

Grey District Council

2010 Annual Report

for the year ending 30 June 2010

Grey District Council

Annual Report

For the year
01 July 2009 – 30 June 2010

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[a] introduction and summary

[1] foreword from his worship the mayor and the chief executive officer

Welcome to Council's 2009/2010 Annual Report. This is Council's formal report on its achievement over the last financial year (01 July 2009 to 30 June 2010). This document reports in great detail on Council's financial performance as well as other non-financial measures. This report can be broken down into the following sections:

1. Financial statements, and notes to these statements:

Outlines Council's overall financial result and position as at the end of the financial year (30 June 2010).

2. Group of Activity Statements:

Reports on financial performance and other non-financial performance measures at an activity level (i.e. roading, sewerage etc...). Council is involved in many activities, so activities are grouped together (12 groups) where there is a similarity of output.

3. Other required sections:

- Report on Council's consultation with Maori
- Report on Council Controlled Organisations (CCOs)

To meet all reporting requirements (as required by law) means that this document extends out to in excess of 120 pages. Council however is required to also produce a summary of its annual report which outlines the major matters of the last financial year. If you would like a copy of the summary please contact Council, using the contact details available page 9.

This is the first year reporting on Council's 2009 – 2019 Long Term Community Outcomes Plan (Long Term Plan). Council prepares a long term plan every three years and uses this long term plan as the basis for an annual plan in interim years (the first year of this long term plan acts as the annual plan for 2009/2010). As in recent years a large focus of the Long Term Plan was to implement a minimal general rate increase. This budget figures used in this report are those as set in the first year of the Long Term Plan. The actual financial result is a surplus, however much of this can be attributed to sources of income that are not used for operational sources, such as vested asset income, interest on special reserves and profit on sale of assets.

Council's 'core business' is maintaining the infrastructure that supports the essential services delivered by Council, i.e. Roading, Stormwater, Sewerage, Water Supply, and Refuse Disposal. These activities alone account for the majority of operating and capital expenditure. Work has begun establishing a 'bring to' recycling facility at the McLeans landfill site. It was hoped to have this up and operational during the financial year, but unfortunately various factors have delayed the project, and it is still in the stages of being set up.

The Port of Greymouth operations remain under direct Council management, and is operating on a minimalist cost input basis. Even on this basis it continues to operate at a significant loss, with funding supplemented from endowment land sales and rentals. Nonetheless an extensive dredging project was commenced during the year to address access issues for key operational areas of the lagoon.

With the Grey District Aquatic centre up and running, attention has turned to the redevelopment of the Spring Creek Aquatic Centre (Runanga pool). This project is well underway, and completion is expected early in 2011. The Grey District Aquatic Centre was well patronised in its first year of operation. The challenge for the Council is to maintain this and keep it as a quality attraction for the residents and visitors to our district.

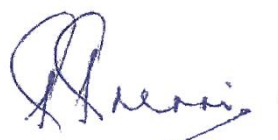
The Council is proud on how the district has progressed in recent history. Looking forward Council remains positive that the district will remain in a strong position and will continue to grow into the future. Council plays but a small part in this and it is the community commitment by our residents and businesses that keep us moving. A word of thanks to elected representatives for their work and dedication. You have been part of a particularly busy but rewarding period in our District's development.



.....

AF KOKSHOORN

Mayor



.....

PG PRETORIUS

Chief Executive Officer

[2] councillors and their portfolios

[a] Council

Council for the period of 01 July 2009 – 30 June 2010

Position	Name	Ward	Portfolio Responsibilities
Mayor	Tony Kokshoorn		<ul style="list-style-type: none"> ▪ Finance (1) ▪ Economic Development ▪ Port ▪ Youth ▪ Advocacy ▪ Public Relations
Deputy Mayor	Doug Truman QSM	Central	<ul style="list-style-type: none"> ▪ Legal ▪ Water ▪ Stormwater ▪ Sewerage ▪ Maori Affairs
Councillors	Paul Berry	Eastern	<ul style="list-style-type: none"> ▪ Resource Management ▪ Regulatory Functions ▪ Staff ▪ Dog and Stock Control
	Kevin Brown	Central	<ul style="list-style-type: none"> ▪ Health and Disability ▪ Library ▪ Safety/Security
	Ian Cummings	Central	<ul style="list-style-type: none"> ▪ Finance (2) ▪ Property ▪ Liquor Licensing
	Peter Haddock	Southern	<ul style="list-style-type: none"> ▪ Land Transport ▪ Parks and reserves ▪ Forestry
	Karen Hamilton	Central	<ul style="list-style-type: none"> ▪ Arts ▪ Culture ▪ Heritage ▪ Tourism
	Milton Osborne	Eastern	<ul style="list-style-type: none"> ▪ Airport ▪ Civil Defence ▪ Waste Management
	Cliff Sandrey	Northern	<ul style="list-style-type: none"> ▪ Sport and Recreation ▪ Cemeteries ▪ Pensioner Housing ▪ Welfare

[b] 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 well-being 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

[3] senior staff and miscellaneous details

[a] MANAGEMENT

Chief Executive Officer	Paul Pretorius
Manager Support Services	Kevin Beams
Manager Environmental Services	Dr Ian Davidson-Watts
Assets Manager	Mel Sutherland
Manager Finance and Information Technology	Ian Young

[b] VARIOUS DETAILS

Postal Address :	Grey District Council P O Box 382 Greymouth
Locations:	
Main Office	105 Tainui Street Greymouth +64 3 769 8600 Tel email: info@greydc.govt.nz Web: www.greydc.govt.nz
Support Services	Fax +64 3 769 8603 email: info@greydc.govt.nz
Finance & IT	Fax +64 3 769 8603 email: finance@greydc.govt.nz
Assets and Engineering	Fax +64 3 769 8613 email: infrastructure@greydc.govt.nz
Environmental Services	Fax +64 3 769 8613 email: environmental.services@greydc.govt.nz
Runanga Service Centre,	25 Carroll Street Runanga
	Tel +64 3 762 7813
Grey District Library	Albert Mall Greymouth +64 3 768 5597 Tel Fax +64 3 768 5597 email library@greydc.govt.nz
Runanga Library	25 Carroll Street Runanga +64 3 762 7813
	Tel
History House	Gresson St Greymouth +64 3 768 4028 Tel email history@greydc.govt.nz

[b] report from the audit office

Audit Report

To the readers of Grey District Council's financial statements and performance information for the year ended 30 June 2010

The Auditor-General is the auditor of Grey District Council (the District Council). The Auditor-General has appointed me, Ian Lothian, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements, the performance information, and the District Council's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that are included in the annual report of the District Council for the year ended 30 June 2010.

Qualified opinion – our work was limited because no data was collected for some significant performance measures

Two significant parts of the District Council's performance framework (the framework) are the length of time it takes to respond to complaints and requests for service, and users' satisfaction with the services they receive. These are significant because response times can affect the quality of services received by ratepayers, and user satisfaction indicates the quality of services to ratepayers. These parts of the District Council's framework are also significant because other measures of performance in the framework are not able to compensate for having no data on response times and user satisfaction.

The District Council did not collect data about how long it took to respond to various ratepayers' complaints and requests for service. As a result the District Council estimated how long it took to respond. Our work was limited because we were unable to obtain sufficient appropriate audit evidence to support the District Council's estimates.

Also, the District Council did not carry out a survey as planned in its 2009-2019 long-term council community plan, nor has it any information from any previous survey. As a result the District Council has not been able to present a relevant indicator of the quality of services to ratepayers. Our work was limited and there were no audit procedures we could apply, given there was no data collected on user satisfaction.

In our opinion:

- The financial statements of the District Council on pages 18 to 57:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the District Council's financial position as at 30 June 2010; and
 - the results of its operations and cash flows for the year ended on that date.

- Except for the District Council's estimates of how long it took to respond to complaints and requests for service, and the District Council not providing a relevant indicator of users' satisfaction with its quality of services to ratepayers, the performance information of the District Council on pages 58 to 125:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the District Council's levels of service for the year ended 30 June 2010, including:
 - the levels of service as measured against the intended levels of service adopted in the long-term council community plan; and
 - the reasons for any significant variances between the actual service and the expected service.
- The District Council has complied with the other requirements of Schedule 10 of the Local Government Act 2002 that are applicable to the annual report, and that are included in the District Council's financial statements and performance information (the "other requirements").

The audit was completed on 8 November 2010, and is the date at which our opinion is expressed.

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

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. However, the scope of our work was limited because there was insufficient evidence to support the District Council's estimates of how long it took to respond to complaints and requests for service, and there was no relevant data collected on user satisfaction with the quality of services.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements, the performance information, and the other requirements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, the performance information and the other requirements. Because the scope of our work was limited, as we referred to in our opinion, we were unable to determine whether there were material misstatements in the District Council's estimates of how long it took to respond to complaints and requests for service. There was a material omission because no relevant data was collected and reported on user satisfaction with the quality of services.

The audit involved performing procedures to test the information presented in the financial statements, the performance information and the other requirements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether the significant management and system controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported financial and performance data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied;
- determining the appropriateness of the reported performance information within the Council's framework for reporting performance; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, the performance information and the other requirements.

We evaluated the overall adequacy of the presentation of information in the financial statements, the performance information and the other requirements. We did not obtain all the information and explanations we required due to the lack of sufficient evidence to support the District Council's estimates of how long it took to respond to complaints and requests for service, and no relevant data being collected on user satisfaction with the quality of services, as explained above.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements and performance information in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the District Council as at 30 June 2010. They must also fairly reflect the results of its operations and cash flows for the year ended on that date. The performance information must fairly reflect the District Council's levels of service for the year ended 30 June 2010.

The Council is also responsible for meeting the other requirements of Schedule 10 of the Local Government Act 2002 and including that information in the annual report. The Council's responsibilities arise from section 98 and Schedule 10 of the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements, the performance information and the other requirements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and in carrying out the audit of 2009-2019 long-term council community plan, we have no relationship with or interests in the District Council.



Ian Lothian
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

Matters relating to the electronic presentation of the audited financial statements, performance information and the other requirements

This audit report relates to the financial statements, performance information and the other requirements of Grey District Council (the Council) for the year ended 30 June 2010 included on the Council's website. The Council is responsible for the maintenance and integrity of Grey District Council's website. We have not been engaged to report on the integrity of Council's website. We accept no responsibility for any changes that may have occurred to the financial statements, performance information and the other requirements since they were initially presented on the website.

The audit report refers only to the financial statements, performance information and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements, performance information and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements, performance information and the other requirements as well as the related audit report dated 8 November 2010 to confirm the information included in the audited financial statements, performance information and the other requirements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

[c] financial statements and notes

[1] statement of compliance and responsibility

[1.1] Compliance

The Council and Management of the Grey District Council confirm that all the statutory requirements in relation to the Annual Report have been complied with, with the exception that Council did not complete and adopt the Annual Report by 31 October 2010, as required by Section 98 (3) of the Local Government Act 2002. All other statutory requirements relating to the annual report have been complied with which includes the requirement to comply with generally accepted accounting practice.

[1.2] Responsibility

Council and management of Grey District Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

Council and management accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of Council and management of Grey District Council, the annual Financial Statements for the year ended 30 June 2010 fairly reflect the financial position and operations of Grey District Council.



AF KOKSHOORN
MAYOR



P G Pretorius
CHIEF EXECUTIVE OFFICER

Dated this 08 day of November 2010.

[2] statement of accounting policies

[2.1] reporting entity

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

Council has two associates, Tourism West Coast (25% controlled) and West Coast Rural Fire Authority (20% controlled).

All associates are incorporated in New Zealand.

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

The financial statements of Council are for the year ended 30 June 2010. The financial statements were authorised for issue by Council on 08 November 2010. Council does not have the power to amend the financial statements after this date. As disclosed in the Statement of Compliance and Responsibility on page 17, Council did not complete and adopt its Annual Report by 31 October 2010 as required by Section 98 (3) of the Local Government Act 2002.

[2.2] basis of preparation

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

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

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

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

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

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

[2.3] associates

An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture.

Council investments in associates are carried at cost in Council's own "parent entity" financial statements.

[2.4] joint ventures

Joint ventures are those entities, assets or operations over which the Group has joint control, established by contractual agreement. The consolidated financial statements include the Group's proportionate share of the joint venture entities' assets, liabilities, revenue and expenses with items of a similar nature on a line by line basis, from the date joint control ceases.

[2.5] accounting policies

The following accounting policies which materially affect the measurement of financial performance, financial position and cashflows for Council have been applied:

1 revenue

Rates Revenue is recognised by Council as being income on the due date of each instalment.

Water billing revenue is recognised on an accrual basis.

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

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

Interest income is recognised using the effective interest method.

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

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

2 borrowing costs

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

3 derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date. Movement in the fair value in interest rate swaps are recognised as a finance expense/income through the surplus/deficit.

4 grant expenditure

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

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

5 income tax

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

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

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

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

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

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

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

6 leases

finance leases

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

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

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

operating leases

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

7 cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 90 days or less, and bank overdrafts.

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

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

8 financial assets

Council classifies its financial assets into the following three categories: held-to-maturity investments, loans and receivables and financial assets at fair value through equity. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

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

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

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

The four categories of financial assets are:

- Loans and receivables

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

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

- Held to maturity investments

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

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus/deficit.

Investments in this category include fixed term deposits.

- Financial assets at fair value through the surplus or deficit

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

- Financial assets at fair value through other comprehensive income are those that are not designated as fair value through equity or are not classified in any of the other categories above.

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

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

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

On derecognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

Impairment of financial assets

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

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

9 accounts receivable

Accounts Receivable (Debtors) are shown at their estimated realisable value after providing against debts where collection is doubtful.

10 non-current assets held for sale

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

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

11 property, plant and equipment

Property, plant and equipment consists of:

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

Other fixed assets — these include land, buildings, and breakwater and wharves.

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

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

additions

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

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

disposals

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

subsequent costs

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

depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset Class	Depreciation Method	Life (years)	%
Buildings			
- Structure	Straight line	40	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
Library stocks	Straight line	8	12.5
Breakwaters and wharves	Straight line	40 – 50	2 – 2.5
Reserve board assets	Not depreciated		
Landfill sites	Straight line	10 – 50	2 – 10
Landfill capitalised aftercare costs	Straight line	8	12.5

Asset Class	Depreciation Method	Life (years)	%
Water supply systems			
- Pipe network	Straight line	50 – 80	1.25 – 2
- Pumps and electrical	Straight line	10 – 60	1.67 – 10
- Reservoirs	Straight line	60 – 80	1.25 – 1.67
Drainage and sewerage			
- Pipe network	Straight line	50 – 80	1.25 – 2
- Pumps and electrical	Straight line	10 – 80	1.25 – 10
- Ponds	Straight line	60	1.67
Heritage assets	Straight line	40	2.5
Roading networks			
- Formation	Not depreciated		
- Pavement structure – sealed	Straight line	40 – 50	2 – 2.5
- Pavement structure – unsealed	Straight line	3 – 22	4.5 – 33
- Pavement surfacing	Straight line	2 – 16	6.25 – 50
- Kerb and channeling	Straight line	50 – 150	0.67 – 2
- Bridges	Straight line	15 – 100	1 – 6.67
- Footpaths	Straight line	15 – 50	2 – 6.67
- Drainage: surface water channels	Straight line	10 – 80	1.25 – 10
- Drainage: culverts and catchpits	Straight line	50 – 150	0.67 – 2
- Traffic signs and pavement marking	Straight line	5 – 15	6.67 – 20
Flood protection scheme	Straight line	100	1
Parking developments	Straight line	50	2
Sportsfields and parks (improvements)	Straight line	5 – 100	1 – 20
Work in progress	Not depreciated	-	-

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

revaluation

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

valuation

Infrastructural assets	Valuation basis
Roading network	Optimised depreciated replacement cost
Land under roads	Deemed Cost
Stormwater	Optimised depreciated replacement cost
Flood protection system	Depreciated historical Cost
Sewerage	Optimised depreciated replacement cost
Water supply systems	Optimised depreciated replacement cost
Landfill Site	Depreciated historical Cost

Fixed assets	Valuation basis
General land	Fair Value
Other land	Historical cost
Buildings	Fair Value
Plant and machinery	Depreciated historical cost
Furniture and fittings	Depreciated historical cost
Computer equipment	Depreciated historical cost
Library stocks	Depreciated historical cost
Breakwater and wharves	Depreciated historical cost

Fixed assets	Valuation basis
Aerodrome	Fair Value
Parking developments	Depreciated historical cost
Reserve Board Assets	Fair value
Sportsfields and parks	Deemed Cost
Heritage assets	Deemed Cost

Accounting for revaluations:

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

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus/deficit.

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

revaluation

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

12 investment property

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

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

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

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

13 impairment of non-financial assets

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

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

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

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

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

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

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

14 employee benefits

short-term benefits

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

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

long-term benefits

long service leave and retirement leave

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

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows. A discount rate of 5.0% and an inflation factor of 3.0% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

15 provisions

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

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

landfill post closure costs

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

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

financial guarantees

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

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

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

16 borrowings

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

17 equity

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

The components of equity are:

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

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council. Restricted reserves are those reserves subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or third parties. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Council created reserves are reserves established by Council decision. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

18 goods and service tax (GST)

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

19 budget figures

The budget figures are those approved by Council at the beginning of the year in the annual plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

20 cost allocation

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

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

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

21 critical accounting estimates and assumptions

In preparing these financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

landfill aftercare provision

Note 17 discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

financial guarantees

Note 25 discloses Council's assessment on the probability that Council will be required to reimburse the guarantee holder, and the total amount of the guarantee

infrastructural assets

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

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

Experienced independent valuers perform Council's infrastructural asset revaluations.

critical judgements in applying council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the period ended 30 June 2010:

classification of property

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

classification of leases

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

classification of property

Council's leasehold property has been classified as "non current assets held for sale". This is due to the fact that Council is actively encouraging the sale of these properties at a reasonable price and they are available for immediate sale. Council remains committed to selling these properties even if it takes more than a year and it is probable that they will be sold.

22 cost of service statements

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

23 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 Council and record the cash payments made for the supply of goods and services.

“Investing Activities” are those activities relating to the acquisition, holding and disposal of property ,plant and equipment and of investments. Investments can include securities not falling within the definition of cash.

“Financing Activities” are those activities change the equity and debt capital structure of Council

“Cash” is considered to be cash on hand and cash at bank, and on-call deposits, net of overdrafts.

24 new standard and interpretation issued and not yet adopted

A number of new interpretations and standards are not yet effective for the year ended 30 June 2010, and have not been applied in preparing these financial statements:

- NZ IAS 23 Borrowing Costs mandates the capitalisation of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset and revises the definition of borrowing costs to consolidate the types of items that are considered components of borrowing costs into one. However the mandatory adoption of NZ IAS 23 (revised 2007) by public benefit entities (PBE’s) has been indefinitely deferred. PBE’s can therefore elect to expense borrowing costs. Council for these financial statements has expensed all borrowing costs and will continue to do so.
- NZ IFRS 9 Financial Instruments. This standard will replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ending 30 June 2014. Grey District Council has not yet assessed the effect of the new standard and expects it will not be early adopted.
- NZ IAS 24 Related Party Disclosures simplifies the definition of a related party. Council has not yet assessed the impact of implementing this standard, but notes it will only have a presentational or disclosure effect .

