

Grey District Council

2012 Annual Report

for the year ending 30 June 2012

Grey District Council

Annual Report

For the year
01 July 2011 – 30 June 2012

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Contents

[A]	INTRODUCTION AND SUMMARY	6
[1]	FOREWORD FROM HIS WORSHIP THE MAYOR AND THE CHIEF EXECUTIVE OFFICER.....	7
[2]	COUNCILLORS AND THEIR PORTFOLIOS.....	8
[3]	SENIOR STAFF AND MISCELLANEOUS DETAILS	10
[B]	INDEPENDENT AUDITOR'S REPORT	12
[C]	FINANCIAL STATEMENTS AND NOTES	18
[1]	STATEMENT OF COMPLIANCE AND RESPONSIBILITY.....	19
[2]	STATEMENT OF ACCOUNTING POLICIES.....	20
[3]	STATEMENT OF COMPREHENSIVE INCOME.....	31
[4]	STATEMENT OF MOVEMENTS IN EQUITY	32
[5]	BALANCE SHEET.....	33
[6]	STATEMENT OF CASHFLOWS	34
[7]	NOTES TO THE FINANCIAL STATEMENTS.....	35
[D]	GROUP OF ACTIVITY STATEMENTS	59
[1]	LAND TRANSPORT	60
[2]	STORMWATER AND FLOOD PROTECTION	66
[3]	SEWERAGE.....	71
[4]	WATER SUPPLY	78
[5]	SOLID WASTE MANAGEMENT	86
[6]	EMERGENCY MANAGEMENT	91
[7]	ENVIRONMENTAL SERVICES	95
[8]	OTHER TRANSPORT.....	102
[9]	PROPERTY AND HOUSING	109
[10]	COMMUNITY FACILITIES AND EVENTS	114
[11]	DEMOCRACY AND ADMINISTRATION	125
[12]	LIAISON WITH OTHER AGENCIES	130
[E]	CONSULTATION WITH MAORI	134
[F]	COUNCIL CONTROLLED ORGANISATIONS	135
[1]	TOURISM WEST COAST AND WEST COAST RURAL FIRE AUTHORITY.....	136
[2]	FORMATION OF A NEW COUNCIL CONTROLLED ORGANISATION (CCO).....	136

[a] introduction and summary

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

Welcome to the 2011/12 Annual Report and thank you for taking the time to read it. It represents Council's report on the achievements during the period 1 July 2011 to 30 June 2012 and, as such, an important aspect of Council's accountability to you as its constituents.

The report outlines in detail Council's financial performance as well as non-financial measures. It is made up of the following sections:

- Financial Statements and notes to these statements. This outlines Council's overall financial result and position as at 30 June 2012.
- Group Activity Statements. These statements report on financial performance and other, non-financial performance at an activity level. Council is responsible for a wide range of activities and this report groups activities with a similar output together. This is not only practical, but also is a statutory requirement.

Other matters including:

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

The reporting herein is comprehensive and, as a result, comprises in excess of 120 pages. A summary of this report highlighting the more important aspects thereof is available upon request.

It is fair to say that 2011/2012 has been a very difficult year for our District. The combined impact of the worldwide economic downturn, the Christchurch earthquakes and the Pike River tragedy has been most significant, providing our District with a negative growth rate for the first time in some years. Notwithstanding, we are able to budget for a modest positive growth for 2012/2013.

This forced Council to be particularly responsible in how it manages our District's finances. The strict financial control measures that had been in place over the past decade have had to be further intensified. This not only put Council in a position to implement a smaller than average rate increase, but also allowed us to post a small year-end surplus. The latter is some achievement as Council has had to deal with a number of unexpected financial expenditures i.e. the financial support package given to the West Coast Theatre Trust in respect of Regent Theatre.

We were able to successfully develop the 2012-2022 Long Term Plan in-house and at minimal expenditure to the ratepayer. The upgrade of wider Greymouth Sewer scheme was also progressed further, on-time and within budget. The planning and implementation of full recycling for the wider Greymouth area was another specific milestone.

Whilst we have every confidence in the future of the District, it is fair to say that the next two to three years may prove challenging. Council remains committed to leading our District.

Special words of thanks goes to elected members and staff for their on-going inputs in making our District a great place to work, live, play and invest.



AF KOKSHOORN

Mayor



PG PRETORIUS

Chief Executive Officer

[2] councillors and their portfolios

[a] Council

Council for the period of 01 July 2011 – 30 June 2012

Position	Name	Ward	Portfolio Responsibilities
Mayor	Tony Kokshoorn		<ul style="list-style-type: none"> ▪ Finance ▪ 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 and Security
	Tony Coll	Central	<ul style="list-style-type: none"> ▪ Property ▪ Liquor Licensing ▪ Airport
	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 and Culture ▪ Heritage ▪ Tourism
	Anna Osborne	Eastern	<ul style="list-style-type: none"> ▪ 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
Corporate Services Manager	Ian Young
Manager Corporate Planning and Community	Quecha Horning
Environmental Services Manager	Dr Ian Davidson-Watts
Assets Manager	Mel Sutherland

[b] VARIOUS DETAILS

Postal Address :	Grey District Council P O Box 382 Greymouth
Locations:	
Main Office	105 Tainui Street Greymouth Tel: +64 3 769 8600 email: info@greydc.govt.nz Web: www.greydc.govt.nz
Corporate Services – Administration	Fax: +64 3 769 8603 email: info@greydc.govt.nz
Corporate Services – Finance	Fax: +64 3 769 8613 email: finance@greydc.govt.nz
Assets and Engineering	Fax: +64 3 769 8610 email: infrastructure@greydc.govt.nz
Environmental Services	Fax: +64 3 769 8610 email: environmental.services@greydc.govt.nz
Runanga Service Centre	25 Carroll Street Runanga Tel: +64 3 762 7813
Grey District Library	Albert Mall Greymouth Tel: +64 3 768 5597 Email: library@greydc.govt.nz
Runanga Library	25 Carroll Street Runanga Tel: +64 3 762 7813
History House	Gresson St Greymouth Tel: +64 3 768 4028 Email: history-house@greydc.govt.nz

[b] independent auditor's report

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of Grey District Council's annual report for the year ended 30 June 2012

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 of the financial statements, group of activity statements and other information required by schedule 10 of the Local Government Act 2002 (other information) of the District Council on her behalf.

We have audited:

- the financial statements of the District Council on pages 20 to 58, that comprise the balance sheet as at 30 June 2012, the statement of comprehensive income, statement of movements in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies, explanatory information and other information required by schedule 10 of the Local Government Act 2002; and
- the group of activity statements of the District Council on pages 59 to 133 that includes other information required by schedule 10 of the Local Government Act 2002.
- the other information that comprises the report on the statement of compliance and responsibility on page 19, and consultation with Maori and council controlled organisations on pages 134 to 136.

Opinion on the financial statements and other information

In our opinion:

- The financial statements of the District Council on pages 20 to 58:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the District Council's financial position as at 30 June 2012; and
 - the results of its operations and cash flows for the year ended on that date.
- The other information of the District Council contained in the financial statements, the group of activity statements, and on pages 19 and 134 to 136 under the headings 'statement of compliance and responsibility', 'consultation with Maori' and 'council controlled organisations', complies with the requirements of Schedule 10 of the Local

Government Act 2002 applicable to the annual report and fairly reflect the required information.

Qualified opinion on the group of activity statements – our work was limited because no data was collected for some significant performance measures

Reason for our qualified opinion

A significant part of the District Council's performance framework (the framework) is the length of time it takes to respond to complaints and requests for service. This is significant because response times can affect the quality of service received by ratepayers and the other measures of the District Council's framework are not able to compensate for having no data on response times.

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.

Qualified opinion on the group of activity statements

In our opinion, except for the effects of the matter described in the "Reason for our qualified opinion" paragraph above, the group of activity statements of the District Council on pages 59 to 133:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the District Council's levels of service for the year ended 30 June 2012, 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.

Our audit was completed on 30 October 2012. This 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 our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements, group of activity statements and other information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, group of activity statements and other information. We are unable to determine whether there are material misstatements in the District Council's group of activity statements because the scope of our work was limited, as we referred to in our qualified opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements, group of activity statements and other information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, group of activity statements and other information whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the District Council's financial statements, group of activity statements and other information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements, group of activity statements and other information;
- determining the appropriateness of the reported group of activity statements within the Council's framework for reporting performance; and
- the overall presentation of the financial statements, group of activity statements and other information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, group of activity statements and other information. 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 services as explained above. We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion on the financial statements and other Schedule 10 information and our qualified opinion on the group of activity statements.

Responsibilities of the Council

The Council is responsible for preparing:

- financial statements and group of activity statements that:
 - comply with generally accepted accounting practice in New Zealand;
 - fairly reflect the District Council's financial position, financial performance and cash flows;
 - fairly reflect its service performance, including achievements compared to forecast; and
- other information in accordance with Schedule 10 of the Local Government Act 2002 that fairly reflects the required information.

The Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements, group of activity statements and other information that are free from material misstatement, whether due to fraud or error.

The Council's responsibilities arise from the Local Government Act 2002.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements, group of activity statements and other information and reporting that opinion to you based on our audit. Our 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 the audit of the Long Term Plan 2012-2022, 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, group of activity statements and the other requirements

This audit report relates to the financial statements, group of activity statements and the other requirements of Grey District Council (the District Council) for the year ended 30 June 2012 included on the District Council's website. The Council is responsible for the maintenance and integrity of the website. We have not been engaged to report on the integrity of the website. We accept no responsibility for any changes that may have occurred to the financial statements, group of activity statements and the other requirements since they were initially presented on the website.

The audit report refers only to the financial statements, group of activity statements 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 group of activity statements 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, group of activity statements and the other requirements as well as the related audit report dated 30 October 2012 to confirm the information included in the audited financial statements, group of activity statements 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. 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

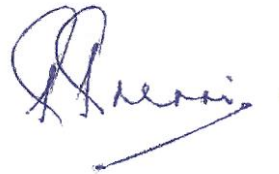
Council and management of Grey District Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

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 2012 fairly reflect the financial position and operations of Grey District Council.



AF KOKSHOORN
MAYOR



P G Pretorius
CHIEF EXECUTIVE OFFICER

Dated this 30 day of October 2012

[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 2012. The financial statements were authorised for issue by Council on 30 October 2012.

[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, except where modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets, and certain financial instruments (including derivative 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 Council has joint control, established by contractual agreement. The consolidated financial statements include the Council'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 re-measured at their fair value at each balance date. Movement in the fair value in interest rate swaps are recognised as a finance expense/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 substantively 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.

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 and bonds.

- **Financial assets at fair value through the surplus or deficit**

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

- **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 de-recognition, 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

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.

10 inventory

Inventory held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at the lower of cost, adjusted, when applicable, for any loss of service potential.

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

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

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

11 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.

12 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 - 50	2.0 – 2.5
- Fit Out	Straight line	15	6.67
- Services	Straight line	15 - 30	3.33 – 6.67
- Sundry (e.g. car parking)	Straight line	10	10
Aerodrome	Straight line	10 - 75	1.33 - 10

Asset Class	Depreciation Method	Life (years)	%
Plant and machinery	Straight line	3 – 30	3 – 33
Furniture and fittings	Straight line	10	10
Computer equipment	Straight line	3 – 8	12.5 – 33
Library stocks	Straight line	8	12.5
Breakwaters and wharves	Straight line	40 – 50	2 – 2.5
Reserve board assets	Not depreciated		
Landfill sites	Straight line	10 – 50	2 – 10
Landfill capitalised aftercare costs	Straight line	8	12.5
Water supply systems			
- Pipe network	Straight line	50 – 80	1.25 – 2
- Pumps and electrical	Straight line	10 – 60	1.67 – 10
- Reservoirs	Straight line	60 – 80	1.25 – 1.67
Drainage and sewerage			
- Pipe network	Straight line	50 – 80	1.25 – 2
- Pumps and electrical	Straight line	10 – 80	1.25 – 10
- Ponds	Straight line	60	1.67
Heritage assets	Straight line	40	2.5
Roading networks			
- Formation	Not depreciated		
- Pavement structure – sealed	Straight line	40 – 50	2 – 2.5
- Pavement structure – unsealed	Straight line	3 – 22	4.5 – 33
- Pavement surfacing	Straight line	8 – 16	6.25 – 12.5
- Kerb and channelling	Straight line	50 – 150	0.67 – 2
- Bridges	Straight line	15 – 100	1 – 6.67
- Footpaths	Straight line	15 – 50	2 – 6.67
- Drainage: surface water channels	Straight line	10 – 80	1.25 – 10
- Drainage: culverts and catch pits	Straight line	50 – 150	0.67 – 2
- Traffic signs and pavement marking	Straight line	5 – 15	6.67 – 20
Flood protection scheme	Straight line	100	1
Parking developments	Straight line	50	2
Sports fields 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
Aerodrome	Fair value
Parking developments	Depreciated historical cost
Reserve Board Assets	Fair value
Sports fields 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.

13 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.

14 impairment of non-financial assets

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

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

15 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.

16 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 its resource consent to provide on-going maintenance and monitoring services at the landfill site after closure. A provision for post closure costs is recognized as a liability when the obligation for post closure arises.

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

financial guarantees

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

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

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

17 borrowings

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

18 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.

19 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.

20 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.

21 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.

22 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:

Grey District Aquatic Centre

Note 14 and 27 discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the Grey District Aquatic Centre.

landfill aftercare provision

Note 18 discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

financial guarantees

Note 26 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 and property carried at fair value

There are a number of assumptions and estimates used when performing Optimised Depreciation Replacement Cost (ODRC) valuations over infrastructural assets and property carried at fair value. 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 peer review 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 2012:

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.

23 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.

24 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.

