Annual Plan to fund these activities from the general rate calculated on land value. These changes have subsequently been adopted by Council, June 2007.

Note that there has been no amendment to the rating input signalled, but rather the type of rating tool used. Also note that other sources of funds (such as user fees and charges) are used as displayed in the table above.

The effect of this is that instead of all properties paying an equal share towards the cost of these activities the individual input will now be determined by the relative property rateable value. For further detail on the calculation of rates please refer to the funding impact statement & other rating information on page 163

[1.5.j] CIVIL DEFENCE

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
97.7%	Rates - UAGC	98.8%	98.8%	98.8%	98.8%	98.8%	98.8%	98.8%	98.8%	98.8%	98.8%
	Rates - General										
	Rates - Targeted										
	User Charges										
2.3%	Grants & Subsidies	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.3%
	Reserves										
	Borrowing										
	Other										
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as the whole District benefits from Civil Defence.
  - The activity is funded from the Uniform Annual General Charge (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For operations and maintenance the benefits accrue to the current community and also future users by maintaining the current levels of service.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Council has a statutory responsibility to have a current Civil Defence Emergency Management Plan.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - Funded from the Uniform Annual General Charge.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - A significant impact on the current and future social, economic, environmental, and cultural wellbeing, through maintaining readiness to respond to District emergencies.

**[1.5.k] DEMOCRACY**

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
84.3%	Rates - UAGC	52.4%	55.2%	55.2%	52.9%	54.4%	53.6%	52.5%	50.6%	50.7%	49.2%
8.9%	Rates - General										
	Rates - Targeted	4.5%									
	User Charges		1.1%			1.1%			1.0%		
	Grants & Subsidies										
2.5%	Reserves	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.3%	2.2%	2.2%
	Borrowing										
4.3%	Other	40.7%	41.4%	42.4%	44.7%	42.2%	44.0%	45.1%	46.1%	47.1%	48.6%
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - Council has a direct influence over the achievement of all outcomes in the Long Term Community Outcomes Plan
    - A District enjoying quality affordable essential services.
    - A thriving local economy creating opportunities.
    - Affordable access to quality medical health services.
    - An attractive District where residents want to be.
    - An active partnership between Council and our community.
    - Law, order, personal and property safety.
    - Affordable access to quality education.
    - Good social development services.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as decisions affect individuals and properties throughout the District.
  - The funding requirements of Council are funded from the Uniform Annual General Charge, whilst the costs of the Northern Ward Community Board are funded via a targeted rate against properties within the ward. (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For Council operations the benefits accrue to the current ratepayers of the District. Effective decision making may have benefits that extend beyond the period of expenditure.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - N/A
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - For accountability and transparency a targeted rate is struck from community board costs.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - Significant impact on the social, economic, environmental and cultural wellbeing of the community, in terms of providing effective decision making, community leadership, and effective and open consultation.

[1.5.1] ADMINISTRATION

Budget 2005/06 %	Budget 2006/07 %	Forecast 2007/08 %	Forecast 2008/09 %	Projection 2009/10 %	Projection 2010/11 %	Projection 2011/12 %	Projection 2012/13 %	Projection 2013/14 %	Projection 2014/15 %	Projection 2015/16 %
27.1%	34.1%	30.6%	38.4%	40.5%	33.5%	35.3%	36.5%	38.4%	36.8%	35.2%
48.6%	11.9%	12.8%	17.4%	18.7%	17.9%	17.0%	17.8%	18.9%	18.4%	17.8%
12.1%	38.2%	42.8%	27.4%	23.6%	34.6%	33.3%	31.1%	27.7%	30.7%	33.7%
12.1%	15.9%	13.8%	16.8%	17.3%	14.0%	14.4%	14.6%	15.0%	14.2%	13.4%
<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - Efficient Council administration has a direct influence over the achievement of all outcomes in the Long Term Community Outcomes Plan
    - A District enjoying quality affordable essential services.
    - A thriving local economy creating opportunities.
    - Affordable access to quality medical health services.
    - An attractive District where residents want to be.
    - An active partnership between Council and our community.
    - Law, order, personal and property safety.
    - Affordable access to quality education.
    - Good social development services.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as implementation of Council decisions and policies affect individuals and properties throughout the District.
  - The majority of costs are recovered against all Council activities by way of a corporate charge.
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For Council administration the benefits accrue to the current ratepayers of the District. Effective implementation of Council decisions and policies may have benefits that extend beyond the period of expenditure.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - N/A
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - For accountability and transparency the activity is disclosed separately.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - Significant impact on the social, economic, environmental and cultural wellbeing of the community, in terms of providing effective and efficient administration.

[1.5.m] ENVIRONMENTAL SERVICES

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
28.9%	Rates - UAGC	19.4%	17.5%	17.9%	18.2%	18.0%	17.7%	17.7%	18.2%	18.3%	17.7%
31.6%	Rates - General	26.5%	26.4%	26.2%	27.1%	26.4%	25.8%	25.6%	26.4%	25.8%	25.2%
	Rates - Targeted										
34.6%	User Charges	52.3%	52.5%	52.2%	54.7%	53.8%	52.9%	53.0%	55.4%	54.1%	53.6%
	Grants & Subsidies										
5.0%	Reserves	1.8%	3.6%	3.8%		1.8%	3.5%	3.7%		1.8%	3.6%
	Borrowing										
	Other										
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A District enjoying quality affordable essential services.
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - An active partnership between Council and our community.
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - Policy and strategy aspects are considered to have predominantly public benefit and are funded from general rates.
  - Regulatory and enforcement aspects are funded mainly from user fees and charges, although there is a portion of public benefit (e.g. public safety through consented building works).
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - Planning provides current and ongoing benefits through the sustainable development of Council/Community vision.
  - Consenting work provided benefit to the applicant both present and into the future.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Application for resource/building consents require the Council to undertake the work and this is funded from User Fees and Charges
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The District Planning and Amenity Management activities make up a significant proportion of Council's rate take and therefore, for accountability and transparency, a separate general rate is struck.
  - The residual funding balance is from the Uniform Annual General Charge
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - Significant impact on the social, economic, and environmental wellbeing of the community through ensuring that the District's development is sustainable.

**AMENDMENT from the 2006 – 16 Long Term Community Outcomes Plan:**

(refer SECTION A[4] amendments to the grey district council long term community outcomes plan 2006 – 2016, page 8)

Council's Long Term Community Outcomes Plan signalled that the following activities would have their rate input funded from the Uniform Annual General Charge.

- Dog and Stock Control
- Building Control
- Health Regulation

Council resolved in March 2007 that they would signal as part of the 2007/08 Draft Annual Plan to fund these activities from the general rate calculated on land value. These changes have subsequently been adopted by Council, June 2007.

Note that there has been no amendment to the rating input signalled, but rather the type of rating tool used. Also note that other sources of funds (such as user fees and charges) are used as displayed in the table above.

The effect of this is that instead of all properties paying an equal share towards the cost of these activities the individual input will now be determined by the relative property rateable value. For further detail on the calculation of rates please refer to the funding impact statement & other rating information on page 163





[1.5.n] LIAISON WITH OTHER AGENCIES

Budget 2005/06		Budget 2006/07	Forecast 2007/08	Forecast 2008/09	Projection 2009/10	Projection 2010/11	Projection 2011/12	Projection 2012/13	Projection 2013/14	Projection 2014/15	Projection 2015/16
%		%	%	%	%	%	%	%	%	%	%
35.2%	Rates - UAGC	38.2%	39.3%	42.9%	42.7%	44.9%	46.4%	47.4%	47.6%	50.1%	49.4%
	Rates - General										
	Rates - Targeted										
	User Charges										
64.8%	Grants & Subsidies	61.8%	60.7%	57.1%	57.3%	55.1%	53.6%	52.6%	52.4%	49.9%	50.6%
	Reserves										
	Borrowing										
	Other										
<b>100.0%</b>	<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A thriving local economy creating opportunities.
  - Affordable access to quality medical health services.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.
  - An active partnership between Council and our community.
  - Affordable access to quality education.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as Council acts as the agency to achieve the specific outcomes to benefit the whole District.
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - Costs of funding these activities lie with the current community.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - N/A
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The activities do not have a significant amount of rate input and are funded from the Uniform Annual General Charge.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - Achievement of the associated outcomes will have a significant impact on the current and future social, economic, environmental and cultural wellbeing of the community.

## [2] rating policies

### [2.1] RATE REMISSION POLICY 1 – RATING OF COMMUNITY, SPORTING AND OTHER ORGANISATIONS

#### [2.1.a] OBJECTIVES OF THE POLICY

- To facilitate the ongoing provision of non-commercial (non-business) community services that meet the needs of Grey District residents.
- To facilitate the ongoing provision of non-commercial (non-business) recreational opportunities for Grey District residents.
- To assist the organisation's survival; and
- To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people and economically disadvantaged people.

#### [2.1.b] CONDITIONS AND CRITERIA

The Council shall remit rates where the application meets the following criteria:

- The policy will apply to land owned by the Council or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation or community purposes.
- The policy will not apply to organisations operated for private pecuniary profit, or which charge commercial tuition fees.
- The policy will not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting or community services as a secondary purpose only.
- An application for a new rate remission must be made to the Council prior to 1 June for the following rating year. Organisations with an existing remission will have the remission carried forward unless Council advises the organisation before 31 May that they need to re-apply. Council can request documents as outlined under the under mentioned conditions from organisations receiving a remission in subsequent years.
- Organisations making an application should include the following documents in support of their application:
  - statement of objectives;
  - full financial accounts;
  - information on activities and programmes;
  - details of membership or clients.

A 50% or 100% remission is available on General Rates, determined on eligibility under above criteria.

The policy shall apply to such organisations as approved by the Council as meeting the relevant criteria. The Council may delegate the authority to make such approvals to the Manager, Finance & Information Technology.

Remissions granted will apply to general rates and the uniform annual general charge. No remission will be granted on targeted rates for water supply, sewage disposal or refuse collection.

### [2.2] RATE REMISSION POLICY 2 – REMISSION OF PENALTIES AND SMALL BALANCES

#### [2.2.a] OBJECTIVE OF THE POLICY

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

#### [2.2.b] CONDITIONS AND CRITERIA

The Council shall remit the penalty rates where the application meets the following criteria:-

- Automatic remission of the penalties incurred on instalment one will be made where the ratepayer pays the total amount due for the year on or before the penalty date of the second instalment.

- Remission of one penalty will be considered in any one rating year where payment has been late due to significant family disruption. Remission will be considered in the case of death, illness, or accident of a family member as at the due date.
- The ratepayer is a beneficiary, earns a low income, or has recently been made redundant or unemployed, is without substantial other income and has exhausted other avenues of relief, and where the ratepayer makes acceptable arrangements for the payment of future rates.
- There are extenuating circumstances, e.g. loss of records by fire or theft.
- The ratepayer had paid after the penalty date but has not previously incurred a penalty for late payment. (Limited to one penalty per property only).
- The ratepayer has completed purchase of the property concerned but has not received notice of instalment of rates, e.g. in the case of a cross lease or subdivision in progress where the rates notices continue to be sent to the previous owner until the end of the financial year, resulting in the new owner(s) incurring penalties.
- The ratepayer is no longer able to manage his/her own affairs because of age and/or health issues and another person has assumed responsibility for the payment of accounts (limited to one application per ratepayer).
- The ratepayer has contacted Council prior to a penalty date to advise that he/she would not have funds available to pay the instalment charge until after the penalty date, as long as payment is then completed within fourteen (14) days of the penalty date. (Limited to one penalty only).
- Where there is a small balance overdue, which is uneconomically small to collect. This may be written off in line with other Council procedures and accordingly penalties will not be applied. (less than \$10)
- Where the circumstances are such that to not remit some or all of the penalties would be unfair or unreasonable and inconsistent when compared to the criteria in (1 – 8) above.

#### [2.2.c] DELEGATION OF DECISION MAKING

Decisions on remission of penalties will be delegated to the Manager, Finance and Information Technology.

### [2.3] RATE REMISSION POLICY 3 – REMISSION OF SOME UNIFORM ANNUAL GENERAL CHARGES ON RATING UNITS

This policy will apply to rating units which are:-

- Used for residential purposes and which include a separately inhabited part occupied by a dependent member of the family of the owner of the rating unit.

#### [2.3.a] OBJECTIVE OF THE POLICY

The policy is to provide for the possibility of rates remission where more than one uniform annual general charge is assessed on a rating unit because that rating unit comprises more than one separately used or inhabited part and where the rating unit is used for residential purposes and includes a separately inhabited part occupied by a dependant member of the family of the owner of the rating unit.