[3] Statement of comprehensive income**for the year ended 30 June 2010**

	Note	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
INCOME				
Rates revenue	1	11,724	11,541	11,081
Other revenue	2	10,338	12,141	10,792
Other gains/(losses)	3	3,598	450	386
Total income	4	25,660	24,132	22,259
EXPENDITURE				
Employee expenses	7	(4,099)	(3,650)	(3,439)
Depreciation	13	(7,171)	(7,198)	(6,721)
Other expenses	6	(9,446)	(9,918)	(9,265)
Finance costs	8	(561)	(755)	(1,125)
Total operating expenditure	5	(21,277)	(21,521)	(20,550)
Net surplus/(loss) before tax		4,383	2,611	1,709
Income tax expense	9	-	-	-
Surplus/(deficit) after tax attributable to Grey District Council		4,383	2,611	1,709
OTHER COMPREHENSIVE INCOME				
Increase in asset revaluation reserve		-	-	-
Total comprehensive income		4,383	2,611	1,709

The accompanying notes form part of these financial statements

[4] statement of movements in equity

for the year ended 30 June 2010

	Note	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
Balance at 01 July		302,049	300,858	300,340
Total comprehensive income		4,383	2,611	1,709
Total recognised income/(expense) for the year ended 30 June		4,383	2,611	1,709
Balance at 30 June		306,432	303,469	302,049

The accompanying notes form part of these financial statements

[5] balance sheet**as at 30 June 2010**

	Note	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
ASSETS				
Current Assets				
Cash and cash equivalents	10	7,971	6,428	7,874
Trade and other receivables	11	4,915	3,291	3,457
Short-Term investments	14	538	469	2,892
Non-current assets held for sale	12	996	576	1,100
		14,420	10,764	15,323
Non Current Assets				
Trade and other receivables	11	150	-	300
Property, plant and equipment	13	304,404	307,177	300,687
Term investments	14	2,022	1,765	602
		306,576	308,942	301,589
TOTAL ASSETS		320,996	319,706	316,912
LIABILITIES				
Current Liabilities				
Bank overdraft		-	-	508
Trade and other payables	15	3,237	1,983	2,822
Employee benefit liabilities	16	580	334	519
Deferred income		99	92	100
Borrowings	18	7,799	2,560	6,535
Derivative financial instruments	19	136	-	-
		11,851	4,969	10,484
Non Current Liabilities				
Provision for closed landfill	17	801	785	792
Employee benefit liabilities	16	312	241	203
Borrowings	18	1,337	10,242	2,790
Derivative financial instruments	19	263	-	594
		2,713	11,268	4,379
TOTAL LIABILITIES		14,564	16,237	14,863
EQUITY				
Retained earnings	20	207,242	209,914	203,105
Special Funds	20	16,193	13,311	15,916
Trusts Bequests and Other Reserves	20	543	643	574
Revaluation reserve	20	82,454	79,601	82,454
Total equity attributable to the Council		306,432	303,469	302,049
TOTAL EQUITY AND LIABILITIES		320,996	319,706	316,912

The accompanying notes form part of these financial statements

[6] statement of cashflows

for the year ended 30 June 2010

	Note	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from rates revenue		11,679	11,418	10,983
Interest received		263	697	1,145
Dividends received		-	2	5
Receipts from other revenue		9,154	10,567	9,468
Payments to suppliers and employees		(13,683)	(13,366)	(12,198)
Interest paid		(760)	(755)	(668)
Income tax paid (refund)		-	-	-
Goods and services tax (net)		258	-	(228)
Net cash from operating activities	21	6,911	8,563	8,507
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment		424	670	431
Proceeds from investments		21,419	25,152	55,414
Purchase of property, plant and equipment		(7,610)	(12,185)	(16,460)
Acquisition of investments		(20,354)	(25,285)	(50,513)
Net cash from investing activities		(6,121)	(11,648)	(11,128)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings		-	2,788	1,500
Repayment of borrowings		(185)	(250)	(31)
Dividends paid		-	-	-
Net cash from financing activities		(185)	2,538	1,469
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		605	(547)	(1,152)
Cash, cash equivalents and bank overdrafts at the beginning of the year		7,366	6,975	8,518
Cash, cash equivalents and bank overdrafts at the end of the year	10	7,971	6,428	7,366

The accompanying notes form part of these financial statements

[7] notes to the financial statements

1 rates revenue

Note	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
GENERAL RATES			
General Rate	5,256	5,094	4,996
Uniform Annual General Charge	2,106	2,066	2,067
TARGETED RATES			
District Promotion	229	209	218
Refuse Collection	763	757	676
Water Supplies	1,385	1,371	1,335
Water Meter Rates	261	275	208
Sewerage Collection	1,587	1,647	1,449
PENALTIES			
Rate Penalties	137	122	132
Total rates revenue	11,724	11,541	11,081
RATES REMITTED ARE AS FOLLOWS:			
Rates on land where GDC is the ratepayer	228	190	168
Rate discounts	27	27	25
Rates remitted per Council policy	67	31	57

Rate revenue shown is net of rates remitted on *land where Grey District Council is the ratepayer*. Rate discounts and rates remitted per Council policy are expensed through the surplus/deficit.

In accordance with the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. This includes schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission under Council's rates remission policy.

2 other revenue

Note	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
User charges and miscellaneous	2,534	2,188	2,855
Regulatory income	1,175	1,470	965
Land Transport New Zealand subsidies	4,242	3,862	3,583
NZ Lottery Grants	-	-	682
Other grants and subsidies	1,899	3,767	1,675
Interest received	394	684	887
Dividends	-	2	5
Subdivision reserve contributions	64	104	104
Lump sum contributions	30	64	36
Total other revenue	10,338	12,141	10,792

There are no unfulfilled conditions and other contingences attached to government grants recognised.

3 other gains and losses

	Note	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
Net gain (loss) of non current assets held for sale		238	215	360
Net gain (loss) on sale of property plant & equipment		64	71	26
Assets Vested	23	3,296	164	-
Total other gains and losses		3,598	450	386

4 income by activities

	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
Roading	6,833	6,676	6,360
Stormwater & Flood Protection	3,831	531	518
Sewerage	2,690	4,173	1,517
Water Supply	2,046	2,425	1,580
Solid waste management	1,479	1,434	1,334
Emergency management	174	172	155
Environmental services	2,037	2,209	1,931
Other transport	807	706	784
Property and housing	848	896	962
Community facilities and events	2,843	2,923	4,522
Democracy and administration	6,587	6,485	6,606
Liaison with other Agencies	117	116	115
Total activity income	30,292	28,746	26,384
Less internal recoveries	(4,632)	(4,614)	(4,125)
Total Income	25,660	24,132	22,259

5 expenditure by activities

	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
Roading	(7,144)	(6,978)	(6,942)
Stormwater & Flood Protection	(856)	(821)	(833)
Sewerage	(1,392)	(1,297)	(1,332)
Water Supply	(1,580)	(1,550)	(1,742)
Solid waste management	(1,301)	(1,461)	(1,459)
Emergency management	(122)	(168)	(118)
Environmental services	(2,204)	(2,169)	(1,879)
Other transport	(925)	(1,278)	(1,318)
Property and housing	(953)	(965)	(774)
Community facilities and events	(3,181)	(3,144)	(2,550)
Democracy and administration	(6,122)	(6,188)	(5,605)
Liaison with other Agencies	(129)	(116)	(123)
Total activity expenditure	(25,909)	(26,135)	(24,675)
Less internal recoveries	4,632	4,614	4,125
Total expenditure	(21,277)	(21,521)	(20,550)

6 other expenses

	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
Fees to principal auditor			
audit of financial statements	77	88	75
other audit-related services	-	31	47
Bad debt expense	144	-	8
Grants & Donations	475	381	618
Movement in impairment of receivables	11	(485)	(11)
Insurance expenses	472	231	245
Loss on sale of property, plant and equipment	-	-	-
Remuneration of elected members	28	224	216
Minimum lease payments under operating leases	203	202	177
Other operating expenses	8,345	8,761	7,890
Total other expenses	9,446	9,918	9,265

Other audit-related services (last year) is for work undertaken in relation to the preparation of the Draft 2009 – 2019 Long Term Community Outcomes Plan and the final adopted 2009 – 2019 Long Term Community Outcomes Plan.

7 employee expenses

	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
Wages and salaries	3,780	3,493	3,228
Contributions to defined contribution plans	149	157	129
Increase/(decrease) in employee benefit liabilities	170	-	82
Total employee expenses	4,099	3,650	3,439

8 finance costs

	Actual 2010 \$000	Budget 2010 \$000	Last Year 2009 \$000
INTEREST EXPENSE			
Interest on bank borrowings	756	755	649
FAIR VALUE (GAINS)/LOSSES ON DERIVATIVES			
Interest rate swaps: (fair value hedges)	(195)	-	476
Total finance costs	561	755	1,125

9 income tax expense in the statement of comprehensive income

	Actual 2010 \$000	Last Year 2009 \$000
Net Surplus/(Loss) before Tax	4,383	1,709
Tax at 30% (2008 33%)	1,315	513
Plus (less) tax effect of:		
Tax effect of non-deductible expenditure		
Tax effect of non-taxable income	(1,499)	(674)
Tax losses not recognised	184	161
Tax losses utilised	-	-
Tax expense	-	-
Current tax	-	-
Deferred tax	-	-
Tax expense	-	-

A deferred tax asset has not been recognised in relation unused tax losses of \$9,333,000 (2009: \$8,719,000). Utilisation of these tax losses is dependent upon earning future assessable income. Future taxation benefits attributable to timing differences or losses carried forward are not recognised in the financial statements because they do not meet the probability test that future taxable profit will be available against which the deductible timing differences or tax losses can be utilised.

10 cash and cash equivalents

	Actual 2010 \$000	Last Year 2009 \$000
Cash at bank and in hand	238	165
Call deposits	2,781	2,663
Short term deposits	4,952	5,046
Total cash and cash equivalents	7,971	7,874

The carrying value of deposits approximate their fair value.

The effective interest rate on deposits in 2010 was 4.61 percent (2009: 6.68 percent). The deposits had an average maturity of 63 days (2009: 68 days).

Cash, cash equivalents and bank overdrafts include the following for the purposes of the statement of cash flows:

	Actual 2010 \$000	Last Year 2009 \$000
Cash at bank and in hand	238	165
Call deposits	2,781	2,663
Short term deposits	4,952	5,046
Bank overdrafts	-	(508)
Total cash and cash equivalents	7,971	7,366

11 trade and other receivables

	Actual 2010 \$000	Last Year 2009 \$000
Rates receivables	640	595
Water rate receivables	73	63
New Zealand Transport Agency receivable	1,300	1,424
Port Debtors	423	1,085
Sundry debtors	2,721	1,052
GST receivable	-	115
	5,157	4,334
Less provision for impairment of receivables	(92)	(577)
Total trade and receivables	5,065	3,757
Current	4,915	3,457
Non-current	150	300
Total trade and receivables	5,065	3,757

	Actual 2010 \$000	Last Year 2009 \$000
Current	3,404	2,267
1 to 3 months	299	214
> 3 months	1,362	1,276
Carrying amount	5,065	3,757

Movement in the provision for impairment of receivables is as follows:

	Actual 2010 \$000	Last Year 2009 \$000
At 1 July	577	588
Provisions reversed during the year	(353)	(20)
Additional provisions made during the year	12	17
Receivables written off during period	(144)	(8)
At 30 June	92	577

The carrying value of trade and other receivables approximate their fair value.

There is no concentration of credit risk with respect to receivables outside the Group, as the Group has a large number of customers.

Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place debts are discounted to the present value of future repayments.

These powers allow Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgment, then Council can apply to the Registrar of the High Court to have the judgment enforced by sale or lease of the rating unit.

The age of rates receivable overdue, whose payment terms have been renegotiated, but not impaired are as follows:

	Actual 2010 \$000	Actual 2009 \$000
0 to 12 months	504	458
> 12 months	136	137
Carrying amount	640	595

As of 30 June 2010 and 2009, all overdue receivables, except for rates receivable, have been assessed for impairment and appropriate provisions applied. Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The impairment provision has been calculated based on expected losses for Council's pool of debtors. Expected losses have been determined based on an analysis of Council's losses in previous periods, and review of specific debtors.

12 assets held for sale

	Actual 2010 \$000	Last Year 2009 \$000
Buildings	141	141
Land	855	959
Total non-current asset held for sale	996	1,100

The buildings relate to the value of improvements held on the Lord St site, which is currently being actively marketed.

The land relates to:

- land identified by Council to be disposed of, as is not required for operational and/or strategic purposes. This land is being marketed and therefore is likely to be sold in the next 12 months; and
- land where Council is the leaseholder, where sale is being actively encouraged through Council policy.

13 property, plant and equipment

Council 2010

	Cost/ revaluation 01-Jul-09	Accumulated depreciation and impairment charges 01-Jul-09	Carrying amount 01-Jul-09	Current year additions	Current year disposals at cost	accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-10	Accumulated depreciation and impairment charges 30-Jun-10	Carrying amount 30-Jun-10
INFRASTRUCTURAL ASSETS												
Roading Network	139,698	(3,974)	135,724	4,162	-	-	-	(4,046)	-	143,860	(8,020)	135,840
Land Under Roads	68,727	-	68,727	-	-	-	-	-	-	68,727	-	68,727
Stormwater	16,554	(431)	16,123	309	-	-	-	(497)	-	16,863	(928)	15,935
Flood Protection System	5,300	(1,007)	4,293	3,296	-	-	-	(53)	-	8,596	(1,060)	7,536
Sewerage	24,942	(583)	24,359	1,127	-	-	-	(691)	-	26,069	(1,274)	24,795
Water Supply Systems	12,521	(380)	12,141	840	-	-	-	(363)	-	13,361	(743)	12,618
Landfill Site	2,884	(1,563)	1,321	162	-	-	-	(194)	-	3,046	(1,757)	1,289
Work in progress	987	-	987	131	(902)	-	-	-	-	216	-	216
	271,613	(7,938)	263,675	10,027	(902)	-	-	(5,844)	-	280,738	(13,782)	266,956
OTHER FIXED ASSETS												
General Land	7,870	-	7,870	83	-	-	-	-	-	7,953	-	7,953
Other Land	2,861	-	2,861	-	(94)	-	-	-	-	2,767	-	2,767
Buildings	19,609	(391)	19,218	1,376	-	-	-	(737)	-	20,985	(1,128)	19,857
Plant & Machinery	1,458	(1,060)	398	3	(315)	297	-	(108)	-	1,146	(871)	275
Furniture & Fittings	372	(335)	37	7	-	-	-	(9)	-	379	(344)	35
Computer Equipment	1,332	(1,211)	121	100	(40)	40	-	(99)	-	1,392	(1,270)	122
Library Stocks	1,582	(1,434)	148	51	-	-	-	(64)	-	1,633	(1,498)	135
Breakwaters & Wharves	4,736	(2,270)	2,466	22	-	-	-	(202)	-	4,758	(2,472)	2,286
Aerodrome	1,762	(37)	1,725	24	-	-	-	(38)	-	1,786	(75)	1,711
Parking Developments	311	(79)	232	-	-	-	-	(7)	-	311	(86)	225
Reserve Board Assets	290	-	290	-	-	-	-	-	-	290	-	290
Sports fields and Parks	852	(115)	737	186	-	-	-	(43)	-	1,038	(158)	880
Heritage Assets	1,029	(120)	909	23	-	-	-	(20)	-	1,052	(140)	912
	44,064	(7,052)	37,012	1,875	(449)	337	-	(1,327)	-	45,490	(8,042)	37,448
	315,677	(14,990)	300,687	11,902	(1,351)	337	-	(7,171)	-	326,228	(21,824)	304,404

Council 2009

	Cost/ revaluation 01-Jul-08	Accumulated depreciation and impairment charges 01-Jul-08	Carrying amount 01-Jul-08	Current year additions	Current year disposals	accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-09	Accumulated depreciation and impairment charges 30-Jun-09	Carrying amount 30-Jun-09
INFRASTRUCTURAL ASSETS												
Roading Network	136,079	-	136,079	3,619	-	-	-	(3,974)	-	139,698	(3,974)	135,724
Land Under Roads	68,727	-	68,727	-	-	-	-	-	-	68,727	-	68,727
Stormwater	16,219	-	16,219	335	-	-	-	(431)	-	16,554	(431)	16,123
Flood Protection System	5,300	(954)	4,346	-	-	-	-	(53)	-	5,300	(1,007)	4,293
Sewerage	22,525	-	22,525	2,417	-	-	-	(583)	-	24,942	(583)	24,359
Water Supply Systems	12,145	-	12,145	376	-	-	-	(380)	-	12,521	(380)	12,141
Landfill Site	3,109	(1,594)	1,515	-	(225)	225	-	(194)	-	2,884	(1,563)	1,321
Work in progress	1,487	-	1,487	915	(1,415)	-	-	-	-	987	-	987
	265,591	(2,548)	263,043	7,662	(1,640)	225	-	(5,615)	-	271,613	(7,938)	263,675
OTHER FIXED ASSETS												
General Land	7,870	-	7,870	-	-	-	-	-	-	7,870	-	7,870
Other Land	2,861	-	2,861	-	-	-	-	-	-	2,861	-	2,861
Buildings	9,880	-	9,880	9,729	-	-	-	(391)	-	19,609	(391)	19,218
Plant & Machinery	2,168	(1,808)	360	172	(882)	866	-	(118)	-	1,458	(1,060)	398
Furniture & Fittings	368	(326)	42	4	-	-	-	(9)	-	372	(335)	37
Computer Equipment	2,397	(2,167)	230	34	(1,099)	1,099	-	(143)	-	1,332	(1,211)	121
Library Stocks	1,528	(1,367)	161	54	-	-	-	(67)	-	1,582	(1,434)	148
Breakwaters & Wharves	4,722	(1,991)	2,731	14	-	-	-	(279)	-	4,736	(2,270)	2,466
Aerodrome	1,753	-	1,753	9	-	-	-	(37)	-	1,762	(37)	1,725
Parking Developments	295	(73)	222	16	-	-	-	(6)	-	311	(79)	232
Reserve Board Assets	290	-	290	-	-	-	-	-	-	290	-	290
Sports fields and Parks	715	(79)	636	137	-	-	-	(36)	-	852	(115)	737
Heritage Assets	985	(100)	885	44	-	-	-	(20)	-	1,029	(120)	909
	35,832	(7,911)	27,921	10,213	(1,981)	1,965	-	(1,106)	-	44,064	(7,052)	37,012
	301,423	(10,459)	290,964	17,875	(3,621)	2,190	-	(6,721)	-	315,677	(14,990)	300,687

Valuation

Other fixed assets:- general land and buildings

At fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Peter J Hines BCom (VPM), ANZIV, Registered Valuer of Coast Valuations, and the valuation is effective as at 30 June 2008.

Other fixed assets:- aerodrome

Improvements - At fair value determined on a depreciated replacement cost basis by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDipBusAdmin ADEM MIPENZ AFNZIM and independently reviewed by Peter J Hines BCom (VPM), ANZIV, Registered Valuer of Coast Valuations. The valuation is effective as at 30 June 2008.

Land - At fair value as determined by an independent valuer. The most recent valuation was performed by Peter J Hines BCom (VPM), ANZIV, Registered Valuer of Coast Valuations, and the valuation is effective as at 30 June 2008.

Infrastructural asset classes: land, sewerage, water, stormwater, and roads

At fair value determined on a depreciated replacement cost basis by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDipBusAdmin ADEM MIPENZ AFNZIM and independently reviewed by John Vessey, Senior Advisor, Opus International Consultants Limited. The valuation is effective as at 30 June 2008.

Land under roads

Land under roads was valued based on fair value of adjacent land determined by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDipBusAdmin ADEM MIPENZ AFNZIM, effective 30 June 2005. On transition to NZ IFRS Grey DC elected to use the fair value of land under roads as at 30 June 2005 as deemed cost. Land under roads is no longer revalued.

Total fair value of property, plant and equipment valued by each valuer

	Council 2008 \$000
MD Sutherland, Grey DC	190,542
P J Hines, Coast Valuations	18,850

No classes of property plant and equipment were revalued in 2010 (2009 nil)

Impairment

Nil impairment losses have been recognised for plant and equipment (2009 nil)

14 investments

	Actual 2010 \$000	Last Year 2009 \$000
NON-CURRENT INVESTMENTS		
Held to maturity investments	1,920	500
Available-for-sale financial assets	102	102
Total non-current investments	2,022	602
CURRENT INVESTMENTS		
Held to maturity investments	503	1,300
Short term investments > 3 -12 months	35	1,592
Total current investments	538	2,892

The fair value approximates the carrying value for investments.

15 trade and other payables

	Actual 2010 \$000	Last Year 2009 \$000
Trade payables and accrued expenses	2,375	2,298
GST Payable	297	-
Sundry Creditors	558	517
Amounts due to related parties 22	7	7
Total trade and other payables	3,237	2,822

16 employee benefit liabilities

	Actual 2010 \$000	Last Year 2009 \$000
Accrued pay	159	116
Annual leave	393	354
Long service leave	48	39
Retirement gratuities	292	213
	892	722
COMPRISING:		
Current	580	519
Non-current	312	203
Total employee benefit liabilities	892	722

17 provision for closed landfills

	Actual 2010 \$000	Last Year 2009 \$000
Landfill aftercare provision	801	792
Total provision for closed landfills	801	792

	Actual 2010 \$000	Last Year 2009 \$000
Balance 01 July	792	750
Additional provisions made in the year	28	116
Amounts used in the year	(19)	(20)
Unused amounts reversed	-	(54)
Balance at 30 June	801	792

Landcare aftercare provision

Council has responsibility under the resource consent to provide maintenance and monitoring of the landfill after the sites are closed. The major sites are Blackball and McLeans Pit. There are post-closure responsibilities such as:

- treatment and monitoring leachate
- groundwater and surface monitoring
- gas monitoring and recovery
- implementation of remedial measures such as needed for cover and control systems
- ongoing site maintenance for drainage systems, final cover and vegetation

The management of the landfill will influence the timing of the recognition of some liabilities.

The cash outflows for landfill post-closure are expected to occur between 2011 and 2047. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 6%.

18 borrowings

	Note	Actual 2010 \$000	Last Year 2009 \$000
CURRENT			
Secured loans		7,799	6,535
Total current borrowings		7,799	6,535
NON-CURRENT			
Secured loans		1,337	2,790
Total non-current borrowings		1,337	2,790

external borrowings	Maturity date	Interest rate (as at 30 June 2010)	Balance at 01 Jul 2009	loans uplifted	loans repaid	Balance at 30 Jun 2010
LOAN NAME						
BNZ Cash Advance Loan 1	16 Aug 10	8.37%	3,012,516		(300)	3,012,216
BNZ Cash Advance Loan 2	19 Aug 10	8.31%	2,007,587	259	-	2,007,846
BNZ Cash Advance Loan 3	01 Jul 10	7.71%	1,514,442		(2,181)	1,512,261
Westpac Multi Option Cash Loan	22 Sep 10	6.90%	1,266,913		-	1,266,913
Westpac Multi Option Cash Loan	22 Sep 12	4.10%	1,001,152		(156,047)	845,105
Westpac Multi Option Cash Loan	17 Jul 12	4.10%	247,242		(30,342)	216,900
Westpac Multi Option Cash Loan	17 Jul 12	8.40%	275,063	64	-	275,127
			9,324,915			9,136,368
Portion of Term Debt repayable within One year			6,534,545			7,799,236
Portion of Term Debt repayable in One to Two years			1,266,913			-
Portion of Term Debt repayable in Two to Five years			1,248,394			1,337,132
Portion of Term Debt repayable in Five years or more			275,063			-
Total Term Debt repayable			9,324,915			9,136,368

All loans are secured by way of a separate rate in the dollar on the land value of the district.