25 new standard and interpretation issued and not yet adopted

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Council are:

- NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. 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. The approach in 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 financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus/deficit. The new standard is required to be adopted for the year ended 30 June 2016. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, the Council is classified as a Tier 1 reporting entity and it will be required to apply full Public Benefit Entity Accounting Standards (PAS). These standards are being developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means the Council expects to transition to the new standards in preparing its 30 June 2015 financial statements. As the PAS are still under development, the Council is unable to assess the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standard Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

[3] statement of comprehensive income**for the year ended 30 June 2012**

	Note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
INCOME				
Rates revenue	1	12,870	12,752	12,319
Other revenue	2	11,390	14,627	9,500
Other gains/(losses)	3	276	284	1,837
Total income	4	24,536	27,663	23,656
EXPENDITURE				
Employee expenses	7	(4,261)	(4,082)	(4,396)
Depreciation	14	(7,695)	(8,232)	(7,057)
Other expenses	6	(10,910)	(9,992)	(11,118)
Finance costs	8	(1,650)	(842)	(858)
Total operating expenditure	5	(24,516)	(23,148)	(23,429)
Net surplus/(loss) before tax		20	4,515	227
Income tax expense	9	-	-	-
Surplus/(deficit) after tax attributable to Grey District Council		20	4,515	227
OTHER COMPREHENSIVE INCOME				
Increase in asset revaluation reserve		-	-	2,760
Total comprehensive income		20	4,515	2,987

The accompanying notes form part of these financial statements

[4] statement of movements in equity

for the year ended 30 June 2012

	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Balance at 01 July	309,419	328,732	306,432
Total comprehensive income	20	4,515	2,987
Balance at 30 June	309,439	333,247	309,419

The accompanying notes form part of these financial statements

[5] balance sheet**as at 30 June 2012**

	Note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
ASSETS				
Current Assets				
Cash and cash equivalents	10	7,765	7,207	7,733
Trade and other receivables	11	5,551	3,231	3,085
Short-Term investments	15	4,260	1,779	6,276
Inventory	12	509	-	475
Non-current assets held for sale	13	815	208	835
		18,900	12,425	18,404
Non Current Assets				
Trade and other receivables	11	221	-	-
Property, plant and equipment	14	309,914	336,830	308,279
Term investments	15	615	2,081	1,610
		310,750	338,911	309,889
TOTAL ASSETS		329,650	351,336	328,293
LIABILITIES				
Current Liabilities				
Bank overdraft		-	-	-
Trade and other payables	16	3,881	2,252	3,058
Employee benefit liabilities	17	659	306	771
Deferred income		81	96	112
Borrowings	19	4,688	2,879	3,519
		9,309	5,533	7,460
Non Current Liabilities				
Provision for closed landfill	18	835	817	814
Employee benefit liabilities	17	210	221	214
Borrowings	19	8,693	11,518	9,948
Derivative financial instruments	20	1,164	-	438
		10,902	12,556	11,414
TOTAL LIABILITIES		20,211	18,089	18,874
EQUITY				
Retained earnings	21	210,146	219,202	209,167
Special Funds	21	13,887	8,746	14,839
Trusts Bequests and Other Reserves	21	498	669	505
Revaluation reserve	21	84,908	104,630	84,908
Total equity attributable to the Council		309,439	333,247	309,419
TOTAL EQUITY AND LIABILITIES		329,650	351,336	328,293

The accompanying notes form part of these financial statements

[6] statement of cashflows

for the year ended 30 June 2012

	Note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from rates revenue		12,751	12,695	12,231
Interest received		630	443	461
Dividends received		-	-	-
Receipts from other revenue		8,586	13,916	10,800
Payments to suppliers and employees		(14,638)	(14,075)	(15,401)
Interest paid		(922)	(842)	(816)
Income tax paid (refund)		-	-	-
Goods and services tax (net)		(136)	-	55
Net cash from operating activities	22	6,271	12,137	7,330
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment		289	338	1,358
Proceeds from investments		47,416	13,699	24,619
Purchase of property, plant and equipment		(9,323)	(14,892)	(8,000)
Acquisition of investments		(44,533)	(12,188)	(29,873)
Net cash from investing activities		(6,151)	(13,043)	(11,896)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings		38	1,363	7,410
Repayment of borrowings		(126)	(466)	(3,082)
Net cash from financing activities		(88)	897	4,328
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		32	(9)	(238)
Cash, cash equivalents and bank overdrafts at the beginning of the year		7,733	7,216	7,971
Cash, cash equivalents and bank overdrafts at the end of the year	10	7,765	7,207	7,733

The accompanying notes form part of these financial statements

[7] notes to the financial statements

1 rates revenue

	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
GENERAL RATES			
General Rate	5,562	5,511	5,468
Uniform Annual General Charge	2,465	2,458	2,181
TARGETED RATES			
District Promotion	228	209	225
Refuse Collection	926	915	819
Water Supplies	1,524	1,452	1,490
Water Meter Rates	300	328	292
Sewerage Collection	1,684	1,749	1,705
PENALTIES			
Rate Penalties	181	130	139
Total rates revenue	12,870	12,752	12,319
RATES REMITTED ARE AS FOLLOWS:			
Rates on land where GDC is the ratepayer	298	290	275
Rate discounts	32	29	37
Rates remitted per Council policy	60	31	59

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

	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
User charges and miscellaneous	2,870	2,428	2,800
Regulatory income	1,083	1,321	1,033
New Zealand Transport Agency subsidies	3,656	4,151	3,718
Other grants and subsidies	3,246	6,234	1,358
Interest received	502	408	540
Dividends	-	-	-
Subdivision reserve contributions	7	42	18
Lump sum contributions	26	43	33
Total other revenue	11,390	14,627	9,500

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

3 other gains and losses

	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Net gain (loss) of non current assets held for sale	172	150	1,034
Net gain (loss) on sale of property plant & equipment	104	50	282
Assets Vested	-	84	521
Total other gains and losses	276	284	1,837

4 income by activities

	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Land transport	6,384	6,875	6,680
Stormwater & Flood Protection	658	645	1,104
Sewerage	3,132	4,580	1,779
Water Supply	1,822	2,204	2,180
Solid waste management	1,806	1,693	1,548
Emergency management	193	195	197
Environmental services	1,896	2,123	1,870
Other transport	893	738	1,574
Property and housing	981	986	1,096
Community facilities and events	4,597	5,739	3,337
Democracy and administration	7,025	6,996	6,754
Liaison with other Agencies	102	120	143
Total activity income	29,489	32,894	28,262
Less internal recoveries	(4,953)	(5,231)	(4,606)
Total Income	24,536	27,663	23,656

5 expenditure by activities

	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Land transport	(7,438)	(7,278)	(7,720)
Stormwater & Flood Protection	(1,106)	(1,004)	(858)
Sewerage	(1,457)	(1,731)	(1,313)
Water Supply	(1,988)	(1,749)	(1,478)
Solid waste management	(1,761)	(1,651)	(1,392)
Emergency management	(164)	(192)	(167)
Environmental services	(1,938)	(2,151)	(2,014)
Other transport	(1,427)	(1,157)	(1,582)
Property and housing	(1,316)	(1,161)	(1,034)
Community facilities and events	(4,485)	(3,400)	(4,056)
Democracy and administration	(6,279)	(6,785)	(6,299)
Liaison with other Agencies	(110)	(120)	(122)
Total activity expenditure	(29,469)	(28,379)	(28,035)
Less internal recoveries	4,953	5,231	4,606
Total expenditure	(24,516)	(23,148)	(23,429)

6 other expenses

	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Fees to principal auditor			
audit of financial statements	82	88	80
Long Term Plan (LTP) audit	65	31	-
Assets written off	-	-	-
Bad debt expense	2	-	-
Grants & Donations	646	381	955
Movement in impairment of receivables	11	-	23
Insurance expenses	620	449	223
Loss on sale of property, plant and equipment	-	-	-
Remuneration of elected members	29	238	223
Minimum lease payments under operating leases	332	302	250
Other operating expenses	8,932	8,503	9,364
Total other expenses	10,910	9,992	11,118

7 employee expenses

	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Wages and salaries	4,209	3,885	4,135
Contributions to defined contribution plans	168	197	168
Increase/(decrease) in employee benefit liabilities	(116)	-	93
Total employee expenses	4,261	4,082	4,396

8 finance costs

	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
INTEREST EXPENSE			
Interest on bank borrowings	924	842	819
FAIR VALUE (GAINS)/LOSSES ON DERIVATIVES			
Interest rate swaps: (fair value hedges)	726	-	39
Total finance costs	1,650	842	858

9 income tax expense in the statement of comprehensive income

	Actual 2012 \$000	Last Year \$000
Net Surplus/(Loss) before Tax	20	227
Tax at 28% (30% 2010/2011)	6	68
Plus (less) tax effect of:		
Non-deductible expenditure		
Non-taxable income	(181)	(338)
Tax losses not recognised	175	270
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 \$11,174,555 (2011: \$10,548,722). 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 2012 \$000	Last Year \$000
Cash at bank and in hand	359	281
Call deposits	3,378	4,093
Short term deposits	4,028	3,359
Total cash and cash equivalents	7,765	7,733

The carrying value of deposits approximates their fair value.

The effective interest rate on deposits in 2012 was 4.2 percent (2011: 4.1 percent). The deposits had an average maturity of 68 days (2011: 69 days).

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

	Actual 2012 \$000	Last Year \$000
Cash at bank and in hand	359	281
Call deposits	3,378	4,093
Short term deposits	4,028	3,359
Bank overdrafts	-	-
Total cash and cash equivalents	7,765	7,733

11 trade and other receivables

	Actual 2012 \$000	Last Year \$000
Rates receivables	851	753
Water rate receivables	128	103
New Zealand Transport Agency receivable	911	1,072
Port Debtors	175	238
Sundry debtors	3,759	959
GST receivable	-	-
Community loans	63	75
Prepayments	-	-
Loans to related parties	-	-
	5,887	3,200
Less provision for impairment of receivables	(115)	(115)
Total trade and receivables	5,772	3,085
Current	5,551	3,085
Non-current	221	-
Total trade and receivables	5,772	3,085

	Actual 2012 \$000	Last Year \$000
Current	3,933	1,361
1 to 3 months	402	520
> 3 months	1,437	1,204
Carrying amount	5,772	3,085

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

	Actual 2012 \$000	Last Year \$000
At 1 July	115	92
Provisions reversed during the year	(2)	-
Additional provisions made during the year	2	23
Receivables written off during period	-	-
At 30 June	115	115

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 Council, as the Council 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 judgement, then Council can apply to the Registrar of the High Court to have the judgement 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 2012 \$000	Actual 2011 \$000
0 to 12 months	566	515
> 12 months	285	238
Carrying amount	851	753

As of 30 June 2012 and 2011, 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 inventory

	Actual 2011 \$000	Last Year \$000
Land being developed for sale	509	475
Total inventory	509	475

The land relates to surplus port land (commonly referred to as the *Koromiko* Block) that Council is in the processing of subdividing. Council expects to sell the majority of lots over the next 2 – 3 years.

The value of this land has been reclassified as inventory in the 2010/11 accounts (refer note 14).

13 assets held for sale

	Actual 2012 \$000	Last Year \$000
Buildings	141	141
Land	674	694
Total non-current asset held for sale	815	835

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.

14 property, plant and equipment

Council 2012

	Cost/ revaluation 01-Jul-11	Accumulated depreciation and impairment charges 01-Jul-11	Carrying amount 01-Jul-11	Current year additions	Current year disposals at cost	accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus / (deficit)	Cost/ revaluation 30-Jun-12	Accumulated depreciation and impairment charges 30-Jun-12	Carrying amount 30-Jun-12
INFRASTRUCTURAL ASSETS												
Roading Network	133,855	-	133,855	3,688	-	-	-	(4,357)	-	137,543	(4,357)	133,186
Land Under Roads	68,727	-	68,727	-	-	-	-	-	-	68,727	-	68,727
Stormwater	17,996	-	17,996	1,009	-	-	-	(580)	-	19,005	(580)	18,425
Flood Protection System	8,596	(1,146)	7,450	-	-	-	-	(86)	-	8,596	(1,232)	7,364
Sewerage	25,642	-	25,642	2,649	-	-	-	(594)	-	28,291	(594)	27,697
Water Supply Systems	13,346	-	13,346	561	-	-	-	(501)	-	13,907	(501)	13,406
Landfill Site	3,047	(1,954)	1,093	231	-	-	-	(198)	-	3,278	(2,152)	1,126
Work in progress	1,927	-	1,927	-	(1,927)	-	-	-	-	-	-	-
	273,136	(3,100)	270,036	8,138	(1,927)	-	-	(6,316)	-	279,347	(9,416)	269,931
OTHER FIXED ASSETS												
General Land	6,420	-	6,420	-	-	-	-	-	-	6,420	-	6,420
Other Land	2,767	-	2,767	-	-	-	-	-	-	2,767	-	2,767
Buildings	21,902	-	21,902	1,366	-	-	-	(801)	-	23,268	(801)	22,467
Plant & Machinery	884	(663)	221	132	(13)	-	-	(95)	-	1,003	(758)	245
Furniture & Fittings	386	(355)	31	8	-	-	-	(12)	-	394	(367)	27
Computer Equipment	1,292	(1,170)	122	107	-	-	-	(69)	-	1,399	(1,239)	160
Library Stocks	1,689	(1,553)	136	58	-	-	-	(52)	-	1,747	(1,605)	142
Breakwaters & Wharves	4,758	(2,662)	2,096	44	-	-	-	(191)	-	4,802	(2,853)	1,949
Aerodrome	2,073	-	2,073	305	-	-	-	(55)	-	2,378	(55)	2,323
Parking Developments	441	(95)	346	-	-	-	-	(10)	-	441	(105)	336
Reserve Board Assets	290	-	290	-	-	-	-	-	-	290	-	290
Sports fields and Parks	1,161	(214)	947	468	-	-	-	(74)	-	1,629	(288)	1,341
Heritage Assets	1,052	(160)	892	-	-	-	-	(20)	-	1,052	(180)	872
Work in progress	-	-	-	644	-	-	-	-	-	644	-	644
	45,115	(6,872)	38,243	3,132	(13)	-	-	(1,379)	-	48,234	(8,251)	39,983
	318,251	(9,972)	308,279	11,270	(1,940)	-	-	(7,695)	-	327,581	(17,667)	309,914

Council 2011

	Cost/ revaluation 01-Jul-10	Accumulated depreciation and impairment charges 01-Jul-10	Carrying amount 01-Jul-10	Current year additions	Current year disposals at cost	accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus / (deficit)	Cost/ revaluation 30-Jun-11	Accumulated depreciation and impairment charges 30-Jun-11	Carrying amount 30-Jun-11
INFRASTRUCTURAL ASSETS												
Roading Network	143,860	(8,020)	135,840	3,062	-	-	-	(4,117)	(930)	133,855	-	133,855
Land Under Roads	68,727	-	68,727	-	-	-	-	-	-	68,727	-	68,727
Stormwater	16,863	(928)	15,935	1,218	-	-	-	(432)	1,275	17,996	-	17,996
Flood Protection System	8,596	(1,060)	7,536	-	-	-	-	(86)	-	8,596	(1,146)	7,450
Sewerage	26,069	(1,274)	24,795	1,562	(471)	-	-	(626)	382	25,642	-	25,642
Water Supply Systems	13,361	(743)	12,618	794	-	-	-	(332)	266	13,346	-	13,346
Landfill Site	3,046	(1,757)	1,289	1	-	-	-	(197)	-	3,047	(1,954)	1,093
Work in progress	216	-	216	1,711	-	-	-	-	-	1,927	-	1,927
	280,738	(13,782)	266,956	8,348	(471)	-	-	(5,790)	993	273,136	(3,100)	270,036
OTHER FIXED ASSETS												
General Land	7,953	-	7,953	-	(475)	-	-	-	(1,058)	6,420	-	6,420
Other Land	2,767	-	2,767	-	-	-	-	-	-	2,767	-	2,767
Buildings	20,985	(1,128)	19,857	354	-	-	-	(725)	2,416	21,902	-	21,902
Plant & Machinery	1,146	(871)	275	79	(341)	299	-	(91)	-	884	(663)	221
Furniture & Fittings	379	(344)	35	7	-	-	-	(11)	-	386	(355)	31
Computer Equipment	1,392	(1,270)	122	63	(163)	163	-	(63)	-	1,292	(1,170)	122
Library Stocks	1,633	(1,498)	135	56	-	-	-	(55)	-	1,689	(1,553)	136
Breakwaters & Wharves	4,758	(2,472)	2,286	-	-	-	-	(190)	-	4,758	(2,662)	2,096
Aerodrome	1,786	(75)	1,711	-	-	-	-	(47)	409	2,073	-	2,073
Parking Developments	311	(86)	225	130	-	-	-	(9)	-	441	(95)	346
Reserve Board Assets	290	-	290	-	-	-	-	-	-	290	-	290
Sports fields and Parks	1,038	(158)	880	123	-	-	-	(56)	-	1,161	(214)	947
Heritage Assets	1,052	(140)	912	-	-	-	-	(20)	-	1,052	(160)	892
	45,490	(8,042)	37,448	812	(979)	462	-	(1,267)	1,767	45,115	(6,872)	38,243
	326,228	(21,824)	304,404	9,160	(1,450)	462	-	(7,057)	2,760	318,251	(9,972)	308,279

The disposal for General Land (\$475,000) relates to a reclassification to inventory of part of surplus port land that Council is developing for sale (refer note 12 – inventory).