#### [2.3.b] CONDITIONS AND CRITERIA

The Council may remit the specified rates where the application meets the following criteria:-

- The rating units must be used as the owner's residence but also contain a minor flat or other residential accommodation unit which is inhabited by a member of the owner's family who is dependant on the owner for financial support (e.g. a granny flat).
- The owner(s) of the rating unit must complete and provide to the Council a statutory declaration stating that these conditions above apply. Such a declaration will be effective for three years or until the conditions cease to be met, whichever is earlier. A fresh declaration must be completed and provided in order to qualify for consideration for remission beyond the first three year period.

The rates which may be remitted are as follows:-

- Any uniform annual general charge assessment in respect of the rating unit, apart from the first of each.

The Manager, Finance and Information Technology will be delegated authority to consider applications for the remission of any rates in terms of this policy and, if appropriate, to approve or decline them.

### [2.4] RATE REMISSION POLICY 4 – REMISSION OF EXCESS WATER RATES

#### [2.4.a] OBJECTIVE OF POLICY

To standardise procedures to assist ratepayers who have excess metered water rates due to a fault (leak) in the internal reticulation serving their rating unit.

#### [2.4.b] CONDITIONS AND CRITERIA

The Council shall remit the excess water rates where the application meets the following criteria:-

- The policy will apply to applications from ratepayers who have excess metered water rates due to a fault(s) in the internal reticulation.
- That all applicants are requested to submit their application in writing.
- That proof of the repairs to the internal reticulation be submitted for verification (i.e. plumber's repair account).
- That the ratepayer be charged the full charge for normal consumption.
- That the excess consumption be charged at the cost price of the water to Council.
- That the balance of the account being the difference to be remitted.
- That the ratepayer be offered the opportunity to pay the account off by instalments where the amount is still excessive.

NOTE: If Council are the ones to notify the ratepayer of a suspected leak and it is not fixed within two weeks there will be no remission for the ratepayer.

**[2.4.c] DELEGATION OF DECISION MAKING**

The Manager, Finance and Information Technology will be delegated authority to consider applications for remission of excess water rates and, if appropriate, approve or decline them.

This policy must be consistent with Council's water supply bylaw.

**[2.5] RATE REMISSION POLICY 5 – SCHOOL SEWERAGE CHARGES**

**[2.5.a] OBJECTIVE OF THIS POLICY**

To provide relief and assistance to educational establishments as defined in the Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendments Act 2001 in paying sewerage charges.

**[2.5.b] CONDITIONS AND CRITERIA**

The Policy will apply to the following educational establishments:-

- established as a special school under section 98(1) of the Education Act 1964: or defined as :-
- a state school under section 2(1) of the Education Act 1989; or
- an integrated school under section 2(1) of the Private Schools Conditional Integrated Act 1975; or
- a special institution under section 92(1) of the Education Act 1989; or
- an early childhood centre under section 308(1) of the Education Act 1989, but excluding any early childhood centre operated for profit.

The sewerage rate for each educational institution in any one year will be a quarter of the full residential charge for each toilet.

The policy does not apply to school houses.

The sewerage rate for each educational institution in any one year will be the lesser of the amounts calculated under this policy and that that would have been applied outside of this policy.

The amount to be remitted is the difference between the amount calculated and the amount that would have applied had the rating unit not been used by an educational institution.

**[2.6] RATE REMISSION POLICY 6 – RATES ON GDC OWNED AND/OR OCCUPIED LAND**

**[2.6.a] OBJECTIVE OF POLICY**

To account for the rates that are liable for payment by the Grey District Council.

**[2.6.b] CONDITIONS AND CRITERIA**

This policy applies only to rating units for which the Grey District Council is liable for the payment of rates under the Local Government (Rating) Act, 2002.

Amount remitted - Council can decide to remit all or part of the annual levy struck for all or some of such rating units.

**[2.6.c] DELEGATION OF DECISION MAKING**

N/A

**[2.6.d] REVIEW PROCESS**

The policy will be reviewed annually as part of the Annual Plan process.

**[2.7] RATE REMISSION POLICY 7 - LAND AFFECTED BY NATURAL CALAMITY**

This remission applies to owners where they meet the following objectives and criteria.

**[2.7.a] OBJECTIVES OF THE POLICY**

To assist ratepayers experiencing extreme financial hardship due to a natural calamity that affects their ability to pay rates.

**[2.7.b] CONDITIONS AND CRITERIA**

Remissions approved under this policy do not set a precedent and will be applied only for each specific event and only to properties affected by the event.

The Council may remit all or part or any rate on any rating unit where the application meets the following criteria:

- Where erosion, subsidence, submersion or other natural calamity has affected the use or occupation of a rating unit, and
- It is applicable for each single event and does not apply to erosion, subsidence etc... that may have occurred without a recognised major event, and
- Where the Government has established a reimbursement scheme for rates remitted in respect of such properties, and
- The Council can set additional criteria for each event. This is because the criteria may change depending on the nature and severity of the event and available funding at the time. The Council may require financial or other records to be provided as part of the remission approval process.

**[2.7.c] DELEGATION OF DECISION MAKING**

In the event of a natural calamity meeting these criteria, Council will delegate authority to a sub-committee made up of at least one elected representative and one staff member.

**[2.8] RATE REMISSION POLICY 8 - FINANCIAL CONTRIBUTING MEMBERS OF THE WEST COAST RURAL FIRE DISTRICT**

**[2.8.a] OBJECTIVES OF THE POLICY**

To recognise financial contributors to the West Coast Rural Fire Authority and as such not levy these ratepayers for Council's share of the contribution.

**[2.8.b] CONDITIONS AND CRITERIA**

This is available only to those ratepayers who are financial contributors to the board of the West Coast Rural Fire District. Such ratepayers will be eligible for a portion of the Rural Fire Authority levied on each of their properties to be remitted on the following ratio:

$$\frac{a}{b} \times \frac{b}{c}$$

where:

- a** = ratepayers annual financial contribution to Rural Fire Authority
- b** = Grey District Council annual financial contribution to Rural Fire Authority
- c** = Total Annual Rate Requirement for Grey District Council activity Rural Fire Authority.

The Council may require financial records (e.g. a receipt from the West Coast Rural Fire Authority, showing payment received) as part of the remission approval process.

**[2.8.c] DELEGATION OF DECISION MAKING**

The Manager, Finance and Information Technology will be delegated authority to consider applications for the remission of any rates in terms of this policy and, if appropriate to approve or decline them.

**[2.9] POLICY FOR EARLY PAYMENT OF RATES IN THE CURRENT FINANCIAL YEAR (DISCOUNT POLICY)**

**[2.9.a] OBJECTIVE OF POLICY**

To provide a consistent and fair basis for the application of discount for the early payment of rates in the current financial year.

**[2.9.b] CONDITIONS AND CRITERIA**

Ratepayers receive a discount if 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 in the current year (in accordance with s55 of the Local Government (Rating) Act 2002).

The amount of the discount will be advised in the Annual Plan each year.

**[2.9.c] DELEGATION OF DECISION MAKING**

Decisions relating to whether a ratepayer qualified for a discount for early payment of rates will be delegated to the Manager Finance and Information Technology, who will act in accordance with the relevant Council resolution.

**[2.9.d] REVIEW PROCESS**

- The discount rate will be reviewed annually taking into consideration current borrowing interest rates and will be calculated to be fiscally neutral.
- The overall discount policy will be reviewed as required, but not more often than annually.

**[2.10] COLLECTION OF UNPAID RATES**

**[2.10.a] OBJECTIVE OF THIS POLICY**

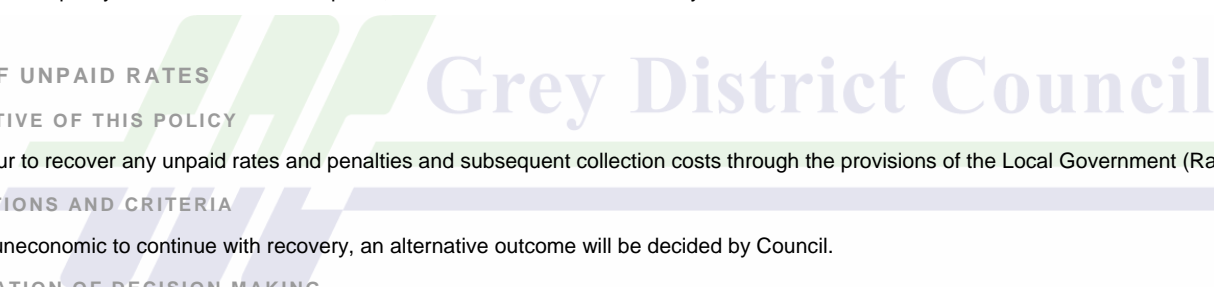
Council will endeavour to recover any unpaid rates and penalties and subsequent collection costs through the provisions of the Local Government (Rating) Act 2002.

**[2.10.b] CONDITIONS AND CRITERIA**

Where it is deemed uneconomic to continue with recovery, an alternative outcome will be decided by Council.

**[2.10.c] DELEGATION OF DECISION MAKING**

The Manager of Finance and Information Technology will seek alternative outcomes on small balances (less than \$1,000.00 total outstanding rates and penalties).



## [3] policy on remission/postponement of rates on Maori Freehold Land

### [3.1] OUTCOME

This policy is prepared under Section 102(4) (f) of the Local Government Act 2002

“Maori Freehold Land” is defined in section 5 of the Local Government (Rating) Act 2002 as “land whose beneficial ownership has been determined by the Maori Land Court by Freehold Order”. Only land that is the subject of such an order may qualify for remission under this policy.

This policy aims to:

- Ensure the fair and equitable collection of rates from all sectors of the community recognising that certain Maori owned lands have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide relief from rates.
- Implement a policy for providing rate relief on Maori land pursuant to Section 108 of the Local Government Act.

The objectives of this policy are set out in Schedule 11 of the Local Government Act 2002:

- Supporting the use of the land by the owners for traditional purposes;
- Recognising and supporting the relationship of Maori and their culture and traditions with their ancestral lands;
- Avoiding further alienation of Maori Freehold Land;
- Facilitating any wish of the owners to develop the land for economic use;
- Recognising and taking account of the presence of waahi tapu that may affect the use of the land for other purposes;
- Recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere);
- Recognising and taking account of the importance of the land for community goals relating to: the preservation of the natural character of the coastal environment, the protection of outstanding natural features, and the protection of significant indigenous vegetation and significant habitats of indigenous fauna;
- Recognising the level of community services provided to the land and its occupiers;
- Recognising matters relating to the physical accessibility of the land.

### [3.2] POLICY

Given the fact that there is no land in the Grey District that meets the description Maori freehold land as described above, Council will not develop any formal policies in this regard and will do so only if this situation changes.

### [3.3] POLICY REVIEW

This policy will be reviewed annually. Should the need for a formal set of policies per Section 102 (4)(f) of the Local Government Act 2002 arise, the focus of Council will be to what extent the remission and postponement policies developed under the Local Government (Rating) Act 2002 can be applied.

## [4] investment policy

Local Government Act 2002, section 105

### [4.1] OBJECTIVE

This policy seeks to achieve the following:

- Optimise investment returns while balancing risk and return considerations.
- Ensure that investments are liquid and sufficiently flexible.
- Diversify the mix of financial investments.
- Managing potential capital losses as a result of interest rate movements.
- Providing for termination of investments before maturity if deemed necessary.

In its role as a local authority, Council recognises that any investments it holds should be low risk, giving preference to conservative investment policies and avoiding speculative instruments. It therefore is accepted that lower risk generally means lower returns. In its financial investment activity, the primary objective is the protection of the investment capital and to minimise the risk of any loss. Accordingly, only creditworthy counterparties are acceptable (refer [4.7] financial investments)

Any new investments are approved by the appropriate delegated authority.

### [4.2] INVESTMENT MIX

Council maintains investments in the following financial assets:

- Equity investments
- Loan advances
- Property investments, including land holdings.
- Forestry investments.
- Financial investments.

### [4.3] EQUITY INVESTMENTS

Council has equity investments in Civic Assurance Limited and, at the time of drafting this document, is in the process of setting up the Port Westland Limited, in which it will be the sole shareholder.

#### [4.3.a] CIVIC ASSURANCE LIMITED

The shares were acquired by virtue of Council being a local authority. The shares are not readily transferable.

##### [i] Disposition of Revenue

Revenue earned from the shares is minimal. Any sale requires Council approval. Any disposition will be realised in a managed form and proceeds are taken to general funds.

##### [ii] Risk Management

The investment will be managed by reviewing annually the performance, and the consideration of the Statement of Intent.