Carrying values are approximately equal to fair value

19 derivative financial instruments

	Actual 2010 \$000	Last Year 2009 \$000
Interest rate swaps - fair value	399	594
	399	594

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$6,500,000 (2009 \$6,500,000). At 30 June 2010, the fixed interest rates of cash flow interest rate swaps vary from 7.71% to 8.37% (2009 7.71% to 8.37%).

20 equity

	Actual 2010 \$000	Last Year 2009 \$000
RATEPAYERS EQUITY		
Opening balance	203,105	198,200
Plus net surplus/(deficit) for the year	4,383	1,709
Net transfer from/(to) Special Funds	(277)	3,181
Net transfer from/(to) Trusts & Bequests	31	15
Net Transfer from revaluation reserves	-	-
Closing balance	207,242	203,105
SPECIAL FUNDS		
Opening balance	15,916	19,097
Plus interest (transfer from ratepayer equity)	346	797
Other transfers from ratepayers equity	2,308	2,010
Transfer to ratepayers equity	(2,377)	(5,988)
Closing balance	16,193	15,916
TRUSTS, BEQUESTS & OTHER RESERVES		
Opening balance	574	589
Transfer from ratepayers equity	8	15
Transfer to ratepayers equity	(39)	(30)
Closing balance	543	574
REVALUATION RESERVES*		
Opening balance	82,454	82,454
less transfer to ratepayers equity	-	-
plus increase in revaluation	-	-
Closing balance	82,454	82,454
TOTAL EQUITY	306,432	302,049
*REVALUATION RESERVES ARE MADE UP OF THE FOLLOWING		
Land & Building Revaluation Reserve	14,243	14,243
Roading Revaluation Reserve	50,207	50,207
Water Revaluation Reserve	1,775	1,775
Investment Revaluation Reserve	52	52
Drainage & Sewerage Revaluation Reserve	16,177	16,177
	82,454	82,454

21 reconciliation of operating surplus to net cash inflows from operating activities

	Actual 2010 \$000	Last Year 2009 \$000
Surplus from operations	4,383	1,709
ADD/(LESS) NON CASH ITEMS		
Depreciation	7,171	6,721
Vested assets	(3,296)	-
Unrealised landfill aftercare costs	9	42
Debt forgiven	-	-
Assets written off	-	-
	3,884	6,763
MOVEMENTS IN WORKING CAPITAL		
(Increase)/decrease in accounts receivable	(1,308)	(719)
(Increase)/decrease in interest receivable	(131)	258
Increase/(decrease) in accounts payable	415	345
Increase/(decrease) in interest payable	(4)	(19)
Increase/(decrease) in income in advance	(1)	(2)
Increase/(decrease) in employee entitlements	170	82
	(859)	(55)
LESS ITEM CLASSIFIED AS INVESTING ACTIVITY		
net gain(loss) on sale of property, plant & equipment and non-current assets held for sale	(302)	(386)
Change in fair value of interest swap	(195)	476
	(497)	90
Net cash flow from operations	6,911	8,507

22 related party transactions

council members

During the year, Council made purchases from businesses in which Councillors had an interest. Details of these interests are as follows:

Councillor	Business in which an interest is held	transaction type	Amount paid to the business 2010 (incl. GST) \$	Amount payable 2010 (incl. GST) \$	Amount paid to the business 2009 (incl. GST) \$	Amount payable 2009 (incl. GST) \$
Cummings I.M	Tasman Tyres	Tyre purchases	9,283	210	3,633	-
Cummings I.M	Amalgamated Mining Ltd	General Contracting	-	-	1,005	-
Cummings I.M	Management Processing	Road contracting	-	-	-	-
Haddock P.R	Westland Engineering	Engineering Services	1,302	-	320	41
Haddock P.R	Greymouth Equipment Centre	General Supplies	720	-	4,064	-
Hamilton K.F	Future Knowledge Ltd	Consultancy - economic development	-	-	-	-
Hamilton K.F	WestReap	Community Services	-	-	98	-
Kokshoorn A.F	Greymouth Evening Star	Printing and advertising	47,636	6,104	36,190	3,923
Kokshoorn A.F	West Coast Times	Printing and advertising	-	-	-	-
Sandrey C.R	Cliff Sandrey Contracting	General Contracting	3,647	-	1,832	-
Truman D.J	Central Paper Plus	Office supplies	12,454	905	19,709	3,227
			75,042	7,219	66,851	7,191

tourism west coast

Amounts paid to the organisation 2010 (excl. GST) \$	Amount payable 30-Jun-10 (excl. GST) \$	Amounts paid to the organisation 2009 (excl. GST) \$	Amount payable 30-Jun-09 (excl. GST) \$
62,400	20,800	83,200	-

west coast rural fire authority

Amounts paid to the organisation 2010 (excl. GST) \$	Amount payable 30-Jun-10 (excl. GST) \$	Amounts paid to the organisation 2009 (excl. GST) \$	Amount payable 30-Jun-09 (excl. GST) \$
10,870	-	10,028	-

key management personnel

During the year councillors and key management, as part of a normal customer relationship, were involved in minor transactions with Council (such as payment of rates and purchase of rubbish bags).

No debts involving a related party have been written off or forgiven during the year. (2009 – Nil) There are no transactions that have taken place at nil or nominal value that have not already been mentioned above.

key management personnel compensation

	Total 2010 \$	Total 2009 \$
Salaries and other short term employee benefits	827,490	784,459
Employer superannuation contributions	31,070	27,022
Termination benefits	-	17,720
Total compensation	858,560	829,201

key management personnel include the Mayor, elected members, chief executive and other senior management personnel.

greymouth floodwall

The Greymouth floodwall is owned by Grey District Council but is managed by a joint committee of Grey District Council and West Coast Regional Council. The joint committee agreement places the responsibility for the management, rating and maintenance of the structural integrity of the floodwall on the West Coast Regional Council. However, Grey District Council is responsible for the rating and maintenance of amenities of the floodwall.

In the 2009/2010 financial year the West Coast Regional Council completed an upgrade of the Greymouth floodwall. The value of this upgrade has been vested in the Grey District Council (as the owner of the floodwall) and is recorded as vested asset income in 'Other gains/(losses)'. The value has also been added to the appropriate asset category in Property Plant and Equipment.

24 capital commitments and operating leases

operating leases as lessee

Grey District Council leases land and office equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 7 years for land and 4 years for office equipment. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

non-cancellable operating leases as lessee

	Actual 2010 \$000	Last Year 2009 \$000
OFFICE EQUIPMENT		
Not later than one year	39	41
Later than one year and not later than two years	5	40
Later than two years but not later than five years	1	2
Later than five years	-	-
	45	83
LAND LEASES		
Not later than one year	142	140
Later than one year and not later than two years	142	138
Later than two years but not later than five years	417	413
Later than five years	728	802
	1,429	1,493
Total non-cancellable operating leases	1,474	1,576

other contracts

Council has entered into future contracts in respect of on-going maintenance and operations of facilities and infrastructure. The companies that have been contracted and the period for which those contracts remain in effect are as follows:

Westroads Ltd

- Maintenance of Parks & Reserves, Cemeteries & Public Conveniences To 31 August 2012
- Utilities Maintenance (incl. Maintenance and Operation of the Greymouth Flood Scheme) To 31 August 2013
- McLeans Landfill Operating and Maintenance Currently under review and will be going out for tender shortly

Provision of Services for Civil Defence

Tied in to Contracts

Northern Southland Ltd

- Refuse Collection & Disposal, Litterbins Maintenance & Disposal To 31 August 2012

Fergusons Industrial Division

- Roothing Maintenance Works To 30 June 2011*

Operating and Maintenance contracts include fixed price and unit rate provisions, which makes estimating the value of the future commitment difficult. For this reason no value has been included for these contracts.

* There is a right of renewal for this contract to 30 June 2013 subject to Councils approval.

capital commitments approved and contracted

During its annual planning process for the 2010/2011 financial year, Council approved \$15,647,000 to be spent on Capital Works (2008/2009 - \$11,800,000) associated with Council's various assets and functions. A detail of the works to be carried out is included in the 2010 – 2011 Annual Plan which was adopted by Council on 29 June 2010 and released to the public.

Council is also likely to approve budget carryforwards for work not completed during 2009/2010 of \$6,346,887.

25 contingent liabilities

financial guarantees

West Coast Theatre Trust

The Council is listed as a sole guarantor for two loan agreements that the West Coast Theatre Trust has entered into. The loan details are

	Loan 1	Loan 2
Lender	Nelson Building Society	Development West Coast
Total	\$693,000	\$600,000
Term	25 years	10 years
Expiry	May 2035	September 2010

The exercising of the guarantees will be dependent on the financial stability of the West Coast Theatre Trust, which may vary over time. At balance date the Grey District Council does not expect it will be called upon by the above lenders to make loan payments as it is satisfied the West Coast Theatre Trust has the financial stability to meet all its obligations under the loans. Council therefore has made no provision in these accounts to meet the repayment of any of the loans.

Westurf Recreation Trust

The Council has agreed to act as a sole guarantor for a Westurf Recreation Trust loan, up to a maximum of \$200,000, for the purposes of upgrading their artificial turf at the Greymouth Hockey Stadium. This is contingent on final Council satisfaction on the project being financially sustainable. As at balance date the trust has not yet proceeded with uplifting of a loan, and has indicated to Council that they are likely to proceed with the project without requiring a loan. Council has therefore made no provision in these accounts for repaying any of this loan.

defined benefit superannuation scheme

The Council is a participating employer in the National Provident Fund's Defined Benefit Plan Contributors Scheme (the scheme) which is a multi-employer defined benefit scheme. If the other participating employers ceased to participate in the scheme, the Council could be responsible for the entire deficit of the scheme (see note 27). Similarly, if a number of employers ceased to participate in the scheme, the Council could be responsible for an increased share of the deficit. The Council estimates that during the next financial year the Council's contribution to the scheme will be approximately \$6,000 (2009: \$6,000).

26 contingent assets

financial contributions – resource consents

Council has entered into a number of bonding arrangements with various subdividers, whereupon the financial contributions payment to Council is delayed until the sale of each individual lot. The actual contributions are adjusted based on relative price indices, and are underwritten by a third party guarantor. As at 30 June 2010 the payments to be made to Council in the future totalled \$202,568 (2009 \$221,000).

27 defined benefit superannuation scheme

As outlined in note 25, the Council contributes to a multi-employer defined benefit superannuation scheme (the scheme), operated by the National Provident Fund. The funding level (solvency ratio) of the Scheme is the ratio of the net assets available to pay benefits to the value of the past service liabilities. The Actuary has estimated the funding level, as at 31 March 2010, as 112% (109% as at 31 March 2009). This funding level is an estimate based on the valuation results and membership data as at 31 March 2009, and allows for the investment return for the year ended 31 March 2010.

The actuary to the scheme has recommended the employer contribution remains at 1.0 times contributors' contributions to 1.0 times contributor contributions. The 1.0 times is inclusive of specified superannuation contribution withholding tax..

28 elected members remuneration

Gross pay to individual Councillors and Board Members was as follows:

	Honorarium	Meeting Fees	Travel Allowance	Total 2010	Total 2009
	\$	\$	\$	\$	\$
MAYOR					
Kokshoorn A.F*	58,930	n/a	-	58,930	58,930
COUNCILLOR					
Berry P.F	16,124	3,220	479	19,823	19,823
Brown K.R	16,124	2,240	-	18,364	19,353
Cummings I	16,124	2,660	-	18,784	18,224
Haddock P.R	16,124	2,800	-	18,924	18,924
Hamilton K.F	16,124	3,360	67	19,551	19,929
Osborne M.J	16,124	2,100	-	18,224	18,762
Sandrey C.R	16,124	2,100	-	18,224	18,242
Truman D.J	22,063	2,240	-	24,303	24,023
Total elected members remuneration	193,861	20,720	546	215,127	216,209

29 chief executive officer's remuneration

	Total 2010	Total 2009
	\$	\$
Salary	176,113	181,766
Employer Superannuation Contributions	10,050	9,853
Telephone rental	638	638
Car - Full Use	8,389	10,280
Professional Allowances/Fees	260	260
Total Chief Executive Officer's remuneration	195,450	202,797

30 reserve boards

As part of the re-organisation of Local Government on 01 November 1989, eight reserve boards were vested to the Grey District Council. As part of the accountability process, Council is required to incorporate these reserve boards into the Annual Report.

The balance sheet includes all assets and liabilities relating to these reserve boards. The cost of service statement for 'community facilities and events' includes revenue and expenditure relating to these reserve boards. The amounts included are:

	Actual 2010 \$000	Last Year 2009 \$000
Income	46	38
Expenditure	(28)	(48)
Net surplus (deficit) for the year	18	(10)

31 bonds receivable and bonds payable

Council is party to a bond agreement along with the West Coast Regional Council and Buller District Council with regards to a number of resource consents. The funds are jointly held by the 3 Councils in a trust fund, with said funds only called upon if remedial action is required per the conditions of the resource consents. Income received by the trust fund is not returned to the councils, therefore there is no recognition of income in these accounts. As Council has no automatic right of claim over the funds it is not recognised in the balance sheet as an asset or liability. Given there is no immediate likelihood of the funds being called upon they are not recognised as a contingent asset or liability.

32 ratepayers and residents association disclosure requests

The Grey District Residents and Ratepayers Association (currently in recess) have asked that Council disclose the following financial information in each Annual Report.

salaries and wages paid

Total Salaries and Wages paid during 2009/2010 amounted to \$4,099,000 (2008/2009 \$3,439,000).

consultancy fees paid

Council, during 2009/2010, paid consultancy fees of \$542,873 (2008/2009 \$855,111). Consultants provided specialist services for projects such as the:

	\$000
Greymouth Sewerage Scheme	\$44
Blackball Water Scheme	\$45
Monitoring of Water and Sewerage schemes	\$69
Road legalisations	\$37
Building Consenting	\$44
Staff Recruitment	\$3
Resource Consenting	\$49
Cost of Land Sales	\$5
Greymouth/Spring Creek Aquatic Centre Capital works	\$32

motor vehicles

Council's motor vehicle fleet consists of 8 cars, 10 utility vehicles, and 1 van. Ten vehicles are taken home by staff who are on emergency call while three managers are provided with cars as part of their contract of employment with Council, which includes after hours commitments on behalf of Council. All vehicles are used operationally by staff as part of their normal day-to-day duties, where those duties require field work to be carried out.

The total vehicle book value at 30 June 2010 was \$225,424 (2009 \$339,323) which gives an average book value for vehicles of \$11,864 (\$15,424 last year)

33

severance payments

For the year ended 30 June 2009 Grey DC made one severance payment, total value of \$25,746 (2009 \$17,720).

34

events subsequent to balance date

In September 2010 Council agreed to act as a sole guarantor for a loan that the West Coast Theatre Trust is to draw down from Development West Coast. Details of this loan are included in Council's contingent liability disclosure, note 25.

35 financial instrument risk

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

The accounting policies for financial instruments have been applied to the line items below:

	Actual 2010 \$000	Last Year 2009 \$000
FINANCIAL ASSETS		
Loans and receivables		
Cash and cash equivalents (net)	7,971	7,366
Short term investments > 3 -12 months	35	1,592
Trade and other receivables	5,065	3,757
	13,071	12,715
Held to maturity investments		
Local authority stock	2,423	1,800
	2,423	1,800
Available for sale		
Unlisted shares (Civic Assurance)	102	102
	102	102
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost		
Trade and other payables	3,237	2,822
Secured loans	9,136	9,325
	12,373	12,147
Fair value through statement of comprehensive income		
Derivative financial instruments (interest rate swap)	399	594
	399	594

Market risk

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council is not exposed to currency risk, as it does not enter into foreign currency transactions.

Interest rate risk

The interest rates on Council's investments are disclosed in note 14 and on Council's borrowings in note 18.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates expose Council to fair value interest rate risk. Council's Liability Management policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to hedge the fair value interest rate risk arising where Council has borrowed at fixed rates. In addition, investments at fixed interest rates expose Council to fair value interest rate risk.

If interest rates on cash and cash equivalents, short term investments and held to maturity investments at 30 June 2010 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus/deficit by \$52,145 (2009:\$52,130).

Based on financial instrument discloses at the balance date and with other variables held constant; if interest rates on borrowings at 30 June 2010 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus after tax by \$45,682 (2009: \$46,625) as a result of higher/lower interest expense on floating rate borrowings.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if Council borrowed at fixed rates directly. Under the interest rate swaps, Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit risk

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Council invests funds only in deposits with registered banks and local authority stock and its investment policy limits the amount of credit exposure to any one institution or organisation.

Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the Council only invests funds with those entities, which have a Standard and Poor's credit rating of at least A2 for short term and A – for long-term investments. Accordingly, the Council does not require any collateral or security to support these financial instruments.

Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, Council maintains a target level of investments that must mature within the next 12 months.

Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy. These policies have been adopted as part of Council's Long Term Council Community Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of \$550,000 (2009: \$550,000) plus available credit on a credit line facility with Westpac of \$2,910,000 (2009 \$2,910,000). There are no restrictions on the use of this facility.

The maturity profiles of Council's interest bearing investments and borrowings are disclosed in notes 14 and 18 respectively.

36 capital management

Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 [the Act] requires Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires Council to make adequate and effective provision in its Long Term Council Community Plan (LTCCP) and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in Council's LTCCP.

Council has the following Council created reserves:

- reserves for different areas of benefit;
- self-insurance reserves; and
- trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

37 explanation of major variances against budget

Explanations for major variations from Council's estimated figures in the 2009/2010 Annual Plan (as incorporated in the 2009 – 2019 Long Term Plan) are as follows (note variances at the activity level are explained in more detail under each relevant 'group of activity' statement further in this document:

statement of comprehensive income	actual variance to budget	greater or less than budget
	\$000	
Other revenue	(1,803)	less
<p>\$1,209,000 difference relates to amount of subsidy received towards the Greymouth sewerage scheme. Claims are paid based on actual work completed, and due to the timing of eligible work completed at the time of claim being less than forecast, the balance of the subsidy will be claimed in the future (once work completed).</p>		
<p>\$411,000 relates to subsidies still to be claimed for the Blackball Water Supply upgrade. The subsidy claim can only be based on work completed, as such the balance will be claimed once balance of work completed</p>		
Other gains/(losses)	3,148	greater
<p>This relates to assets vested income. In the 2009/2010 financial year the West Coast Regional Council completed an upgrade of the Greymouth floodwall. As this is owned by the Grey District Council is the owner of this asset, the value of this has been transferred to Council's asset value (and as such recognised as vested income). Whilst Council was aware of this at the time of preparing budgets, it was not included due to it being a 'paper' transaction. It is noted that Council is not responsible for the renewal/replacement of this asset, and as such does not fund any associated depreciation.</p>		
Employee expenses	449	greater
<p>\$152,000 relates to staffing costs of the new Greymouth Aquatic Centre. 2009/2010 budgeted were prepared on best estimates prior to the facility opening. Actual required cost inputs have proven to be higher. This includes staff costs of setting up swim school facilities, whilst income won't commence until 2010/2011.</p>		
<p>Approximately 5% above budget, due to impact of new collective contract, and an increase in accrued leave (employee entitlements).</p>		
Other expenses	(472)	less
<p>\$344,000 relates to an 'unwinding' of a provision for doubtful debts, which Council recovered the majority share (this had been expensed in prior year accounts)</p>		
<p>In community services a number of costs saved 'across the board' (\$159,000), however more significant savings made in Aquatic centre operational costs, which partly offset the increased staff costs.</p>		
Finance costs	(194)	less
<p>Council has a number of interest rate swaps, which are incorporated into the accounts at fair value as at balance date. The liability of these interest rate swaps has decreased \$195,000 in the 2009/2010 year, which is reflected in finance costs. This is a 'non-cash' transaction and relates to the timing when these value movements are recognised. Council expects its finance costs over the long term to be close to budget.</p>		

statement of movements in equity	actual variance to budget	greater or less than budget
	\$000	
Total recognised income/(expense) for the year ended 30 June	1,772	greater
reflects variances as noted above		

balance sheet	actual variance to budget	greater or less than budget
	\$000	
ASSETS		
Cash and cash equivalents	1,543	less
Relate mainly to timing differences, related to Trade and other payables being higher than budget (i.e. money to be paid soon after balance date) and a number of key projects not yet completed/commenced (i.e. some of the revenue received, but work still to be paid for).		
Trade and other receivables (current and non current)	1,774	greater
Referring to note 11, a large portion is made up of the New Zealand Transport Agency receivable of \$1,300,000. Council also made two subsidy claims in June 2010 for the Greymouth scheme and the Blackball water upgrade totalling \$1,539,000, that are included as a receivable as were not due/paid until July 2010.		
Property, plant and equipment	(2,773)	less
<p>A number of key capital projects have as at balance date not commenced, or are not complete. Notable items are:</p> <ul style="list-style-type: none"> - Taylorville Sewerage Scheme, \$2,390,000, not commenced, awaiting subsidy approval - Greymouth Sewerage Scheme, \$2,068,000 less spent than scheduled to spend this year - Blackball Water Upgrade, in progress, \$404,000 less than budget (work to complete) <p>The amount of works to be completed/commenced also reflects that \$3,296,000 of assets additions are reflected in the accounts that were not included in the budget figures (Greymouth floodwall upgrade).</p>		
LIABILITIES		
Trade and other payables	1,254	greater
A number of larger projects were completed in June, or had significant progress payments due in June. This meant the money wasn't paid until July, and the balance is therefore reflected as a payable.		
Borrowings (Current and Non Current)	(3,666)	less
<p>Due to a number of key capital projects not yet proceeding/completed, the borrowing required to fund these is not yet required. Notably these are:</p> <ul style="list-style-type: none"> - Taylorville Sewerage Scheme \$2,380,000 - Stormwater upgrades - \$104,000 <p>Also an additional amount of debt was repaid, of \$98,000 towards outstanding loans for McLeans landfill.</p>		
EQUITY		
EQUITY	2,963	greater
Variances as noted above (balance sheet and statement of comprehensive income) are reflected in equity		

[d] group of activity statements

Responding to requests for service

An important performance target for Council's land transport, stormwater and flood protection, sewerage and water supply groups of activities is that it will respond to a certain percentage of requests for service within a certain timeframe. All requests received by Council are recorded in a service request system. However, during the year this service request system was not set up to record the times that requests were received and then subsequently responded to. Therefore we cannot report the actual response times against the measures disclosed in the group of activity statements.

