



Grey District Council Annual Report 2019/2020

THRIVING, CONNECTED AND RESILIENT
GREY DISTRICT

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PART A: Introduction

Foreword from Her Worship the Mayor and the Chief Executive

Welcome to the 2019/2020 Annual Report. This report is significant in two ways:

Firstly, it is the first financial year your new Council have presided over and secondly, it is the first report impacted by COVID-19.

This report compares the years results to what we planned to do which is detailed in our 2019/20 Annual Plan. In the Annual Plan we tell you what we are going to do for the year and how we will fund these programmes. The Annual report you have before you tell you how well we performed against the targets and what changed during the year.

The result is a surplus of \$29.704m, compared to budgeted surplus of \$3.88m. The details of which and why the surplus varies can be found through this document.

More significantly is our capital programme, where we projected to spend \$15.3m but only achieved \$9.76m. Most notable of which was the delay in some water projects and a significant bridging project.

We completed the following planned infrastructure project:

- Stage 1 of the Tasman Street Stormwater upgrade.

We added to the programme and completed the following projects:

- New public toilets completed in Rapahoe, Blaketown and Blackball.
- Westland Recreation Centre work to obtain Code of Compliance Certificate.
- Set up of joint Emergency Operations Centre and Emergency Co-ordination Centre in conjunction with the West Coast Regional Council.

But had to delay these projects due to the above additions and COVID-19:

- Stormwater General Renewals
- Kaiata water supply
- Replacement Reservoir
- Croesus Road Upgrade (completed 2020/21)

Council's focus into the new financial year will be the delivery of the projects it set out in its current Annual Plan.

The local body elections took place in October 2019 which resulted in a new-look Council, the Grey District electing a new Mayor after the retirement of Tony Kokshoorn, its first in 5 terms, along with three new councillors.

On 31 December 2019 the World Health Organisation was notified of the outbreak of a virus we now know as COVID-19. It was a challenging time during which council staff continued to deliver essential services and provided support to the community. Whilst there was little impact on Council and its day to day operations it did impact the delivery of part of the capital programme. However, Covid-19 may have a long tail and as yet the impact on Council resources and ratepayers ability to meet their rates obligations into the future is not yet clear.

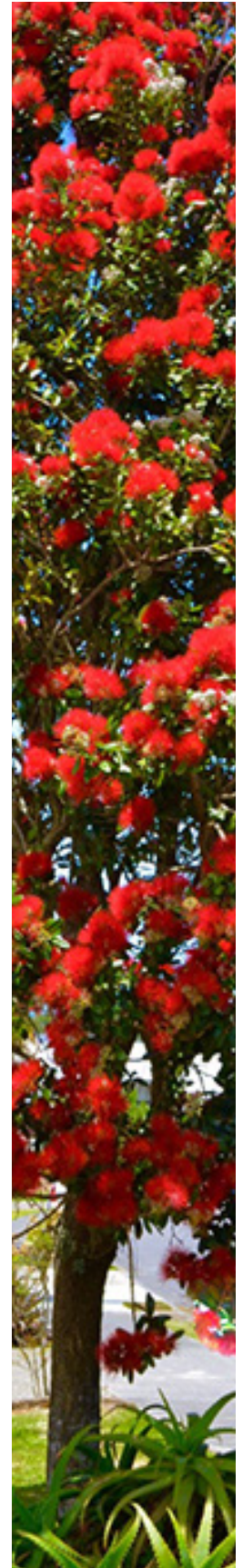
Looking forward Council has been successful in securing significant Central Government funding to repair and renew 3 critical bridges being Moonlight, Rough River and William Stewart, an upgrade to the Port of Greymouth Slipway and new berths, along with various new water reservoir projects that should secure the water supply for Greymouth and surrounds. Our job now is to ensure these projects, along with our planned business as usual projects, are completed on time and on budget.



T K Gibson
MAYOR



P Morris
CHIEF EXECUTIVE



Councillors and their portfolios as at 30 June 2020

	<p>Tania Gibson</p> <p>Position: Mayor</p> <p>Portfolio Responsibilities: Economic Development, Aged Care, Young People, Tourism, Retirement housing</p>		<p>Allan Gibson</p> <p>Position: Deputy Mayor</p> <p>Portfolio Responsibilities: Three waters (Water, Stormwater, Sewerage)</p>
	<p>Murray Hay</p> <p>Position: Councillor Central Ward</p> <p>Portfolio Responsibilities: Community Safety and Resilience (Civil Defence and Emergency Management, Sea inundation).</p>		<p>Tim Mora</p> <p>Position: Councillor Central Ward</p> <p>Portfolio Responsibilities: Climate Change (Zero Carbon, Forestry, Solid Waste).</p>
	<p>Patrick McBride</p> <p>Position: Councillor Central Ward</p> <p>Portfolio Responsibilities: Community Facilities (Libraries, Cemeteries, History House).</p>		<p>Anton Becker</p> <p>Position: Councillor Eastern Ward</p> <p>Portfolio Responsibilities: Spatial Development, Finance and Risk.</p>
	<p>Rose Green</p> <p>Position: Councillor Northern Ward</p> <p>Portfolio Responsibilities: Community Health and Wellbeing promotion (Sport and Recreation, Parks and Reserves, Health).</p>		<p>Peter Haddock</p> <p>Position: Councillor Southern Ward</p> <p>Portfolio Responsibilities: Transport (Roads, footpaths and kerbing, Airport, Port and Cycle Trails).</p>



Rex MacDonald

Position: Councillor Southern Ward

Portfolio Responsibilities: CEO and Council Employer obligations, Disabled people.



Francois Tumahai

Position: Kaiwhakahaere (iwi representative)

Portfolio Responsibilities: Community Identity (Maori, New Coasters, Citizenship Ceremonies).