Valuation

Other fixed assets: - general land and buildings

At fair value as determined from market-based evidence where possible and optimised depreciated replacement cost by an independent valuer. The most recent valuation was performed by Peter J Hines BCom (VPM), ANZIV, Registered Valuer of CVL (Coast Valuations Limited), and the valuation is effective as at 30 June 2011.

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 John Vessey (Partner), Technical Principal, Economic Assessment & Asset Valuation, Opus International Consultants Limited. The valuation is effective as at 30 June 2011.

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 CVL (Coast Valuations Limited), and the valuation is effective as at 30 June 2011.

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 (Partner), Technical Principal, Economic Assessment & Asset Valuation, Opus International Consultants Limited. The valuation is effective as at 30 June 2011.

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 2011 \$000
MD Sutherland, Grey DC	260,539
P J Hines, Coast Valuations	29,422

Impairment

Council has reviewed its fixed asset register on a line by line basis to consider whether there is an impairment of any assets. We are not aware of any issue that would cause any significant change in asset value. The relevant issues considered were:

- Change in use
- One off events that damaged the assets
- Market value changes
- Decreases in earning potential.

The Port assets and Council's earthquake buildings were all assessed on the above criteria and were not determined to be impaired. Council has carried out initial EQ assessments on the public buildings it is responsible for and is currently completing detailed assessments on the buildings. The buildings have been assessed for impairment, however all buildings are still in use and therefore Council has not impaired them.

The Grey Aquatic Centre has been assessed for impairment due to the 'roof deflection' issue, or sagging beams supporting the roof. Council believes that there is no significant impairment required for the Aquatic Centre. Structural repairs will need to be made but aren't yet quantifiable.

15 investments

	Actual 2012 \$000	Last Year \$000
NON-CURRENT INVESTMENTS		
Held to maturity investments	513	1,508
Available-for-sale financial assets	102	102
Total non-current investments	615	1,610
CURRENT INVESTMENTS		
Held to maturity investments	959	871
Short term investments > 3 -12 months	3,301	5,405
Total current investments	4,260	6,276

The fair value approximates the carrying value for investments.

16 trade and other payables

	Actual 2012 \$000	Last Year \$000
Trade payables and accrued expenses	3,176	2,318
GST Payable	212	133
Sundry Creditors	488	600
Amounts due to related parties	23	5
Total trade and other payables	3,881	3,058

17 employee benefit liabilities

	Actual 2012 \$000	Last Year \$000
Accrued pay	133	127
Annual leave	471	478
Long service leave	60	60
Retirement gratuities	205	320
	869	985
COMPRISING:		
Current	659	771
Non-current	210	214
Total employee benefit liabilities	869	985

18 provision for closed landfills

	Actual 2012 \$000	Last Year \$000
Landfill aftercare provision	835	814
Total provision for closed landfills	835	814

	Actual 2012 \$000	Last Year \$000
Balance 01 July	814	801
Additional provisions made in the year	172	22
Amounts used in the year	(9)	(9)
Unused amounts reversed	(142)	-
Balance at 30 June	835	814

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 McLean's 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
- On-going 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 2013 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% (2011 6%).

19 borrowings

	Actual 2012 \$000	Last Year \$000
CURRENT		
Secured loans	4,688	3,519
Total current borrowings	4,688	3,519
NON-CURRENT		
Secured loans	8,693	9,948
Total non-current borrowings	8,693	9,948
Total borrowings	13,381	13,467

external borrowings	Maturity date	Interest rate (as at 30 June 2012)	Balance at 01 Jul 2011	loans uplifted	loans repaid	Balance at 30 Jun 2012
LOAN NAME						
BNZ Cash Advance Loan 2	19 Aug 12	3.51%	2,007,210	8,701	(7,210)	2,008,701
BNZ Cash Advance Loan 3	01 Jul 12	3.38%	1,511,866	12,982	(11,866)	1,512,982
Westpac Multi Option Cash Loan	22 Sep 13	3.80%	1,266,054	790	(1,054)	1,265,790
Westpac Multi Option Cash Loan	22 Sep 12	3.15%	275,127	47	(127)	275,047
Westpac Multi Option Cash Loan	22 Sep 14	4.00%	4,511,342	14,033	(14,034)	4,511,342
Westpac Multi Option Cash Loan	22 Sep 14	4.00%	2,915,421	740	(421)	2,915,740
Westpac Multi Option Cash Loan	17 Jul 12	3.80%	775,337	337	(75,188)	700,486
Westpac Multi Option Cash Loan	17 Jul 12	3.80%	204,364	-	(13,500)	190,864
			13,466,722	37,630	(123,400)	13,380,952
Portion of Term Debt repayable within One year			3,519,076			4,688,080
Portion of Term Debt repayable in One to Two years			1,254,828			1,265,790
Portion of Term Debt repayable in Two to Five years			8,692,818			7,427,082
Total Term Debt repayable			13,466,722			13,380,952

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.

20 derivative financial instruments

	Actual 2012 \$000	Last Year \$000
Interest rate swaps - fair value	1,164	438
	1,164	438

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$12,500,000 (2011 \$12,500,000). At 30 June 2012, the fixed interest rates of cash flow interest rate swaps vary from 4.44% to 7.71% (2011 4.44% to 8.37%).

21 equity

	Actual 2012 \$000	Last Year \$000
RATEPAYERS EQUITY		
Opening balance	209,167	207,242
Plus net surplus/(deficit) for the year	20	227
Net transfer from/(to) Special Funds	952	1,354
Net transfer from/(to) Trusts & Bequests	7	38
Net Transfer from revaluation reserves	-	306
Closing balance	210,146	209,167
SPECIAL FUNDS		
Opening balance	14,839	16,193
Plus interest (transfer from ratepayer equity)	517	636
Other transfers from ratepayers equity	1,424	1,552
Transfer to ratepayers equity	(2,893)	(3,542)
Closing balance	13,887	14,839
TRUSTS, BEQUESTS & OTHER RESERVES		
Opening balance	505	543
Transfer from ratepayers equity	6	12
Transfer to ratepayers equity	(13)	(50)
Closing balance	498	505
REVALUATION RESERVES*		
Opening balance	84,908	82,454
less transfer to ratepayers equity	-	(306)
plus increase in revaluation	-	2,760
Closing balance	84,908	84,908
TOTAL EQUITY	309,439	309,419
*REVALUATION RESERVES ARE MADE UP OF THE FOLLOWING		
Land & Building Revaluation Reserve	15,295	15,295
Aerodrome revaluation reserve	409	409
Roading Revaluation Reserve	49,277	49,277
Water Revaluation Reserve	2,041	2,041
Investment Revaluation Reserve	52	52
Drainage & Sewerage Revaluation Reserve	17,834	17,834
	84,908	84,908

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

	Actual 2012 \$000	Last Year \$000
Surplus from operations	20	227
ADD/(LESS) NON CASH ITEMS		
Depreciation	7,695	7,057
Vested assets	-	(521)
Unrealised landfill aftercare costs	21	13
Debt forgiven	-	-
Assets written off	-	-
	7,716	6,549
MOVEMENTS IN WORKING CAPITAL		
(Increase)/decrease in accounts receivable	(2,687)	1,980
(Increase)/decrease in interest receivable	128	(79)
(Increase)/decrease in inventory	(34)	-
Increase/(decrease) in accounts payable	823	(179)
Increase/(decrease) in interest payable	2	3
Increase/(decrease) in income in advance	(31)	13
Increase/(decrease) in employee entitlements	(116)	93
	(1,915)	1,831
LESS ITEM CLASSIFIED AS INVESTING ACTIVITY		
net gain(loss) on sale of property, plant & equipment and non-current assets held for sale	(276)	(1,316)
Change in fair value of interest swap	726	39
	450	(1,277)
Net cash flow from operations	6,271	7,330

23 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 2012 (incl. GST) \$	Amount payable 2012 (incl. GST) \$	Amount paid to the business 2011 (incl. GST) \$	Amount payable 2011 (incl. GST) \$
Haddock	P.R. Westland Engineering	Engineering Services	364	-	793	-
Haddock	P.R. Greymouth Equipment Centre	General Supplies	-	-	2,931	-
Haddock	P.R. E-Quip Engineering	Engineering Services	7,761	-	-	-
Kokshoorn	A.F. Greymouth Car Centre	Vehicle repairs	-	-	343	-
Kokshoorn	A.F. Greymouth Evening Star	Printing and advertising	47,974	3,781	43,920	5,254
Kokshoorn	A.F. West Coast Times	Printing and advertising	-	-	-	-
Sandrey	C.R. Cliff Sandrey Contracting	General Contracting	-	-	-	-
Truman	D.J. Central Paper Plus	Office supplies	5,246	1,162	8,805	2,033
			61,345	4,943	59,654	7,287

tourism west coast

Amounts paid to the organisation 2012 (excl. GST) \$	Amount payable 30-Jun-12(excl. GST) \$	Amounts paid to the organisation 2011 (excl. GST) \$	Amount payable 30-Jun-11 (excl. GST) \$
83,200	-	83,200	-

Grey District Council has the ability to appoint Trustees to Tourism West Coast Incorporated. The trustees appointed by Grey District Council have between 20% and 50% of the voting rights to the entity. Grey District Council does make a contribution to Tourism West Coast (\$83,200 annually) for operational purposes but does not have any rights to any distributions from that entity. Therefore no income, expenses or assets are recognised in respect of these investments.

west coast rural fire authority

Amounts paid to the organisation 2012 (excl. GST) \$	Amount payable 30-Jun-12(excl. GST) \$	Amounts paid to the organisation 2011 (excl. GST) \$	Amount payable 30-Jun-11 (excl. GST) \$
14,130	-	12,994	-

Grey District Council makes one appointment to the West Coast Rural Fire Authority. The board member appointed by Grey District Council has 20% of the voting rights to the entity. Grey District Council does make a contribution to West Coast Rural Fire Authority for operational purposes but does not have any rights to any distributions from that entity. Therefore no income, expenses or assets are recognised in respect of these investments.

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. (2011 – 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 2012 \$	Last Year \$
Salaries and other short term employee benefits	920,056	885,403
Employer superannuation contributions	28,986	31,357
Post employment benefits	100,000	-
Total compensation	1,049,042	916,760

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

24

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 was vested in the Grey District Council (as the owner of the floodwall) and was recorded as vested asset income in 'Other gains/ (losses)'. The value was also added to the appropriate asset category in Property Plant and Equipment.

25 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 2012 \$000	Last Year \$000
OFFICE EQUIPMENT		
Not later than one year	43	42
Later than one year and not later than two years	37	30
Later than two years but not later than five years	33	40
Later than five years	-	-
	113	112
LAND LEASES		
Not later than one year	270	230
Later than one year and not later than two years	269	230
Later than two years but not later than five years	614	644
Later than five years	723	781
	1,876	1,885
Total non-cancellable operating leases	1,989	1,997

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 30th September 2012. New contract starts 1st October 2012 and was awarded to Westroads Greymouth Limited.

Utilities Maintenance (incl. Maintenance and Operation of the Greymouth Flood Scheme) To 31 August 2013

Subloos New Zealand Limited

Solid Waste Operation Contract To 30 June 2020

Provision of Services for Civil Defence

Tied in to Contracts

Fergusons Industrial Division

Roading Maintenance Works To 30 June 2013

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.

capital commitments approved and contracted

During its annual planning process (incorporated in the 2012- 2022 Long Term Plan) for the 2012/2013 financial year, Council approved \$33,146,000 to be spent on Capital Works (2011/2012 - \$14,859,000) associated with Council's various assets and functions. A detail of the works to be carried out is included in the 2012- 2022 Long Term Plan which was adopted by Council on 28 June 2012 and released to the public.

Council has also approved budget carry-forwards for work not completed during 2011/2012 of \$15,700,442.

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 2021

The exercising of the guarantees will be dependent on the financial stability of the West Coast Theatre Trust. At balance date, the Grey District Council believes that there is a growing likelihood that it will be called upon by the above lenders to make loan payments. For the 2011/2012 year, Council provided the Trust \$125,000 which included the usual annual funding of \$25,000 and \$100,000 as advanced contribution funding. Council is not satisfied that the West Coast Theatre Trust has the financial stability to meet all its obligations under the loans, and in the Council meeting of September 2012, Council resolved to pay a grant to the West Coast Theatre Trust. The total amount of \$85,000, funded by way of over-expenditure, will be paid to the Trust subject to the Trust undertaking a strategic re-focus immediately, and developing an Action Plan aimed at making the Trust:

- a. more responsive,
- b. more strategic,
- c. more commercial, and
- d. financially sustainable.

Currently \$85,000 has been recognised in the financial statements as the fair value of the amount payable under the financial guarantee.

It is expected that the Development West Coast will also play a role in assisting the Trust review its governance and management, at least during the transition.

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 unlikely to require the 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 28). 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 nil (2011: Nil).

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 2012, the payments to be made to Council in the future totalled \$195,831 (2011 \$194,479).