Council has contracts in place with external contractors which include specified response times for service requests. Council staff monitor the performance of contractors in meeting these response times. While Council's systems did not record the response times, Council staff were satisfied that the contractors responded within a reasonable time. Council staff have no reason to believe that the contractor has not responded to service requests in line with the specifications of the contract.

Council is in the process of putting in place processes to improve the recording of response times for the 2010/11 year.

[1] land transport

[1.1] activities included in this group

- Land Transport

Rationale for grouping

Reported on its own as it makes up a significant portion of council expenditure and represents a significant portion of the total assets that Council is responsible for.

[1.2] council's involvement

A well-maintained roading network enables economic activity and growth in the District, notably also in respect of Tourism. It is also aimed at convenience and safety of our residents.

Council is the owner of roads in the District (excluding the two state highways) and is the District Road Controlling Authority. In this capacity it determines the level at which roads and associated infrastructure are maintained and whether or not to form roads. Council sees roads as an essential service.

[1.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome One	ENVIRONMENT	That the distinctive character of the environment is appreciated and retained
Outcome Two	ECONOMY	A thriving, resilient and innovative economy creating opportunities for growth and employment
Outcome Five	SAFETY	A District that is a safe place to live

[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above. In addition:









Council recognises that an efficient and quality local roading network is vital to support the local economy of the Grey District. As such it is committed to a renewal programme to maintain the existing standard of the roading network (\$2.30m spent in 2009/2010). Council can also play a role in the improvement of the roading network to support economic development in the district. Council has upgraded parts of the roading network to be used as the coal transport route for the Pike River Coal mine. This work has been funded from a combination of New Zealand Transport Agency financial assistance, contributions from Pike River Coal Company, and contributions from Council (rates). In 2009/2010 \$1.1m was spent widening and strengthening Atarau Rd, which is part of the coal transport route.




Council, per financial contribution rules contained in the District Plan, will contribute up to 50% of the cost of new infrastructure required for new subdivision development, where there is also a benefit provided to the existing community. This can also serve as an enticement/encouragement for development to occur in the Grey District. In 2009/2010 Council contributed \$96,000 towards roading upgrades associated with new developments.

[c] performance measurement

key for symbols where used

SYMBOL	DESCRIPTION
😊😊	better result than target
😊	achieved required target
😐	some targets achieved
😞	did not achieve target
?	unknown/not measured

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ECONOMY: PRO-ACTIVE SERVICES PROVISION Land transport is an essential service to support the local economy.</p> <p>SAFETY: PERSONAL AND PROPERTY SAFETY Provision of safe land transport services reduces the potential for crashes and injuries to occur.</p> <p>ENVIRONMENT: HARMONIOUS AND COMPLIMENTARY LAND-USE Local transportation networks will be provided to meet community needs without significantly compromising on the natural values of our environment.</p>	Our roads are designed and maintained to a standard that maximises the users safety	A maximum % of total road crashes in the district being caused by road conditions	5%		During the 2009/2010 year there were 87 crashes on council roads. Four of these crashes involved road factors.
		Number of fatal accidents due to road factors.	nil		There were no fatal road crashes within the Grey District which council road factors contributed to. Road factors are concerned with the condition of the road surface at the time of the crash.
	Provide a reliable roading network	On arterial and major collector roads we respond to emergency events within 1 hour of notification or identification, and roads reopened to at least single lane traffic within 24 hours of arrival at site.	90% of events		As disclosed on page 58 council did not have a system in place to record the response time to emergency events. Council staff monitored the performance of contractors, including whether emergency events was responded to within 1 hour and roads reopened within 24 hours. This monitoring did not identify any instances where the target response times were not met
		On all other roads we respond to emergency events within 2 hours of notification or identification, and roads reopened to at least single lane traffic within 48 hours of arrival at site.	90% of events		As disclosed on page 58 council did not have a system in place to record the response time to emergency events. Council staff monitored the performance of contractors, including whether emergency events was responded to within 2 hours and roads reopened within 48 hours. This monitoring did not identify any instances where the target response times were not met
		Notify planned closures to affected areas at least 24 hours prior	100% of all planned closures		There was one planned road closure during the 2009/2010 year it was advertised more than 24 hours prior to the closure.
		Potholes repaired within 10 working days of being notified or identified by maintenance contractors on arterial and major collector roads	85%		As disclosed on page 58 council did not have a system in place to record the response time to repairing potholes. Council staff monitored the performance of contractors, including whether potholes were repaired within 10 days. This monitoring did not identify any instances where the target response times were not met
		Potholes repaired within 20 working days of being notified or identified by maintenance contractors on all other roads	75%		As disclosed on page 58 council did not have a system in place to record the response time to repairing potholes. Council staff monitored the performance of contractors, including whether potholes were repaired within 20 days. This monitoring did not identify any instances where the target response times were not met
		Streetlights repaired within 10 working days of being notified on arterial and major collector roads	85%		As disclosed on page 58 council did not have a system in place to record the response time to repairing streetlights Council staff monitored the performance of contractors, including whether streetlights on arterial and major collector roads were repaired within 10 days. This monitoring did not identify any instances where the target response times were not met
		Streetlights repaired within 20 working days of being notified on all other roads	85%		As disclosed on page 58 council did not have a system in place to record the response time to repairing streetlights Council staff monitored the performance of contractors, including whether streetlights on all other roads were repaired within 20 days. This monitoring did not identify any instances where the target response times were not met

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ECONOMY: PRO-ACTIVE SERVICES PROVISION Land transport is an essential service to support the local economy.</p> <p>SAFETY: PERSONAL AND PROPERTY SAFETY Provision of safe land transport services reduces the potential for crashes and injuries to occur.</p> <p>ENVIRONMENT: HARMONIOUS AND COMPLIMENTARY LAND-USE Local transportation networks will be provided to meet community needs without significantly compromising on the natural values of our environment.</p>	Provide a quality roading network	Minimum % of sealed roads with a measured roughness of less than 80 NAASRA* counts.	60%		Road Assessment Management System Roughness Survey is carried out at least once every two years. The current roughness showed that 55% of sealed roads had a roughness of less than 80 NAASRA counts.
		Maximum % of sealed roads with a measured roughness of greater than 150 NAASRA* counts.	10%		Road Assessment Management System Roughness Survey is carried out at least once every two years. The current roughness survey showed that 10% of sealed roads had a roughness of greater than 150 NAASRA counts.
	Deliver a works programme as signalled in this plan.	Set achievable budgets for the available resources, and complete what we plan each year. Requested budget carry-forwards to be no more than 5% of total operating expenditure	5%		Total carry-forward requests for land transport are \$589,397, which represents 8.25% of total operating expenditure.
	The community is satisfied with the roading network provided	number satisfied with service per user survey	75%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

* 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.

[1.4] cost of service statement

ROADING	note	Actual	Budget	Actual
COST OF SERVICE STATEMENT		2010	2010	2009
		\$000	\$000	\$000

Funding Required:

Operating expenditure:				
	1			
Employee costs		-	-	-
Support costs		(77)	(59)	(100)
Operating & maintenance costs		(3,021)	(2,917)	(2,867)
Interest expense		-	(11)	-
Depreciation		(4,046)	(3,991)	(3,975)
	1	(7,144)	(6,978)	(6,942)

Capital items:

Renewal w orks		(2,297)	(2,416)	(2,408)
New capital		(1,855)	(1,087)	(1,071)
Assets vested		-	(125)	-
Debt principal repayments		-	(14)	-
Funding of reserves		(256)	(233)	(25)
Internal transfers		-	-	-
		(4,408)	(3,875)	(3,504)

TOTAL EXPENDITURE + CAPITAL		(11,552)	(10,853)	(10,446)
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Funded by:

Rates				
	1			
Rates - General		2,430	2,379	2,231
Rates - Targeted		-	-	-

Activity Income				
	1			
User charges		31	264	257
Subsidies/donations		4,176	3,908	3,683
Other revenue		196	125	189
Internal recoveries		-	-	-

Other sources of funds				
add new loans raised		-	79	-
add funding from reserves		476	107	305
Transfer from Ratepayer Equity		245	-	-
depreciation funded		4,046	3,750	3,504

Net funding surplus / (deficit)		48	(241)	(277)
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(Note1) Activity income statement

	Actual	Budget	Actual
	2010	2010	2009
	\$000	\$000	\$000
Total operating expenditure	(7,144)	(6,978)	(6,942)
Rates income	2,430	2,379	2,231
Other activity operating income	4,403	4,297	4,129
Net Surplus/(Deficit)	(311)	(302)	(582)

[1.5] major asset acquisitions or replacements**Significant Renewal and Capital expenditure**

	Actual 2010 \$000	Budget 2010 \$000
Atarua Rd strengthening & widening	1,069	563
Seal North and South Breakwaters	116	-
New footpaths & footpath renewals	205	179
Camp Crk Bridge Replacement	123	-
Contribution to effluent disposal site (SHWY 72)	-	101
General renewals and miscellaneous capital	2,500	2,617

[1.6] variations from budget

	actual variance to budget \$000	greater or less than budget
Operating & maintenance costs \$142,000 of work was carried forward from prior year budget.	104	greater
Renewal works Council's budgets for the 2009/2010 year were based largely on programmes submitted to NZTA for financially assisted works. Some amounts weren't approved up to the level as submitted, which mostly impacted on Council's renewal programme.	(119)	less
New capital \$1.4million of capital works was carried forward from prior year budgets, most notably Atarau road strengthening and widening work (\$909,000). This has been partly offset by some capital works planned for 2009/2010 not proceeding	768	greater
Assets vested Sums budgeted for assets to be vested in Council are based on a best estimate at the time when development may occur, and when responsibility for the respective assets will pass to Council. The actual timing is difficult to predict, and there was nil in the 2009/2010 year.	(125)	less
User charges budgets included amounts to be recovered from 3rd parties for a share of the cost of upgrading parts of the roading network. The majority of this respective work as budgeted was not carried out in 2009/2010	(233)	less
Subsidies/donations greater financial assistance received from NZTA, given the higher amount of operating and maintenance costs and new capital work carried out as identified above	268	greater
add funding from reserves \$242,000 of works carried forward were funded from reserves. Additional work was carried out for sealing of the breakwaters (\$116,000), and this cost was funded from reserves	369	greater
Transfer from Ratepayer Equity Council is loan funding its share of key new capital works such as Atarau Road widening and strengthening. This work has been internally loaned, and as the majority of the work was carried forward, and loan was not required until this year (however was signalled in prior year budget)	245	greater

[1.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> New roads built POSITIVE for accessibility and general social cohesion Inability to build new footpaths or renew footpaths negative Continued maintenance programme secured greater accessibility and usability as a positive 	<ul style="list-style-type: none"> New, quality roads as well as improved footpaths contribute POSITIVELY to economic growth. 	<ul style="list-style-type: none"> Improved roading is POSITIVE for community pride and commitment to the District. 	<ul style="list-style-type: none"> Improved roading has had a POSITIVE impact on the amenity of the District.

[2] stormwater and flood protection

[2.1] activities included in this group

- Stormwater
- Flood Protection
- Land Drainage (in identified urban areas)

Rationale for grouping

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

[2.2] council's involvement

The Grey District enjoys high rainfall which makes it important to have competent measures in place to deal with the disposal of any surface water accumulation; to ensure that excess flows are contained to waterways and that areas/property prone to flooding are protected. Council's primary responsibility lies with stormwater drainage in urban areas, but it also owns the floodwalls and undertakes the land drainage function in defined urban areas.

Note: The West Coast Regional Council, by law, is responsible for the actual protection against flooding and therefore the maintenance and renewal of the floodwalls.

Public drainage systems are generally designed in line with accepted industry standards and do not provide a guarantee against all flooding. Private drains are the responsibility of its owners and both Council and the West Coast Regional Council have responsibility 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.

[2.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome One	ENVIRONMENT	That the distinctive character of the environment is appreciated and retained
Outcome Two	ECONOMY	A thriving, resilient and innovative economy creating opportunities for growth and employment
Outcome Five	SAFETY	A District that is a safe place to live

[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above. In addition:

The threat of flooding in the district can have obvious impacts on people's safety, and the threat to property can impact the economic activity of prone areas. New projects are largely driven by the desire to improve the level of protection to communities. Recent history from relatively 'localised' weather events has seen flooding cause property damage within the central business district of Greymouth. Council signalled in the long term plan that a current priority would be implementing an improvement plan for the Greymouth central business district. Design work for this was completed in 2009/2010 (at a cost of \$10,000) and the first stage of the work will be completed in 2010/2011.

Open drains in Blackball were upgraded to culverts in 2009/2010 at a total cost of \$92,000, which has provided for a safer stormwater network.

[c] performance measurement

key for symbols where used

SYMBOL	DESCRIPTION
😊😊	better result than target
😊	achieved required target
😐	some targets achieved
😞	did not achieve target
?	unknown/not measured

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note	
			2010	2010		
<p>ECONOMY: PRO-ACTIVE SERVICES PROVISION Facilities required to protect the district's economy due to the relatively high rainfall.</p> <p>SAFETY: PERSONAL AND PROPERTY SAFETY Effective and efficient mitigation protects people and property.</p> <p>ENVIRONMENT: ENVIRONMENTAL SUSTAINABILITY Maintains, protects and enhances the environment by providing stormwater and flood protection facilities</p>	The systems are working effectively	Major blockages/failures removed/ fixed within 1 day of notification	100%	😊	As disclosed on page 58 council did not have a system in place to record the response time to remedying major blockages/failures. Council staff monitored the performance of contractors, including whether major blockages/failures were fixed within 1 day. This monitoring did not identify any instances where the target response times were not met	
		Maximum response time for emergency repairs	3 hours	😊	As disclosed on page 58 council did not have a system in place to record the response time to emergency repairs Council staff monitored the performance of contractors, including whether emergency repairs were responded to within 3 hours. This monitoring did not identify any instances where the target response times were not met	
		Maximum number of incidents of ponding (rain events within design capacity) identified and resolved within approved budgets or referred to Council either as emergency works or programmed in following years budget.	1	😞	There were eight service requests received regarding ponding in the 2009/2010 year. However at this stage it is unconfirmed if there is insufficient capacity at all the locations where these service requests were received for them to be confirmed as ponding incidents. Council's aim is to identify areas where actual capacity of stormwater systems is less than the accepted national standards or agreed Council standard.	
		Minimum number of Joint Floodwater Committee meetings per year to consider issues and forward works programmes.	1	😊	In the year 1 July 2009 to 30 June 2010 there was one meeting of the joint floodwater committee held on 13th October 2009.	
		Deliver a works programme as signalled in this plan.	Set achievable budgets for the available resources, and complete what we plan each year. Requested budget carry-forwards to be no more than 5% of total operating expenditure	5%	😞	Total carry-forward requests for stormwater and flood protection are \$271,801, which represents 31.75% of total operating expenditure.
		Stormwater systems are compliant	Number of abatement notices issued on consents held	nil	😊	There were no abatement notices issued regarding stormwater during the year ended 30 June 2010.
		The community is satisfied with the stormwater and flood protection services	number satisfied with service per user survey	75%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

[2.4] cost of service statement

STORMWATER & FLOOD PROTECTION COST OF SERVICE STATEMENT	note	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
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Funding Required:

Operating expenditure:				
	1			
Employee costs		-	-	-
Support costs		(112)	(42)	(100)
Operating & maintenance costs		(194)	(259)	(249)
Interest expense		-	(16)	-
Depreciation		(550)	(504)	(484)
	1	(856)	(821)	(833)

Capital items:

Renewal works		(208)	(216)	(330)
New capital		(102)	(147)	(5)
Assets vested		(3,296)	(15)	-
Debt principal repayments		-	(26)	-
Funding of reserves		(4)	(8)	(17)
Internal transfers		-	-	(4)
		(3,610)	(412)	(356)

TOTAL EXPENDITURE + CAPITAL		(4,466)	(1,233)	(1,189)
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Funded by:

Rates				
	1			
Rates - General		535	516	517
Rates - Targeted		-	-	-

Activity Income				
	1			
User charges		-	-	1
Subsidies/donations		-	-	-
Other revenue		3,296	15	-
Internal recoveries		-	-	-

Other sources of funds				
add new loans raised		-	127	-
add funding from reserves		71	71	142
Transfer from Ratepayer Equity		16	-	-
depreciation funded		550	397	356

Net funding surplus / (deficit)	2	(107)	(173)
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(Note 1) Activity income statement

	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
Total operating expenditure	(856)	(821)	(833)
Rates income	535	516	517
Other activity operating income	3,296	15	1
Net Surplus/(Deficit)	2,975	(290)	(315)

[2.5] major asset acquisitions or replacements

Significant Renewal and Capital expenditure		
	Actual 2010 \$000	Budget 2010 \$000
General renew als/upgrades	133	246
Blackball upgrades	92	24

[2.6] variations from budget

	actual variance to budget \$000	greater or less than budget
Support costs	70	more
The stormwater activity can be largely 're-active' and dependent on actual events during the year can require a high level of staff input. This is the case in 2009/2010.		
Assets vested	3,281	more
In the 2009/2010 financial year the West Coast Regional Council completed an upgrade of the Greymouth floodwall. As this is owned by the Grey District Council is the owner of this asset, the value of this has been transferred to Council's asset value. Whilst Council was aware of this at the time of preparing budgets, it was not included due to it being a 'paper' transaction. It is noted that Council is not responsible for the renewal/replacement of this asset, and as such does not fund any associated depreciation.		
Other revenue	3,281	more
see comments above for assets vested		
add new loans raised	(127)	less
A capital project to upgrade stormwater services affecting the Greymouth CBD is still in progress, and as such the loan required to fund has not yet been uplifted.		

[2.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> ▪ Continual improvement of stormwater collection and disposal capability POSITIVELY leads to safe and happy residents. ▪ Ongoing maintenance of Greymouth Floodwall in partnership with WCRC, builds POSITIVE confidence. ▪ Attention to the long neglected land drainage function in urban areas positive. 	<ul style="list-style-type: none"> ▪ Improved security of life and property POSITIVE for local investment and resident stability. 	<ul style="list-style-type: none"> ▪ Continual improvement of stormwater collection and disposal capability POSITIVELY leads to safe and happy residents. ▪ POSITIVE for Maori relationship with water and water courses 	<ul style="list-style-type: none"> ▪ Quicker, more efficient collection of stormwater, regular clearance of creeks and public drains POSITIVE amenity benefits.

[3] sewerage

[3.1] activities included in this group

- Sewerage

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.

[3.2] council's involvement

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.

[3.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome One	ENVIRONMENT	That the distinctive character of the environment is appreciated and retained
Outcome Two	ECONOMY	A thriving, resilient and innovative economy creating opportunities for growth and employment
Outcome Three	HEALTH	Healthy communities with access to quality facilities and services

[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above. In addition:








The majority of new capital works has been focused on the on-going Greymouth sewerage scheme, which separates sewage and stormwater discharges, and treats the sewage before discharge. This provides obvious contributions to environmental and health outcomes. Whilst the amount spent on this project (\$873,000) was less than budget. Council remains confident of completing all works by 2014. The project also has indirect benefits by providing a dedicated stormwater network which can operate more efficiently. The new sewerage scheme requires individual properties to connect their sewage discharges to the new system (i.e. separation of services). Council has financial incentives (discounted consent fees) for those who connect within short timeframes of the new connection being available. Council has also adopted maximum allowable timeframes for properties to connect, whereupon it has enforcement options to ensure each property connects.