##### [iii] Management Reporting and Procedures

Annual Reports are received and reviewed by Council. Election of directors takes place at the AGM held at the Local Government New Zealand annual conference. The Council votes by proxy.



**[iv] Specific Policy**

Council reviews its commitment to the scheme on an annual basis based on the Annual Report of the company. As a member, Council gets to vote on the directorships involved.

Notwithstanding unforeseen circumstances, Council will continue to hold its shares in Civic Assurance Ltd for the duration of this plan.

**[4.3.b] PORT WESTLAND LIMITED****[i] Nature of Investment/Rationale for Holding**

At the time of preparing this plan Council is in the process of setting up the 'Port Westland Limited', which with 100% Council shareholding will be a Council Controlled Organisation under the Local Government Act 2002.

**[ii] Disposition of Revenue**

It is not anticipated that the Port Westland Limited will generate any significant dividend to Council, for at least the first part of this plan.

**[iii] Risk Management**

The Council will manage this investment by periodically reviewing of Council's ownership objectives and annually approving the Company's Statement of Intent.

**[iv] Management Reporting and Procedures**

Council appoints the Port Westland Board and annually approves the Statement of Intent. The Audit Committee monitors performance by reviewing both six monthly (unaudited) and annual (audited) financial statements.

**[v] Specific Policy**

Council's policy is to review its holding in Port Westland Limited on an annual basis, when it considers the Statement of Intent.

**[4.4] LOAN ADVANCES**

Council currently has no loans advanced to other entities. Council may consider lending money to the Port Westland Limited, within the bounds of section 63 of the Local Government Act 2002.

**[i] Nature of Investment/Rationale for Holding**

Loan advances will be sourced from Special funds and/or external Council borrowing and will be subject to the following criteria:

- Where possible all loan advances will be secured by a charge over an organisation's land and/or buildings.
- A direct financial benefit realisable to Council by providing the funding.
- Low risk.
- Any loan advances to be approved by Council resolution.

**[ii] Disposition of Revenue**

All loan advances will be charged at market rates, to be determined by the Manager, Finance and Information Technology with reference to the average market rates at the time of the advance. Principal repayments will be credited back to the source of funds (Special Funds or repayment of debt).

**[iii] Risk Management**

- The total advanced from special funds will not exceed 25% of total short-term and long-term investments, as at 30 June in any given year.
- The total advanced from external borrowed sources must be able to be accommodated within the parameters of the liability management policy, page 217

**[iv] Management Reporting and Procedures**

Any balances will be reported to Council on a monthly basis as part of the financial report presented to Council.

**[v] Specific Policy**

Council can insist on repayment of any of these advances at any time if:

- the organisations circumstances change that increases Council's risk, and/or
- the advance cannot be sustained within the risk management parameters stated above.

New loan advances require Council resolution.

**[4.5] PROPERTY INVESTMENTS, INCLUDING LAND HOLDINGS**

Council owns property, i.e. land holdings and buildings, only insofar as it is necessary to do so in order to achieve its strategic objectives. The benefits of continued ownership, vis-à-vis other investment vehicles is reviewed regularly. The basis for the review is the most financially viable method of delivery of Council services.

Any new acquisitions require Council resolution.

**[4.5.a] COMMERCIAL AND NON OPERATIONAL PROPERTY****[i] Nature of Investment/Rationale for Holding**

Council holds a number of commercial properties; including property intended for resale, property used by the Port Westland Limited, other property held for strategic purposes, plus other properties that were acquired through amalgamation.

**[ii] Disposition of Revenue**

- Net income/proceeds will be first applied to any outstanding monies owed against the property.
- Net income is used as a source of operating revenue for the 'Property & Housing' activity.
- Net proceeds from sales are transferred to special funds

**[iii] Risk Management**

N/A

**[iv] Management Reporting and Procedures**

The Manager, Support Services will review the performance of the property investments and make any recommendations of disposal to the property sub-committee. Financial performance will be reported via the Annual Report.

**[4.5.b] RESIDENTIAL PROPERTY****[i] Nature of Investment/Rationale for Holding**

Council holds a number of residential leasehold properties and endowment land, from the time of amalgamation in 1989. These are freeholded, subject to Council policy, at the resident's request.

**[ii] Disposition of Revenue**

- Net income from endowment land is used to fund present port operations, or set aside in a special fund for future port related expenditure.
- Net income from other residential leases is used as a source of operating revenue for the 'Property & Housing' activity.
- Net proceeds from freeholdings are transferred to special funds

**[iii] Risk Management**

N/A

**[iv] Management Reporting and Procedures**

Via the Annual Report.

**[4.5.c] RETIREMENT HOUSING****[i] Nature of Investment/Rationale for Holding**

Council owns a number of retirement housing properties, necessary for achieving the outcomes of the Long Term Community Outcomes Plan.

**[ii] Disposition of Revenue**

Net income from retirement housing is used for a combination of purposes to:

- retire long-term debt
- set aside for future maintenance/renewals
- offset against the general rate

**[iii] Risk Management**

N/A

[iv] Management Reporting and Procedures

Via the Annual Report.

**[4.6] FORESTRY INVESTMENTS**

It is anticipated that by the time this plan comes into effect Council will have divested itself of all forestry investments and has no foreseeable plans to invest in any new forestry investments. Proceeds from the sale of existing forests will be used to repay associated term debt.

**[4.7] FINANCIAL INVESTMENTS**

Council's primary objective when investing is the protection of its investment, and therefore only creditworthy counterparties are acceptable (refer table below).

**[i] Nature of Investment/Rationale for Holding**

Financial investments are held for the following reasons:

- To invest proceeds from the sale of assets.
- To invest funds held as 'Special Funds' for specific purposes.
- To invest amounts allocated for approved future expenditure.
- To invest surplus cash and working capital.

**[ii] Disposition of Revenue**

All dividends and interest income will be shown in the considered revenue account.

**[iii] Risk Management**

Council ensures prudence by applying the following principles:

Institution	Minimum S&P Short Term Credit Rating <sup>5</sup>	Minimum S&P Long Term Credit Rating <sup>6</sup>	Total Exposure Limit for each Counter-party	Portfolio Limit (% of Total Portfolio)
Government <ul style="list-style-type: none"> <li>▪ Treasury Bills</li> <li>▪ Government Stocks</li> </ul>	N/A	N/A	Unlimited	100%
Local Authorities (on balance sheet exposures only)	N/A	N/A	\$2 million	100%
Registered Bank <ul style="list-style-type: none"> <li>▪ Call &amp; Term Deposits</li> <li>▪ Registered certificates of deposit</li> <li>▪ Bank Bills</li> </ul> - On balance sheet exposures - Off balance sheet exposures	A1 A1	A- A-	\$10 million \$10 million	80%
Strongly Rated Corporates and SOEs (on balance sheet exposures only) <ul style="list-style-type: none"> <li>▪ Corporate bonds</li> <li>▪ Promissory notes</li> </ul>	A1	A-	\$1 million	40%

<sup>5</sup> Short term refers to securities with a remaining maturity of 12 months or less.

<sup>6</sup> Long term refers to securities with a remaining maturity of more than 12 months.

If any counter-party's credit rating falls below the minimum specified in the above table then immediate steps are taken to reduce the credit exposure to that counter-party to zero.

Exposures to each counter-party are computed as follows:

- On-balance sheet
  - Total amounts invested with that counter-party.
- Off- balance sheet
  - Credit exposure on interest rate contracts computed by multiplying face value of outstanding transactions by an interest rate movement factor of 5%.
  - Credit exposure on foreign exchange contracts computed by multiplying face value of outstanding transactions by an exchange rate movement factor of 10% for contracts up to one year maturity, and 20% for contracts greater than a year.

Interest Rate Risk Management

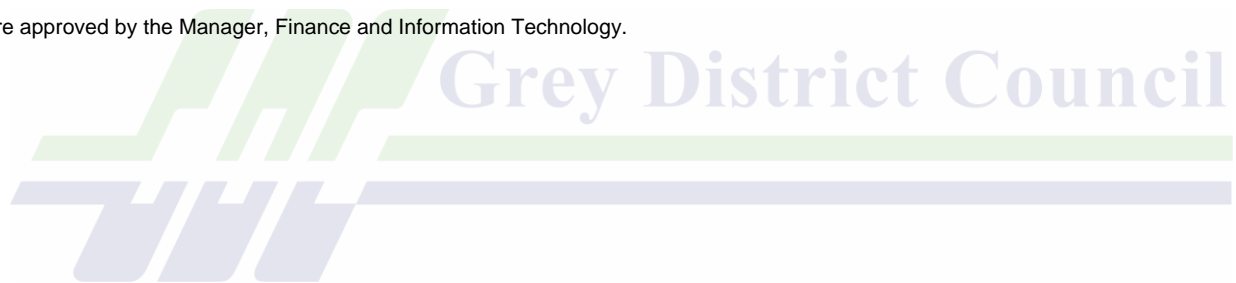
- Council's investments give rise to a direct exposure to a change in interest rates, impacting the return and capital value of its investments. The risk is managed by:
  - Up to \$2 million will be held in short-term deposits (on call)
  - The balance will be fixed through physical investment instruments (e.g. term deposits)
  - A range of maturity dates, with at least 30% of total investments with a maturity of less than one year
- Any change to this management will require approval from the Audit Sub Committee and Council resolution.

#### [iv] Management Reporting and Procedures

Reports are presented to Council each month as part of the financial report. The policy is reviewed annually as part of the Annual Plan process.

#### [v] Specific Policies

New investments are approved by the Manager, Finance and Information Technology.



## [5] liability management policy

Local Government Act 2002, section 104

### [5.1] OBJECTIVE

This policy aims to achieve the following:

- To maintain Council's borrowing on a prudent level.
- Borrowing must provide a basis for inter-generational equity.
- Risk must be minimised.

### [5.2] PRINCIPLES

- In evaluating any new or renewal borrowing, Council will take the following into consideration:
  - The size and economic life of the project to be funded.
  - The impact of the new debt on borrowing limits.
- When raising new Council-approved borrowing, the following must be taken into account:
  - Relevant margins under each borrowing source.
  - Council's overall debt maturity profiles to avoid concentration of debt at roll-over time.
  - Prevailing interest rates relative to term for both stock issuance and bank borrowing given good external advice on potential future interest rate movements.
  - Available term from bank and stock issuance.
  - Legal documentation and financial covenants.

### [5.3] INTEREST RATE EXPOSURE

Council's borrowing gives rise to a direct exposure to interest rate movements. Given the long-term nature of Council's assets, intergenerational factors and Council's preference to avoid an adverse impact on rates, there is a general tendency to have a high percentage of long-term fixed rate or hedged borrowing. The mix between floating and fixed rate debts will be determined according to market conditions. Based on advice and internal market movement monitoring, debt with a floating rate profile in excess of 40% of debt will require a formal Council sanction.

Debt maturities will be spread to ensure that no more than the greater of \$10,000,000 or 40% of total borrowing is subject to re-financing every year.

### [5.4] LIQUIDITY

To minimise the risk of large concentrations of debt maturing or being reissued in periods where credit margins are high for reasons within or beyond Council's control, Council ensures debt is spread over a band of maturities and ensures that:

- Where practicable, no more than 40% or \$10 million (whichever is the highest) of total borrowing is subject to refinancing in any financial year. Total borrowing includes any forecast borrowing.

Liquidity risk may result in Council not being able to meet its day-to-day commitments, including debt maturities. This is not seen to be a major issue except in the event of a major disruption to the financial markets or a natural disaster affecting Council's day-to-day revenues. As a safeguard, the following guidelines will apply –

- Maintain a Quick Asset Ratio for each of the subsequent months of at least 1:1.
- Maintain a Disaster Recovery Fund (refer Policy on Special Funds, SECTION E[9.3.h])

disaster recovery reserve, page 229)

- Retain membership of the Local Authority Protection Programme (LAPP).
- Debt maturities will be spread to ensure that no more than the greater of \$10,000,000 or 40% of total borrowing is subject to re-financing every year.
- Retain a suitable credit rating.
- Maintain a bank standby facility at a level that will enable Council to meet its obligations in terms of the Quick Asset Ratio above.

#### [5.5] CREDIT EXPOSURE

Council's ability to readily attract cost effective borrowing is largely driven by:

- ability to maintain a strong balance sheet , and
- ability to rate, and
- manage its image in the market, and
- strong and positive relationship with its banker.

#### [5.6] DEBT REPAYMENT

Council will repay debt from specific reserves, available bank facilities, or general funds.