Grey District Aquatic Centre

Council is currently working to resolve the issue commonly known as the 'roof deflection' of the Grey District Aquatic Centre (Aquatic Centre). The 'roof deflection' has been caused by the sagging of the beams which support the roof. There is a question of liability and there are several parties involved in the litigation. All parties have been collecting information regarding the case and as this information has come to light, Council's case has become stronger. Council considers a growing likelihood that it will be successful in finding a solution and that any cost to Council will be minimal. However, due to the complexity of the case, and uncertainty about how it will be resolved, it is difficult to assess the value of the contingent asset. Council will continue to assess the likelihood of a contingent asset in the future, once the cost and nature of the remedial work is known.

28 defined benefit superannuation scheme

As outlined in note 26, 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 2012, as 116% (118% as at 31 March 2011). This funding level is an estimate based on the valuation results and membership data as at 31 March 2011, and allows for the investment return for the year ended 31 March 2012.

Each year the Scheme's Actuary carries out a review of the Scheme to determine an employer contribution rate sufficient to meet the accrued and future liabilities of the Scheme. Based on the latest review, completed as at 31 March 2011, the Actuary recommended the employer contributions to the Scheme be suspended with effect from 1 April 2011.

29 elected members remuneration

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

	Honorarium	Meeting Fees	Travel Allowance	Total 2012	Total 2011
	\$	\$	\$	\$	\$
MAYOR					
Kokshoorn A.F	67,500	n/a	-	67,500	63,647
COUNCILLOR					
Berry P.F	16,691	3,190	611	20,492	20,019
Brown K.R	16,691	3,335	-	20,026	19,631
Coll A.P	13,380	2,755	-	16,135	-
Cummings I	-	-	-	-	6,549
Haddock P.R	16,691	3,335	-	20,026	20,211
Hamilton K.F	16,691	3,769	-	20,460	20,103
Morgan G	-	-	-	-	13,186
Osborne A.E	16,691	2,900	228	19,819	6,203
Osborne M.J	-	-	-	-	9,170
Sandrey C.R	16,691	3,045	-	19,736	18,771
Truman D.J	22,831	3,625	-	26,456	25,749
Total elected members remuneration	203,857	25,954	839	230,650	223,239

30 chief executive officer's remuneration

	Total 2012	Last Year
	\$	\$
Salary	180,179	174,103
Employer Superannuation Contributions	9,619	9,901
Telephone rental	638	638
Car - Full Use	8,807	8,555
Professional Allowances/Fees	261	260
Total Chief Executive Officer's remuneration	199,504	193,457

31 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 2012 \$000	Last Year \$000
Income	22	56
Expenditure	(20)	(51)
Net surplus (deficit) for the year	2	5

32 bonds receivable and bonds payable

Council is party to a surety bond agreement along with the West Coast Regional Council and Buller District Council with regards to a number of resource consents. The agreements are jointly executed by the three Councils, with said funds only called upon if remedial action is required per the conditions of the resource consents. As Council has no automatic right of claim over the funds, it is not recognised in the balance sheet as an asset or liability.

33 severance payments

There was one redundancy payments during the 2011/2012 year but it did not meet the definition of a severance payment as in clause 33 of schedule 10 of the Local Government Act 2002 (2011 nil).

34 events subsequent to balance date

No subsequent events.

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 2012 \$000	Last Year \$000
FINANCIAL ASSETS		
Loans and receivables		
Cash and cash equivalents (net)	7,765	7,733
Short term investments > 3 -12 months	3,301	5,405
Trade and other receivables	5,772	3,085
	16,838	16,223
Held to maturity investments		
Term investments	-	871
Local authority stock	1,472	1,508
	1,472	2,379
Available for sale		
Unlisted shares (Civic Assurance)	102	102
	102	102
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost		
Trade and other payables	3,881	3,058
Secured loans	13,381	13,467
	17,262	16,525
Fair value through statement of comprehensive income		
Derivative financial instruments (interest rate swap)	1,164	438
	1,164	438

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 cash and cash equivalents are disclosed in note 10 and on Council's borrowings in note 19.

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 2012 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus/deficit by \$62,690 (2011:\$77,580).

Based on financial instrument disclosures at the balance date and with other variables held constant; if interest rates on borrowings at 30 June 2012 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus after tax by \$66,904 (2011: \$67,344) 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 \$10,000,000 (2011: \$550,000) plus available credit on a credit line facility with Westpac of \$1,050,000 (2011 \$1,050,000). 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 15 and 19 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 2011/2012 Annual 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	(3,237)	less
The budget assumed \$2.5 million would be raised towards the proposed Miners' Recreation Centre, whereas the actual received was \$1 million. The project and associated fundraising is still in progress		
The budget signalled the upgrade of the Stillwater Water supply. Due to on going discussions with the Ministry of Health (who provide a large part of the funding via a subsidy) to look at alternative options this project has been delayed. The budgeted subsidy of \$424,000 has not been received.		
New Zealand Transport Agency (NZTA) subsidies \$495,000 less than budget due to the reduced level of renewal and new capital expenditure in Roothing.		
Other expenses	918	greater
Main differences to budget:		
Roothing - additional maintenance work was carried out, at the expense of doing less renewal works to stay within budget. Emergency works (i.e. storm damage repairs) were \$341,000 greater than budget - note these receive financial assistance from NZTA		
District facilities and events - The operating costs of the Greymouth Aquatic centre are higher than budgets as the actual costs become known. In addition an additional grant of \$100,000 was provided to the West Coast Theatre Trust to cover a funding shortfall.		
Property and Housing - The maintenance of Council's retirement flats cost \$100,000 more than budget due to a number of unforeseen issues. An additional \$100,000 was spent on Council lease related costs, mainly on legal issues		
Depreciation	(537)	less
This is mainly due to the budget forecasting higher depreciation than actual results, largely based on the Greymouth Sewerage scheme being further advanced than it actually is.		
Finance costs	808	greater
Actual interest costs are higher as they include the movement in Council recognises the fair value of its interest rate swaps as at balance date. Whilst this recognises the cost to Council should they exit these agreements as at balance date, Council does not intend to as they have been arranged to provide a longer term fixed interest cost for their borrowing. The value of the movement for this financial year was \$726,000.		

statement of movements in equity		
	actual variance to budget	greater or less than budget
	\$000	
balance sheet		
	actual variance to budget	greater or less than budget
	\$000	
ASSETS		
Cash and cash equivalents	558	greater
<p>Overall Council holds more; Cash and cash equivalents, Short-Term investments, and Term investments than budgeted for (\$1.6m higher). This is due largely to significant capital expenditure (such as Greymouth Sewerage scheme) being delayed as compared to budget. The result is that funds set aside specifically for the purpose have not yet been utilised. The difference in classification of term of investment between actual and budget is related to Council choosing the best investment period as at when it has funds to invest.</p>		
Trade and other receivables (current and non current)	2,541	greater
<p>A number of large receivables were billed as at 30 June 2012 for work relating to 2011/2012. These include:</p> <ul style="list-style-type: none"> - NZ Transport Agency: \$911,000 - Ministry of Health (Greymouth Sewerage subsidy) \$1.4m 		
Short-Term investments	2,481	greater
refer above comments for "Cash and cash equivalents"		
Inventory	509	greater
<p>In 2010/2011 Council recognised the value plus subsequent development costs of its Gresson St vacant property (the 'Koromiko' block) as inventory. This is due to the fact it is being developed for sale. Whilst the development is currently a lower priority, Council is still developing for sale.</p>		
Non-current assets held for sale	607	greater
<p>At the time of preparing the budgets the assumption was made that at least one key property held for sale would have been disposed of by 30 June 2012. Given the market this has as yet not eventuated.</p>		
Property, plant and equipment	(26,916)	less
<p>The budgets for the 2011/2012 financial year were prepared well before the 2010/2011 accounts were adopted. Council revalued its Roothing, Stormwater, Sewerage, Water Supply, Land and Building Assets as at 30 June 2011 (i.e. last year's accounts). The actual increase in the net asset value that was recognised in last year's accounts was less than forecast at the time of preparing the budgets.</p> <p>Also some key capital projects have not progressed as far as anticipated, such as the Greymouth Sewerage scheme.</p>		

Term investments	(1,466)	less
refer above comments for "Cash and cash equivalents"		
balance sheet	actual variance to budget	greater or less than budget
	\$000	
LIABILITIES		
Trade and other payables	1,629	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.		
Employee benefit liabilities (Current and Non Current)	342	greater
There was a n overall increase in employee benefit liabilities which mainly relates to accrued holiday pay (i.e. annual leave owing to staff)		
Borrowings (Current and Non Current)	(1,016)	less
Due to a number of key capital projects not yet proceeding/completed, the borrowing required to fund these is not yet required. Those projects where funding has been required have been funded from internal borrowing.		
Derivative financial instruments	1,164	greater
Council didn't include in the budgets a forecast for the fair value of derivatives (i.e. interest rate swaps). Council has no intention to exit these agreements as they relate to funding of long term capital projects.		
EQUITY		
Variances as noted above (balance sheet and statement of comprehensive income) are reflected in equity		
Special Funds	5,141	greater
A number of projects that have special funds set aside have not progressed per the anticipated budget schedule. Most notably the Greymouth Sewerage scheme, which has a dedicated special fund balance of \$4.7m as at 30 June 2012. These special fund will be fully utilised in the 2012/2013 year as the scheme progresses.		

[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.

Resident satisfaction survey – **Not measured in the 2011/2012 year**

Council used an independent research company to carry out a resident satisfaction survey on Council's behalf. The interviews took place between 23 May 2011 and 6 June 2011. Initial random sampling was combined with quota sampling to ensure a representative sample was achieved. Quotas were set for age, gender and area according to the 2006 Census.

The statistical margin of error for the total sample of 350 is plus/minus 5% at a 95% confidence level.

[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 (\$2.319 m spent in 2011/2012). Council can also play a role in the improvement of the roading network to support economic development in the district.
- 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.

[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	Performance targets	Target achieved?	note
			2011/2012	2012	
<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 COMPLEMENTARY 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 2011/2012 year there were 40 crashes on council roads. Three (7.5%) of these crashes involved road factors.
		Number of fatal accidents due to road factors.	nil		There were no fatal road crash within the Grey District during the 2011/2012 year which road factors contributed to.
	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 59 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 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 59 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 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 were no major planned road closures for the 2011/2012 year. There were some minor road closures due renewals work on utilities. In these cases contractors performed a mail drop to all affected properties notifying them of the road closures at least 24 hours prior to the road being closed.
		Potholes repaired within 10 working days of being notified or identified by maintenance contractors on arterial and major collector roads.	90%		As disclosed on page 59 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.	85%		As disclosed on page 59 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.	90%		There were 7 streetlights requiring repair on arterial and major collector roads during the 2011/2012 year. 100%of these streetlights were repaired within 10 workings days of the contractor being notified.
		Streetlights repaired within 20 working days of being notified on all other roads.	90%		100% of all streetlights requiring repair during the 2011/2012 year on all other roads were repaired within 20 workings days of the contractor being notified.

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
ECONOMY: PRO-ACTIVE SERVICES PROVISION Land transport is an essential service to support the local economy.	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. Results of the latest survey carried out in June/July 2012 show that 54% 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. Results of the latest survey carried out in June/July 2012 show that 10% of sealed roads had a roughness of greater than 150 NAASRA counts.
SAFETY: PERSONAL AND PROPERTY SAFETY Provision of safe land transport services reduces the potential for crashes and injuries to occur.	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%		Carryovers total \$849,000, which represents 11.4% of total operating expenditure.
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.	The community is satisfied with the roading network provided.	Number satisfied with service per user survey	80%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 81% of those surveyed were satisfied with Council's roading network. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.

* 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

LAND TRANSPORT COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		-	-	-
Support costs		(89)	(63)	(97)
Operating & maintenance costs		(2,970)	(2,735)	(3,494)
Interest expense		(22)	(13)	(12)
Depreciation		(4,357)	(4,467)	(4,117)
	1	(7,438)	(7,278)	(7,720)
Capital items:				
Renewal works		(2,497)	(3,319)	(2,192)
New capital		(1,038)	(914)	(1,001)
Assets vested		-	-	-
Debt principal repayments		-	(22)	(13)
Funding of reserves		(48)	(11)	(160)
Internal loan payments		(16)	-	(3)
		(3,599)	(4,266)	(3,369)
TOTAL EXPENDITURE + CAPITAL		(11,037)	(11,544)	(11,089)
Funded by:				
Rates	1			
Rates - General		2,486	2,477	2,493
Rates - Targeted		-	-	-
Activity Income	1			
User charges		15	198	56
Subsidies/donations		3,666	4,200	3,811
Other revenue		217	-	320
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		-	113	-
add funding from reserves		514	89	357
Transfer from Ratepayer Equity		-	-	-
depreciation funded		3,599	4,266	3,369
Net funding surplus / (deficit)		(540)	(201)	(683)
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(7,438)	(7,278)	(7,720)
Rates income		2,486	2,477	2,493
Other activity operating income		3,898	4,398	4,187
Net Surplus/(Deficit)		(1,054)	(403)	(1,040)

[1.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
ROADING		
General renewal projects & miscellaneous new capital	2,319	2,879
Minor roading improvements	403	352
Bridge renewals/upgrades	179	486
Roading upgrades	131	516
Coastal pathway	423	-
New footpaths/Kerb and channelling	65	-
Contribution to Pt Elizabeth - Access and Carpark	14	-

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[1.6] variations from the LTCCP 2009/2019 – significant acquisitions

The following projects were signalled in the 2009/2019 LTCCP to be undertaken in the 2011/2012 year.

Significant capital projects	\$000s
Coastal Pathway (proposed)	1,787
Amour Crk Rd Seal Extension	738
Big River (Slatey) - Strengthening	317
Blackball Creek No.1 - Strengthening	167
Tylve-Bball Rd Strengthening	307
Minor roading improvements	362

Of these projects, the significant variations in the Annual Plan 2011/2012 from the projects signalled in the 2009/2012 LTP are:

Coastal Pathway – Some of this project is considered work in progress; however, the original budget has been revised down due to a change in the standard required.

Amour Creek Road Extension – This project will not proceed since it does not qualify for NZTA funding.

Bridge renewals/upgrades/strengthening – Big River and the Taylorville/Blackball bridges are still in good condition and the strengthening is not required yet.

[1.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Operating & maintenance costs	235	greater
Additional maintenance work was carried out, at the expense of doing less renewal works to stay within budget. Emergency works (i.e. storm damage repairs) were \$341,000 greater than budget - note these receive financial assistance from NZTA		
Renewal works	(822)	less
Council's budgets for the 2010/2011 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. Also refer above comment regarding additional maintenance costs		
New capital	124	greater
Council spent \$423,000 towards progressing the coastal pathway that was not included in the budgets, with the majority funded from reserves. Other capital projects signalled in the Annual Plan/LTCCP were scaled back to align with the projects and amounts approved by NZTA		
User charges	(183)	less
Budgets include the share of Petroleum Tax received by the Council (budget \$190,000). This has been recognised as other revenue for actuals.		
Subsidies/donations	(534)	less
Given the overall decrease in expenditure on financially assisted maintenance, renewal works, and new capital, there was a relative decrease in the financial assistance received from NZTA		
Other revenue	217	greater
Refer above comment regarding Petroleum Tax revenue under user charges		
Funding from reserves	425	greater
The majority of funds spent progressing the coastal pathway have been transferred from reserves. Per the above comment under new capital, this was not included in the budgets.		