Council has continued progress towards establishing new schemes for townships that currently have no reticulated networks, notably Taylorville, Dobson, and Kaiata. These are dependent on receiving financial assistance (for community affordability), and Council continues to pursue this option with central government.

[c] performance measurement

key for symbols where used

SYMBOL	DESCRIPTION
😊😊	better result than target
😊	achieved required target
😐	some targets achieved
😞	did not achieve target
?	unknown/not measured

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ENVIRONMENT: ENVIRONMENTAL SUSTAINABILITY Maintains, protects and enhances the environment by providing for the collection, treatment and safe disposal of waste</p> <p>HEALTH: A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY AND AFFORDABLE COUNCIL SERVICES Contributes to the public health of the community</p>	The systems are working effectively	A low number of complaints received about odours from Council sewerage systems	2 per 1000 connected properties		There were 1.78 complaints regarding odour per 1000 properties connected to council sewerage systems in the year ended 30 June 2010. There were 7,922 properties connected to council sewerage systems as at 30 June 2010. Where the service requests involved odour from manholes chlorine tablets were used to resolve the issue. Installation of a new ventilation pipe and sealed manhole lids at the Steer Avenue pump station resolved issues in this area. While all issues at the Steer Avenue and Johnson Street pump stations were resolved throughout the year they will continue periodically in when periods of fine weather are followed by high rainfall events until all properties within the scheme areas have completed separation of their services.
		Number of waste water overflows	5 max per community p.a.		There was one waste water overflow event in Runanga during the year ended 30 June 2010. Overflow events have increased in the Runanga area due to rainfall events and the condition of the Runanga Sewerage Scheme with respect to the stormwater increase.
	Respond to and fix any issues within a reasonable timeframe	response timeframe for emergency events	3 hours from request		As disclosed on page 58 council did not have a system in place to record the response time to emergency events. Council staff monitored the performance of contractors, including whether emergency events were responded to within 3 hours. This monitoring did not identify any instances where the target response times were not met
		response timeframe for all other events	1 working day from request		As disclosed on page 58 council did not have a system in place to record the response time to non emergency events. Council staff monitored the performance of contractors, including whether non emergency events were responded to within 1 working day. This monitoring did not identify any instances where the target response times were not met
	Deliver a works programme as signalled in this plan.	Set achievable budgets for the available resources, and complete what we plan each year. Requested budget carry-forwards to be no more than 5% of total operating expenditure	5%		Total carry-forward requests for wastewater are \$4,458,165, which represents 320% of total operating expenditure. Carryforwards relate to new capital works for Greymouth sewerage scheme, delayed due to available resources, and Taylorville sewerage scheme, delayed due to awaiting subsidy approval.
	We inform the public of any scheduled events that will affect the sewerage service	Minimum notice period of any planned shutdowns	24 hours		There were no shutdowns of the sewerage service in the year ended 30 June 2010.
		Number of abatement notices	nil		There were no abatement notices issued regarding sewer in the 2009/2010 year.

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ECONOMY: DEVELOPING NEW OPPORTUNITIES FOR LOCAL INVESTMENT Provision of new schemes and upgrade of existing schemes creates opportunities for economic growth.</p> <p>ENVIRONMENT: ENVIRONMENTAL SUSTAINABILITY Maintains, protects and enhances the environment by providing for the collection, treatment and safe disposal of waste</p>	Properties connect to new schemes provided as soon as practical	All applicable properties in Paroa / South Beach connected by 30 June 2009. It is Council policy for all properties to be connected by 30 June 2009, how ever given the likelihood that this is not achieved Council has retained the performance measure in this plan.	100%		As at 30 June 2010 there was a significant number of properties in Paroa/South Beach still not connected to the sewerage scheme.
		All applicable properties in Cobden connected by 30 June 2010.	100%		As at 30 June 2010 22% of properties in Cobden were connected to available services. Council resolved to enforce connection to the services after 30 June 2011.
		All applicable properties in Blaketown connected by 30 June 2011	n/a	n/a	The applicable deadline has not passed, however it is noted there are a large number of properties to connect.
	The Greymouth sewerage scheme is completed on time and on budget	Completed by 30 June 2014	50%		A desktop survey showed that 50% of the new Greymouth sewerage scheme has been completed as at 30 June 2010. It is expected the scheme will be completed by 30 June 2014 and to be within the allocated budget.
	The community is satisfied with the sewerage systems	number satisfied with sewerage service, per user survey	75%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

[3.4] cost of service statement

SEWERAGE	note	Actual	Budget	Actual
COST OF SERVICE STATEMENT		2010	2010	2009
		\$000	\$000	\$000

Funding Required:

Operating expenditure:				
	1			
Employee costs		-	-	-
Support costs		(130)	(53)	(108)
Operating & maintenance costs		(535)	(550)	(569)
Interest expense		(36)	(78)	(72)
Depreciation		(691)	(616)	(583)
	1	(1,392)	(1,297)	(1,332)

Capital items:

Renewal works		(57)	(195)	(172)
New capital		(1,071)	(5,349)	(2,245)
Assets vested		-	(12)	-
Debt principal repayments		-	(8)	-
Funding of reserves		(1,794)	(320)	(729)
Internal transfers		(65)	(17)	(19)
		(2,987)	(5,901)	(3,165)

TOTAL EXPENDITURE + CAPITAL		(4,379)	(7,198)	(4,497)
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Funded by:

Rates				
	1			
Rates - General		-	-	-
Rates - Targeted		1,587	1,647	1,449

Activity Income				
	1			
User charges		90	228	68
Subsidies/donations		1,013	2,222	-
Other revenue		-	76	-
Internal recoveries		-	-	-

Other sources of funds

add new loans raised		-	2,380	-
add funding from reserves		873	29	2,243
Transfer from Ratepayer Equity		211	-	-
depreciation funded		691	616	583

Net funding surplus / (deficit)		86	-	(154)
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(Note1) Activity income statement

	Actual	Budget	Actual
	2010	2010	2009
	\$000	\$000	\$000
Total operating expenditure	(1,392)	(1,297)	(1,332)
Rates income	1,587	1,647	1,449
Other activity operating income	1,103	2,526	68
Net Surplus/(Deficit)	1,298	2,876	185

[3.5] major asset acquisitions or replacements**Significant Renewal and Capital expenditure**

	Actual 2010 \$000	Budget 2010 \$000
General Renew als	11	86
Greymouth Scheme	873	2,941
Taylorville Scheme	13	2,402
Te Kinga Scheme (share of costs)	167	-

[3.6] variations from budget

	actual variance to budget \$000	greater or less than budget
Support costs	77	more
The sewerage activity can be largely 're-active' and dependent on actual events during the year can require a high level of staff input. This is the case in 2009/2010.		
Renewal works	(138)	less
Renewals progressed on an as needed basis, and general renewals required were lower in 2009/2010 than usual, and therefore as estimated		
New capital	(4,278)	less
referring to capital expenditure identified above, mainly due to: 1) the Taylorville scheme as yet not having the final approval for Ministry of Health subsidy, and 2) not as much work progressing on the Greymouth scheme		
Funding of reserves	1,474	more
All funds received towards the greymouth sewerage scheme are transferred to the dedicated special fund (and likewise all associated expenditure is transferred out of the special fund. Budgets work on the total net movement (funding of/funding from).		
User charges	(138)	less
Budgets include financial contributions to be received for connecting to Council reticulated systems, where Council has allowed in the scheme capacity for the future growth. Due to the level of development in the 2009/2010 year these are less than forecast.		
Other revenue	(1,209)	less
Difference relates to amount of subsidy received towards the Greymouth sewerage scheme. Claims are paid based on actual work completed, and due to the timing of eligible work completed at the time of claim being less than forecast, the balance of the subsidy will be claimed in the future (once work completed).		
add new loans raised	(2,380)	less
The Taylorville scheme work was to be funded by raising a loan, and as yet not proceeding the loan as yet not required (note the majority of the loan is intended to be repaid in the short-term once subsidy is received).		
add funding from reserves	844	more
per above comment on 'funding of reserves' the budget was worked on the net movement.		
Transfer from Ratepayer Equity	211	more
Council's share of the new Te Kinga scheme was carried forward from prior year budget. This has been loan funded, and in this instance it is an internal loan.		

[3.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> ▪ Successful implementation of Greymouth area and Blackball schemes and Karoro upgrade has POSITIVE impact on other townships wanting to reticulate. ▪ Reticulated sewer POSITIVE for community pride. 	<ul style="list-style-type: none"> ▪ Improved standard of service POSITIVE for local investment and resident stability. 	<ul style="list-style-type: none"> ▪ POSITIVE for community spirit. ▪ A POSITIVE development for a long standing Maori cultural concern. 	<ul style="list-style-type: none"> ▪ Effluent going into Grey River no longer raw sewer. Now inert.

[4] water supply

[4.1] activities included in this group

- Water supply

Rationale for grouping

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

[4.2] council's involvement

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 that compliance will be mandatory, however the government has announced a delay of three years to requirements for communities to meet the drinking water legislation.

Council manages five water schemes, which are:

- Greymouth area
- Runanga/Rapahoe
- Stillwater
- Blackball
- Dobson

[4.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome One	ENVIRONMENT	That the distinctive character of the environment is appreciated and retained
Outcome Two	ECONOMY	A thriving, resilient and innovative economy creating opportunities for growth and employment
Outcome Three	HEALTH	Healthy communities with access to quality facilities and services
Outcome Five	SAFETY	A District that is a safe place to live






[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above. In addition:

Council has remained committed to providing quality and affordable water supplies. Financial assistance has allowed a filtration upgrade of the Blackball water supply at a cost deemed affordable to the local community. The current unavailability of financial assistance for other communities means that Council currently considers similar upgrades to be unaffordable to the local community, and therefore have too great of an economic impact.

[c] performance measurement

key for symbols where used

SYMBOL	DESCRIPTION
	better result than target
	achieved required target
	some targets achieved
	did not achieve target
	unknown/not measured

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ENVIRONMENT: ENVIRONMENTAL SUSTAINABILITY There is sufficient water to meet the needs of communities and ecosystems</p> <p>HEALTH: A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY, AFFORDABLE COUNCIL SERVICES Water is supplied in a timely, sustainable, and affordable manner</p> <p>ECONOMY: DEVELOPING NEW OPPORTUNITIES FOR LOCAL INVESTMENT Provision of water supplies assists industrial and commercial growth. New water supplies or extension of existing supplies also creates opportunities for growth.</p> <p>SAFETY: PERSONAL AND PROPERTY SAFETY Provide water supplies that meet fire fighting standards</p>	The systems are working effectively and efficiently	Supply is maintained for the following % of time	95%		Monitoring of contracts by council staff confirms that water supply was maintained 95% of the time during the 2009/2010 year. Water supplies were interrupted throughout the year. There were interruptions to water supplies due to major break in Tainui Street during March and scheduled shutdowns to enable raising of the floodwall.
		Maximum % of unaccounted for water for Greymouth supply	10%	?	The level of unaccounted for water for the Greymouth Supply during the 2009/2010 year is estimated to be 10%. Note: a full assessment of unaccounted for water has not been undertaken during the 2009/2010 year. A measure of water loss from the reservoirs is expected to be completed in May 2011. There is not expected to be any substantial variation compared with previous years. Any changes to this figure would be expected to be positive due to the level of renewals and replacements during the 2009/2010 year.
		Maximum % of unaccounted for water for Runanga supply	15%	?	The level of unaccounted for water for the Runanga Supply during the 2009/2010 year is estimated to be 15%. Note: a full assessment of unaccounted for water has not been undertaken during the 2009/2010 year. A measure of water loss from the reservoirs is expected to be completed in May 2011. There is not expected to be any substantial variation compared with previous years. Any changes to this figure would be expected to be positive due to the level of renewals and replacements during the 2009/2010 year.
		Maximum % of unaccounted for water for Stillwater supply	5%	?	The level of unaccounted for water for the Stillwater Supply during the 2009/2010 year is estimated to be 5%. Note: a full assessment of unaccounted for water has not been undertaken during the 2009/2010 year. A measure of water loss from the reservoirs is expected to be completed in May 2011. There is not expected to be any substantial variation compared with previous years. Any changes to this figure would be expected to be positive due to the level of renewals and replacements during the 2009/2010 year.
		Maximum % of unaccounted for water for Dobson/Taylorville supply	15%	?	The level of unaccounted for water for the Dobson/Taylorville Supply during the 2009/2010 year is estimated to be 15%. Note: a full assessment of unaccounted for water has not been undertaken during the 2009/2010 year. A measure of water loss from the reservoirs is expected to be completed in May 2011. There is not expected to be any substantial variation compared with previous years. Any changes to this figure would be expected to be positive due to the level of renewals and replacements during the 2009/2010 year.
		Maximum % of unaccounted for water for Blackball supply	5%	?	The level of unaccounted for water for the Blackball Supply during the 2009/2010 year is estimated to be 5%. Note: a full assessment of unaccounted for water has not been undertaken during the 2009/2010 year. A measure of water loss from the reservoirs is expected to be completed in May 2011. There is not expected to be any substantial variation compared with previous years. Any changes to this figure would be expected to be positive due to the level of renewals and replacements during the 2009/2010 year.

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ENVIRONMENT: ENVIRONMENTAL SUSTAINABILITY There is sufficient water to meet the needs of communities and ecosystems</p> <p>HEALTH: A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY, AFFORDABLE COUNCIL SERVICES Water is supplied in a timely, sustainable, and affordable manner</p> <p>ECONOMY: DEVELOPING NEW OPPORTUNITIES FOR LOCAL INVESTMENT Provision of water supplies assists industrial and commercial growth. New water supplies or extension of existing supplies also creates opportunities for growth.</p> <p>SAFETY: PERSONAL AND PROPERTY SAFETY Provide water supplies that meet fire fighting standards</p>	Respond to and fix any issues within a reasonable timeframe	Response time for emergency work (pipe breakages, pump outages)	3 hours		As disclosed on page 58 council did not have a system in place to record the response time to emergency repairs Council staff monitored the performance of contractors, including whether emergency repairs were responded to within 3 hours. This monitoring did not identify any instances where the target response times were not met
		Major pipe breaks / leaks fixed within	1 working day		As disclosed on page 58 council did not have a system in place to record the response time for repairs of major pipe breaks and leaks. Council staff monitored the performance of contractors, including whether repairs were responded to within 1 day. This monitoring did not identify any instances where the target response times were not met
	The community is satisfied with the water supply systems	number satisfied with water supply, per user survey	75%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.
		Maximum number of complaints received annually	5%	?	33 complaints were received regarding water during the year ended 30 June 2010. The majority of complaints were regarding water breaks and issues with tap taps and were resolved by council's contractor at the time of complaint.

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ENVIRONMENT: ENVIRONMENTAL SUSTAINABILITY There is sufficient water to meet the needs of communities and ecosystems</p> <p>HEALTH: A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY, AFFORDABLE COUNCIL SERVICES Water is supplied in a timely, sustainable, and affordable manner</p> <p>ECONOMY: DEVELOPING NEW OPPORTUNITIES FOR LOCAL INVESTMENT Provision of water supplies assists industrial and commercial growth. New water supplies or extension of existing supplies also creates opportunities for growth.</p> <p>SAFETY: PERSONAL AND PROPERTY SAFETY Provide water supplies that meet fire fighting standards</p>	Systems are designed to respond to emergency events	Minimum storage capacity for Greymouth	12 hours	☹	The design capacity for the Greymouth supply is 12 hours. The actual operational capacity is shown to be lower. Testing of mains has been undertaken within the Greymouth area to complete a working model of the scheme. Once a working model is completed testing will be undertaken to increase reservoir storage to its designed capacity. Testing needs to be done using a modelling process as currently an increase in the operation head in the reservoir begins to promote breakages and increased leakage.
		Minimum storage capacity for all other schemes	24 hours	☹	The design capacity for all other schemes is 24 hours, however the operational capacity is shown to be less. Further work is to be undertaken during the 2010/2011 year to identify areas of improvement in regards to storage. Greymouth is currently the most affected by limited operational storage and therefore the main focus has been around issues relating to that scheme.
	Deliver a works programme as signalled in this plan.	Set achievable budgets for the available resources, and complete what we plan each year. Requested budget carry-forwards to be no more than 5% of total operating expenditure	5%	☹	Total carry-forward requests for water supply are \$606,507, which represents 38% of total operating expenditure. The majority of carryforwards relate to upgrading of Blackball water supply completion of which is expected later in 2010.
	We inform the public of any scheduled events that will effect the water supply service	Minimum notice period of any planned shutdowns	24 hours	😊	There were two planned water shutdowns for the 2009/2010 financial year. These were both advertised more than 24 hours prior to the shutdown.
	The Council water supplies are safe, reliable, and clean	Meet Drinking Water Standards in full by: - 30 June 2011 for Greymouth‡ - 30 June 2011 for Runanga‡ - 30 June 2011 Dobson‡ - 30 June 2010 for Blackball - 30 June 2012 for Stillwater‡	<p>☹</p> <p>☹</p> <p>☹</p> <p>100%</p> <p>☹</p>	☹	The Blackball water supply is expected to meet drinking water standards in November 2010 upon completion of an upgrade (upgrade commenced 2009/2010). The remaining areas will not meet standards in full without upgrades. Council clearly indicated in its Long Term Plan that at the present time it will not consider the required upgrades unless subsidy funding is available. This decision of Council is based on Council's concern for the cost to be borne by the local community to effect the required upgrades. Currently the subsidies are not available. A copy of the most recent water standards compliance record for council supplies is available upon request. Below are the most recent gradings for council water supplies: - Greymouth Ec - 27 April 2009 - Runanga Ec - 17 June 2009 - Dobson Eb - Jun/July 2008 - Blackball Ec - 27 April 2009 - Stillwater Eb - 27 April 2009

[4.4] cost of service statement

WATER SUPPLY COST OF SERVICE STATEMENT	note	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
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Funding Required:				
Operating expenditure:				
	1			
Employee costs		-	-	-
Support costs		(165)	(78)	(136)
Operating & maintenance costs		(822)	(825)	(798)
Interest expense		(230)	(278)	(428)
Depreciation		(363)	(369)	(380)
	1	(1,580)	(1,550)	(1,742)

Capital items:				
Renewal works		(397)	(416)	(357)
New capital		(443)	(965)	(19)
Assets vested		-	(12)	-
Debt principal repayments		-	(59)	-
Funding of reserves		(65)	(29)	(19)
Internal transfers		-	-	6
		(905)	(1,481)	(389)

TOTAL EXPENDITURE + CAPITAL		(2,485)	(3,031)	(2,131)
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Funded by:				
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Rates				
	1			
Rates - General		-	-	-
Rates - Targeted		1,646	1,646	1,543

Activity Income				
	1			
User charges		44	-	37
Subsidies/donations		356	767	-
Other revenue		-	12	-
Internal recoveries		-	-	-

Other sources of funds				
add new loans raised		-	152	-
add funding from reserves		52	85	-
Transfer from Ratepayer Equity		51	-	-
depreciation funded		363	369	380

Net funding surplus / (deficit)		27	-	(171)
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(Note 1) Activity income statement				
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	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
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Total operating expenditure	(1,580)	(1,550)	(1,742)
Rates income	1,646	1,646	1,543
Other activity operating income	400	779	37
Net Surplus/(Deficit)	466	875	(162)

[4.5] major asset acquisitions or replacements

Significant Renewal and Capital expenditure		
	Actual 2010 \$000	Budget 2010 \$000
Implement LifeLine solutions - Dobson	21	37
General Mains - Renew als	266	190
Blackball Filtration Plant	406	810

[4.6] variations from budget

	actual variance to budget \$000	greater or less than budget
Support costs	87	more
The water supply activity can be largely 're-active' and dependent on actual events during the year can require a high level of staff input. This is the case in 2009/2010.		
New capital	(522)	less
referring to capital projects identified above, the majority relates to the Blackball scheme upgrade being not completed as at balance date.		
Subsidies/donations	(411)	less
per 'new capital' variance, the Blackball upgrade is majority funded from external subsidy. The subsidy claim can only be based on work completed, as such the balance will be claimed once balance of work completed		
add new loans raised	(152)	less
a number of capital works project to be loan funded (included the Council's share of costs for the Blackball upgrade) are still to be complete, and therefore the loans not yet required to be uplifted.		

[4.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> Continued supply of quality, potable water POSITIVE for healthy happy community Decision to delay filtration capability on Greymouth water supply negative on clarity but no adverse effect on health. Upgrade of main feeder line to Runanga POSITIVE but decision to not extend to Rapahoe potentially cost negative. 	<ul style="list-style-type: none"> Good quality services POSITIVE for attractive living and investment environment. 	<ul style="list-style-type: none"> Quality water POSITIVE for community spirit. 	<ul style="list-style-type: none"> Continued focus on more responsible water consumption POSITIVE for the environment.

[5] solid waste management

[5.1] activities included in this group

- Refuse Collection and disposal

Rationale for grouping

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

[5.2] council's involvement

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.