#### [5.7] SPECIFIC BORROWING LIMITS

Council acknowledges the potential implications of risk arising from systemic changes in financial or capital markets. Such changes relate primarily to movements in interest rates. In managing this, Council adheres to the following:

- Total debt will not exceed 20% of total assets.
- The gross debt for rateable activities (debt on activities for which the cost of servicing is included in the rating requirement) will not exceed \$3,500 per rateable property.
- Net debt will not exceed 135% of total operating revenue.
- Gross interest paid on term debt will not exceed 15% of gross operating revenue.

#### [5.8] SECURITY

Generally, a charge on rates is offered as security. Should any other form of security be required, Council has to formally approve it.

#### [5.9] INTERNAL BORROWING

Council uses funds allocated to reserves in a manner that provides Council with the greatest benefit. Where possible, external debt is reduced, thereby effectively reducing net interest cost.

The finance function is responsible for administering Council's internal loan portfolio. Loans are set up within the portfolio based on planned loan funded capital or asset expenditure as approved by Council resolution as part of the Annual Plan and Long Term Community Outcomes Plan process.

The primary objective in funding debt internally is to use specific reserves effectively by establishing an internal loan portfolio that provides funding to internal activity centres. This creates operational efficiencies as savings are created by eliminating the banker's margin that would be owing through Council simultaneously investing and borrowing with the bank. General funds are used for internal borrowing purposes:

The following operational parameters apply to the management of Council's internal loan portfolio:

- A notional internal loan is set up for all new capital or asset expenditure and allocated in the internal loan portfolio to the activity centre incurring the expenditure.
- The term of the loan is limited to a maximum of 25 years and re-priced annually but the term of the loan is no greater than the original purpose of the reserve.
- Instalment amounts are agreed on establishment of the loan and determined on a table mortgage basis.
- The interest rate charged on loan balances is equivalent to the average external cost of raising debt.

- The charges based on the instalment amounts are charged to each activity on an annual basis
- The principal charges go against the outstanding balance.
- The interest charges are allocated equitably across the Special Funds balances.

Finance uses the internal loan portfolio as an input into determining Council's external debt requirements. Where possible, the Council's cash reserves are used to reduce external debt effectively reducing Council's net interest cost.



## [6] policy on partnership with the private sector

### [6.1] OUTCOME

To provide for clear guidelines for the management of Council's business associations with third parties.

### [6.2] POLICY APPLICATION

Based on the definition of "Partnership with the Private Sector" per Section 107(2) of the Local Government Act 2002, Council is not involved in any partnerships that involve it and/or another local authority and one or more persons engaged in business for purposes other than a contract for the supply of any goods or services to or on behalf of Council.

### [6.3] POLICY

Given the non-involvement of Council in private-public partnerships, Council will not develop any formal policies in this regard and will only do so once the need arises.

### [6.4] POLICY REVIEW

This policy will be reviewed annually. The focus of the review will be on the question as to whether any such associations may become operational in the next 12 months. If the review results in the need for a policy to be developed, it will provide for the following:

#### [6.4.a] WHEN THE PROVISION OF RESOURCES MIGHT BE CONSIDERED BY THE COUNCIL

- For all types of resources the primary consideration is the ability to demonstrate an expectation that identifiable community outcomes will benefit.
- For all assistance other than grants, the presence of a robust and comprehensive business plan, which clearly details the security being offered to the Council, must be present in any proposal.

#### [6.4.b] WHAT CONSULTATION WILL THE COUNCIL UNDERTAKE BEFORE MAKING A COMMITMENT?

- Any significant proposal for a partnership with the private sector must be approved by the Council after the appropriate special consultation procedure.

#### [6.4.c] WHAT CONDITIONS WILL THE COUNCIL IMPOSE OF ANY PROPOSAL?

- For assistance other than grants, there must be a robust and comprehensive business plan which will demonstrate the self-funding nature of the proposal, with an expectation of a profit position and an exit plan within five years.
- Other than grants, a financial commitment that reaches \$10,000 must be appropriately secured.

#### [6.4.d] HOW THE RISKS WILL BE MANAGED

- The Council will expect the provision of Audited Annual Reports as well as quarterly financial statements prepared using NZ GAAP.
- Before signing of any proposal, all documents will be examined by appropriate business professionals.
- The Council's Chief Executive Officer will be made responsible for the partnership.

#### [6.4.e] THE PROCEDURES FOR MONITORING PARTNERSHIP PERFORMANCE AND CONTRIBUTION TO OUTCOMES

- Every quarter, the available financial statements will be reviewed by a Financial Analyst and the results conveyed to the Chief Executive Officer and the Manager, Finance.
- The partnership will be disclosed in the LTCOP and the Annual Plan.



- The Annual Report will provide monitoring as required under the Local Government Act 2002, covering both specific requirements for measures of outcome achievements and Financial Report Requirements.



## [7] policy on development contributions and financial contributions

### [7.1] OBJECTIVE

To enable financial contributions to be taken that ensure that developers make a fair contribution to the development of infrastructure and services to support the provision of services as the District develops and to mitigate the economic, environmental and social impacts of additional development in the District.

### [7.2] REQUIREMENT

The Local Government Act 2002 per Sections 102 & 106 requires Council to adopt a policy on development contributions or financial contributions. The following distinction is important:

Financial contributions refer to contributions made effective in terms of the District Plan and mandated by the Resource Management Act (Section 108).

Development contributions refer to contributions promulgated in compliance with the above and Schedule 13 of the Act.

### [7.3] POLICY

Council's policy is to take contributions from developers pursuant to Section 108 of the Resource Management Act 1991 as provided for in Part 3 Section 15 of the District Plan.

Levies are currently paid in terms of stormwater, wastewater, water, roading, and for reserves, depending on where the proposed development is to take place.

Current contributions payable are outlined in the proposed fees and charges, page 176.

### [7.4] POLICY REVIEW

This policy will be reviewed again by June 2008. The review will specifically consider whether Council will continue using the Resource Management Act (District Plan) for taking contributions or whether a detailed methodology for taking contributions under the Local Government Act 2002 is to be developed. In the review the following requirements of a policy in terms of Section 102 of the Local Government Act 2002 will be provided for:

- A summary of capital expenditure (per the LTCOP) which Council expects to incur to pay for facilities to meet expected growth.
- An indication of what proportion of that expenditure will be funded by -
  - Development contributions.
  - Financial contributions.
  - Other funding.

Together with an explanation per Section 101(3) of the Local Government Act 2002 as to why these sources will be used.

- An identification of each separate activity for which a contribution will be required and the total amount of funding sought by means of contributions.
- Compliance with the provisions of Sections 201 and 202 of the Local Government Act 2002 if development contributions are to be taken.

A summary form, explanation and justification for the calculation methodology, significant assumptions underlying the calculation, including potential effects of possible significant uncertainty, conditions and criteria for remission, postponement or refund/return of land, and the basis on which the value of additional allotments or land is assessed for Section 203(1) of the said Act.

A schedule specifying the development contributions payable, calculated in respect of reserves, network infrastructure, community infrastructure, and the trigger that will give rise to a requirement for a development contribution, be it a resource consent, building consent, service connection authorisation, or otherwise.

If development contributions are taken on a differentiated basis throughout the District, such a schedule will be done for each of those separately specified for each activity, a group of activities for which separate development contributions are required.

In the event of financial contributions being required, a summary of the provisions of Part 3 Section 15 of the District Plan and advice that the District Plan is open to public inspection.

In the event of development contributions being required, advice that the methodology of calculation of contributions is open for public inspection.



## [8] policy on significance

### [8.1] INTRODUCTION

A Policy determining Council's stance on significance as it impacts on:

- activities
- decision-making
- strategic assets

The Local Government Act 2002 heralds a new philosophy to representative democracy with, as a central consideration, a new framework on consultation and decision-making. The Act provides for a significance judgement to be made in this and the purpose of this policy is to determine the rules and protocols that will apply. The measure of significance will determine the measure of consultation undertaken and the criteria that will be applied in making decisions. This should not be read as decisions on matters on the lower end of the significance continuum to be glanced over without consultation.

In determining the question of significance, the Act defines significant as "having a high degree of importance" in terms of -

- the District's current and future economic, environmental, social, or cultural wellbeing.
- its likely impact on the people who are interested in or affected by the decision.
- the capacity of the Council, also on financial grounds, to implement the decision and carry out its normal role.

It is for Council to decide what high degree of importance means in each instance. This and associated matters are provided for in this policy. The significance issue per the Act is important in respect of -

- activities (Sections 88 & 97)
- decisions (Section 76(3)(b))
- assets (Sections 5 & 97)

Section 90 of the Act requires a local authority to make a policy setting out -

- the authority's general approach to determining significance
- any thresholds, criteria or procedures to determine significance
- strategic assets.

### [8.2] GENERAL APPROACH TO SIGNIFICANCE OF PROPOSALS OR DECISIONS

Council is committed to deciding this question on a case-by-case basis. Notwithstanding this, Council will afford significance to any proposal or decision based on the following criteria:

- the likely impact/consequences on current and future social, economic, environmental and cultural wellbeing of the community.
- who is likely to be particularly affected by, or interested in, the decision or proposal.
- how the proposal/decision is likely to impact on the affected parties.
- the financial/non-monetary costs and implications having regard to Council's capacity to perform its role.

The above is aimed at ensuring that any matter or decision receives attention and consideration relevant to its importance to the District. The higher the degree of significance, the higher the measure of procedural compliance.

Matters with a significant classification will not be progressed other than in full compliance with Sections 77, 78, 80, 81 and 82 of the Act. Where the power to make decisions has been delegated to officers, Council will ensure that the specific requirements regarding significance are provided for in a positive, responsible manner.

**[8.3] THRESHOLDS, CRITERIA AND PROCEDURES TO DETERMINE SIGNIFICANCE**

Proposals or decisions will be measured according to the following criteria:

Impact On	Significant	Non-Significant
Council direction	Major and long-term	Medium-Low
Current service levels	Major and long-term	Medium-Low
Public and/or public interest	Major and District-wide	Medium-< 40% of District
Rates	More than 20% of rates	Less than 10% of rates
Council ability	Major and long-term	Medium-Low

Any proposal/decision with significance ratings on more than one impact criteria per the above will have a significant rating for purposes of this policy. However, Council may afford any matter not complying with this criteria significant status based on other considerations it may deem appropriate under the circumstances.

Notwithstanding this, Council considers the following proposals/decisions to be on the higher end of the significance continuum:

- any decision to transfer the ownership or control of a strategic asset to or from the local authority;
- any decision to construct, replace, or abandon a strategic asset;
- any decision to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the local authority, including a decision to commence or cease any such activity;
- any decision that, directly or indirectly, will affect significantly the capacity of the local authority, or the cost to the local authority, in relation to any activity identified in Grey District Council's Long Term Community Outcomes Plan.

The Local Government Act includes definitions of "activity" and "group of activities". Grey District Council already categorises its activities into Functions, Activities and Reporting components. Grey District Council considers that:

- a group of activities as defined in the Local Government Act is equivalent to a Function.
- an activity as defined in the Local Government Act is equivalent to a Reporting Component.

**[8.4] STRATEGIC ASSETS**

In keeping with Council's Strategic Plan and also the Act definition of "Strategic Asset" the following are seen to be strategic assets for purposes hereof :

- Roading and traffic network, footpaths, streetlights and parking.
- Port Westland Limited.
- Council's housing portfolio.
- Council's leasehold portfolio.
- Water, treatment, storage and reticulation network.
- Wastewater reticulation and treatment facilities.
- Stormwater network.
- Reserves.
- Public toilets.
- Cemeteries.
- Council's economic development fund.
- Floodwalls.

Council sees the above as classes. Strategic decisions, therefore, only concern the whole asset class rather than individual components unless the component affects the sustainability of the class of assets. It is for instance, the principle of having a residential leasehold portfolio that is substantial and not the ability to freehold individual properties. It is the class that is strategic, not the individual components thereof.

Council accepts that some assets do not fit the legal definition of strategic asset but enjoys high community interest. A good example is the Greymouth Library. Council is committed to consult adequately on issues like this. Decisions required may prove to be significant decisions.

**[8.5] RELEVANCE TO OTHER COUNCIL POLICIES**

This policy should be read with Council's Consultation and Decision-making Policies.