[1.8] 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 NEGATIVE 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.

[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	Performance targets	Target achieved?	note
			2011 - 2012	2012	
<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/fixes within 1 day of notification.	100%	☺	There were no major blockages of the stormwater system during the 2011/2012 year.
		Maximum response time for emergency repairs.	3 hours	☺	As disclosed on page 59 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 1 hour and roads reopened within 24 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 multiple ponding incidents recorded in the 2011/2012 year. However at this stage it is unconfirmed whether there is insufficient capacity at the locations 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 Floodwall Committee meetings per year to consider issues and forward works programmes.	1	☺	During the 2011/2012 year there was one Joint Floodwall Committee meeting held on 10 October 2011. It was attended by the Assets Manager, Property Manager and Engineering Officer.
	Deliver a works programme as signalled in the LTCCP.	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 carryovers are \$288,000, which represents 26.0% of total operating expenditure.
	Stormwater systems are compliant.	Number of abatement notices issued on consents held.	nil	☺	There were no abatement notices issues regarding stormwater during the year ended 30 June 2012.
	The community is satisfied with the stormwater and flood protection services.	Number satisfied with service per user survey	80%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 65% of those surveyed were satisfied with Council's stormwater and flood protection services. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.

[2.4] cost of service statement

STORMWATER & FLOOD PROTECTION COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:				
	1			
Employee costs		-	-	-
Support costs		(149)	(101)	(128)
Operating & maintenance costs		(231)	(328)	(180)
Interest expense		(60)	(19)	(32)
Depreciation		(666)	(556)	(518)
	1	(1,106)	(1,004)	(858)
Capital items:				
Renewal works		(87)	(228)	(224)
New capital		(364)	(7)	(560)
Assets vested		-	-	-
Debt principal repayments		-	(76)	(4)
Funding of reserves		-	-	-
Internal loan payments		(10)	-	(2)
		(461)	(311)	(790)
TOTAL EXPENDITURE + CAPITAL		(1,567)	(1,315)	(1,648)
Funded by:				
Rates				
	1			
Rates - General		658	645	576
Rates - Targeted		-	-	-
Activity Income				
	1			
User charges		-	-	7
Subsidies/donations		-	-	-
Other revenue		-	-	521
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		-	-	557
add funding from reserves		160	114	95
Transfer from Ratepayer Equity		-	-	-
depreciation funded		461	311	518
Net funding surplus / (deficit)		(288)	(245)	626
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(1,106)	(1,004)	(858)
Rates income		658	645	576
Other activity operating income		-	-	528
Net Surplus/(Deficit)		(448)	(359)	246

[2.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
STORMWATER		
General renewal projects	49	39
Greymouth stormwater upgrades	232	150
Other Townships (Rural Works)	38	38
Runanga creek realignment	84	-
Miscellaneous new capital	49	7

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[2.6] variations from the LTCCP 2009/2019 – significant acquisitions

The following projects were signalled in the 2009/2019 LTCCP to be undertaken in the 2011/2012 year.

Significant capital projects	\$000s
Rural stormwater enhancements	37
Greymouth stormwater improvements	115

Of these projects, the significant variations in the Annual Plan 2011/2012 from the projects signalled in the 2009/2012 LTP are:

Greymouth stormwater upgrades/improvements – In its Annual Plan 2011/2012, Council approved additional upgrade work concentrating on the flooding issues in the CBD.

Runanga creek alignment – The \$84,000 is the purchase of land for future improvements. See further explanation in the next section.

Miscellaneous new capital – This relates to new development in the District.

[2.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Support costs 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 2011/2012.	48	greater
Operating & maintenance costs A number of maintenance projects were delayed due to time being committed to operations and the Greymouth stormwater upgrade capital works.	(97)	less
Renewal works A part of the renewals budget was dedicated towards the Greymouth stormwater improvements.	(141)	less
New Capital The additional expenditure relates to: 1. capital works to upgrade stormwater services for the Greymouth CBD. These remaining costs were a carry forward from previously approved budgets. 2. land purchase costs in Runanga required for flood mitigation works, carried forward from previously approved budgets	357	greater

[2.8] 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. On-going 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. POSITIVELY 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 (\$1,601,000) 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	Performance targets	Target achieved?	note
			2011/2012	2012	
<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	☺	Three complaints regarding odour were received in total. There were .65 (less than 1) complaints regarding odour per 1000 properties connected to council sewerage systems in the 2011/2012 year. As at 30 June 2012 there were 4,619 properties connected to council sewer systems.
		Number of waste water overflows.	5 max per community p.a.	☹	During the 2011/2012 year there were 11 waste water overflow incidents. Seven incidents were recorded in the Runanga community, however the target was met in other communities. One overflow was identified in the Karoro community. Three incidents occurred on Marlborough Street.
	Respond to and fix any issues within a reasonable timeframe.	Response timeframe for emergency events.	3 hours from request	☺	As disclosed on page 59 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 1 working day of the request. 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 59 council did not have a system in place to record the response time to other events. Council staff monitored the performance of contractors, including whether 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%	☹	Carryovers total \$13.5m compared to total operating expenditure of \$1.5m. Given the outstanding issue of gaining approval for the Taylorville, Dobson, and Kaiata schemes work has not yet commenced on these projects. Greymouth sewerage upgrade is also behind original budget projections.
	We inform the public of any scheduled events that will effect 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 2012.
		Number of abatement notices.	nil	☺	There were no abatement notices issued regarding sewer in the 2011/2012 year.

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
<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, however given the likelihood that this is not achieved Council has retained the performance measure in this plan.	100%	☹	As at 30 June 2012, 68% (229) of the 293 applicable properties in Paroa/South Beach connected to the sewerage system (2011 66%). Council resolved in December 2010 to enforce connection to services. *
		All applicable properties in Cobden connected by 30 June 2010.	100%	☹	As at 30 June 2012, 48% of properties in Cobden were connected to available services (2011 27%). Council resolved to enforce connection to the services after 30 June 2011. Some physical inspections are still required to confirm connection numbers. *
		All applicable properties in Blaketown connected by 30 June 2011.	100%	☹	40% of all applicable properties in Blaketown were connected to available services as at 30 June 2012 (2011 22%). Council resolved to enforce connection of those in the stage 1 area after 30 June 2012 and the deadline for stage 2 Blaketown was 2 April 2012. *
	The Greymouth sewerage scheme is completed on time and on budget.	Completed by 30 June 2014.	75%	☹	A desktop survey showed that 68% of the new Greymouth sewerage scheme has been completed as at 30 June 2012 (2011 64%). 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%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 67% of those surveyed were satisfied with Council's sewerage systems. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.

* Note that the reported results include properties that have yet to be investigated; therefore results could be higher than reported.

[3.4] cost of service statement

SEWERAGE	note	Actual	Budget	Last Year
COST OF SERVICE STATEMENT		2012	2012	
		\$000	\$000	\$000
Funding Required:				
Operating expenditure:				
	1			
Employee costs		-	-	-
Support costs		(164)	(161)	(144)
Operating & maintenance costs		(566)	(605)	(475)
Interest expense		(133)	(75)	(68)
Depreciation		(594)	(890)	(626)
	1	(1,457)	(1,731)	(1,313)
Capital items:				
Renewal works		(89)	(202)	(136)
New capital		(2,560)	(4,154)	(1,427)
Assets vested		-	-	-
Debt principal repayments		-	(26)	(5)
Funding of reserves		(17)	(113)	-
Internal loan payments		(39)	5	(15)
		(2,705)	(4,490)	(1,583)
TOTAL EXPENDITURE + CAPITAL		(4,162)	(6,221)	(2,896)
Funded by:				
Rates				
	1			
Rates - General		-	-	-
Rates - Targeted		1,684	1,749	1,705
Activity Income				
	1			
User charges		55	121	74
Subsidies/donations		1,393	2,667	-
Other revenue		-	43	-
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		-	-	-
add funding from reserves		532	751	657
Transfer from Ratepayer Equity		-	-	-
depreciation funded		594	890	626
Net funding surplus / (deficit)		96	-	166
(Note1) Activity income statement				
		Actual	Budget	Actual
		2012	2011/2012	2011
		\$000	\$000	\$000
Total operating expenditure		(1,457)	(1,731)	(1,313)
Rates income		1,684	1,749	1,705
Other activity operating income		1,448	2,831	74
Net Surplus/(Deficit)		1,675	2,849	466

[3.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
SEWERAGE		
General renewal projects	89	202
Greymouth new capital	2,553	4,154
Miscellaneous new capital	7	-

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[3.6] variations from the LTCCP 2009/2019 – significant acquisitions

The following projects were signalled in the 2009/2019 LTCCP to be undertaken in the 2011/2012 year.

Significant capital projects	\$000s
Moana WWTP Upgrade	1,716
Greymouth Scheme (Stage 1 & 2)	4,154

Of these projects, the significant variations in the Annual Plan 2011/2012 from the projects signalled in the 2009/2012 LTP are:

Moana waste water treatment plant upgrade – The development expected in the LTCCP has not occurred.

Greymouth stormwater upgrades/improvements – See the variance explanation below.

[3.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Depreciation and Depreciation Funded	(296)	less
The budget forecast higher depreciation, largely based on the Greymouth Sewerage scheme being further advanced than it actually is.		
Renewal works	(113)	less
A number of programmed renewal projects were delayed due to time being committed to operations and the Greymouth sewerage capital works.		
New capital	(1,594)	less
Referring to capital expenditure identified above, mainly due to not as much work progressing on the Greymouth scheme in the 2011/2012 year.		
Subsidies/donations	(1,274)	less
Due to the Greymouth scheme not being as far progressed as originally estimated Council has not been able to draw down as much of the Central Government subsidy as budgeted.		
add funding from reserves	(219)	less
The balance of the capital cost of the scheduled works for the Greymouth scheme is funded from funds accumulated in a dedicated special fund. As the amount of work was lower the associated amount required from the reserve is lower		

[3.8] 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 compliance will be mandatory, however the government has announced a delay.

Council manages five water schemes, which are:

- Greymouth area
- Runanga/Arapahoe
- 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:

We have consulted with the following areas with respect to the future of their water supplies:

- Runanga/Dun Ollie/Arapahoe/Coal Creek;
- Dobson/Taylorville; and
- Stillwater






Current drinking water standards require that these schemes be upgraded to provide additional treatment at the source. This involves a significant capital cost, as well as increased operating and maintenance costs for the scheme. We have sought specific views of the community, including looking at the issues of:





- Upgrading the schemes based on current options/subsidies
- Looking at alternative options such as connecting to the Greymouth scheme
- Emphasising potential implications, including the risk of losing any subsidies if schemes aren't upgraded within specified timeframes

As a result of our discussions with the community, the LTP 2012/2022 includes the Runanga Water Supply upgrade in year 2, assuming a 50% subsidy being applied to the project. We have also planned for the Dobson/Taylorville/Kaiata water supply to be connected to the Greymouth Water Supply in year 2 (50% subsidy assumed). In year 3 we are signalling to connect the Stillwater supply through to Dobson, which will in effect connect it through to Greymouth (80% subsidy assumed).




[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	Performance targets	Target achieved?	note
			2011/2012	2012	
<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 and is safe to drink.</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 more than 95% of the time during the 2011/2012 year. There was a water supply interruption during the year which included a planned shutdown for connecting the new water main for Leith Crescent residents.
		Maximum % of unaccounted for water or water loss for Greymouth supply .	10%	?	The level of unaccounted for water for the Greymouth Supply during the 2011/2012 year is not known. Testing has not been completed to date due to the high number of industrial/commercial users.
	Maximum % of unaccounted for water for Runanga supply .	15%		The level of unaccounted for water for the Runanga Supply during the 2011/2012 year is estimated to be 3%. Re-testing is required for this supply.	
	Maximum % of unaccounted for water for Stillwater supply	5%		The level of unaccounted for water for the Stillwater Supply during the 2011/2012 year is estimated to be 1%.	
	Maximum % of unaccounted for water for Dobson/Taylorville supply .	15%		The level of unaccounted for water for the Dobson/Taylorville Supply during the 2011/2012 year is estimated to be 10%. Further testing is required in the Taylorville zone, Dobson seems to have no loss.	

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
		Maximum % of unaccounted for water for Blackball supply .	5%	☺	The level of unaccounted for water for the Blackball Supply during the 2011/2012 year is estimated to be 4%. Further testing is required for this water supply.
	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 59 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 1 hour and roads reopened within 24 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 59 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 1 hour and roads reopened within 24 hours . 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%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 77% of those surveyed were satisfied with Council's water supply. Where a respondent was using council supplied water 94% were satisfied with pressure and flow and 81% were satisfied with the appearance and taste of the water supply. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.
		Maximum number of complaints received annually.	5%	?	311 service requests were received regarding water during the year ended 30 June 2012. The majority of service requests were regarding water breaks and toby taps they were resolved by council's contractor at the time of receipt.
	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 was undertaken within the Greymouth area in May 2010. The completion of a working model and further testing are scheduled for the 2012/2013 year. Once the model is completed testing will be undertaken to increase reservoir storage to 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. Further work is to be undertaken during the 2012/2013 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.

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
	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 carryovers are \$800,000, which represents 40.2% of total operating expenditure.
	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 was one planned water shutdown during the 2011/2012 financial year. A mail box drop in the effected area informing residents of the shutdown was made 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	100%		<p>The infrastructure required for the Blackball water supply to meet the drinking water standard was constructed and operational as at February 2011 (upgrade commenced 2009/2010). This supply requires 12 months continuous sampling which is expected to be completed in November 2012. The remaining areas will not meet standards in full without upgrades. In the LTP 2012/2022, Council has included the Runanga Water Supply upgrade in year 2, assuming a 50% subsidy being applied to the project. We have also planned for the Dobson/Taylorville/Kaiata water supply to be connected to the Greymouth Water Supply in year 2 (50% subsidy assumed). In year 3 we are signalling to connect the Stillwater supply through to Dobson, which will in effect connect it through to Greymouth (80% subsidy assumed).*</p> <p>Below are the most recent gradings for council water supplies:</p> <ul style="list-style-type: none"> - 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

* This decision of council is based on concern for the cost to be borne by the local community to effect the required upgrades. Currently the subsidies are not available and Council considers the costs to be unaffordable, especially in the current economic climate. Looking at these costs in isolation they seem relatively small, however it is in the context that these costs are on top of increases faced from year to year to maintain the current level of service. Council's current strategy is to pass on minimal cost increases to the ratepayer.