[5.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome One	ENVIRONMENT	That the distinctive character of the environment is appreciated and retained
Outcome Two	ECONOMY	A thriving, resilient and innovative economy creating opportunities for growth and employment
Outcome Six	IDENTITY	A "happening" district with a strong community spirit and distinctive lifestyle.

[b] progress towards community outcomes:







Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above. In addition:

Council is faced with balancing the obvious environmental impacts of disposing refuse in a landfill and providing affordable services for the community. Issues regarding affordability have meant Council has to date decided not to provide widespread recycling initiatives. During the 2009/2010 year Council has spent \$68,000 in establishing a 'bring to' recycling site at the McLeans landfill. This is expected to become operational in the 2010/2011 year.

[c] performance measurement

key for symbols where used

SYMBOL	DESCRIPTION
😊😊	better result than target
😊	achieved required target
😐	some targets achieved
😞	did not achieve target
?	unknown/not measured

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ENVIRONMENT: ENVIRONMENTAL SUSTAINABILITY Maintains and protects environmental values by providing a safe location to dispose of refuse.</p> <p>Promotes alternatives to disposal</p> <p>ECONOMY: PRO-ACTIVE LAND AND SERVICES PROVISION Provide the most economically efficient method of waste disposal</p> <p>IDENTITY: A COMMUNITY FOCUSED ON THE FUTURE BUT COMFORTABLE WITH THEIR PAST Provision of refuse collection and recycling services enhances the overall attractiveness of the District.</p>	Provide facilities as an alternative to landfill disposal	A reduction in the tonnage of waste per capita deposited in McLean's Landfill	5% less than 2008/2009 tonnage		There was a reduction of 2% in waste per capita for the year ended 30 June 2010 from the previous year.
		reduce the annual allocation of collected bags incorporated in targeted rate	104		All properties with capital improvements and within the service area for refuse collection received an allocation of 104 refuse ties for 2009/2010 year.
	Provide an efficient refuse collection service	Minimum number of collections per week	1		All properties within the service area received refuse collection at least once a week during the financial year ended 30 June 2010.
		maximum number of service requests received re spillage during collection and transport to McLean's Landfill, measured per 1000 of population	1.5		There were no service requests received regarding spillage during collection and transport of refuse to McLeans Pitt during the year 1 July 2009 to 30 June 2010.
	The community is satisfied with the solid waste management service provided	number satisfied with service per user survey	75%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.
		Maximum number service requests per 1000 population received	4.0		There were two services requests received and resolved regarding solid waste management during the 2009/2010 year. Both service requests were regarding non-collection of bags and were resolved when council contact the applicable contractor.
	Operate compliant facilities	Number of abatement notices	nil		One abatement notice was issued for McLeans Landfill regarding contamination of a stream while contractors were performing improvements to the leachate treatment system.

[5.4] cost of service statement

SOLID WASTE MANAGEMENT COST OF SERVICE STATEMENT	note	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
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Funding Required:

Operating expenditure:				
	1			
Employee costs		-	-	-
Support costs		(84)	(60)	(64)
Operating & maintenance costs		(935)	(1,085)	(1,032)
Interest expense		(85)	(118)	(166)
Depreciation		(197)	(198)	(197)
	1	(1,301)	(1,461)	(1,459)

Capital items:

Renewal works		(23)	(32)	(14)
New capital		(174)	(277)	(1)
Assets vested		-	-	-
Debt principal repayments		(184)	(94)	(31)
Funding of reserves		-	(11)	(89)
Internal transfers		-	-	-
		(381)	(414)	(135)

TOTAL EXPENDITURE + CAPITAL		(1,682)	(1,875)	(1,594)
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Funded by:

Rates				
	1			
Rates - General		333	297	328
Rates - Targeted		763	757	676

Activity Income				
	1			
User charges		373	340	330
Subsidies/donations		10	40	-
Other revenue		-	-	-
Internal recoveries		-	-	-

Other sources of funds				
add new loans raised		-	-	-
add funding from reserves		21	243	16
Transfer from Ratepayer Equity		-	-	-
depreciation funded		197	198	135

Net funding surplus / (deficit)		15	-	(109)
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(Note 1) Activity income statement

	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
Total operating expenditure	(1,301)	(1,461)	(1,459)
Rates income	1,096	1,054	1,004
Other activity operating income	383	380	330
Net Surplus/(Deficit)	178	(27)	(125)

[5.5] major asset acquisitions or replacements

Significant Renewal and Capital expenditure		
	Actual 2010 \$000	Budget 2010 \$000
Upgrade Entranceway McLeans for Recycling	68	243
Upgrade Leachate treatment system	97	-

[5.6] variations from budget

	actual variance to budget \$000	greater or less than budget
Operating & maintenance costs	(150)	less
Budgets included costs of operating the new McLeans recycling initiative, and as not yet operational costs were not incurred. Council also made slight savings in various other operational areas.		
New capital	(103)	less
referring above to capital expenditure disclosure, the upgrading of the McLeans landfill site to accommodate recycling is not yet complete.		
add funding from reserves	(222)	less
The costs of the McLeans recycling initiative are to be transferred from special funds, and as not yet complete not all funds have been transferred.		

[5.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> Delay in implementing waste minimization strategies because of lack of markets negative to public expectation. Continued high standard of refuse collection, transport and disposal POSITIVE for happy healthy community. Waste Busters work POSITIVE as community initiative. 	<ul style="list-style-type: none"> Good quality services POSITIVE for attractive living and investment environment. 	<ul style="list-style-type: none"> Quality refuse removal POSITIVE for community spirit. 	<ul style="list-style-type: none"> Continued improvement of service POSITIVE for the environment. McLeans landfill continues to be a POSITIVE working example of environmental sustainability.

[6] emergency management

[6.1] activities included in this group

- Rural Fire Authority
- Civil Defence and Emergency Management

Rationale for grouping

The activities have similar goals and responsibilities; to actively manage risk of events, respond to events, and recover from events.

[6.2] council's involvement

Council is mandated by the Civil Defence and Emergency Management Act 2002 to take a lead role in planning for natural and manmade disasters that effect its district. This involves identifying potential hazards and risks within the district, ensuring that public awareness and appreciation of the hazards and risks is high, reducing risks where able and having the ability to deal with a wide range of hazards (natural, technological, biological) that potentially negatively effect the district and its residents. The Act now places even greater responsibility on local government (both fiscal and resource wise) to take a leading role in emergency management planning and response initiatives and these are outlined in some detail in this Activity Management Plan.

Council is one of four agencies involved in the West Coast Rural Fire Authority (WCRFA), delivering a rural fire service in the West Coast region. The WCRFA 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. It is a Council Controlled Organisation for the purposes of the Local Government Act, 2002.

[6.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome One	ENVIRONMENT	That the distinctive character of the environment is appreciated and retained
Outcome Two	ECONOMY	A thriving, resilient and innovative economy creating opportunities for growth and employment
Outcome Five	SAFETY	A District that is a safe place to live

[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above.

There has been no further measurement than this towards the achievement of the identified community outcomes.

[c] performance measurement

key for symbols where used

SYMBOL	DESCRIPTION
😊😊	better result than target
😊	achieved required target
😐	some targets achieved
😞	did not achieve target
?	unknown/not measured

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
SAFETY: PERSONAL AND PROPERTY SAFETY Essential for minimising any potential impact on personal and property safety ECONOMY - PRO-ACTIVE SERVICES PROVISION Adequate planning to provide for the minimum economic disruption resulting from emergency events	Administering emergency management pro-actively and efficiently	Number of meetings annually between CDEM Officer and Alternate Controllers to discuss current issues and areas for improvement (reduces after year 1 as EMO becomes better prepared)	11	😊	There were 12 meetings held between the CDEM Officer and Alternate Controllers to discuss current issues and areas for improvement during the 2009/2010 financial year.
		percentage of available and trained personnel required for all aspects of the emergency plan	90%	😊	As at 30 June 2010 90% of personnel required for all aspects of the emergency plan are available and trained.
		percentage of pre-schools and schools in the district visited bi-annually to keep them up-to-date with appropriate emergency event responses	100%	😊	All pre-schools and schools in the district have been visited in the last two years to keep them up to date with appropriate emergency event responses.
		number of surveyed residents who feel prepared for an emergency	60%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
SAFETY: PERSONAL AND PROPERTY SAFETY Rural fire protection services promote personal and property safety ENVIRONMENT: ENVIRONMENTAL SUSTAINABILITY Maintains and protects environmental values	Pro-active identification, assessment, prioritization and costing of district needs	Preparation and submission of draft annual works programme on time in consultation with the West Coast Rural Fire District Committee (WCRFDC)	100%	😊	A draft budget was included in the agenda for the February 2010 Committee meeting. The draft budget was adopted by the committee with the February minutes being confirmed at April 2010 meeting. A detailed copy of the budget is available upon request.
		Attendance of West Coast Rural Fire District Committee meetings by Council representative	75%	😊	Council staff attended all WCRFDC meeting held during the 2009/2010 year.
		Minimum number of meetings per year.	5	😞	There were 3 WCRFA meetings held during the 2009/2010 year.
	Prepared response unit	Time from receipt of call to mobilization	20 minutes	n/a	There were no rural fires during the 2009/2010 financial year.
		Time from mobilization to arrival at fire scene for first fire suppression response.	60 minutes	n/a	There were no rural fires during the 2009/2010 financial year.

[6.4] cost of service statement

EMERGENCY MANAGEMENT COST OF SERVICE STATEMENT	note	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		(41)	(38)	(27)
Support costs		(48)	(54)	(44)
Operating & maintenance costs		(31)	(71)	(46)
Interest expense		-	-	-
Depreciation		(2)	(5)	(1)
	1	(122)	(168)	(118)
Capital items:				
Renewal works		-	-	-
New capital		(20)	(7)	-
Assets vested		-	-	-
Debt principal repayments		-	-	-
Funding of reserves		-	(2)	(30)
Internal transfers		-	-	-
		(20)	(9)	(30)
TOTAL EXPENDITURE + CAPITAL		(142)	(177)	(148)
Funded by:				
Rates	1			
Rates - General		173	167	156
Rates - Targeted		-	-	-
Activity Income	1			
User charges		-	-	-
Subsidies/donations		1	5	-
Other revenue		-	-	(1)
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised		-	-	-
add funding from reserves		-	-	-
Transfer from Ratepayer Equity		-	-	-
depreciation funded		2	5	1
Net funding surplus / (deficit)		34	-	8

(Note 1) Activity income statement

	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
Total operating expenditure	(122)	(168)	(118)
Rates income	173	167	156
Other activity operating income	1	5	(1)
Net Surplus/(Deficit)	52	4	37

[6.5] major asset acquisitions or replacements

Nil

[6.6] variations from budget

nothing significant

[6.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none">Continued leadership role ensures safety of communities which is positive.	<ul style="list-style-type: none">Good quality services POSITIVE for attractive living and investment environment.A community prepared for civil defence emergencies will enable a faster economic recovery.	<ul style="list-style-type: none">Quality services POSITIVE for community spirit.	<ul style="list-style-type: none">Rural Fire Service POSITIVELY reduces risk of fire damage to properties and wider natural environment.

[7] environmental services

[7.1] activities included in this group

- Environmental Planning
- Amenity Management
- Health Regulation
- Building Control
- Dog and Stock Control
- Official information (LIMS)

Rationale for grouping

Local Government legislation makes it compulsory, wherever possible, to maintain a clear division between the operational and regulatory functions of Council. Local authorities, as facilitators of development and growth, also have to comply with associated statutory provisions and must avoid conflicts of interest. This forms the basis for this grouping of activities.

[7.2] council's involvement

The services all have a statutory or a Council policy enforcement basis.

The focus of this Group of Activities is to ensure sustainability, harmonious and quality development and protection of rights through:

- an enabling District Plan and associated Resource Management Act processes ,
- responsible application of the Building Act, 2004 and associated processes and policies
- health and amenity promotion, and
- the sympathetic execution of Council's Regulatory functions.

Council, per the Local Government Act, 2002 maintains a clear division between the regulatory and other operational aspects of the Council service delivery.

[7.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome One	ENVIRONMENT	That the distinctive character of the environment is appreciated and retained
Outcome Two	ECONOMY	A thriving, resilient and innovative economy creating opportunities for growth and employment
Outcome Three	HEALTH	Healthy communities with access to quality facilities and services

[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above.

There has been no further measurement than this towards the achievement of the identified community outcomes.

[c] performance measurement




key for symbols where used

SYMBOL	DESCRIPTION
😊😊	better result than target
😊	achieved required target
😐	some targets achieved
😞	did not achieve target
?	unknown/not measured






DISTRICT PLANNING

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ENVIRONMENTAL SUSTAINABILITY Good planning and aesthetic standards contribute to an attractive living/working environment.</p> <p>A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY COUNCIL SERVICES Planning and the District Plan contribute to a healthy, safe environment.</p> <p>ECONOMY: DIVERSITY TO ENSURE A SUSTAINABLE ECONOMIC FUTURE</p> <p>ECONOMY: DEVELOPING NEW OPPORTUNITIES FOR LOCAL INVESTMENT It adds to the attraction for local investment.</p>	District Planning is strongly focused on balance as a means of securing environmental sustainability	Landowner agreements signed for confirmed SNA's (Significant Natural Areas over the Resource Management Act).	80%	😞	15% of the 40 potential landowners identified as needing a SNA agreement had signed an agreement as at the 30 June 2010. As council has no control over whether the landowners agree to the terms of the SNA's this performance measure does not reflect the actual time and effort put into the project during the year.
		Annually monitoring a number of consents for compliance with conditions (% of total consents)	2%	😞	15 consents were monitored during the 2009/2010 year. This represents 1.5% of total consents.
		% of monitored consents complying with conditions	85%	😊	All consents monitored complied with the conditions of their consent during the 2009/2010 year.
	Continual District Plan and Policy review maintains the enabling nature of the Plan.	Reviewing and updating the District Plan through Council initiated Plan changes	in accordance with agreed timetable	😊	Council's District Plan is regularly maintained and any relevant issues are referred to Council. There is no mandated timetable for initiating plan changes. There have been 11 minor plan changes in 2009/2010.
		Responding to privately initiated changes in the district plan	within statutory requirements	😊	All privately initiated changes to the district plan were responded to within the statutory requirements.
		District Plan Monitoring initiatives (i.e. number of monitoring projects undertaken)	1	😊	One district plan monitoring project was undertaken during the 2009/2010 year.
		Provide an efficient service	Resource consents issued within statutory timeframe	90%	😐
	number of surveyed residents who are satisfied with departmental performance in the district		60%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.



AMENITY MANAGEMENT

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
ENVIRONMENT: A NEAT AND TIDY DISTRICT Good regulation and appropriate enforcement contribute to an attractive living/working environment COMMUNITY PHYSICAL AND MENTAL HEALTH There is a safe environment for all	Amenity Management is aimed at enhancing the living environment.	Actioning of service requests for cleanup of litter and untidy properties	90%		All 12 untidy property reports were dealt with as they occurred in the year ended 30 June 2010.
		Number of properties tidied up through positive communication and encouragement (% of identified properties)	50%		11 of 12 (92%) of untidy properties reported within the Grey District were tidied up through positive communication and encouragement in the 2009/2010 year.
		Number of properties tidied up through enforcement	5		1 property was tidied up through enforcement in the year ended 30 June 2010.
		number of surveyed residents who feel the district is an attractive place to live	90%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

HEALTH REGULATION

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
COMMUNITY PHYSICAL AND MENTAL HEALTH There is a safe environment for all	Administering environmental health laws and regulations so that hazards to people are identified, managed, and minimised	Number of licensed premises inspected annually	100%		All 113 licensed premises were inspected in the 2009/2010 year.
		Food Outlets with minimum B grade	98%		100% of food outlets issued a health licence in the year ended 30 June 2010 were of B grade or better.
		Reviewing the Gambling Venue Policy	review		The gambling venue policy was reviewed during the year 2009/2010. Changes to the policy including the re-introduction of the TAB by-law were adopted by council on 15 June 2010.
		Success in mitigating noise complaints	75%		All noise complaints were mitigated during 2009/2010 year.
		Completion of service requests to enforce Acts and Bylaws within 10 days	100%		There were no recorded service requests in regards to health bylaws for the year ended 30 June 2010.

BUILDING CONTROL

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
ENVIRONMENTAL SUSTAINABILITY Good building control standards contribute to an attractive living/working environment. A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY COUNCIL SERVICES The activity contributes to a healthy, safe environment. ECONOMY: DEVELOPING NEW OPPORTUNITIES FOR LOCAL INVESTMENT It adds to the attraction for local investment.	Administer the Building Act 2004 as efficiently as possible, ensuring other safety regulations are complied with	process % of building consents within statutory timeframes	100%		95% of building consent were processed within the statutory time frames during the 2009/2010 financial year.
		audit a minimum number of properties per annum for Building Warrant of Fitness (BWF) compliance so as to achieve 100% coverage every 5 years	20%		32 (13%) of the 207 properties with a BWF were audited for compliance in the year ended 30 June 2010. Due to the limited time the inspector was available to staff during the 2009/2010 year (2 days) only 32 audits were able to be completed.
		number of surveyed residents who are satisfied with building control in the district	90%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

ANIMAL CONTROL

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
PERSONAL AND PROPERTY SAFETY Effective animal control protects the general public	Protect the public from dog and stock related nuisances	Percentage of Dogs registered by due date (date before penalty is incurred)	85%	😊	87% of the 2625 known dogs in the district were registered as at 31 July 2010.
		number of surveyed residents who are satisfied with dog control in the district	90%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

LIMS/PIMS

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	notes
			2010	2010	
ECONOMY: PRO-ACTIVE SERVICES PROVISION Providing quality information as efficiently as possible is important for sustaining economic growth	Provide an efficient property information service	issue 100% of Land Information Memorandum (LIMs) within statutory timeframe of 10 days	100%	⊗	62% of LIMS requested were completed within 10 working days. Of the 244 LIMs processed 152 were within the statutory time limits. The workflows of staff are being monitored to help improve in the processing times for LIM applications.
		issue 100% of Project Information Memorandum (PIMs) within statutory timeframe of 20 days	100%	⊗	92.5% of PIMs were issued within 20 days in the year ended 30 June 2010.

[7.4] cost of service statement

ENVIRONMENTAL SERVICES COST OF SERVICE STATEMENT	note	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		(1)	-	(5)
Support costs		(1,594)	(1,664)	(1,453)
Operating & maintenance costs		(573)	(458)	(384)
Interest expense		-	-	-
Depreciation		(36)	(47)	(37)
	1	(2,204)	(2,169)	(1,879)
Capital items:				
Renewal works		-	-	-
New capital		-	(7)	(138)
Assets vested		-	-	-
Debt principal repayments		-	-	-
Funding of reserves		(93)	(145)	(151)
Internal transfers		-	-	-
		(93)	(152)	(289)
TOTAL EXPENDITURE + CAPITAL		(2,297)	(2,321)	(2,168)
Funded by:				
Rates	1			
Rates - General		840	811	804
Rates - Targeted		-	-	-
Activity Income	1			
User charges		1,133	1,294	1,004
Subsidies/donations		-	-	-
Other revenue		64	104	123
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised		-	-	-
add funding from reserves		-	65	138
Transfer from Ratepayer Equity		-	-	-
depreciation funded		36	47	37
Net funding surplus / (deficit)		(224)	-	(62)

(Note 1) Activity income statement

	Actual 2010	Budget 2010	Actual 2009
	\$000	\$000	\$000
Total operating expenditure	(2,204)	(2,169)	(1,879)
Rates income	840	811	804
Other activity operating income	1,197	1,398	1,127
Net Surplus/(Deficit)	(167)	40	52

[7.5] major asset acquisitions or replacements

nil

[7.6] variations from budget

	actual variance to budget	greater or less than budget
	\$000	
Operating & maintenance costs	115	more
<p>RiskPool operates as a mutual liability fund for NZ councils. Largely due to the 'leaky home' issue, the fund has a number of years where it has a deficit. Council, as a member of RiskPool, in those respective years is responsible for a share of the fund deficits. These have been accounted for these accounts (at a cost of \$160,000). Note these costs do not relate to leaky home claims in the Grey District, for which historically there has been only the one claim</p>		
User charges	(161)	less
<p>Due to the level of consent work being below forecast, this has had an affect on actual income received. Council has attempted to reduce operational expenditure where possible (except for RiskPool expense identified above), and expects these cost savings to continue into future years.</p>		

[7.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> ▪ Environmental services aimed to POSITIVELY steer development in order to create harmony between different land uses, provide for general health and safety and enjoyment of community. ▪ Focus on variety of district and regional development plans, reviews of the District Plan positive. ▪ Ongoing focus on and attention to improving amenity values have been positive, but legal processes involved negative as it make it drawn out and confrontational. ▪ Ready access to Official Information had POSITIVE effect on public confidence but actions by some frustrating and misusing the service negative. ▪ Strong, ongoing focus on preventing the spread of infectious and notifiable diseases and its management, responsible food safety programmes, environmental nuisances, management of gaming machines, food premises, camping grounds, hairdressing salons, funeral parlours, amusement devices sex premises, hazardous substances and POSITIVE for community health and wellbeing ▪ Ongoing, responsible administration of the Building Act, 2004 and associated building codes, safe swimming pool regulations POSITIVE for community health and safety. ▪ Efficient administration of dog and stock control function POSITIVE for community health and safety. 	<ul style="list-style-type: none"> ▪ Range and quality of environmental services POSITIVE for safe, attractive living and investment environment. 	<ul style="list-style-type: none"> ▪ Services POSITIVELY contribute to making community life “safe and whole” 	<ul style="list-style-type: none"> ▪ Environmental services POSITIVELY contribute to protecting the natural and physical living environment.