## [9] policy on special funds

### [9.1] GENERAL POLICY

- Access to special funds can only be achieved in pursuance of this policy.
- Interest earned by special funds will be allocated across all funds on a pro-rata basis at year end.
- Access to special funds will be through the annual plan process. However, Council can, by majority decision, access funds from special funds if :-
  - the expenditure is totally unexpected and could not have been foreseen in the Annual Plan.
  - the expenditure is unavoidable.
  - the expenditure cannot be funded ex savings on the current Annual Plan.
  - the purpose for which funding is sought is not controversial and therefore unlikely to result in public debate.
  - the expenditure will not represent a major departure from the current LTCOP resulting in an audit.
- Where the purpose for which funding is required is likely to be controversial, or where such funding exceeds \$250,000.00, the funding will not become available until Council has consulted the public on the matter and have confirmed the funding after having considered public input received.

The policy may be reviewed at any time but must be reviewed every three years as part of Council's Treasury/Funding Policies.

### [9.2] SPECIFIC FUND CONDITIONS

Provision is made for five reserve fund groups on the following basis:

- Infrastructural Assets Reserves
- Community Assets Reserves
- General Purpose Reserves
- Port Reserves
- Bequests, Grants, etc.

### [9.3] INFRASTRUCTURAL ASSET RESERVES

#### [9.3.a] THE INFRASTRUCTURAL RENEWAL RESERVE

- History
  - Two reserve funds, the Infrastructural Development Reserve and the Infrastructural Renewal Reserve have been combined to form this reserve.
- Purpose
  - To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of roading (including footpaths), sewer, water, stormwater and refuse disposal/removal.
- Contributions
  - Any unspent funding of depreciation of infrastructural assets
  - An amount per annum from general rates as determined by Council as part of each year's Annual Plan.

#### [9.3.b] GREYMOOUTH SEWERAGE FUND

- History
  - Beneficiaries under the Greymouth Area Sewerage Scheme have been paying a targeted rate contribution towards the expected cost of upgrade of the scheme since 1 July 1997.
- Purpose
  - To fund the Greymouth Area Sewerage Scheme.

- Contributions<sup>7</sup>
  - Net ratepayer contributions, government grants, and external subsidies

**[9.3.c] KARORO WATER SUPPLY RESERVE**

- History
  - As part of the establishment of Karoro, provision was made for extensions/upgrades of the Karoro water supply.
- Purpose
  - To extend/upgrade the Karoro water supply.
- Contributions
  - N/A

**[9.3.d] RURAL SEWERAGE WORKS CAPITAL RESERVE**

- History
  - This fund was raised against ratepayers other than Greymouth, Blaketown and Cobden.
- Purpose
  - To fund enhancement and development sewerage schemes other than the Greymouth Area scheme.
- Contributions
  - None. Costs are now recovered against benefiting communities on a user-pays basis by means of targeted rates.

**[9.3.e] COBDEN STORMWATER MITIGATION RESERVE**

- History
  - This fund was earmarked to address stormwater issues.
- Purpose
  - To fund enhancement of stormwater management in Cobden.
- Contributions
  - N/A

**[9.3.f] KARORO TREATMENT PLANT RESERVE**

- History
  - As part of the establishment of Karoro, provision was made for extensions/upgrades to the Karoro Treatment Works. Since 2003/2004 a special rate contribution is made by Karoro, South Greymouth and South Beach/Paroa residents.
- Purpose
  - To fund upgrades/extensions to Karoro Treatment Plant.
- Contributions<sup>8</sup>
  - Contributions by benefiting properties in South Greymouth, Karoro and South Beach/Paroa
  - Any Government subsidies in terms of SWSS (Sanitary Works Subsidy Scheme)

**[9.3.g] BLACKBALL SEWERAGE UPGRADE RESERVE**

- History
  - Properties in Blackball have been making a targeted rate contribution towards the upgrade of its sewer since 2003/2004.
- Purpose
  - To fund a sewerage scheme for Blackball.
- Contributions<sup>9</sup>
  - Contributions by benefiting properties.
  - Any Government subsidies in terms of SWSS (Sanitary Works Subsidy Scheme)

<sup>7</sup> Reserve expected to be wound up when project is completed.

<sup>8</sup> Reserve expected to be wound up when project is completed.

<sup>9</sup> Reserve expected to be wound up when project is completed.



**[9.3.h] DISASTER RECOVERY RESERVE**

- History
  - This fund was created to fund Council's excess on its infrastructural assets in the event of a disaster.
- Purpose
  - To fund Council's excess on the loss of infrastructural assets in the event of a major disaster.
- Contributions
  - The \$10,000 per annum as minimum with the fund capped at the value of Council's excess requirement based on the total value of such assets.

**[9.4] AREA INFRASTRUCTURAL RESERVES****[9.4.a] BARRYTOWN AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Barrytown area per the preference of people in the area.
- Contributions
  - 1.45% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.b] ATARAU AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Atarau area per the preference of people in the area.
- Contributions
  - 1.03% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.c] AHAURA AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Ahaura area per the preference of people in the area.
- Contributions
  - 2.92% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.d] HAUPIRI AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Haupiri area per the preference of people in the area.
- Contributions
  - 1.52% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.e] NELSON CREEK AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Nelson Creek area per the preference of people in the area.
- Contributions
  - 2.43% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.f] BLACKBALL AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To part-fund the proposed sewer reticulation and disposal for Blackball per the preference of people in the area.
- Contributions
  - 3.00% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.g] RUNANGA AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Runanga area per the preference of people in the area.
- Contributions
  - 13.17% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.h] KAIATA/STILLWATER AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Kaiata/Stillwater area per the preference of people in the area.
- Contributions
  - 6.62% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.i] KARORO-GLADSTONE AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Karoro to Gladstone area per the preference of people in the area.
- Contributions
  - 15.50% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.j] ARNOLD VALLEY AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Arnold Valley area per the preference of people in the area.
- Contributions
  - 0.85% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.k] LAKE BRUNNER AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Lake Brunner area per the preference of people in the area.
- Contributions
  - 2.54% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

**[9.4.l] HOHONU AREA INFRASTRUCTURE DEVELOPMENT RESERVE**

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.

- Purpose
  - To develop/improve infrastructure in the Hohonu area per the preference of people in the area.
- Contributions
  - 0.39% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

## [9.5] COMMUNITY ASSET RESERVES

### [9.5.a] THE COMMUNITY ASSET RENEWAL RESERVE

- History
  - The fund has been created for depreciation levies.
- Purpose
  - To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of community assets which fall outside the dedicated community asset reserves.
- Contributions
  - Depreciation on community assets credited, subject to sufficient operating revenue being available.

## [9.6] DEDICATED COMMUNITY ASSET RESERVES

### [9.6.a] SWIMMING BATHS PLANT RESERVES

- History
  - Fund created to fund replacement or enhancement of existing swimming pool equipment.
- Purpose
  - To fund expenditure in connection with replacement or enhancement of pool equipment/ plant.
- Contributions
  - Depreciation on pool plant/equipment.
  - \$5,000 per annum from general rates

### [9.6.b] PARKING AREAS RESERVES

- History
  - Fund created from financial purpose in lieu of parking and annual surpluses on parking account.
- Purpose
  - To fund provision of car parks.
- Contributions
  - Financial purpose in lieu of parking.
  - Surpluses on parking activity account.

### [9.6.c] PARKING AREAS DEVELOPMENT RESERVE

- History
  - Fund created to fund re-seal/development of parking areas.
- Purpose
  - To fund development/major maintenance of parking areas.
- Contributions
  - Depreciation on parking areas funded.

### [9.6.d] AIRPORT RUNWAY RE-SEAL RESERVE

- History
  - Reserve created to provide for re-seal of airport runway from time to time.
- Purpose
  - To fund the periodic re-seal of airport runway.
- Contributions

- Depreciation on airport runway funded, subject to operating revenue being available

**[9.6.e] TOWN CLOCK RESERVE**

- History
  - Reserve created to provide for replacement/major maintenance of town clock.
- Purpose
  - To fund renewal/major maintenance of town clock.
- Contributions
  - Depreciation on town clock funded.
  - \$2,000 from rates per annum.

**[9.6.f] RUNANGA COMMUNITY FACILITIES RESERVE**

- History
  - A remnant from the 1989 reorganisation.
- Purpose
  - To fund community facilities in Runanga.
- Contributions
  - Nil.
  - Note : The reserve will be depleted and closed after 1 July 2004.

**[9.6.g] CEMETERY EXTENSION RESERVE**

- History
  - Reserve created to fund development of new and existing cemeteries as well as the cost of closure and post closure.
- Purpose
  - To fund new and extensions to existing cemeteries as well as closure and post closure costs.
- Contributions
  - \$10,000 from rates per annum.

**[9.6.h] CEMETERY MAINTENANCE IN PERPETUITY RESERVE**

- History
  - Funds received from excess maintenance in perpetuity fees above annual maintenance.
- Purpose
  - To fund renewal and maintenance of cemeteries.
- Contributions
  - Interment paid on reservation of grave plots in advance

**[9.6.i] RENTAL HOUSING RESERVE**

- History
  - Reserve created to fund maintenance in perpetuity of Council's disadvantaged and old age housing stock.
- Purpose
  - To maintain in perpetuity, Council's disadvantaged and old age housing stock and to reduce existing loans against the housing stock.
- Contributions
  - Depreciation on old age/disadvantaged housing activity.
  - Surplus on activity.

**[9.6.j] ECONOMIC DEVELOPMENT RESERVE**

- History
  - The reserve was created when \$1 million of the \$7 million *ad hoc* grant was earmarked for economic development.
- Purpose
  - To fund economic development.

- o Contributions
  - Interest on loans from the Central West Coast Development Facilitation Fund.
  - Repayment of loans from reserve.

**[9.6.k] RESERVES CONTRIBUTION RESERVE**

- o History
  - Reserve created from reserves development Purpose.
- o Purpose
  - To fund the creation of new reserves in/for subdivisions.
- o Contributions
  - New reserve development Purpose.

**[9.7] FUNCTIONAL COMMUNITY ASSETS RESERVES**

**[9.7.a] PLANT AND MACHINERY RESERVE**

- o History
  - Reserve created for depreciation on plant and machinery.
- o Purpose
  - To replace existing machinery, or effect major maintenance to existing machinery.
- o Contributions
  - Depreciation on plant and machinery funded.

**[9.7.b] SUNSHINE COACH RESERVE**

- o History
  - New reserve
- o Purpose
  - To replace, or effect major maintenance, or make major addition to existing asset(s)
- o Purpose:
  - Depreciation funded on existing asset(s);
  - Donations Contributed from Users of the Asset(s);
  - Residual Balance from unallocated portion of Annual Budget for the asset(s) operating expenditure at end of each financial year.

**[9.7.c] BUILDING AND PROPERTY GENERAL RESERVE**

- o History
  - Reserve created for major maintenance or enhancement of Council buildings and associated facilities.
- o Purpose
  - To fund major maintenance and renewal of Council buildings and associated facilities excluding dedicated reserves.
- o Contributions
  - Depreciation on Council buildings/property and associated facilities.

**[9.7.d] CORPORATE EQUIPMENT AND FURNITURE REPLACEMENT RESERVE**

- o History
  - Reserve created for upgrade or replacement of office equipment and furniture.
- o Purpose
  - To fund the upgrade and renewal of office equipment and furniture.
  - To fund new office equipment and investment in new technology.
- o Contributions
  - Depreciation on furniture and equipment funded.
  - \$10,000 from rates per annum.

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**[9.8] GENERAL PURPOSE RESERVES****[9.8.a] CENTRAL WESTLAND SERVICES LIMITED SHARE SALE RESERVE**

- History
  - Reserve created from the sale of Council's Local Authority Trading Enterprise (now referred to as CCO) in 1997.
- Purpose
  - To fund any activity of a non-maintenance nature.
- Contributions
  - N/A

**[9.8.b] HADDOCK ROAD RESERVE FUND**

- History
  - Created as a holding account for money to fund future building of road/culvert.
- Purpose
  - To fund the building of a road/culvert to provide access to development land.
- Contributions
  - N/A

**[9.8.c] RURAL FIRE AUTHORITY RESERVE (CAPPED AT \$100,000)**

- History
  - Reserve created to fund significant fire events during any year.
- Purpose
  - To fund the expenditure associated with major fires.
- Contributions
  - NIL

**[9.8.d] LAND SALES RESERVES**

- History
  - Two reserves, restricted and unrestricted land sales reserves combined into one.
- Purpose
  - To fund purchase of land, key strategic assets and obtaining fee simple ownership of leasehold property.
  - To fund other significant projects as decided by Council as part of the Annual Plan.
- Contributions
  - Net proceeds of land sold (not Harbour Board Endowment Land)

**[9.8.e] DISTRICT PLANNING RESERVE**

- History
  - Fund created to meet unexpected costs arising from District Plan review or one-off projects associated with planning and regulations.
- Purpose
  - To fund unexpected costs arising from District Plan reviews or one-off projects associated with planning and regulations.
- Contributions
  - Levies against applicants for variations to District Plan or specific actions.