There is a risk that if the subsidies are not utilised under the current scheme no subsidies may be available in the future, which would mean the ratepayer will have to fund the entire cost, Council however is currently of the opinion that a higher level of subsidy should be available across the board and/or the funding criteria re-visited if the standards are to be implemented. Council is one of the many small councils that have this opinion. A copy of the most recent water standards compliance record for council supplies is available upon request. Council finds itself in the position of trying to balance what is best for the community and what the community can afford. It currently considers the costs to be unaffordable.

[4.4] cost of service statement

WATER SUPPLY COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		-	-	-
Support costs		(224)	(87)	(187)
Operating & maintenance costs		(869)	(933)	(767)
Interest expense		(394)	(282)	(192)
Depreciation		(501)	(447)	(332)
	1	(1,988)	(1,749)	(1,478)
Capital items:				
Renewal works		(557)	(726)	(309)
New capital		(4)	(610)	(486)
Assets vested		-	-	-
Debt principal repayments		-	(36)	(69)
Funding of reserves		-	(28)	-
Internal loan payments		(34)	-	(44)
		(595)	(1,400)	(908)
TOTAL EXPENDITURE + CAPITAL		(2,583)	(3,149)	(2,386)
Funded by:				
Rates	1			
Rates - General		-	-	-
Rates - Targeted		1,824	1,780	1,782
Activity Income	1			
User charges		3	-	20
Subsidies/donations		(5)	424	378
Other revenue		-	-	-
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		-	417	71
add funding from reserves		63	81	82
Transfer from Ratepayer Equity		-	-	-
depreciation funded		501	447	332
Net funding surplus / (deficit)		(197)	-	279
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(1,988)	(1,749)	(1,478)
Rates income		1,824	1,780	1,782
Other activity operating income		(2)	424	398
Net Surplus/(Deficit)		(166)	455	702

[4.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
WATER SUPPLY		
General renewal projects	361	530
Implement LifeLine Upgrades - Dobson	-	87
Stillwater Filtration Plant	-	498
Life Lines Renewal (Alexander - Shakespeare St)	196	196
Miscellaneous new capital	4	24

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[4.6] variations from the LTCCP 2009/2019 – significant acquisitions

The following projects were signalled in the 2009/2019 LTCCP to be undertaken in the 2011/2012 year.

Significant capital projects	\$000s
Moana Scheme	1,239
Blackball Filtration Plant	-
Miscellaneous enhancement works	-
Impl LifeLine Rcmdn Dobson	9

Of these projects, the significant variations in the Annual Plan 2011/2012 from the projects signalled in the 2009/2012 LTP are:

Life Lines Renewal (Alexander – Shakespeare Street) – In its Annual Plan 2011/2012, Council approved this project because it high priority that the Dobson project programmed in the LTCCP.

Moana Scheme – This project has not eventuated because there is no demand from the community of Moana. It is not a Council supply.

[4.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Support costs 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 has been the case in 2011/2012	137	greater
Interest costs Actual interest costs are higher as they include the movement in Council recognises the fair value of its interest rate swaps as at balance date. Whilst this recognises the cost to Council should they exit these agreements as at balance date, Council does not intend to as they have been arranged to provide a longer term fixed interest cost for their borrowing. For water supply this has added \$162,000 to the recognised expenditure. More detail is provided in the notes to the financial statements.	112	greater
Renewal works A number of smaller renewal projects have been delayed due to time commitments being prioritised with other activities	(169)	less
New capital The budget signalled the upgrade of the Stillwater Water supply. Due to on going discussions with the Ministry of Health (who provide a large part of the funding) to look at alternative options this project has been delayed.	(606)	less
Subsidies/Donations Refer above comment regarding the Stillwater Water Supply	(429)	less
add new loans raised (including internal) A number of capital works project to be loan funded (included the Stillwater Water Supply upgrade) are still to be complete, and therefore the loans not yet required to be uplifted.	(417)	less

[4.8] 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 Arapahoe 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 McLean's Landfill as a 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 has committed to providing a kerbside recycling service to the greater Greymouth area, and will continue to provide the resource and recovery centres in the other townships. Council has launched this initiative in September 2012.

[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	Performance targets	Target achieved?	note
			2011/2012	2012	
<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 previous year		There was a 4.85% increase in waste per capita deposited in McLean's Landfill for the year 30 June 2012 compared with the previous year. Planned recycling facilities, which will reduce the level of waste deposited in McLean's Landfill, have opened in September 2012.
		Reduce the annual allocation of collected bags incorporated in targeted rate.	52		All properties with capital improvements and within the service area for refuse collection received an allocation of 52 refuse ties for 2011/2012 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 2012.
		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 McLean's Pitt during the year 1 July 2011 to 30 June 2012.
	The community is satisfied with the solid waste management service provided.	Number satisfied with service per user survey.	80%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. The survey covered the refuse collection service but did not include Council's landfill operations. 85% of participants were satisfied with Council's collection service. Of those participants who actually received the collection service 94% indicated they were satisfied with the service provided.
		Maximum number service requests per 1000 population received.	3.5		There were no service requests received regarding solid waste management during the 2011/2012 year.
	Operate compliant facilities.	Number of abatement notices.	nil		There were no abatement notices issued regarding solid waste management in the 2011/2012 year.

[5.4] cost of service statement

SOLID WASTE MANAGEMENT COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		-	-	-
Support costs		(108)	(64)	(84)
Operating & maintenance costs		(1,301)	(1,286)	(1,025)
Interest expense		(148)	(101)	(82)
Depreciation		(204)	(200)	(201)
	1	(1,761)	(1,651)	(1,392)
Capital items:				
Renewal works		(2)	(22)	(12)
New capital		(91)	(29)	(207)
Assets vested		-	-	-
Debt principal repayments		-	(108)	(114)
Funding of reserves		(83)	(83)	(52)
Internal loan payments		(132)	-	(19)
		(308)	(242)	(404)
TOTAL EXPENDITURE + CAPITAL		(2,069)	(1,893)	(1,796)
Funded by:				
Rates	1			
Rates - General		317	312	309
Rates - Targeted		926	915	819
Activity Income	1			
User charges		563	426	420
Subsidies/donations		-	40	-
Other revenue		-	-	-
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		-	-	-
add funding from reserves		55	-	170
Transfer from Ratepayer Equity		-	-	-
depreciation funded		204	200	201
Net funding surplus / (deficit)		(4)	-	123
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(1,761)	(1,651)	(1,392)
Rates income		1,243	1,227	1,128
Other activity operating income		563	466	420
Net Surplus/(Deficit)		45	42	156

[5.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
SOLID WASTE (LANDFILL & REFUSE COLLECTION)		
General renewal projects	2	22
McLeans recycling area	41	-
Cobden Landfill Reinstatement	32	25
Miscellaneous new capital	18	4

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[5.6] variations from the LTCCP 2009/2019 – significant acquisitions

No significant acquisitions were planned in the LTCCP 2009/2019.

Please refer to the variance explanation below.

[5.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Debt principal repayments The budget assumed the majority of the loan repayments would repay external debt. Per the below comment this has actually been directed towards internal debt repayment.	(108)	less
Internal loan payments Refer above comment.	132	greater
New capital Referring above to capital expenditure disclosure, the upgrading of the McLean's landfill site to accommodate recycling was still on-going in this financial year (work in progress)	62	greater
User charges Reflect a greater usage of McLean's Landfill facility.	137	greater
add funding from reserves The costs of the new recycling area for McLean's landfill referred to above have been funded from special funds	55	greater

[5.8] 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. McLean's 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 affect 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

EMERGENCY MANAGEMENT

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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).	5	😊	There were 12 meetings held between the CDEM Officer and Alternate Controllers to discuss current issues and areas for improvement during the 2011/2012 financial year.
		Percentage of available and trained personnel required for all aspects of the emergency plan.	100%	😞	As at 30 June 2012 95% 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.	75%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 81% of those surveyed felt they were well prepared for an emergency event. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.

RURAL FIRE

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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.	100%	😊	A draft budget was included in the agenda for the February 2012 Committee meeting. The draft budget was adopted by the committee with the February minutes being confirmed at May 2012 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 2011/2012 year.
		Minimum number of meetings per year.	5	😞	There were 5 WCRFA meetings held during the 2011/2012 year.
		Prepared response unit.	Time from receipt of call to mobilization.	20 minutes	😊
	Time from mobilization to arrival at fire scene for first fire suppression response.	60 minutes	😊	The above fire was put out completely within 60 minutes.	

[6.4] cost of service statement

EMERGENCY MANAGEMENT COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		(39)	(35)	(41)
Support costs		(58)	(62)	(44)
Operating & maintenance costs		(62)	(87)	(77)
Interest expense		-	-	-
Depreciation		(5)	(8)	(5)
	1	(164)	(192)	(167)
Capital items:				
Renewal works		(1)	(3)	-
New capital		(11)	(24)	-
Assets vested		-	-	-
Debt principal repayments		-	(4)	-
Funding of reserves		-	(2)	(17)
Internal loan payments		-	-	-
		(12)	(33)	(17)
TOTAL EXPENDITURE + CAPITAL		(176)	(225)	(184)
Funded by:				
Rates	1			
Rates - General		182	173	187
Rates - Targeted		-	-	-
Activity Income	1			
User charges		11	16	10
Subsidies/donations		-	6	-
Other revenue		-	-	-
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		9	22	-
add funding from reserves		1	-	9
Transfer from Ratepayer Equity		-	-	-
depreciation funded		5	8	5
Net funding surplus / (deficit)		32	-	27
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(164)	(192)	(167)
Rates income		182	173	187
Other activity operating income		11	22	10
Net Surplus/(Deficit)		29	3	30

[6.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
EMERGENCY MANAGEMENT		
General renewal projects & miscellaneous new capital	12	27

Renewal projects have been identified through Council’s Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[6.6] variations from the LTCCP 2009/2019 – significant acquisitions

No significant acquisitions were planned in the LTCCP 2009/2019.

The above variation is not significant.

[6.7] variations from budget

Nothing significant.

[6.8] 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. POSITIVE 	<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	Performance targets	Target achieved?	note
			2011/2012	2012	
<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 per the Resource Management Act).	All	😞	17 (44%) of the 39 potential landowners identified as needing a SNA agreement had signed an agreement as at the 30 June 2012. 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. Note: The number of potential land owners identified as needing an SNA agreement was reduced from 40 to 39 during the 2011/2012 year due to a review of ecological criteria.
		Annually monitoring a number of consents for compliance with conditions (% of total consents).	2%	😊😊	62 consents were monitored during the 2011/2012 year. This represents 7% of total consents (919).
		% of monitored consents complying with conditions.	90%	😊	All consents monitored complied with the conditions of their consent during the 2011/2012 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	😊	Councils' 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 2 plan changes in 2011/2012.
		Responding to privately initiated changes in the district plan.	within statutory requirements	n/a	There were no privately initiated changes to the district plan during the 2011/2012 year.
		District Plan Monitoring initiatives (i.e. number of monitoring projects undertaken).	2	😞	There were no district plan monitoring projects undertaken in the 2011/2012 year.
		Provide an efficient service.	Resource consents issued within statutory timeframe.	100%	😊
		Number of surveyed residents who are satisfied with departmental performance in the district.	60%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. The level of satisfaction with individual departments performance was not specifically surveyed.



AMENITY MANAGEMENT

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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 clean-up of litter and untidy properties.	100%		All 16 untidy property reports were dealt with as they occurred in the year ended 30 June 2012.
		Number of properties tidied up through positive communication and encouragement (% of identified properties).	75%		100% of untidy properties reported within the Grey District were tidied up through positive communication and encouragement in the 2011/2012 year.
		Number of properties tidied up through enforcement.	4		1 untidy property was given an abatement notice during the 2011/2012 year.
		Number of surveyed residents who feel the district is an attractive place to live.	90%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. The level of satisfaction with the attractiveness of the district was not measured as part of the survey.

HEALTH REGULATION

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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%		65 of 110 (59%) licensed premises were inspected in the 2011/2012 year. This result was due to staff unavailability.
		Food Outlets with minimum B grade.	100%		100% of food outlets issued a health licence in the year ended 30 June 2012 were of B grade or better.
		Reviewing the Gambling Venue Policy	as required by law	n/a	A review of the Gambling Venue Policy was not required in the 2011/2012 year. The gambling venue policy was last 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 .	80%		All noise complaints were mitigated during 2011/2012 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 2012.

BUILDING CONTROL

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
<p>ENVIRONMENTAL SUSTAINABILITY Good building control standards contribute to an attractive living/working environment.</p> <p>A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY COUNCIL SERVICES The activity contributes to a healthy, safe environment.</p> <p>ECONOMY: DEVELOPING NEW OPPORTUNITIES FOR LOCAL INVESTMENT It adds to the attraction for local investment.</p>	Administer the Building Act 2004 as efficiently as possible, ensuring other safety regulations are complied with.	Process % of building consents within statutory timeframes.	100%		99% of building consent were processed within the statutory time frames during the 2011/2012 financial year.
		Audit a minimum number of properties per annum for Building Warrant of Fitness compliance so as to achieve 100% coverage every 5 years.	20%		45 of 213 (21%) buildings were audited for Building Warrant of Fitness compliance during the 2011/2012 year. This result was due to staff unavailability.
		Number of surveyed residents who are satisfied with building control in the District.	90%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. The level of satisfaction with building control in the district was not measured as part of the survey.

ANIMAL CONTROL

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
<p>PERSONAL AND PROPERTY SAFETY Effective animal control protects the general public.</p>	Protect the public from dog and stock related nuisances.	Percentage of Dogs registered by due date (date before penalty is incurred).	90%		97% of the 2681 known dogs in the district were registered as at 31 July 2012.
		Number of surveyed residents who are satisfied with dog control in the district.	90%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. The level of satisfaction with individual departments performance was not specifically surveyed.

LIMS/PIMS

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
<p>ECONOMY: PRO-ACTIVE SERVICES PROVISION Providing quality information as efficiently as possible is important for sustaining economic growth.</p>	Provide an efficient property information service.	Issue 100% of Land Information Memorandum (LIMs) within statutory timeframe of 10 days.	100%		85% (214 of 251) of LIMS requested were completed within 10 working days during the year 1 July 2011 to 30 June 2012.
		Issue 100% of Project Information Memorandum (PIMs) within statutory timeframe of 20 days.	100%		97% of PIM's were issued within 20 days in the year ended 30 June 2012.