[8] other transport

[8.1] activities included in this group

- Greymouth Aerodrome.
- Parking
- Port of Greymouth

Rationale for grouping

These activities are less significant yet represent important transport infrastructure.

[8.2] council's involvement

- The Aerodrome fulfils an important support function to Grey Base Hospital, especially in relation to the air transport of patients and visiting Doctors. It also fulfils an important Lifelines function and has the potential to provide air passenger services to larger centres.
- Parking is an important aspect making the CBD successful. It also provides for safety and convenience of users.
- Port of Greymouth is an important regional fishing port. It also has the potential to become a cargo port, subject to investment in facilities.

[8.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome Two	ECONOMY	A thriving, resilient and innovative economy creating opportunities for growth and employment
Outcome Three	HEALTH	Healthy communities with access to quality facilities and services
Outcome Five	SAFETY	A District that is a safe place to live





[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above.



There has been no further measurement than this towards the achievement of the identified community outcomes.

[c] performance measurement



key for symbols where used

SYMBOL	DESCRIPTION
	better result than target
	achieved required target
	some targets achieved
	did not achieve target
?	unknown/not measured

AERODROME

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>HEALTH: AFFORDABLE ACCESS TO QUALITY MEDICAL SERVICES AND FACILITIES Contributes through the provision of air ambulance and air rescue services.</p> <p>SAFETY: PERSONAL AND PROPERTY SAFETY An essential part of Council's lifelines response to emergency events</p> <p>ECONOMY: PRO-ACTIVE SERVICES PROVISION provides a facility appropriate to the actual use</p>	Run an efficient service, maximising potential use	% recovery of fees for aircraft using the airport facility	30%		88% of all fees were recovered for the 2009/2010 year. The remaining 12% of aircraft captured on the airport camera did not have visible registration details and were unable to be recovered.
		Maximum number of complaints received annually	10		There was one complaint recorded regarding the airport during the 2009/2010 year. The complaint was in regard to the mowing of the aerodrome and was resolved by contractors being requested to mow the area.
		number satisfied with the service	65%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

PORT OF GREYMOUTH

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ECONOMY: PRO-ACTIVE SERVICES PROVISION provides a facility appropriate to the actual use</p>	Run an efficient service, maximising potential use	Redevelopment of fishing wharf	50%	n/a	Council leased the fishing wharf to two of the main fishing companies in the area. Therefore the key operational area of the fishing wharf is now under private ownership, which negates the need for council to upgrade the fishing wharf.
		Required area of lagoon dredged to appropriate standard	50%		Extensive dredging was carried out during the 2009/2010 year. This covered all areas identified during consultation with port users as required for operational activities. The dredging of the area was completed in July 2010.
		number of primary users satisfied with the service	80%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.
	Managing port property and endowment land in a manner that retains the value in investment for current and future generations	Percentage of renewed leases processed without objection	100%		All endowment land leases renewed throughout the 2009/2010 financial year proceeded without the need for the formal objection process.

PARKING

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
ECONOMY: PRO-ACTIVE SERVICES PROVISION a vital service for the business district PERSONAL AND PROPERTY SAFETY appropriate parking facilities for the areas concerned	Maximise use of public car parking	Active management of available parking within the CBD through 90% coverage of the CBD weekly	90%	😊	Council's parking wardens covered 90% of the CBD on a weekly basis during the year ended 30 June 2010.
	The community is satisfied with public car parking	Complaints about the service (excluding infringement appeals)	15	😊	There were no specific complaints regarding the parking service provided by council during the 2009/2010 year. Two complaints were received as part of Annual Plan submissions regarding Council's plans to develop a new car parking area.
		number satisfied, per user survey	60%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

[8.4] cost of service statement

OTHER TRANSPORT COST OF SERVICE STATEMENT	note	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
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Funding Required:				
Operating expenditure:				
	1			
Employee costs		(183)	(34)	(193)
Support costs		(187)	(184)	(120)
Operating & maintenance costs		(241)	(606)	(571)
Interest expense		(37)	(60)	(75)
Depreciation		(277)	(394)	(359)
	1	(925)	(1,278)	(1,318)

Capital items:				
Renewal works		(10)	(84)	(15)
New capital		(36)	(105)	(23)
Assets vested		-	-	-
Debt principal repayments		-	(1)	-
Funding of reserves		(472)	(247)	(30)
Internal transfers		(401)	-	-
		(919)	(437)	(68)

TOTAL EXPENDITURE + CAPITAL		(1,844)	(1,715)	(1,386)
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Funded by:				
Rates				
	1			
Rates - General		163	159	151
Rates - Targeted		-	-	-

Activity Income				
	1			
User charges		436	404	449
Subsidies/donations		-	-	-
Other revenue		208	143	184
Internal recoveries		-	-	-

Other sources of funds				
add new loans raised		-	-	-
add funding from reserves		350	615	171
Transfer from Ratepayer Equity		672	-	-
depreciation funded		277	394	68

Net funding surplus / (deficit)		262	-	(363)
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(Note 1) Activity income statement

	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
Total operating expenditure	(925)	(1,278)	(1,318)
Rates income	163	159	151
Other activity operating income	644	547	633
Net Surplus/(Deficit)	(118)	(572)	(534)

[8.5] major asset acquisitions or replacements

Significant Renewal and Capital expenditure

	Actual 2010 \$000	Budget 2010 \$000
Miscellaneous port renew als	-	67
Upgrade sounding equipment	-	75

[8.6] variations from budget

	actual variance to budget \$000	greater or less than budget
Employee costs	149	more
Forecast budgets didn't identify port employee costs as a separate cost, and were included as an overhead in operating and maintenance costs.		
Operating & maintenance costs	(365)	less
Refer above comments on employee costs, plus also relates to an 'unwinding' of a provision for doubtful debts, which Council recovered the majority share (this had been expensed in prior year accounts)		
Funding of reserves	225	more
Net funds received from the sale of port assets (including endowment land) are transferred to special funds set aside for port expenditure. Proceeds received in 2009/2010 were higher than forecast, partly due to Council encouragement for freeholding of land.		
Internal transfers	401	more
Net Port of Greymouth deficits are funded from internal borrowing. Because of the recovery of expenditure identified above, the respective funds were transferred to repay part of the internal borrowing. Note, when the provision was originally made, the respective funds were transferred from the internal borrowing.		
Transfer from Ratepayer Equity	672	more
relates to accumulated Port of Greymouth losses being carried forward, and funded from an internal loan. Dredging work was bought forward to the 2009/2010 financial year, and was funded as part of this internal loan (dredging costs to balance date \$206,000).		

[8.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> ▪ Airport availability to Air West Coast, Coast Helicopters, Air Ambulance and Rescue Helicopter and private aircraft facilitates POSITIVE social services ▪ Increased hours of Parking Warden POSITIVE impact on parking availability and general parking practices but failure to cover all areas regularly still negative ▪ Focus on creating more parking POSITIVE but long delays in land legalisation negative on public perceptions. 	<ul style="list-style-type: none"> ▪ Good quality services POSITIVE for attractive living and investment environment. ▪ Improved parking availability POSITIVE for commercial development. ▪ Improved parking availability POSITIVE for commercial development. 	<ul style="list-style-type: none"> ▪ Services POSITIVELY contribute to making community life "whole" 	<ul style="list-style-type: none"> ▪ Consequences of good service delivery i.e. amenity improvement, parking availability POSITIVE for environment.

[9] property and housing

[9.1] activities included in this group

- Property (including rental land)
- Retirement Housing

Rationale for grouping

These activities are grouped together as property owned by Council.

[9.2] council's involvement

Council is by law required to manage its land holding in a prudent and responsible manner. Based on historical land allocations, land acquisitions and other means, Council secured ownership of a reasonably significant land holding. Some of these properties are leased, amongst others a residential lease land portfolio. Council also owns and manages a number of significant buildings and also 120 retirement housing units.

Council also leases a number of properties from Mawhera Inc. Council has, in the past and will continue to lobby Mawhera Incorporation on the freeholding of the relevant property.

[9.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome Three	HEALTH	Healthy communities with access to quality facilities and services
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[b] progress towards community outcomes:




Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above.



There has been no further measurement than this towards the achievement of the identified community outcomes.

[c] performance measurement

key for symbols where used

SYMBOL	DESCRIPTION
	better result than target
	achieved required target
	some targets achieved
	did not achieve target
?	unknown/not measured

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
ALL OUTCOMES	Maintaining and administering buildings and properties in a way that retains the value in the investments for current and future generations	Full assessment of strategically valuable land annually.	100%		An assessment of council's strategically valuable land had not been completed as at 30 June 2010. All identified surplus land was tendered and sold in July 2006. Council has not performed any subsequent identification of surplus land since that time.
		portion of identified surplus land per lists cleared for sale annually	40%		All identified surplus land was tendered and sold in July 2006. Council has not performed any subsequent identification of surplus land since that time.
		% of retained land kept neat and tidy, based on complaints received	65%		There were no complaints received regarding council's retained land. All retained land was kept tidy by council's In-House Task Force.

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
HEALTH: A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY COUNCIL FACILITIES Council's portfolio provides affordable access to quality housing for pensioners	Provide quality and affordable facilities	maintain minimum level of occupancy rates	95%		Council maintained 100% occupancy rates in its flats throughout the 2009/2010 year.
		complaints about the facilities	Maximum 10 pa		There were no recorded complaints regarding the housing facilities provided by council in the 2009/2010 year.
		number of new units developed	0	n/a	No new units were developed during the year ended 30 June 2010.

[9.4] cost of service statement

PROPERTY & HOUSING COST OF SERVICE STATEMENT	note	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
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Funding Required:

Operating expenditure:				
	1			
Employee costs		-	-	-
Support costs		(172)	(185)	(120)
Operating & maintenance costs		(493)	(494)	(386)
Interest expense		(76)	(76)	(77)
Depreciation		(212)	(210)	(191)
	1	(953)	(965)	(774)

Capital items:

Renewal works		(10)	(16)	(9)
New capital		(427)	(58)	(846)
Assets vested		-	-	-
Debt principal repayments		-	(28)	-
Funding of reserves		(70)	(212)	(354)
Internal transfers		-	-	-
		(507)	(314)	(1,209)

TOTAL EXPENDITURE + CAPITAL		(1,460)	(1,279)	(1,983)
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Funded by:

Rates				
	1			
Rates - General		-	-	16
Rates - Targeted		-	-	-

Activity Income				
	1			
User charges		653	588	637
Subsidies/donations		-	-	25
Other revenue		74	143	173
Internal recoveries		121	165	111

Other sources of funds				
add new loans raised		-	-	-
add funding from reserves		469	173	856
Transfer from Ratepayer Equity		-	-	-
depreciation funded		212	210	191

Net funding surplus / (deficit)		69	-	26
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(Note1) Activity income statement

	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
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Total operating expenditure	(953)	(965)	(774)
Rates income	-	-	16
Other activity operating income	848	896	946
Net Surplus/(Deficit)	(105)	(69)	188

[9.5] major asset acquisitions or replacements

Significant Renewal and Capital expenditure		
	Actual 2010 \$000	Budget 2010 \$000
Civic chambers - extension and refit*	161	-
Civic Storage - Convert garage space to file storage	-	58
Retirement Housing - Purchase ownership units	242	-

[9.6] variations from budget

	actual variance to budget \$000	greater or less than budget
New capital referring to capital expenditure identified above, this relates to: 1) the purchase of two ownership units within Council's retirement housing portfolio, and 2) continuing upgrade work for Council chambers (work carried forward)	369	greater
Funding of reserves Budgets included a transfer of surplus property income being transferred to reserve. These surpluses did not eventuate and therefore transfers to reserve based on actual results.	(142)	less
add funding from reserves relates to capital expenditure variances identified above, both being funded from special funds	296	greater

[9.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> ▪ Development of Deferred Rental Scheme POSITIVE as it provides older Lessees with a cheap and non threatening option. ▪ General improvement in condition of Council property POSITIVE for amenity of area.. ▪ Focus on creating more retirement housing positive. ▪ Continued provision of high standard affordable housing for older residents POSITIVE for community. ▪ Focus on provision of low and middle income housing through private sector initiative positive. 	<ul style="list-style-type: none"> ▪ Good quality services POSITIVE for attractive living and investment environment. ▪ Making available of unused Council land for development positive. 	<ul style="list-style-type: none"> ▪ Services POSITIVELY contribute to making community life "whole" 	<ul style="list-style-type: none"> ▪ Consequences of good service delivery i.e. amenity improvement, parking availability POSITIVE for environment.

[10] community facilities and events

[10.1] activities included in this group

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

Rationale for grouping

The above mentioned activities/services all contribute to make life in the District "whole".

[10.2] council's involvement

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, with few exceptions, 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.

- **Civic Centre- Indoor Sport Centre:** A significant asset in a region subject to high and regular rainfall. Even though not used to optimum capacity, the 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. It has become an important cultural asset and the introduction of electronic facilities like internet kiosks has made it into a service centre.
- **Reserves:** Parks and reserves are an important aesthetic and recreational activity and also contributes to a healthy community.
- **Rest Rooms and Public Conveniences:** Council has both a health promotion and public convenience focus with its involvement in this activity.
- **Swimming Baths:** An important recreational and health promotional facility with sub-regional usage.
- **Events and Recreation Management:** Events and social functions build identity and contribute to a feeling of oneness and belonging as necessary ingredient of a successful community.
- **Cemeteries:** Another customary local government service which 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 'handy-man' type capability with technical operations contracted out, 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.

[10.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome One	ENVIRONMENT	That the distinctive character of the environment is appreciated and retained
Outcome Three	HEALTH	Healthy communities with access to quality facilities and services
Outcome Four	EDUCATION	A district that values and supports learning with accessible, relevant education and training opportunities
Outcome Five	SAFETY	A District that is a safe place to live
Outcome Six	IDENTITY	A "happening" district with a strong community spirit and distinctive lifestyle.

[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above. In addition:

Council recognises that quality community facilities can be a vital component of attracting new residents, and therefore new investment and development. Council is also committed to providing such facilities at an affordable cost. Council's activities are largely focused on maintaining existing services to a quality standard.






2009/2010 was the first year in operation for the new Greymouth Aquatic Centre, which for the first time has offered the public in the Grey District all year access to quality swimming facilities. This facility has been well patronised, by both those taking advantage of the recreational benefits as well as health benefits.

Significant progress was made in the upgrade of the Spring Creek Aquatic Centre (Runanga Pool) which is scheduled for opening early in 2011.





Further development was carried out on the Moana foreshore area to enhance this area as one of the key visitor attractions of the district.

[c] performance measurement



key for symbols where used

SYMBOL	DESCRIPTION
	better result than target
	achieved required target
	some targets achieved
	did not achieve target
	unknown/not measured



PARKS AND RESERVES

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
IDENTITY: QUALITY AND AFFORDABLE RECREATIONAL FACILITIES Contributes to the economy and attractiveness of the District by encouraging people to stay and visit the area. HEALTH: COMMUNITY PHYSICAL AND MENTAL HEALTH. Allows for many recreational opportunities ENVIRONMENT: A NEAT AND TIDY DISTRICT Effectively maintained open spaces make the district a more attractive place	Deliver a works programme as signalled in this plan.	Set achievable budgets for the available resources, and complete what we plan each year. Requested budget carry-forwards to be no more than 5% of total operating expenditure	5%		Total carry-forward requests for water supply are \$11,706, which represents 3% of total operating expenditure.
	Provide quality reserve and public garden spaces, appropriate to our environment	Maximum number of service requests per year.	30		There were 5 service requests recorded and resolved regarding reserves during the 2009/2010 financial year. The general nature of the service requests were regarding broken playground equipment, or equipment that required cleaning. These requests were resolved by council contractors at the time of request.
		number satisfied with facilities/service, per user survey	75%		No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.
	A rationalization of Council's parks and reserves portfolio	Review completed by 30 June 2010	100%		A review of Council's parks and reserves portfolio was not completed in the year ended 30 June 2010 due to staff commitments. It is expected that a review will be completed by 30 June 2011.

IN HOUSE TASK FORCE

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ENVIRONMENT: THAT THE DISTINCTIVE CHARACTER OF THE ENVIRONMENT IS APPRECIATED AND RETAINED provides an efficient service for tidying and maintaining sundry areas of the district</p>	provide an in-house resource that can efficiently deal with issues quickly and on a case by case basis	Number of properties maintained on an ongoing basis	27		17 Properties were maintained on an on-going basis by the in-house taskforce for the year ended 30 June 2010. As at 30 June 2009 the In-house taskforce had maintained 20 properties, the number of properties maintained is demand based and appears to be declining.
		Numbers of other tasks performed annually	300		Council's In-House Task Force completed 373 Tasks throughout the 2009/2010 financial year.

REST ROOMS

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>IDENTITY: QUALITY AND AFFORDABLE RECREATIONAL FACILITIES Contributes to the economy and attractiveness of the District by encouraging people to stay and visit the area.</p> <p>HEALTH: A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY, AFFORDABLE COUNCIL SERVICES Public conveniences support healthy, safe communities</p>	Provide quality and attractive facilities	Frequency of cleaning when open	daily		All restroom facilities are cleaned on a daily basis with the exception of the Moana facilities which was cleaned twice weekly as per the service contract for this area.
		Maximum number of complaints per year	30		There were 3 complaints recorded and resolved regarding restrooms during the year ended 30 June 2010. The general nature of the service requests were regarding vandalism. They were resolved at the time of reporting by council contractors.
		number satisfied with facilities/service, per residents survey	75%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

ARTS CULTURE AND HERITAGE

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>IDENTITY: A COMMUNITY FOCUSED ON THE FUTURE BUT COMFORTABLE WITH THEIR PAST Art, culture and heritage forms the essence of a community and help what it is today.</p> <p>EDUCATION: A DISTRICT THAT VALUES AND SUPPORTS LEARNING WITH ACCESSIBLE, RELEVANT EDUCATION AND TRAINING OPPORTUNITIES provides a quality facilities for learning and being informed</p>	Operate and maintain History House museum	Number of visitors per annum	4,000		History House had 2836 visitors in the year ended 30 June 2010.
		New booklets produced	3		History House staff produced 95 small publications during the period 1 July 2009 to 30 June 2010.
		Family histories researched	1		History House completed 145 research requests for the year ended 30 June 2010. Records were not specific enough to identify the number of these that related specifically to family histories.
		Maintain annual financial support	25,000		Council provided \$61,500 of funding towards the running of History House during the 2009/2010 year.
	Provide financial assistance to West Coast Theatre Trust	Maintain annual grant and other financial support for building maintenance, rates, insurance and ground rent to an approx value	21,000		The West Coast Theatre trust received a grant through the 2009/2010 annual plan of \$25,000 plus GST.
	Maintain involvement in Coal River Park	Maintain financial support until completion of project and registration as a national heritage walkway.	15,000		Council budgeted expenditure of \$15,000 to support the completion of Coal River Park in the 2009/2010 Annual Plan. The funding was not spent during the 2009/2010 year and is to be carried forward to the 2010/2011 year.
		Council representative to attend all meetings of Coal River Park Committee	100%		There were no meetings of the Coal River Park Committee during the year ended 30 June 2010.

LIBRARIES

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>EDUCATION: A DISTRICT THAT VALUES AND SUPPORTS LEARNING WITH ACCESSIBLE, RELEVANT EDUCATION AND TRAINING OPPORTUNITIES provides a quality facilities for learning and being informed</p> <p>HEALTH: A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY, AFFORDABLE COUNCIL FACILITIES provides a quality facilities available for all</p>	provide quality library facilities and services that provide for the enjoyment, recreation, information and education needs of the whole community.	Maintain combined quality book stock at Greymouth and Runanga of a minimum quantity (Note: space restrictions limit the number of books that are able to be provided)	30,000		As at 30 June 2010 library book stocks totalled 30,665.
		no more than a % of stock being older than 8 years	20%		51% of library stock as at 30 June 2010 was older than 8 years.
		Maintain library membership at a minimum of % of the population.	50%		During the 2009/2010 year 7,538 or 57% of the population as indicated in the 2006 census (13,224) were active borrowers at the library.
		A minimum number of books issued annually	120,000		The total number of books issued by the Central and Runanga libraries during the 2009/2010 year was 123,219.
		Maintain non fiction collection that has an educational component at a minimum ratio of the collection material	40%		40% (12,324) of the library collection was non-fiction material as at 30 June 2010.
	provide internet access to quality online information	Occupancy rate of Aotearoa Peoples Network.	75%		The Aotearoa Peoples Network had an overall occupancy rate for the 2009/2010 year of 91.7%
	provide an efficient service	Undertake feasibility study for a combined centrally located arts, culture and heritage centre by 2013	n/a	n/a	A feasibility study was not undertaken in the 2009/2010 financial year. Note: the deadline for the study to be undertaken is 2013.