**[9.8.f] LOAN REPAYMENT RESERVE**

- History
  - Fund created to repay loans as they fall due. Specific funds set aside for this Purpose also paid into reserve.
- Purpose
  - To fund repayment of loans not otherwise provided for.
- Contributions
  - Specific surpluses from activities that have outstanding debt.

**[9.8.g] GENERAL PURPOSE RESERVE**

- History
  - Reserve created to fund one-off unexpected expenditure of a general nature.
- Purpose
  - To fund general expenditure.
- Contributions
  - N/A

**[9.8.h] MAORI LAND COMPENSATION RESERVE**

- History
  - Grant from Government to offset impact of market related ground leases owned by Mawhera Incorporation.
- Purpose
  - To fund rent increases on land leased from the Mawhera Incorporation.
- Contributions
  - N/A

**[9.9] PORT RESERVES****[9.9.a] HARBOUR ENDOWMENT LAND SALES RESERVE**

- History
  - Reserve created for income from Harbour Endowment land sales.
- Purpose
  - Purchase of new port land
  - Operation, maintenance and development of Port Westland
- Contributions
  - Proceeds of sale of Harbour Endowment land.

**[9.10] BEQUESTS****[9.10.a] MCGLASHAN TRUST**

- History
  - An annual contribution is received from this Trust earmarked for the maintenance of the Greymouth War Memorial area (ANZAC/Dixon Parks area).
- Purpose
  - Maintenance of swimming pool façade and ANZAC/Dixon Parks area.
- Contributions
  - Annual purpose received from Trust.

**[9.10.b] E. WHITE BEQUEST**

- History
  - To be used by the Council for the surface development of any (Borough) reserve (including the undeveloped part of Petrie Avenue) lying alongside or adjacent to the Greymouth/Hokitika railway line.
- Purpose
  - Surface development/maintenance of reserve land lying alongside or adjacent to the Greymouth/Hokitika railway line, including Petrie Avenue.
- Contributions
  - N/A.

**[9.10.c] MAYORAL FLOOD RELIEF FUND**

- History
  - Money accessed from Southland Flood Relief Fund in 1998 following flood-related damage in the Kaiata area.
- Purpose
  - To assist victims of flooding.
- Contributions
  - N/A

**[9.10.d] GREY UNITED TENNIS RE-SURFACING FUND**

- History
  - Money held on behalf of the Grey United Tennis Club.
- Purpose
  - For future re-surfacing of Grey United tennis court.
- Contributions
  - N/A

**[9.10.e] CITIZENS EMERGENCY RELIEF FUND**

- History
  - A remnant from the 1988 floods.
- Purpose
  - Assistance to flood victims.
- Contributions
  - N/A

**[9.10.f] PEROTTI BEQUEST**

- History
  - A bequest for municipal purposes.
- Purpose
  - To fund municipal purposes.
- Contributions
  - N/A

**[9.10.g] PETERS BEQUEST**

- History
  - A bequest made for purchase of talking books.
- Purpose
  - To purchase talking books.
- Contributions
  - N/A

**[9.10.h] VERA CORBETT BEQUEST**

- History
  - A bequest for the purchase of library books.
- Purpose
  - To purchase library books.
- Contributions
  - N/A





# SECTION F: APPENDICES



Grey District Council

## [appendix A] summary assessments of water & sanitary services plan

The **GDC Water Services Assessment June 2005** has been carried out on all of these supplies (excluding those that serve only a single building), and this has identified the issues outlined in the tables below. Also included is a summary of what issues have been incorporated in the LTCOP for the next ten years.

The assessment is based in Statistics New Zealand census area units. The following are population details from the last 3 official censuses for the Grey District. It is noted that a new census took place on the 7 March 2005.

Area	Census Year			Increase or Decrease (-)			
	1991	1996	2001	Number		Percent	
				1991–1996	1996–2001	1991–1996	1996–2001
Grey District							
Karoro	891	918	873	27	-45	3.0	-4.9
Kaiata	363	393	375	30	-18	8.3	-4.6
South Beach-Cameras	918	990	909	72	-81	7.8	-8.2
Blackball	408	429	321	21	-108	5.1	-25.2
Point Elizabeth	60	66	78	6	12	10.0	18.2
Dobson	732	744	723	12	-21	1.6	-2.8
Barrytown	213	240	237	27	-3	12.7	-1.3
Coalcreek	30	45	42	15	-3	50.0	-6.7
Atarau	123	162	141	39	-21	31.7	-13.0
Greymouth Rural	69	66	66	-3	-	-4.3	-
Marsden-Hohonu	198	261	318	63	57	31.8	21.8
Arnold Valley	147	144	150	-3	6	-2.0	4.2

Area	Census Year			Increase or Decrease (-)			
	1991	1996	2001	Number		Percent	
				1991–1996	1996–2001	1991–1996	1996–2001
Grey District							
Nelson Creek-Ngahere	300	333	336	33	3	11.0	0.9
Ahaura	366	420	393	54	-27	14.8	-6.4
Lake Brunner	408	477	333	69	-144	16.9	-30.2
Haupiri	51	264	330	213	66	417.6	25.0
Runanga-Rapahoe	1,380	1,365	1,299	-15	-66	-1.1	-4.8
Cobden	1,881	1,818	1,647	-63	-171	-3.3	-9.4
Blaketown	1,104	1,131	1,116	27	-15	2.4	-1.3
Greymouth Central	972	924	948	-48	24	-4.9	2.6
Greymouth South	3,117	3,147	3,003	30	-144	1.0	-4.6
Total, Grey District	13,743	14,325	13,635	582	-690	4.2	-4.8

The location of community areas has also been provided on attached maps with this summary.

[1.1] WATER SUPPLIES

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues incorporated in ten year Capital Works Programme
584800 Karoro	Council to continue to promote increased level of protection against protozoa risks	All properties connected to a public water supply.	Proposal to install filtration plant to increase level of protection against protozoa. Proposal to increase security of supply if supply subject to earthquakes.
584911 Kaiata	Promote connection of clustered urban properties to a Council community water supply. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	While development density does not show this, concentration of dwellings not on public water supply is high.	
584912 South Beach-Cameras	Promote connection of clustered urban properties to a Council community water supply. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	Large number of rural-residential blocks in community area. Concentrations of urban density dwellings either not on reticulated water supplies or non-complying water supplies and at risk water supplies.	Proposal to install filtration plant to increase level of protection against protozoa. Proposal to increase security of supply if supply subject to earthquakes.
584922 Blackball	Council to continue to promote increased level of protection against protozoa risks.	Reticulated water supply but low pressure system that does not meet NZ Fire Service Code of Practice.	Proposal to install filtration plant to increase level of protection against protozoa. Proposal to increase size of pipes to improve fire fighting capacity. Proposal to increase security of supply if supply subject to earthquakes.
584923 Point Elizabeth	Council to continue to promote increased level of protection against bacteriological and protozoa risks.		
584930 Dobson	Council to continue to promote increased level of protection against protozoa risks.	Rural and rural-residential blocks within the area, some connected to Dobson-Taylorville water supply	Proposal to link Dobson - Taylorville to Greymouth scheme which will have the added benefit of improved protection against protozoa. Proposal to install filtration plant to increase level of protection against protozoa for Stillwater. Proposal to increase security of supply if supply subject to earthquakes.

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues incorporated in ten year Capital Works Programme
584931 Barrytown	Not economic to provide community based water supply due to low density - widespread development, however Council to continue to monitor situation and review every three years. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	Developing area through subdivision with no public water supply and no immediately available fire fighting resource. Currently low density development. Consider reticulated water supply if urban density subdivision significantly increases.	
584932 Coal Creek	Not economic to provide community based water supplies, Council to monitor and review every three years. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	All properties between Coal Creek and Runanga connected to the Runanga - Rapahoe scheme.	
584933 Atarau	Not economic to provide community based water supplies, Council to monitor and review every three years. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	While there is a risk of absence of a water supply, area is of low density, primarily rural. Impractical to provide reticulated water supply to area.	
584934 Greymouth Rural	Not economic to provide community based water supplies, Council to monitor and review every three years. In conjunction with health protection agencies, provide educational material to owners of individual systems safe operation and use.	Low density development, possibly to reticulate if urban development increases in the area. Part of area supplied by Dobson - Taylorville water supply.	
584935 Marsden-Hohonu	Not economic to provide community based water supplies, Council to monitor and review every three years. In conjunction with health protection agencies, provide educational material to owners of individual systems safe operation and use.	Low density rural development, impractical to provide reticulated water supplies.	
584936 Arnold Valley	Not economic to provide community based water supply due to low density - widespread development, however Council to continue to monitor situation and review every three years. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	Currently low density development although changing through subdivision. Consider when increased demand for urban density development.	

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues incorporated in ten year Capital Works Programme
584937 Nelson Creek- Ngahere	Not economic to provide community based water supply due to low density - widespread development, however Council to continue to monitor situation and review every three years. In conjunction with health protection agencies, provide educational material to owners of individual systems safe operation and use.	Overall development density low, however small concentrations of urban density development at Ngahere and Nelson Creek using non compliant supplies	
584938 Ahaura	For Ahaura township Council to work with public health authorities to review adequacy of supply and consider Council community based supply. Not economic for other areas, Council to monitor and review every three years. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	Except for Ahaura township, mostly rural density dwellings, impractical to provide reticulated water supplies. For Ahaura community quality and risk issues that need to be addressed.	
584939 Lake Brunner	For Moana and Te Kinga township/areas, Council to work with public health authorities to review adequacy of supply and consider Council community based supply. Not economic for other areas, Council to review every three years. Given potential for significant growth assess continued viability of continued supply of water from rain water tanks rather than a reticulated supply. Assess adequacy of fire fighting resource and available access to water for fire fighting. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	Concentrations of urban density communities on non-complying water supplies with potential risks. Significant development pressures through subdivision. Questionable if volunteer fire service can provide adequate protection relying on rainwater tanks on individual properties.	Proposal to provide a reticulated water supply for Moana township.
584940 Haupiri	Not economic to provide community based water supplies, Council to monitor and review in ten years. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	Very low density rural developments. Other than existing supplies impractical to provide reticulated water supplies.	
585000 Runanga-Rapahoe	Council to continue to promote increased level of protection against bacteriological and protozoa risks.	Assumed that all properties are connected to compliant water supply.	Proposal to install filtration plant to increase level of protection against protozoa. Proposal to increase security of supply if supply subject to earthquakes.

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues incorporated in ten year Capital Works Programme
585110 Cobden	Council to continue to promote increased level of protection against protozoa risks.	Assumed that all properties are connected to compliant water supply.	Proposal to install filtration plant to increase level of protection against protozoa. Proposal to increase security of supply if supply subject to earthquakes.
585120 Blaketown	Council to continue to promote increased level of protection against protozoa risks.	Assumed that all properties are connected to compliant water supply.	Proposal to install filtration plant to increase level of protection against protozoa. Proposal to increase security of supply if supply subject to earthquakes.
585130 Greymouth Central	Council to continue to promote increased level of protection against protozoa risks.	Assumed that all properties are connected to compliant water supply.	Proposal to install filtration plant to increase level of protection against protozoa. Proposal to increase security of supply if supply subject to earthquakes.
585140 Greymouth South	Council to continue to promote increased level of protection against protozoa risks. Promote extension of reticulation system to Boddytown. In conjunction with health protection agencies, provide educational material to owners of individual systems on safe operation and use.	Assumed that all properties are connected to compliant water supply, other than the Boddytown area. Non compliance and risk issues with other drinking water supplies in the area.	Proposal to extend reticulated water supply to Boddytown Community. Proposal to install filtration plant to increase level of protection against protozoa. Proposal to increase security of supply if supply subject to earthquakes.

Where bores exist adjacent to septic tanks there is a risk of contamination, however there is a preference for rainwater tanks systems within the District. Where bores that are at risk exist, the Council has and will continue to discuss this matter with the property owners concerned, with a view to them installing their own rainwater tanks, or agreeing to a reticulated water supply or a reticulated sewerage system instead.

Currently there is an application for a Plan change between Dobson and Kaiata. This Plan change may initiate Council's consideration of extending a public reticulated water supply to the Kaiata area. This is likely to be considered in conjunction with a new waste water treatment and reticulation scheme. Currently these areas are serviced by on-site septic tanks.

There appears to be a high incidence of non compliance with the quality of the water that is being used at several private schemes in the District. The Council is considering advising the owners concerned what they need to do to improve the situation, and the matter is being monitored.