[7.4] cost of service statement

ENVIRONMENTAL SERVICES COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		-	-	-
Support costs		(1,548)	(1,610)	(1,568)
Operating & maintenance costs		(358)	(493)	(410)
Interest expense		-	-	-
Depreciation		(32)	(48)	(36)
	1	(1,938)	(2,151)	(2,014)
Capital items:				
Renewal works		-	-	-
New capital		-	(137)	(8)
Assets vested		-	-	-
Debt principal repayments		-	-	-
Funding of reserves		(36)	(83)	(19)
Internal loan payments		-	-	-
		(36)	(220)	(27)
TOTAL EXPENDITURE + CAPITAL		(1,974)	(2,371)	(2,041)
Funded by:				
Rates	1			
Rates - General		918	909	907
Rates - Targeted		-	-	-
Activity Income	1			
User charges		971	1,172	945
Subsidies/donations		-	-	-
Other revenue		7	42	18
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		-	-	-
add funding from reserves		9	200	-
Transfer from Ratepayer Equity		-	-	-
depreciation funded		32	48	27
Net funding surplus / (deficit)		(37)	-	(144)
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(1,938)	(2,151)	(2,014)
Rates income		918	909	907
Other activity operating income		978	1,214	963
Net Surplus/(Deficit)		(42)	(28)	(144)

[7.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
ENVIRONMENTAL SERVICES		
General renewal projects & miscellaneous new capital	-	137

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[7.6] variations from the LTCCP 2009/2019 – significant acquisitions

No significant acquisitions were planned in the LTCCP 2009/2019.

[7.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Operating & maintenance costs	(135)	less
Operating costs have been reduced where feasible to accommodate reduction in income (referred to below).		
New capital	(137)	less
The budget included a number of vehicle replacements which were assessed as not being required during the financial year		
Funding of reserves	(47)	less
The budgets include revenue from subdivision reserve contributions, which is transferred to a special fund for future expenditure. As this income level was lower the subsequent transfer to reserves is lower		
User charges	(201)	less
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, and expects these cost savings to continue into future years.		
Other revenue	(35)	less
The budgets include revenue from subdivision reserve contributions, which due to the lower level of subdivision consents is lower than forecast.		
Funding from reserves	(191)	less
Vehicle replacements which did not proceed (refer comments above under 'New Capital') were budgeted to be funded from reserves.		

[7.8] 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. ▪ On-going 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, on-going 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 ▪ On-going, 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:



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

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	Performance targets	Target achieved?	note
			2011/2012	2012	
<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.	60%		There is no accurate measure of how many aircraft using the facility are not being recorded by the camera monitoring system. It is estimated however that <60% are being recorded. It would require significant further investment in the camera and recording technology to close this gap.
		Maximum number of complaints received annually.	7		There were no recorded complaints regarding the airport during the 2011/2012 year.
		Number satisfied with the service.	70%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 47% of those surveyed were satisfied with the efficiency with which the Greymouth Aerodrome is run. 46% of participants either didn't know or felt this question was not applicable to them. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.

PORT OF GREYMOOUTH					
How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
<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.	100%	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.	100%		Extensive dredging was carried out which covered all areas identified during consultation with port users as required for operational activities. The dredging of the area was completed in July 2010, and no further dredging is expected for the next 5 years.
		Number of primary users satisfied with the service	85%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 41% of those surveyed were satisfied with the efficiency with which the port is run. The survey did not specifically target the primary users of the port 45% of participants either didn't know or considered this question not applicable. Council meets with the primary uses of the port at least twice yearly. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.
	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%		Land lease renewals/reviews undertaken in line with the provisions of applicable legislation. Non-payment of leases continue with the number of Lessees involved reasonably small. Legal action to address the matter has been taken and will be concluded in October 2012.

PARKING

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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 2012.
	The community is satisfied with public car parking.	Complaints about the service (excluding infringement appeals).	10		There were no specific complaints regarding the parking service provided by council during the 2011/2012 year.
		Number satisfied, per user survey.	65%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 73% of those surveyed were satisfied with the availability of Public Parking. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.

[8.4] cost of service statement

OTHER TRANSPORT COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		(232)	(55)	(219)
Support costs		(209)	(213)	(191)
Operating & maintenance costs		(444)	(383)	(767)
Interest expense		(270)	(107)	(138)
Depreciation		(272)	(399)	(267)
	1	(1,427)	(1,157)	(1,582)
Capital items:				
Renewal works		(349)	(371)	-
New capital		(55)	(3)	(130)
Assets vested		-	-	-
Debt principal repayments		-	(88)	-
Funding of reserves		(165)	(194)	(1,181)
Internal loan payments		(25)	-	(31)
		(594)	(656)	(1,342)
TOTAL EXPENDITURE + CAPITAL		(2,021)	(1,813)	(2,924)
Funded by:				
Rates	1			
Rates - General		177	176	154
Rates - Targeted		-	-	-
Activity Income	1			
User charges		519	438	504
Subsidies/donations		-	-	-
Other revenue		197	124	916
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		377	275	102
add funding from reserves		485	401	1,029
Transfer from Ratepayer Equity		-	-	-
depreciation funded		272	399	267
Net funding surplus / (deficit)		6	-	48
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(1,427)	(1,157)	(1,582)
Rates income		177	176	154
Other activity operating income		716	562	1,420
Net Surplus/(Deficit)		(534)	(419)	(8)

[8.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
OTHER TRANSPORT		
General renewal projects	-	14
Aerodrome reseal	305	336
Port - Breakwater renewals	44	-
Viewing Platform - Southern Breakwater	21	-
Miscellaneous new capital	34	3

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[8.6] variations from the LTCCP 2009/2019 – significant acquisitions

No significant acquisitions were planned in the LTCCP 2009/2019.

The significant variation in the Annual Plan 2011/2012 from the projects signalled in the 2009/2012 LTP is:

Aerodrome reseal – In its Annual Plan 2011/2012, Council approved this project because the reseal was required earlier than anticipated.

[8.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Employee costs	177	greater
The budget didn't include Port Wages, as at the time of preparing the budgets Council was still finalising taking a more direct control of port operations.		
Interest expense	163	greater
Actual interest costs are higher as they include the movement in Council recognises the fair value of its interest rate swaps as at balance date. Whilst this recognises the cost to Council should they exit these agreements as at balance date, Council does not intend to as they have been arranged to provide a longer term fixed interest cost for their borrowing. For port operations this has added \$119,000 to the recognised expenditure. More detail is provided in the notes to the financial statements.		
Depreciation and Depreciation Funded	(127)	less
Due to some assets being used beyond their original estimated useful life, and are therefore already fully depreciated		
Other revenue	73	greater
Reflects the gain on sale of various port property sold throughout the year being higher than budgeted		
add new loans raised (including internal)	102	greater
Net Port of Greymouth deficits are funded from special funds (per below) and the balance of the net cost is funded from an internal loan		
add funding from reserves	84	greater
Net Port of Greymouth deficits are funded from special funds, specifically proceeds from Harbour endowment land sales		

[8.8] 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.
---------------	--------	---

[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

PROPERTY

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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 was done in April 2011 by the Property Sub-Committee of Council. A copy of the minutes of property sub-committee meeting are available upon request.
		Portion of identified surplus land per lists cleared for sale annually.	60%		All land identified as available for sale by the property sub-committee was being assessed by the Assets Management and Environmental Services departments for confirmation of its availability for sale as at 30 June 2012.
		% 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.

RETIREMENT HOUSING

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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 near 100% occupancy rates in its flats throughout the 2011/2012 year. Some flats were vacant for short periods to enable Council to perform maintenance and repairs on them.
		Complaints about the facilities.	Maximum 7pa		There were no recorded complaints regarding the housing facilities provided by Council in the 2011/2012 year.
		Number of new units developed.	20		No new units were developed during the year ended 30 June 2012 due to third party funding being unavailable.

[9.4] cost of service statement

PROPERTY & HOUSING COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		-	-	-
Support costs		(177)	(188)	(157)
Operating & maintenance costs		(847)	(639)	(607)
Interest expense		(94)	(82)	(52)
Depreciation		(198)	(252)	(218)
	1	(1,316)	(1,161)	(1,034)
Capital items:				
Renewal works		(1)	(137)	(9)
New capital		(66)	-	(254)
Assets vested		-	-	-
Debt principal repayments		-	(38)	(14)
Funding of reserves		(15)	(206)	(301)
Internal loan payments		(7)	-	(11)
		(89)	(381)	(589)
TOTAL EXPENDITURE + CAPITAL		(1,405)	(1,542)	(1,623)
Funded by:				
Rates	1			
Rates - General		-	-	-
Rates - Targeted		-	-	-
Activity Income	1			
User charges		745	664	708
Subsidies/donations		-	-	2
Other revenue		15	76	250
Internal recoveries		221	246	136
Other sources of funds				
add new loans raised (including internal)		68	120	30
add funding from reserves		216	184	278
Transfer from Ratepayer Equity		-	-	-
depreciation funded		89	252	218
Net funding surplus / (deficit)		(51)	-	(1)
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(1,316)	(1,161)	(1,034)
Rates income		-	-	-
Other activity operating income		981	986	1,096
Net Surplus/(Deficit)		(335)	(175)	62

[9.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
PROPERTY AND HOUSING		
General renewal projects	1	17
Council chambers renewal	-	120
Council chambers upgrade	66	-

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[9.6] variations from the LTCCP 2009/2019 – significant acquisitions

The following projects were signalled in the 2009/2019 LTCCP to be undertaken in the 2011/2012 year.

Significant capital projects	\$000s
New Retirement Rental Units	2,252

Of these projects, the significant variations in the Annual Plan 2011/2012 from the projects signalled in the 2009/2012 LTP are:

New Retirement Rental Units – This project has not eventuated because there is no demand from the community.

Council chambers upgrade – See variance explanation below.

[9.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Operating & maintenance costs	208	greater
The maintenance of Council's retirement flats cost \$100,000 more than budget due to a number of unforeseen issues. An additional \$100,000 was spent on Council lease related costs, mainly on legal issues		
Depreciation and Depreciation Funded	(162)	less
The depreciation expense in this activity is not fully funded, there is less money available for renewals, capital, debt repayment, and reserve transfers.		
Renewal works	(136)	less
A \$120,000 renewal project on Council's main office has been delayed due to other project commitments		
New capital	66	greater
This relates to a small amount of remaining work on Council's main office upgrade that was completed early in the financial year		
Other revenue	(61)	less
Reflects the gain on sale of various property sold throughout the year being less than previous years, and less than budgeted		
Funding from reserves	(191)	greater
Reflects the large operating and maintenance costs detailed above		

[9.8] 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 contribute 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.

The Spring Creek Aquatic Centre (Runanga Pool) has also been very successful for the Runanga community, as it was well-patronised for its first season.

[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	Performance targets	Target achieved?	note
			2011/2012	2012	
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.	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 carryovers are \$49,000, which represents 1.1% 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 13 service requests recorded regarding parks and reserves during the 2011/2012 financial year.
	A rationalization of Council's parks and reserves portfolio.	Number satisfied with facilities/service, per user survey.	75%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 89% of those surveyed were satisfied with Council's Parks and reserves.
	Review completed by 30 June 2010.		n/a	😞	A review of Council's parks and reserves portfolio was not completed in the year ended 30 June 2012. This review is no longer planned in the LTP 2012/2022.


IN HOUSE TASK FORCE

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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.	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 on-going basis.	28		41 Properties were maintained on an on-going basis by the in-house taskforce during the year 1 July 2011 to 30 June 2012.
		Numbers of other tasks performed annually.	300		Council's In-House Task Force completed 715 Tasks throughout the 2011/2012 financial year.

REST ROOMS

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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: A HEALTHY, POSITIVE COMMUNITY THROUGH ACCESS TO QUALITY, AFFORDABLE COUNCIL SERVICES Public conveniences support healthy, safe communities.	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 9 service requests regarding restrooms for the year 1 July 2011 to 30 June 2012.
		Number satisfied with facilities/service, per residents survey.	75%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. 75% of those surveyed were satisfied with Council's restroom facilities/services. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.

ARTS CULTURE AND HERITAGE

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
<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.	4,200		History House had 2333 visitors in the year ended 30 June 2012. The target set for visitors was optimistic based on greater marketing of the facility which did not occur.
		New booklets produced.	4		History House staff produced 135 small publications during the period 1 July 2011 to 30 June 2012.
		Family histories researched.	2		History House completed 156 research requests for the year ended 30 June 2012. 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 approximately \$63,200 of funding towards the running of History House during the 2011/2012 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.	25,000		The West Coast Theatre Trust received a grant through the 2011/2012 annual plan of \$25,000 plus GST. The Trust was also paid a lump sum advance of \$100, 000 (\$25,000 for the next four years). The total paid to the Trust was \$125,000 for 2011/2012.
	Maintain involvement in Coal River Park.	Maintain financial support until completion of project and registration as a national heritage walkway.	15,000		The Greymouth Heritage Trust received a grant through the 2011/2012 annual plan of \$15,000 plus GST.
		Council representative to attend all meetings of Coal River Park Committee.	100%	n/a	There were no meetings of the Coal River Park Committee during the year ended 30 June 2012.

LIBRARIES

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
<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	☺	At 30 June 2012: • Physical items: 30,667 • Members-only online items: 126 • Online shared items: 1587 plus the Project Gutenberg collection of more than 23,000 books Total items: 32,380 excluding Gutenberg Collection Note – figures relating to the collection are taken from the library database and do not include the older books at Runanga Library that are not on the database
		No more than a % of stock being older than 8 years.	20%	☹	29% of library stock as at 30 June 2012 was older than 8 years.
		Maintain library membership at a minimum of % of the population.	50%	☹	During the 2011/2012 year 6,200 or 47% 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 2011/2012 year was 114,978 .
		Maintain non fiction collection that has an educational component at a minimum ratio of the collection material.	45%	☹	As at 20 June 2012, 36.5% of the libraries physical stock is non-fiction. This is expected to trend downwards as customers search for information on-line and as libraries provides greater amounts non-fiction material on-line. Grey District Library provides access to thousands of journals, and articles through subscription databases. Also, many fiction books, including the whole children's collection, could be said to have an educational component.
	Provide internet access to quality online information.	Occupancy rate of Aotearoa Peoples Network.	77%	☺☺	As at 30 June 2012, the Aotearoa Peoples Network computers had an overall occupancy rate of 86.3%. This downward trend was expected as wireless access has increased.
	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 2011/2012 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	Performance targets	Target achieved?	note
			2011/2012	2012	
<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 standards as required by New Zealand Standard 5826:2010 Pool Water Quality throughout the 2011/2012 year. Records of all water tests carried out are held at the Aquatic Centre.
		Number of complaints about the facilities per annum.	5	☺	There were no recorded complaints regarding the Aquatic Centre for the period 1 July 2011 to 30 June 2012.
		Number satisfied with facilities/service, per user survey.	90%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. Participants were not asked about their satisfaction with Council's Swimming pool facilities.
	Recover maximum income outside of rates.	Total visitor numbers - Greymouth.	100,000	☺	The Aquatic centre had 103,648 visitors year end 30 June 2012 .
		Number of "non leisure" users - Greymouth.	increasing	☺	There were 8,163 non-leisure users of the Aquatic centre during the year ended 30 June 2012. An Increase of 18% from the year ended 30 June 2011.
		Total visitor numbers - Runanga.	4,000	☹	The Runanga Swimming Pool had 3,554 visitors year end 30 June 2012 .
Secure on going sponsorship.		term contract in place	☹	Negotiations to secure a sponsor for the Greymouth Aquatic Centre have so far been unsuccessful. The Spring Creek Aquatic Centre in Runanga secured a long term sponsorship agreement in 2009.	