SWIMMING POOLS

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>SAFETY: PERSONAL AND PROPERTY SAFETY improves public safety by encouraging involvement in learn to swim programmes</p> <p>HEALTH: COMMUNITY PHYSICAL AND MENTAL HEALTH. enhances health of community by providing training, injury rehabilitation and mobility enhancement facilities</p> <p>IDENTITY: QUALITY AND AFFORDABLE RECREATIONAL FACILITIES provides a quality facilities for leisure and competitive swimming</p>	Provide quality and attractive facilities	Compliance with the NZ Water Quality Standards	100%	😊	The Aquatic centre complied with all water quality standards throughout the 2009/2010 year.
		Number of complaints about the facilities per annum	10	😊	There were 2 recorded complaints regarding the aquatic centre in the 2009/10 year. Both were in the form of submission to the Annual Plan and covered areas such as staff training and effective use of the facility including cleaning and equipment.
		number satisfied with facilities/service, per user survey	90%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.
	Recover maximum income outside of rates	total visitor numbers - Greymouth	100,000	😊	The Aquatic centre had 135,053 visitors year end 30 June 2010 .
		number of "non leisure" users - Greymouth	to be determined	?	There were 3,794 non-leisure users of the Aquatic centre during the year ended 30 June 2010.
		total visitor numbers - Runanga	4,000	😞	The Runanga Swimming Pool did not open during the 2009/2010 year due to work pending on its upgrade.
		secure on going sponsorship	negotiations	😐	Negotiations to secure a sponsor for the Greymouth Aquatic Centre have so far been unsuccessful. The Spring Creek Aquatic Centre in Runanga secured a sponsorship agreement in 2009.

CEMETERIES

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
<p>ENVIRONMENT Provides an environmentally safe location for burials to occur.</p> <p>IDENTITY: A COMMUNITY FOCUSED ON THE FUTURE BUT COMFORTABLE WITH THEIR PAST Cemeteries reflect the history and identify of the people who contributed to the development of the District. Well maintained cemeteries also in themselves contribute to the identity and history of the District.</p>	Provide and maintain quality cemeteries	Maintained to an acceptable standard - % compliance with contract specification standard	100%	😊	All cemeteries in the district were maintained to an acceptable standard during the 2009/2010 year. Council receives monthly reports from its contractors which are certified by an Engineer to ensure performance levels are met.
		Maximum number of complaints per annum	30	😊	There were no recorded complaints regarding council's cemeteries during the 2009/2010 year.
		number satisfied with facilities/service, per residents survey	80%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.

CIVIC CENTRE

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
HEALTH: COMMUNITY PHYSICAL AND MENTAL HEALTH. enhances health of community by providing training facilities IDENTITY: QUALITY AND AFFORDABLE RECREATIONAL FACILITIES provides facilities for leisure and competitive sport	Provide and maintain an indoor sports facility	Number of hours used per year	1,100		The Civic Centre was used for a total of 1,254 hours during the 2009/2010 year.
		Number of regional events staged per year	3		There were four Regional events held in the Civic Centre during the year ended 30 June 2010.
		Number of National and/or events generated from outside the region staged	1		Five national events were staged in the Civic Centre during the period 1 July 2009 to 30 June 2010.
		Maximum number of complaints about facility per annum	2		No formal complaints were received regarding the Civic Centre facilities during the year ended 30 June 2010.

[10.4] cost of service statement

DISTRICT FACILITIES & EVENTS COST OF SERVICE STATEMENT	note	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
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Funding Required:				
Operating expenditure:				
	1			
Employee costs		(788)	(636)	(471)
Support costs		(294)	(297)	(269)
Operating & maintenance costs		(1,366)	(1,525)	(1,195)
Interest expense		(97)	(118)	(307)
Depreciation		(636)	(568)	(308)
	1	(3,181)	(3,144)	(2,550)

Capital items:				
Renewal works		(55)	(178)	(53)
New capital		(406)	(94)	(8,550)
Assets vested		-	-	-
Debt principal repayments		-	(20)	-
Funding of reserves		(151)	(591)	(224)
Internal transfers		(134)	-	-
		(746)	(883)	(8,827)

TOTAL EXPENDITURE + CAPITAL		(3,927)	(4,027)	(11,377)
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Funded by:				
Rates				
	1			
Rates - General		1,806	1,769	1,720
Rates - Targeted		-	-	-

Activity Income				
	1			
User charges		588	580	667
Subsidies/donations		432	574	2,135
Other revenue		17	-	-
Internal recoveries		-	-	-

Other sources of funds				
add new loans raised		-	50	1,500
add funding from reserves		475	486	2,030
Transfer from Ratepayer Equity		-	-	3,668
depreciation funded		636	568	308

Net funding surplus / (deficit)		27	-	651
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(Note 1) Activity income statement

	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
Total operating expenditure	(3,181)	(3,144)	(2,550)
Rates income	1,806	1,769	1,720
Other activity operating income	1,037	1,154	2,802
Net Surplus/(Deficit)	(338)	(221)	1,972

[10.5] major asset acquisitions or replacements

Significant Renewal and Capital expenditure		
	Actual 2010 \$000	Budget 2010 \$000
Civic Centre- Repaint Exterior	(0)	94
Moana Foreshore Development	120	-
Spring Creek Aqua Centre Development (Runanga)	113	-
Greymouth Aquatic Centre	75	-

[10.6] variations from budget

	actual variance to budget \$000	greater or less than budget
Employee costs	152	greater
relates to staffing costs of the new Greymouth Aquatic Centre. 2009/2010 budgeted were prepared on best estimates prior to the facility opening. Actual required cost inputs have proven to be higher. This includes staff costs of setting up swim school facilities, whilst income won't commence until 2010/2011.		
Operating & maintenance costs	(159)	less
A number of costs saved 'across the board', however more significant savings made in Aquatic centre operational costs, which partly offset the increased staff costs.		
Renewal works	(123)	less
Work budgeted not commenced, and to be carried forward to 2010/2011. More significant projects include repainting of the Civic Centre.		
New capital	312	greater
Includes work carried forward from prior year budgets, more significant works are Spring Creek Aquatic Centre (Runanga Pool) upgrade (\$113,00 - work in progress) and Moana foreshore re-development (\$120,000)		
Funding of reserves	(440)	less
Budget includes an estimate for Major District Initiative funding (\$400,000 per annum) being transferred to reserves. The actual received has been transferred to repay internal borrowing (internal loan used to fund new aquatic centre), and the net funding residual capital costs.		
Internal transfers	134	greater
refer above comment under 'funding of reserves'		
Subsidies/donations	(142)	less
Estimates included funds being received from third parties towards the Spring Creek Aquatic Centre (Runanga pool) upgrade. As the work is still in progress the funds have not yet been transferred to Council.		

[10.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> ▪ Community Services POSITIVE for creating an attractive living environment. ▪ Continual improvement of Library Services and introduction of Online access positive. ▪ Continued focus on making parks and walking tracks more accessible and involvement in Blue Penguin protection against marauding dogs POSITIVE but inability to maintain to a high standard throughout because of budgetary constraints a negative. ▪ Maintaining a high standard of hygiene of public toilets and provision of new CBD toilets positive, but age of facilities and focus of vandals make this less than totally successful. ▪ Focus on new Aquatic Centre POSITIVE ▪ The availability of a range of community events in partnership with Sport West Coast and more recently with the Lake Brunner Cycle race funded by DWC is POSITIVE and makes community life whole. ▪ Maintaining available and aesthetically pleasing cemeteries is positive. ▪ Work done by the In-house Task Force complement other more formal service delivery agreements POSITIVELY, resulting in aesthetically pleasing open areas. ▪ Continued support to a variety of local organisations/bodies/ facilities involved in arts, culture and recreation was POSITIVE as it made them financially viable and their services available to the community at affordable prices. 	<ul style="list-style-type: none"> ▪ Range and quality of community services POSITIVE for attractive living and investment environment. 	<ul style="list-style-type: none"> ▪ Services POSITIVELY contribute to making community life “whole” 	<ul style="list-style-type: none"> ▪ POSITIVE focus for community services to not impact adversely on the environment as far as possible.

[11] democracy and administration

[11.1] activities included in this group

- Council
- Council's Administration
- Economic Development & Marketing and Youth Development.
- Consultation with the community

Rationale for grouping

The grouping reflects management focus and operational interaction overlap. Economic Development, Marketing and Youth Development as Activity falls under this wider grouping simply because it is managed as a low-key activity by the same staff members.

[11.2] council's involvement

Council is committed to sound, effective and participatory local government with special focus on growing the local economy and facilitating opportunities and facilities for its young people. It sees itself as being in an active, productive and enduring partnership with the community. Apart from its local government and associated leadership function, Council sees itself as having an advocacy, facilitation and empowerment role in respect of all aspects affecting the social, economic, cultural and environmental wellbeing of the community.

[11.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome Two	ECONOMY	A thriving, resilient and innovative economy creating opportunities for growth and employment
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[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above.

There has been no further measurement than this towards the achievement of the identified community outcomes.

[c] performance measurement

key for symbols where used

SYMBOL	DESCRIPTION
😊😊	better result than target
😊	achieved required target
😐	some targets achieved
😞	did not achieve target
?	unknown/not measured

COUNCIL

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
ALL OUTCOMES	Maintaining the highest level of personal conduct and integrity as Council and individual members	Council members declaring interests in matters, be it financial, bias or predetermination	100%		No issues were raised with respect to council members and conflicts of interest during the 2009/2010.
		Council member adhering to Code of Conduct (based on maximum number of issues raised during the year)	5		No issues were raised in respect of council members adhering to the code of conduct during the 2009/2010 year.
		Council adherence to Triennial Agreement (based on maximum number of issues raised during the year)	3	?	A number of issues regarding the Triennial Agreement were raised and resolved at the Mayors and chairs meetings throughout the 2009/2010 year. There were no ongoing issues regarding the Triennial Agreement during the 2009/2010 year.
	effective consultation and communication	number of surveyed residents who feel that they have an effective say in Council business	60%	?	No survey was undertaken during the 2009/2010 year. A contract is currently in negotiation for a survey to be performed in 2010.
		% of correspondence replied to within 10 working days.	60%		56% of correspondence received and recorded in the 2009/2010 year was responded to within 10 working days.
	transparent processes	% of agenda items held in open Council	75%		84% of all agenda items were held in open Council for the year ended 30 June 2010.

ECONOMIC DEVELOPMENT

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
ECONOMY: DIVERSITY TO ENSURE A SUSTAINABLE ECONOMIC FUTURE ECONOMY: DEVELOPING NEW OPPORTUNITIES FOR LOCAL INVESTMENT The economy of the Grey District is diverse, adaptable, and growing	Enabling and contributing to activities that offer the potential for economic growth and promote the district	Successfully fund and employ an Events and Marketing Officer	✓		An events and Marketing Officer was employed on 1 May 2008.
		Maintain financial commitment to Tourism West Coast	83,000		Tourism West Coast was allocated \$83,200 in funding during 2009/2010 Annual Plan.
		Maintain financial commitment to Business and Promotion Association	24,500		The Greymouth Business and Promotion Association received \$5,000 in funding from the 2009/2010 Annual Plan. Council's Events and Marketing Officer provides administration support to the Business and Promotion Association and therefore council has reduced the cost accordingly.
		Maintain financial commitment to Information Centre	50,000		Greymouth I-site received \$50,000 in funding from council as part of the 2009/2010 Annual Plan.

[11.4] cost of service statement

DEMOCRACY & ADMINISTRATION COST OF SERVICE STATEMENT	note	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
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Funding Required:

Operating expenditure:				
	1			
Employee costs		(3,086)	(2,942)	(2,744)
Support costs		(925)	(921)	(796)
Operating & maintenance costs		(1,950)	(2,029)	(1,859)
Interest expense		-	-	-
Depreciation		(161)	(296)	(206)
	1	(6,122)	(6,188)	(5,605)

Capital items:

Renewal works		(101)	(83)	(89)
New capital		(14)	(68)	(114)
Assets vested		-	-	-
Debt principal repayments		-	-	-
Funding of reserves		(585)	(714)	(1,154)
Internal transfers		-	-	-
		(700)	(865)	(1,357)

TOTAL EXPENDITURE + CAPITAL		(6,822)	(7,053)	(6,962)
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Funded by:

Rates				
	1			
Rates - General		1,165	1,131	1,096
Rates - Targeted		229	209	218

Activity Income				
	1			
User charges		162	121	413
Subsidies/donations		115	85	61
Other revenue		405	490	804
Internal recoveries		4,511	4,449	4,014

Other sources of funds				
add new loans raised		-	-	-
add funding from reserves		228	272	339
Transfer from Ratepayer Equity		-	-	-
depreciation funded		161	296	206

Net funding surplus / (deficit)		154	-	189
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(Note1) Activity income statement

	Actual 2010 \$000	Budget 2010 \$000	Actual 2009 \$000
Total operating expenditure	(6,122)	(6,188)	(5,605)
Rates income	1,394	1,340	1,314
Other activity operating income	5,193	5,145	5,292
Net Surplus/(Deficit)	465	297	1,001

[11.5] major asset acquisitions or replacements

Significant Renewal and Capital expenditure		
	Actual 2010 \$000	Budget 2010 \$000
IT - equipment replacement	35	79

[11.6] variations from budget

	actual variance to budget \$000	greater or less than budget
Employee costs An increase of approximately 5% above budget, due to impact of new collective contract, and an increase in accrued leave (employee entitlements).	144	
Depreciation Due to some assets being used beyond their original estimated useful life, mainly vehicles and IT equipment.	(135)	less
Funding of reserves Majority relates to reduced interest returned on special funds, due to interest rates being less than originally estimated. This is accounted as income in this Group of Activities, and the proceeds transferred to special funds.	(129)	less

[11.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> ▪ Council's continued focus on "partnership" with the community positive. ▪ Consultation procedures POSITIVELY followed but require review as number of responses mostly negative. ▪ Full compliance with transparency requirements as POSITIVE way of getting the community involved. ▪ Inability to gauge public satisfaction levels through a satisfaction survey negative. ▪ A policy of POSITIVE engagement, accessibility and respect was followed. ▪ Focus of Planning section on user input into operational practices following negative criticism, a POSITIVE action. ▪ Maintaining high standards as small staff complement very positive. 	<ul style="list-style-type: none"> ▪ Openness, accessibility and transparency build POSITIVE trust with prospective investors ▪ Strong operational focus on economic development assisted POSITIVELY. 	<ul style="list-style-type: none"> ▪ A community that feels itself part of the local government decision-making process is a POSITIVE one ▪ Generally POSITIVE feedback re Council's Administration. 	<ul style="list-style-type: none"> ▪ POSITIVE operational focus to not impact adversely on the environment.

[12] Liaison with other agencies

[12.1] activities included in this group

- Co-operation with External Service Providers, i.e. health, safety, and education.
- Community Safety Projects and Restorative Justice

Rationale for grouping

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

[12.2] council's involvement

Three of the community outcomes involve services not delivered by Council. Council is therefore reliant upon the actual service providers to achieve such outcomes. These are:

- Outcome Three: Health. The primary service provider is the WCDHB through Grey Base Hospital with local doctors and other medical service providers also important.
- Outcome Four: Education. The primary service provider would be the Education Ministry, Tai Poutini Polytechnic, schools, Karoro Learning Centre
- Outcome Five: Safety. The primary service providers are the NZ Police with the NZ Fire Service another important agency.

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 as it already aligns with the stated outcomes.

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.
- Youth promotion projects delivered by Tai Poutini Polytechnic and other service providers.

[12.3] performance indicators and link to community outcomes

[a] there is a primary link to the following outcomes:

Outcome Five	SAFETY	A District that is a safe place to live
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[b] progress towards community outcomes:

Council has identified below how achieving particular non-financial performance measures will contribute towards the achievement of particular community outcomes. By achieving financial and non-financial targets Council will therefore be contributing towards achieving the community outcomes identified above.

There has been no further measurement than this towards the achievement of the identified community outcomes.

[c] performance measurement

key for symbols where used

SYMBOL	DESCRIPTION
😊😊	better result than target
😊	achieved required target
😐	some targets achieved
😞	did not achieve target
?	unknown/not measured

How it contributes to our community outcomes	Council's goal	How we measure our performance	target	target achieved?	note
			2010	2010	
PERSONAL AND PROPERTY SAFETY There is a safe district for all	To facilitate measures that reduce crime in the district, thru Safer Community Council, Restorative Justice, and other programmes	levels of crime	reducing trend	?	refer below statistics. These relate to the entire West Coast area, statistics not readily available for Grey District alone. The statistics show a decrease for 2009/2010, how ever a better indication will be the trend over a longer time period.
		levels of re-offending	reducing trend	?	not available

SUMMARY OF RECORDED AND RESOLVED CRIME - TOTAL CRIME *											
years ending 30 June											
	Recorded 2007/2008	Recorded 2008/2009	Recorded 2009/2010	Variance 07/08- 08/09	Variance 08/09- 09/10	Resolved 2007/2008	Resolved 2008/2009	Resolved 2009/2010	Resolution Rate 2007/2008	Resolution Rate 2008/2009	Resolution Rate 2009/2010
West Coast	3,056	3,338	2,986	9.2 %	-10.5 %	1,807	1,922	1,757	59.1 %	57.6 %	58.8 %

DISTRICT RECORDED CRIME PER 10,000 POPULATION *					
Years ending 30 June					
	Recorded per 10,000 pop 2007/2008	Recorded per 10,000 pop 2008/2009	Recorded per 10,000 pop 2009/2010	Percent Variance 07/08 to 08/09	Percent Variance 08/09 to 09/10
West Coast	946.0	1,028.7	913.3	8.7 %	-11.2 %

* Statistics sourced from 'Crime Statistics for fiscal year ending 30 June 2010' published by NZ Police, released 01 October 2010

[12.4] cost of service statement

LIASION WITH OTHER AGENCIES	note	Actual	Budget	Actual
COST OF SERVICE STATEMENT		2010	2010	2009
		\$000	\$000	\$000

Funding Required:

Operating expenditure:				
	1			
Employee costs		-	-	-
Support costs		(50)	(49)	(47)
Operating & maintenance costs		(79)	(67)	(76)
Interest expense		-	-	-
Depreciation		-	-	-
	1	(129)	(116)	(123)

Capital items:

Renewal works		-	-	-
New capital		-	-	-
Assets vested		-	-	-
Debt principal repayments		-	-	-
Funding of reserves		-	-	-
Internal transfers		-	-	-
		-	-	-

TOTAL EXPENDITURE + CAPITAL		(129)	(116)	(123)
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Funded by:

Rates				
	1			
Rates - General		54	53	44
Rates - Targeted		-	-	-

Activity Income				
	1			
User charges		25	35	34
Subsidies/donations		38	28	-
Other revenue		-	-	37
Internal recoveries		-	-	-

Other sources of funds				
add new loans raised		-	-	-
add funding from reserves		-	-	-
Transfer from Ratepayer Equity		-	-	-
depreciation funded		-	-	-

Net funding surplus / (deficit)		(12)	-	(8)
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(Note1) Activity income statement

	Actual	Budget	Actual
	2010	2010	2009
	\$000	\$000	\$000

Total operating expenditure	(129)	(116)	(123)
Rates income	54	53	44
Other activity operating income	63	63	71
Net Surplus/(Deficit)	(12)	-	(8)

[12.5] major asset acquisitions or replacements

Nil

[12.6] variations from budget

No significant variances

[12.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> ▪ Focus on involving appropriate other agencies in non-Council Community Outcomes POSITIVE for inter-agency focus on other matters too. ▪ -Failure to put association on a more formal footing negative. 	<ul style="list-style-type: none"> ▪ Inter agency approach and focus on health, education and law and order POSITIVE for a safe and prosperous investment and living environment. 	<ul style="list-style-type: none"> ▪ Inter agency approach POSITIVE for community . 	<ul style="list-style-type: none"> ▪ N/A

[e] consultation with maori

Through a specific activity, "Efficient and Open Consultation", Council has set specific performance targets relating to the establishment and maintenance of processes in providing opportunities for Maori to contribute to the decision making processes of the Grey District Council. Council's earlier suggestion of negotiating a Memorandum of Understanding was not accepted and a process involving monthly meetings between Council's Portfolio holder for Maori affairs and a representative of Te Runanga O Ngati Waewae has been put in place to pave the way for an agreement on how to achieve the relevant provisions of the Act. This could not be maintained, mostly because the Ngati Waewae representatives are heavily involved in the day to day running of their tribe. The focus has been to maintain functional contact. Council continues to target them for consultation under the special consultative procedure.

Council maintains a cordial and constructive association with both Ngati Waewae as well as the group representing non-local Maori, the latter requiring invigoration. This situation remains a 'status quo' from last year.

[f] council controlled organisations

[1] tourism west coast and west coast rural fire authority

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

They do however fall under the following group of activities, and the relevant community outcomes as reported on earlier in this report:

Tourism West Coast:[d][11] democracy and administration, page 118

West coast Rural Fire Authority:[d][6] emergency management, page 89

It is noted that Council has exempted both these organisations under section 7(3) of the Local Government Act 2002.