While the study of the private water supply systems in the District did not include the quality of water in rainwater tanks that serve single premises, the Council is considering issuing a pamphlet advising households of the actions and the precautions that they can take to ensure they receive the best possible quality of water.

The Council is also considering putting in place a more comprehensive regime for the future regular monitoring of all private water supply systems (that service more than a single premises).

A comprehensive summary of the findings of the survey of all of the private water supplies in the District that serve more than a single premises is contained in Council's Water Services Assessment.

[1.2] WASTEWATER

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues Incorporated in ten year Works Plan
584800 Karoro	Council to monitor and review every three years.		No issues identified other than a Karoro Waste Water Treatment Plant (WWTP) upgrade to allow for increasing demand in the South Beach – Paroa Area.
584911 Kaiata	Promote connection of clustered urban properties to a Council sewerage reticulation and sewage treatment scheme. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.	While development density does not show this, concentration of dwellings not on a sewerage scheme in areas with poor ground drainage where there are public health and natural environment risks.	Community scheme scheduled for 2008/09 subject to community acceptance and financial assistance from Ministry of Health. Now likely development will occur in this area which will need to be funded by developer(s) with appropriate Financial Contributions as per the GDC District Plan.
584912 South Beach- Camerons	Promote connection of clustered urban properties to a Council sewerage reticulation and sewage treatment scheme. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.	While development density does not show this, concentration of dwellings not on a sewerage scheme in areas with poor ground drainage where there are likely to be public health and natural environment risks. (Note assumes all properties in the South Beach - Paroa reticulated area are connected).	South Beach to Paroa reticulated with Karoro WWTP expansion scheduled for 2010/11 to allow for infill development in these areas. Provision of reticulated sewerage and sewage treatment plants not provided for Gladstone of Camerons within the ten year works plan, however Council may consider advancing these schemes based on community demand.
584922 Blackball	Blackball community has agreed to proceed with a sewerage reticulation and sewage treatment scheme. Council to continue to monitor situation for Roa. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.	Small number of urban density dwellings (Roa township) will remain on septic tanks, not economic to connect to proposed Blackball scheme.	Proceeding with reticulated sewerage and sewage treatment scheme for Blackball which is scheduled for completion in 2006/07.
584923 Point Elizabeth	Current low density of development. May change through subdivision and tourism developments. Council to monitor situation and promote connection to Runanga sewerage scheme. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.		No provision allowed in ten year works plan. If development occurs in this area will need to be funded by developer(s) with appropriate Financial Contributions as per the GDC District Plan.



Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues Incorporated in ten year Works Plan
584930 Dobson	Promote connection of clustered urban properties to a Council sewerage reticulation and sewage treatment scheme. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.	Regional Council and Community & Public Health have both identified with Council that Taylorville is an area of concern. Poor ground drain, inadequate systems where there are likely to be public health and natural environment risks.	Community scheme scheduled for 2008/09 (Dobson) and 2009/10 (Taylorville) subject to community acceptance and financial assistance from Ministry of Health.
584931 Barrytown	Not economic to provide community based sewerage reticulation and sewage treatment schemes due to low density - widespread development. Council to continue to monitor situation, plan for potential site(s) and reconsider every three years. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.	Area under development pressure through subdivision. Some private sewerage reticulation and sewage treatment schemes either being proposed. Higher concentrations of septic tanks may create public health and natural environment risks.	Community scheme scheduled for 2007/08 subject to community acceptance and financial assistance from Ministry of Health.
584932 Coal Creek	Council to monitor future trends. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.		Through Environmental Health and Planning roles.
584933 Atarau	Council to monitor future trends. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.		Through Environmental Health and Planning roles.
584934 Greymouth Rural	Council to monitor future trends. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.		Through Environmental Health and Planning roles.
584935 Marsden-Hohonu	Council to monitor future trends. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.		Through Environmental Health and Planning roles.

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues Incorporated in ten year Works Plan
584936 Arnold Valley	Not economic to provide community based sewerage reticulation and sewage treatment schemes due to low density - widespread development. Council to continue to monitor situation, plan for potential site(s) and reconsider every three years. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems	Area under development pressure through subdivision. Some private sewerage reticulation and sewage treatment schemes either being proposed or implemented. Situation may change if high density development proposed through a District Plan change.	Through Environmental Health and Planning roles. Development is occurring in these areas which are funded by developer(s) with appropriate Financial Contributions as per the GDC District Plan. While not provided in the ten year Plan Council may need to consider transfer of ownership to Council of high density development waste water schemes.
584937 Nelson Creek-Ngahere	Not economic to provide community based sewerage reticulation and sewage treatment schemes. Council to monitor and review in every three years. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems	Overall development density low, however small concentrations of urban density development at Ngahere and Nelson Creek.	Provision of reticulated sewerage and sewage treatment plants not provided for in the ten year Works Plan, however Council may consider advancing these scheme based on community demand.
584938 Ahaura	While Ahaura township on septic tanks, good ground drainage. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems	Except for Ahaura township, mostly rural density dwellings.	Provision of reticulated sewerage and sewage treatment plants not provided for in the ten year works plan, however Council may consider advancing these scheme based on community demand.
584939 Lake Brunner	Assume responsibility of schemes to be transferred to Council to own and operate. Monitor performance of private schemes and monitor future growth trends. Further upgrade of Moana scheme if more urban density subdivision outside currently designated District Plan township area. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.	Area under development pressure, however all significant proposals include either private sewerage schemes or schemes to be transferred to Council to own and operate.	Contribution and costs of connection to WWTP being developed at Te Kinga by a developer scheduled for 2006/07. Moana WWTP upgrade scheduled for 2007/08. Development is occurring in these areas which are funded by developer(s) with appropriate Financial Contributions as per the GDC District Plan.
584940 Haupiri	Council to monitor and review every three years. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems	Very low density rural developments.	Through Environmental Health and Planning roles.

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues Incorporated in ten year Works Plan
585000 Runanga-Rapahoe	Extend sewerage reticulation scheme to include Rapahoe and possibly Point Elizabeth areas. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.	Area with known problems (Rapahoe) and also potential development pressure.	Waste water scheme scheduled for 2010/11 subject to community acceptance and financial assistance from Ministry of Health.
585110 Cobden	Council to progress Cobden sewage treatment scheme. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.	Assume that all properties in the Cobden township will be connected. Not economic to reticulate North Beach Road area as development density is low.	Cobden waste water scheme commenced in 2005/06 with township scheduled to be fully reticulated and treatment works complete by 2013/014.
585120 Blaketown	Council to progress Greymouth - Blaketown sewage treatment scheme.	Assume that all properties in the Greymouth - Blaketown township will be connected.	Blaketown and Greymouth waste water scheme commenced in 2005/06 with townships scheduled to be fully reticulated and treatment works complete by 2013/014.
585130 Greymouth Central	Council to progress Greymouth - Blaketown sewage treatment scheme.	Assume that all properties in the Greymouth - Blaketown township will be connected unless technically not feasible.	Blaketown and Greymouth waste water scheme commenced in 2005/06 with townships scheduled to be fully reticulated and treatment works complete by 2013/014.
585140 Greymouth South	Council to progress Greymouth - Blaketown sewage treatment scheme. In conjunction with public health and consent agencies provide educational material on safe operation and use of on-site treatment systems.	Assume that all properties in the Greymouth - South will be connected unless technically not feasible.	Blaketown and Greymouth waste water scheme commenced in 2005/06 with townships scheduled to be fully reticulated and treatment works complete by 2013/014.

Where bores exist adjacent to septic tanks there is a risk of contamination, however there is a preference for rainwater tanks systems within the District. Where bores that are at risk exist, the Council has and will continue to discuss this matter with the property owners concerned, with a view to them installing their own rainwater tanks, or agreeing to a reticulated water supply or a reticulated sewerage system instead.

Currently there is an application for a Plan change between Dobson and Kaiata. This Plan change may initiate Council's consideration of extending a public reticulated water supply to the Kaiata area. This is likely to be considered in conjunction with a new wastewater treatment and reticulation scheme. Currently these areas as serviced by on-site septic tanks.

Township areas on septic tanks and with poor draining soils and or high water tables have higher risk issues than other areas. A comprehensive summary of the findings of the survey of all of the private water supplies in the District that serve more than a single premises is in contained in Council's Water Services Assessment.

**[1.3] STORMWATER SYSTEMS**

In many cases stormwater systems run under roads. Those that do not are generally protected by easements in favour of Council.

There are private stormwater systems on private properties, however this information is not held by the Assets Management & Engineering department.

Also, there may be private stormwater systems in rural areas, however these are not managed or controlled by the Grey District Council.

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues incorporated in the ten year Works Plan
584800 Karoro	Upgrade infrastructure where required or in conjunction with subdivision development.	Area under pressure for more urban density development.	Not directly other than developers will be required to install consent compliant stormwater systems and contribute to the upgrade of existing public drainage systems where there are identified effects.
584911 Kaiata	Promote a sewerage scheme for the area to remove sewage from stormwater systems.	Public health and environment risks through inadequate on site treatment systems in more urbanised areas.	Sewerage scheme proposed for year 3 - dependant on subsidy.
584912 South Beach-Camers			
South Beach - Paroa	Upgrade infrastructure where required or in conjunction with subdivision development.	Area under pressure for more urban density development.	Not directly other than developers will be required to install consent compliant stormwater systems and contribute to the upgrade of existing public drainage systems where there are identified effects.
Camers	Monitor development trends and review every three years.	Public health and environment risks through inadequate on site treatment systems in more urbanised areas.	No allowance in plan although Council has costed out a sewerage scheme for the area and may consider advancing the project depending on community need.
Gladstone	Promote sewerage scheme for the area to remove sewage from stormwater systems.	Public health and environment risks through inadequate on site treatment systems in more urbanised areas.	No allowance in plan although Council has costed out a sewerage scheme for the area and may consider advancing the project depending on community need.
584922 Blackball	Blackball community has agreed to proceed with a sewerage reticulation and sewage treatment scheme.	Public health and natural environment risks recognised and Council proceeding with scheme.	Sewerage scheme scheduled for completion in year 1 of this Plan.

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues incorporated in the ten year Works Plan
584923 Point Elizabeth	Current low density of development. May change through subdivision and tourism developments. Council to monitor situation and promote connection to Runanga sewerage scheme.		Not directly other than developers will be required to install consent compliant stormwater systems and contribute to the upgrade of existing public drainage systems where there are identified effects.
584930 Dobson			
Dobson	Promote sewerage scheme for the area to remove sewage from stormwater systems.	Public health and natural environment risks recognised and Council proceeding with Scheme.	Sewerage scheme scheduled for year 3 - dependant on subsidy.
Taylorville	Promote sewerage scheme for the area to remove sewage from stormwater systems.	Public health and natural environment risks recognised and Council proceeding with Scheme. Regional Council and Community & Public Health have both identified with Council, Taylorville as an area of concern.	Sewerage scheme scheduled for year 4 - dependant on subsidy.
Stillwater	Monitor development trends and review every three years		No allowance in plan although Council has costed out a sewerage scheme for the area and may consider advancing the project depending on community need.
584931 Barrytown	Stormwater reticulation being provided through new subdivision.	Area under development pressure through subdivision. Some private sewerage reticulation and sewage treatment schemes being proposed.	No allowance in plan although Council has costed out a sewerage scheme for the area. However developments to date have been low density.
584932 Coal Creek	Council to monitor future trends every three years.		No high density development anticipated in this area.
584933 Atarau	Council to monitor future trends every three years.		No high density development anticipated in this area.
584934 Greymouth Rural	Council to monitor future trends every three years.		No high density development anticipated in this area.
584935 Marsden-Hohonu	Council to monitor future trends every three years.		No high density development anticipated in this area.
584936 Arnold Valley	Stormwater reticulation being provided through new subdivision.	Area under development pressure through subdivision. Some private sewerage reticulation and sewage treatment schemes either being proposed. Situation may change if high density development proposed through a District Plan change.	Not directly other than developers will be required to install consent compliant stormwater systems and contribute to the upgrade of existing public drainage systems where there are identified effects.