CEMETERIES

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
<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 2011/2012 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 2011/2012 year.
		Number satisfied with facilities/service, per residents survey.	85%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. The level of satisfaction with Council cemeteries was not included in the survey. Refer to page 59 for further information regarding accuracy of survey results and the methodology used in collection of data.

CIVIC CENTRE

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
<p>HEALTH: COMMUNITY PHYSICAL AND MENTAL HEALTH. enhances health of community by providing training facilities.</p> <p>IDENTITY: QUALITY AND AFFORDABLE RECREATIONAL FACILITIES provides facilities for leisure and competitive sport.</p>	Provide and maintain an indoor sports facility.	Number of hours used per year.	1,200		The Civic Centre was used for a total of 1,072 hours during the 2011/2012 year. The earthquake assessment report impacted on user groups during March/April with schools, polytech and sports not hiring until reassessment took ratings from 23 to 40%. Grey High's new gymnasium split the Basketball usage between the 2 facilities. GDC implemented a non-commercial hireage policy to protect local businesses which meant no exposes were eligible other than Craft Fairs.
		Number of regional events staged per year.	4		There were six Regional events held in the Civic Centre during the year ended 30 June 2012.
		Number of National and/or events generated from outside the region staged.	1		Two national events were staged in the Civic Centre during the period 1 July 2011 to 30 June 2012.
		Maximum number of complaints about facility per annum.	1		No formal complaints were received regarding the Civic Centre facilities during the year ended 30 June 2012.

[10.4] cost of service statement

DISTRICT FACILITIES & EVENTS COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		(965)	(952)	(1,036)
Support costs		(376)	(329)	(277)
Operating & maintenance costs		(1,886)	(1,403)	(1,839)
Interest expense		(529)	(107)	(282)
Depreciation		(729)	(609)	(622)
	1	(4,485)	(3,400)	(4,056)
Capital items:				
Renewal works		(127)	(204)	(54)
New capital		(1,006)	(3,007)	(1,019)
Assets vested		-	-	-
Debt principal repayments		-	(36)	(158)
Funding of reserves		(679)	(442)	(2)
Internal loan payments		(205)	-	(64)
		(2,017)	(3,689)	(1,297)
TOTAL EXPENDITURE + CAPITAL		(6,502)	(7,089)	(5,353)
Funded by:				
Rates	1			
Rates - General		2,128	2,118	1,882
Rates - Targeted		-	-	-
Activity Income	1			
User charges		749	691	688
Subsidies/donations		1,720	2,930	762
Other revenue		-	-	5
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		-	-	100
add funding from reserves		630	741	501
Transfer from Ratepayer Equity		-	-	-
depreciation funded		729	609	622
Net funding surplus / (deficit)		(546)	-	(793)
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(4,485)	(3,400)	(4,056)
Rates income		2,128	2,118	1,882
Other activity operating income		2,469	3,621	1,455
Net Surplus/(Deficit)		112	2,339	(719)

[10.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
COMMUNITY FACILITIES AND EVENTS		
General renewal projects	71	145
Moana Foreshore Development	257	30
Spring Creek Swimming Pool	225	25
Proposed Miners' Recreation Centre	324	2,500
Coastal Pathway	1	364
Library collection purchases	58	55
Northern EcoCluster Project	6	10
Pike River Memorials	170	-
Miscellaneous new capital	22	76

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[10.6] variations from the LTCCP 2009/2019 – significant acquisitions

No significant acquisitions were planned in the LTCCP 2009/2019.

The significant variations in the Annual Plan 2011/2012 from the projects signalled in the 2009/2012 LTP are:

Moana Foreshore Development – This project was completed after consultation with the community and was funded by carry forwards.

Spring Creek Swimming Pool – This project was community-led and Council contributed using special reserves.

Proposed Miners' Recreation Centre – See the variance explanation below.

Coastal Pathway – The budget for this project was mistakenly put in this activity. The expenditure is in Land Transport, which is the correct activity.

Pike River Memorials – These projects were community-led and funded from grants.

[10.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Operating & maintenance costs	483	greater
The operating costs of the Greymouth Aquatic centre are higher than budgets as the actual costs become known. In addition an additional grant of \$100,000 was provided to the West Coast Theatre Trust to cover a funding shortfall.		
Interest expense	422	greater
Actual interest costs are higher as they include the movement in Council recognises the fair value of its interest rate swaps as at balance date. Whilst this recognises the cost to Council should they exit these agreements as at balance date, Council does not intend to as they have been arranged to provide a longer term fixed interest cost for their borrowing. For the aquatic centre this has added \$219,000 to the recognised expenditure. More detail is provided in the notes to the financial statements.		
New capital	(2,001)	less
The budget assumed \$2.5 million would have been spent progressing the proposed Miners' Recreation Centre. Due the fund raising still being in progress the actual expenditure to date is \$324,000.		
Funding of reserves	237	greater
Unspent funding towards the Miners' Recreation Centre (\$676,000) has been transferred to a reserve, to such time that the funds are spent. This wasn't included in the budget, as it was assumed funds raised would match funds spent. Other transfers are less as the actuals are reflected in interest expenditure and internal loan repayments.		
Internal loan payments	205	greater
Part of the loan repayments for the Aquatic Centre were disclosed as Funding of Reserves in the budget, where the actual has been used to repay internal debt		
Subsidies/donations	(1,210)	less
The budget assumed \$2.5 million would be raised towards the Miners' Recreation Centre, whereas the actual received was \$1 million.		

[10.8] 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	Performance targets	Target achieved?	note
			2011/2012	2012	
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 2011/2012.
		Council member adhering to Code of Conduct (based on maximum number of issues raised during the year)	4	😊	No issues were raised in respect of Council members adhering to the code of conduct during the 2011/2012 year.
		Council adherence to Triennial Agreement (based on maximum number of issues raised during the year).	2	😊	No formal issues about Council adherence to the Triennial Agreement were raised during the 2011/2012 year. A number of minor issues regarding the Triennial Agreement were raised and resolved at the Mayors and chairs meetings throughout the year.
	Effective consultation and communication.	Number of surveyed residents who feel that they have an effective say in Council business.	75%	?	A satisfaction survey was undertaken between 23 May 2011 and 6 June 2011. A measure of whether residents felt they had an effective say in Council was not part of the survey.
		% of correspondence replied to within 10 working days.	75%	😞	62% of correspondence received and recorded in the 2011/2012 year was responded to within 10 working days.
	Transparent processes.	% of agenda items held in open Council.	75%	😊	86% of all agenda items were held in open Council for the year ended 30 June 2012.

ECONOMIC DEVELOPMENT

How it contributes to our community outcomes	Council's goal	How we measure our performance	Performance targets	Target achieved?	note
			2011/2012	2012	
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.	✓	😊	As at 30 June 2012, an Economic Development and Marketing Officer was employed. This position provides support to events in the District as well.
		Maintain financial commitment to Tourism West Coast.	\$83,000	😊	Tourism West Coast was allocated \$83,200 in funding during 2011/2012 Annual Plan.
		Maintain financial commitment to Business and Promotion Association.	\$24,500	😞	The Greymouth Business and Promotion Association was allocated \$5,000 in funding in the 2011/2012 Annual Plan.
		Maintain financial commitment to Information Centre (under BPA contract).	\$50,000	😊	The Greymouth i-Site was allocated \$50,000 in funding from council as part of the 2011/2012 Annual Plan. Post 30 June 2012 The Greymouth i-Site was taken over by private enterprise therefore Council will no longer be providing funding towards the centre.

[11.4] cost of service statement

DEMOCRACY & ADMINISTRATION COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		(3,025)	(3,040)	(3,100)
Support costs		(1,026)	(1,188)	(870)
Operating & maintenance costs		(2,091)	(2,145)	(2,215)
Interest expense		-	(56)	-
Depreciation		(137)	(356)	(114)
	1	(6,279)	(6,785)	(6,299)
Capital items:				
Renewal works		(76)	(115)	(142)
New capital		(395)	(648)	(3)
Assets vested		-	-	-
Debt principal repayments		-	(32)	-
Funding of reserves		(904)	(584)	(616)
Internal loan payments		-	-	-
		(1,375)	(1,379)	(761)
TOTAL EXPENDITURE + CAPITAL		(7,654)	(8,164)	(7,060)
Funded by:				
Rates	1			
Rates - General		1,287	1,233	1,222
Rates - Targeted		228	209	225
Activity Income	1			
User charges		168	154	194
Subsidies/donations		81	91	84
Other revenue		529	324	559
Internal recoveries		4,732	4,985	4,470
Other sources of funds				
add new loans raised (including internal)		45	416	-
add funding from reserves		374	407	346
Transfer from Ratepayer Equity		-	-	-
depreciation funded		137	356	114
Net funding surplus / (deficit)		(73)	11	154
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(6,279)	(6,785)	(6,299)
Rates income		1,515	1,442	1,447
Other activity operating income		5,510	5,554	5,307
Net Surplus/(Deficit)		746	211	455

[11.5] major asset acquisitions or replacements

	Actual 2012 \$000	Budget 2012 \$000
DEMOCRACY AND ADMINISTRATION		
General renewal projects	2	11
New corporate software - phase one	201	582
IT renewals/replacements	74	103
Miscellaneous new capital	194	66

Renewal projects have been identified through Council's Asset Management Plans and prioritised by Council through the Annual Plan process.

New capital works have been undertaken on the basis that Council has identified them as required to increase the level of service and/or meet extra demand.

[11.6] variations from the LTCCP 2009/2019 – significant acquisitions

The following projects were signalled in the 2009/2019 LTCCP to be undertaken in the 2011/2012 year.

Significant Capital Projects	\$000s
Digital aerial photography	248
Corporate software system	338

Of these projects, the significant variations in the Annual Plan 2011/2012 from the projects signalled in the 2009/2012 LTP are:

Corporate software system – See variance explanation below.

Digital aerial photography – This project is on hold. Council have not committed to full replacement yet.

[11.7] variations from budget

	actual variance to budget \$000	greater or less than budget
Depreciation and Depreciation Funded	(219)	less
Due to some assets being used beyond their original estimated useful life, mainly vehicles and IT equipment.		
New capital	(253)	less
The budget includes the first stage of replacing the core financial/regulatory computer system. This project has been slightly delayed and the majority of expenditure will be spent in the following financial year.		
Funding of reserves	320	greater
Refer below comment regarding other revenue, the majority of which has been transferred to reserves.		
Other revenue	205	greater
This reflects the higher level of interest returned on Council investments than forecast in the budget. This is transferred to special funds (funding of reserves).		
Internal recoveries	(253)	less
Given lower overall expenditure, the amount required to be recovered from activities is less		
add new loans raised (including internal)	(371)	less
Given the lower amount of new capital expenditure, the loan funding required for the project has not yet been uplifted.		

[11.8] 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	Performance targets	Target achieved?	note
			2011/2012	2012	
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 levels of crime recorded in surveys and official statistics	?	Refer below statistics. These relate to the entire West Coast area, statistics not readily available for Grey District alone. The statistics show a continuing decrease for 2011/2012, however a better indication will be the trend over a longer time period.
		Levels of re-offending.	reducing levels of re-offending recorded in surveys and official statistics	?	Not available.

SUMMARY OF RECORDED CRIME - TOTAL CRIME *					
years ending 30 June					
	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
total crime recorded on West Coast	3,056	3,338	2,986	2,894	2,843
variance		9.2%	-10.5%	-3.1%	-1.8%
Recorded per 10,000 population	946.0	1,028.7	913.3	882	861
variance		8.7%	-11.2%	-3.4%	-2.4%

Source of statistics – New Zealand Police Statistics for fiscal year ending 30 June 2012, published October 2012.

cost of service statement

LIASION WITH OTHER AGENCIES COST OF SERVICE STATEMENT	note	Actual 2012 \$000	Budget 2012 \$000	Last Year \$000
Funding Required:				
Operating expenditure:	1			
Employee costs		-	-	-
Support costs		(51)	(52)	(46)
Operating & maintenance costs		(59)	(68)	(76)
Interest expense		-	-	-
Depreciation		-	-	-
	1	(110)	(120)	(122)
Capital items:				
Renewal works		-	-	-
New capital		-	-	-
Assets vested		-	-	-
Debt principal repayments		-	-	-
Funding of reserves		-	-	-
Internal loan payments		-	-	-
		-	-	-
TOTAL EXPENDITURE + CAPITAL		(110)	(120)	(122)
Funded by:				
Rates	1			
Rates - General		55	54	58
Rates - Targeted		-	-	-
Activity Income	1			
User charges		-	38	46
Subsidies/donations		47	28	39
Other revenue		-	-	-
Internal recoveries		-	-	-
Other sources of funds				
add new loans raised (including internal)		-	-	-
add funding from reserves		-	-	-
Transfer from Ratepayer Equity		-	-	-
depreciation funded		-	-	-
Net funding surplus / (deficit)		(8)	-	21
(Note1) Activity income statement				
		Actual 2012 \$000	Budget 2011/2012 \$000	Actual 2011 \$000
Total operating expenditure		(110)	(120)	(122)
Rates income		55	54	58
Other activity operating income		47	66	85
Net Surplus/(Deficit)		(8)	-	21

[12.4] major asset acquisitions or replacements

Nil.

[12.5] variations from the LTCCP 2009/2019 – significant acquisitions

No significant acquisitions were planned in the LTCCP 2009/2019.

[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 125.

West Coast Rural Fire Authority: [d] [6] emergency management, page 91.

It is noted that Council has exempted both these organisations under section 7(3) of the Local Government Act 2002. This exemption was renewed on 12 March 2012.

[2] formation of a new Council Controlled Organisation (CCO)

Council signalled in the 2012/2022 LTP that the proposed Miners' Recreation Centre (the Centre) would be funded fully from external grants, donations and sponsorship. Since the Council cannot qualify as a charitable organisation, it was decided that an independent charitable trust should be formed to be used as a funding vehicle for the Centre. The proposal was consulted on with the community from 10 July to 10 August 2012 and Council resolved to form the West Coast Recreation Centre Trust, a CCO, on 27 August 2012. The Council intends to exempt the CCO under section 7(3) of the Local Government Act 2002; however a Statement of Intent has been prepared, consulted upon, and adopted by Council. This statement of intent narrows the purpose of the Trust and sets a key performance target. The target is to deliver the funding required to complete the Miners' Recreation Centre.