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues incorporated in the ten year Works Plan
584937 Nelson Creek- Ngahere			
Nelson Creek	Council to monitor future trends every three years.	Overall development density low, however small concentrations of urban density development at Ngahere and Nelson Creek.	No allowance in plan although Council has costed out a sewerage scheme for the area and may consider advancing the project depending on community need.
Ngahere	Council to monitor future trends every three years.	Overall development density low, however small concentrations of urban density development at Ngahere and Nelson Creek.	No allowance in plan although Council has costed out a sewerage scheme for the area and may consider advancing the project depending on community need.
584938 Ahaura			
Ahaura	Council to monitor future trends every three years.	Except for townships, mostly rural density dwellings.	No allowance in plan although Council has costed out a sewerage scheme for the area and may consider advancing the project depending on community need.
Totara Flat	Council to monitor future trends every three years.	Except for townships, mostly rural density dwellings.	No allowance in plan although Council has costed out a sewerage scheme for the area and may consider advancing the project depending on community need.
584939 Lake Brunner			
Moana	Existing stormwater systems at lower levels within the townships likely to be under pressure if more urban development occurs beyond existing District Plan designated township boundaries.	Area under development pressure	Developers will be required to contribute to the upgrade of existing public drainage systems where there are identified effects.
Te Kinga	Existing stormwater systems at lower levels within the township may be under pressure if more urban development occurs beyond existing District Plan designated township boundaries, however very little existing infrastructure in the area.	Area under development pressure.	Funding allowed to join up existing reticulation and storage system to a new sewerage scheme currently being developed as part of a subdivision which will be transferred to Council.
584940 Haupiri	Council to monitor and review every three years.	Very low density rural developments.	No high density development anticipated in this area.

Community Area Unit	Risk Treatment and Council's Role	Risk Comment	Issues incorporated in the ten year Works Plan
585000 Runanga- Rapahoe			
Runanga	Council to monitor and review every three years.		Funding provided for ongoing maintenance of existing scheme.
Rapahoe	Extend sewerage reticulation scheme to include Rapahoe and possibly Point Elizabeth areas to remove sewage from stormwater systems. Council to monitor and review every three years.	Area with known problems (Rapahoe) and also potential development pressure.	Sewerage scheme scheduled for year 5 - dependant on subsidy.
585110 Cobden	Implement further flood mitigation for low Cobden areas. Council to progress Cobden sewage treatment scheme to reduce discharge of sewage to waterways.	Some risk of flooding in lower lying areas.	Sewerage scheme commenced in 2004/05 and scheduled for completion in year 8 of this Plan.
585120 Blaketown	Council to progress Greymouth - Blaketown sewage treatment scheme to reduce discharge of sewage to waterways.		Sewerage scheme commenced in 2004/05 and scheduled for completion in year 8 of this Plan.
585130 Greymouth Central	Council to progress Greymouth - Blaketown sewage treatment scheme to reduce discharge of sewage to waterways.	Assume that all properties in the Greymouth – Blaketown township will be connected unless technically not feasible.	Sewerage scheme commenced in 2004/05 and scheduled for completion in year 8 of this Plan.
585140 Greymouth South			
Greymouth South	Council to progress Greymouth - Blaketown sewage treatment scheme to reduce discharge of sewage to waterways.	Assume that all properties in the Greymouth - South will be connected unless technically not feasible.	Sewerage scheme commenced in 2004/05 and scheduled for completion in year 8 of this Plan.
Boddytown	Council to progress Greymouth - Blaketown sewage treatment scheme including connection of Boddytown area to reduce discharge of sewage to waterways	Assume that all properties in the Greymouth - South will be connected unless technically not feasible.	Sewerage scheme scheduled for year 1.

[1.4] APPENDIX A: COMMUNITY UNIT AREA LOCATION MAPS

Map 1





Map 2



## [appendix B] summary assessment of waste management plan

The Draft Waste Management Plan (the plan) was advertised for public submissions on 6 occasions between the 20th June and the 29th August 2003 in the Greymouth Evening Star.

The plan was also advertised in the Messenger a free weekly paper and the 8th and 22nd of August 2003.

The plan was also advertised for public submissions over Radio Scenicland on the 8th, 11th and 13th August 2003.

In addition copies of the draft plan were sent to various individuals, groups, and organisations, who where either known to have an interest in waste management or who may have had an interest in waste management.

In total seven (7) submissions were received to the plan.

### [1.1] PRINCIPLES

Principles that guide this Plan and all its initiatives are as follows:

#### 1. PRINCIPLE 1 – PHYSICAL & NATURAL ENVIRONMENTAL OUTCOMES

The **aim** of the overall management of solid wastes is to:

- Provide effective and efficient systems for the collection and disposal of solid wastes in the Grey District.
- Minimise the quantity and toxicity of waste being generated and disposed of, in order to minimise adverse environmental, cultural, social and economic effects of solid waste disposal.

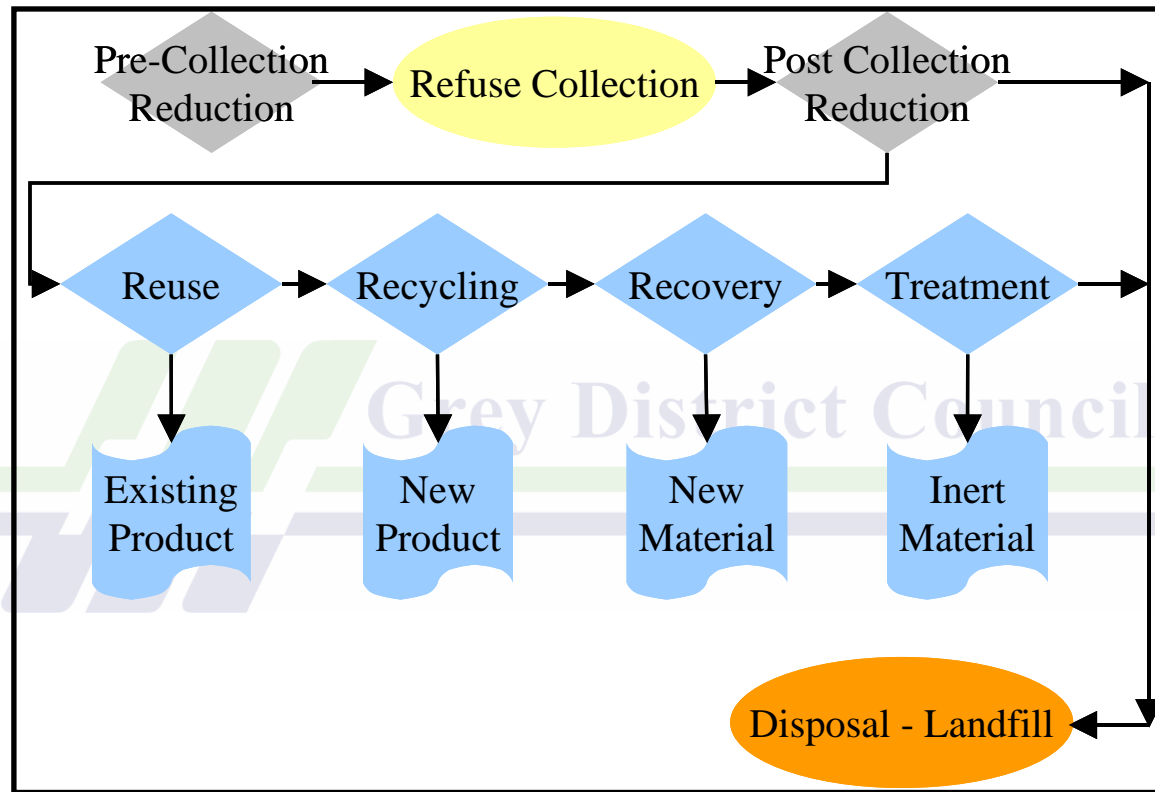
#### 2. PRINCIPLE 2 – WASTE MANAGEMENT HIERARCHY

The management of solid and hazardous waste should be based on the following hierarchy of options:

- First priority is pre and post reduction of the amount of material that enters the waste stream.
- Second priority to re-use as much material as possible.
- Third priority to recycle as much material as possible.
- Fourth priority to recover as much material and/or energy as possible.
- Fifth priority for residual management including disposal to landfill once the solid waste stream has been reduced in each of the above stages.

Figure 1 shows the anticipated results of implementation of the solid waste management hierarchy.

Figure 1: Solid Waste Hierarchy Options and Anticipated Results



3. PRINCIPLE 3 - SUSTAINABLE RESOURCE MANAGEMENT

Management of the solid and hazardous waste stream should reflect the need for sustainable management of the natural and physical resources of the District as defined in the RMA, 1991. Life-cycle approaches which consider all aspects of resource use, waste generation, storage, transport, treatment and disposal should be considered most effective.

4. PRINCIPLE 4 - PARTNERSHIPS IN THE COMMUNITY

People, business and communities are at the centre of concerns for solid and hazardous waste management.

They are also active participants in solid waste management systems. The ways in which wastes are managed should respect environmental limits, take account of community values and conditions, and foster community responsibility for waste management.

5. PRINCIPLE 5 - RESPONSIBILITY FOR THE COSTS OF WASTE MANAGEMENT

As far as practicable, people who are disposing of waste should meet the full costs of managing the waste they seek to dispose of. A user-pays approach provides a strong incentive to individuals to minimise waste.

6. PRINCIPLE 6 - ROLE OF TANGATA WHENUA

The relationship of Maori with their ancestral resources is a matter of national importance under the RMA (1991) and the management and disposal of waste is an important issue for Maori nationally. The planning for, and activities associated with, solid waste management should recognise and provide for the relationship of Maori with natural and cultural resources.

**[1.2] ISSUES AND STRATEGY**

1. ISSUES

The Grey District Council requires a plan for the integrated management of solid waste to suit current and future conditions. The plan must provide the best management options considering economic, social, cultural, technical, land use and environmental perspectives. The solid waste management issues facing Grey District are:

- Ensuring waste services are available and affordable to all in the Grey community.
- Ensuring through monitoring and consultation with stakeholders that the implementation this Plan does not create any reverse sensitivity economic, social cultural and environmental effects.
- The Council moving beyond being basic providers to being key leaders in executing better waste management practices
- The Council's role in working with the community to facilitate good waste management as a community responsibility.
- The Council's role in providing and/or managing waste collection and disposal services (i.e. Council versus private sector provision?).
- The initiation of education and promotion programmes and the availability of information on waste minimisation (reuse, recycling, recovery, treatment) initiatives and responsible solid waste management.
- Using incentives and appropriate charges to encourage and assist the community to make informed and responsible choices regarding their waste disposal.
- Supporting a clean, safe, sustainable and attractive physical environment.
- Encouraging and assisting the separation and controlled disposal<sup>10</sup> of hazardous and special wastes.
- The relationship of the Grey District Council to other Local Authorities<sup>11</sup> in providing waste management services (i.e. should the Grey District having the only modern engineered landfill on the West Coast receive on a full cost recovery basis waste from areas outside the District in the interests of minimising regional costs and consumption of land for waste disposal?).

2. LINKAGES TO COUNCIL PLANNING PROCESSES

The plan recognises legislation, as well as regional and District policy, plans and resource consents. A list of these documents is provided in the full assessment available from Council.

Implementation and operation of the Plan will be coordinated directly through the Long Term Council Community Plan A flow chart illustrating these links is provided in the full assessment available from Council.

The plan is also linked to other Council planning instruments particularly:

- Long Term Council Community Plan (LTCCP)
- Annual Plans (Annual implementation of the LTCOP)
- Strategic Plan (to be superseded by the LTCOP)
- Long Term Financial Strategy
- Activity Management Plans (AMPs)
- Asset Management Plans (to be superseded by the AMPs)
- Funding Policy
- District Plan.

<sup>10</sup> Disposal may include forms of treatment to reduce or remove the toxicity of hazardous substances.

<sup>11</sup> West Coast local authorities comprising, Buller, Grey and Westland District Councils, together with the West Coast Regional Council, have established a voluntary Regional Waste Management Coordination Group with its main aim being to collaborately assist in the coordination of waste management for the region.

The Policies and methods of the plan will be implemented progressively. Resource allocation, programming and performance measures will be addressed each year in the preparation of the Council's Annual Plan and budget and assessed in the Council's Annual Report.

Implementation programming will also be addressed more frequently at the operational level as results are observed from implemented methods, and as the monitoring policies allow performance of the plan to be measured.

### 3. KEY INITIATIVES

This plan contains both new initiatives and continuation of present policies.

The key initiatives that change the present focus of Council's waste management activities are:

- Working to a long-term goal of **zero waste** to landfill (Policy 1). This indicates the direction that Council will head in its waste management. The focus of this plan is on the first steps in that direction.
- Review Council collection and transfer services (Policy 17 to 19).
- Improve facilities and systems for recycling and reuse (Policy 12 to 14).
- Implement monitoring policies (Policy 3).
- Enhance implementation of education/promotion and waste minimisation policies (Policies 5 to 7).
- Look to greater use of regional actions in waste management (Policy 4).