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 goal.
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.	

Management

Chief Executive Officer	Paul Pretorius (to 31 March 2020) Paul Morris (from 16 March 2020)
Community Development Manager	Dearne Thompson
Corporate Services Manager	Paul Morris (to 15 March 2020) Kathryn Ruddle (from 16 March 2020)
Environmental Services Manager	John Canning
Infrastructure Services Manager	Mel Sutherland



Contact details

Postal Address	PO Box 382, Greymouth 7480
Main Office	105 Tainui Street, Greymouth Tel: +64 03 769 8600 Info@greydc.govt.nz www.greydc.govt.nz Facebook: /GreyDC Twitter: @GreyDistrict

Corporate Services	info@greydc.govt.nz
Environmental Services	environmental.services@greydc.govt.nz
Infrastructure Services	infrastructure@greydc.govt.nz
Runanga Service Centre	25 Carroll Street, Runanga Tel: +64 03 762 7813
Grey District Library	18 Albert Street, Greymouth Tel: + 03 768 5597 library@greydc.govt.nz
Runanga Library	25 Carroll Street, Runanga Tel: +64 03 762 7813
Westland Recreation Centre	83 High Street, Greymouth Tel: +64 03 768 9076 WRC@greydc.govt.nz
Port of Greymouth	C/- 105 Tainui Street, Greymouth

PART B: Independent Auditor's Report

Independent Auditor's Report

To the readers of Grey District Council's annual report for the year ended 30 June 2020

The Auditor-General is the auditor of Grey District Council (the District Council). The Auditor-General has appointed me, Chris Genet, using the staff and resources of Audit New Zealand, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 14 December 2020. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 21 to 91
 - present fairly, in all material respects:
 - the District Council's financial position as at 30 June 2020; and
 - the results of its operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- the funding impact statement on page 92 to 93, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Annual Plan;
- the statement of service provision referred to as the Group of Activity Statements on pages 104 to 189:

- presents fairly, in all material respects, the District Council’s levels of service for each group of activities for the year ended 30 June 2020, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand.
- the statement about capital expenditure for each group of activities on pages 104 to 189, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council’s Annual Plan; and
- the funding impact statement for each group of activities on pages 104 to 189, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council’s Long-term plan.

Report on the disclosure requirements

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence Regulations 2014) on pages 94 to 103, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council’s audited information and, where applicable, the District Council’s Long-term plan and annual plans.

Emphasis of matter – Impact of Covid-19

Without modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the District Council as set out in Note 37 to the financial statements.

Basis for our opinion on the audited information

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the “Responsibilities of the auditor for the audited information” section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's Annual Plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the statement of service provision referred to as the Group of Activity Statements, as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the District Council to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 5 to 20 and 190 to 191, but does not include the audited information and the disclosure requirements.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the District Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit of the audited information and our report on the disclosure requirements, we have performed a limited assurance engagement related to the District Council's Debenture Trust Deed. Other than these engagements, we have no relationship with, or interests in, the District Council.



Chris Genet
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

PART C: Financial Statements and Notes

Statement of compliance and responsibility

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, as outlined in the Local Government Act 2002, have been complied with which includes the requirement to comply with generally accepted accounting practice.

Responsibility

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

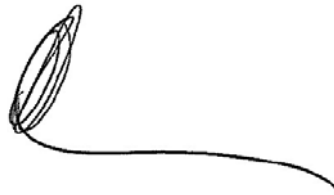
Council and management accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of Council and management of Grey District Council, the annual Financial Statements for the year ended 30 June 2020 fairly reflect the financial position and operations of Grey District Council.



Tania Gibson
Mayor

Dated 14 December 2020



Paul Morris
Chief Executive Officer

Statement of comprehensive revenue and expense

For the year ended 30 June 2020

	Note	Actual 2019 \$000	Annual Plan 2020 \$000	Actual 2020 \$000
REVENUE				
Rates, including targeted water supply rates	3	17,224	17,324	17,711
Subsidies and grants	4	6,009	9,235	8,171
Development and financial contributions		78	41	200
Fees and charges	5	4,712	4,629	4,328
Interest revenue	6	359	561	278
Other revenue	7	1,925	1,642	493
Total revenue		30,307	33,432	31,181
EXPENDITURE				
Personnel costs	8	5,481	5,621	5,957
Depreciation and amortisation expense	16	9,319	9,720	9,645
Finance costs	6	1,929	1,700	1,640
Other expenses	9	14,098	12,507	12,691
Total expenses		30,827	29,548	29,933
Net surplus/(deficit) before tax		(520)	3,884	1,248
Income tax expense		-	-	-
Surplus/(deficit) after tax attributable to Grey District Council		(520)	3,884	1,248
OTHER COMPREHENSIVE REVENUE AND EXPENSE				
Movement in asset revaluation reserve		-	-	28,456
Total other comprehensive revenue and expense		-	-	28,456
Total comprehensive revenue and expense		(520)	3,884	29,704

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2020

	Note	Actual 2019 \$000	Annual Plan 2020 \$000	Actual 2020 \$000
ASSETS				
Current assets				
Cash and cash equivalents	10	3,962	7,095	3,526
Receivables	11	4,410	4,274	5,141
Other financial assets	12	7,676	4,822	3,159
Inventory	13	307	-	307
Non-current assets held for sale		-	-	-
		16,355	16,191	12,133
Non-current assets				
Receivables	11	35	173	34
Property, plant and equipment	14	407,829	423,160	436,444
Intangible assets	15	116	252	67
Other financial assets	12	294	602	111
Investment property	17	2,670	3,540	2,592
		410,944	427,727	439,248
TOTAL ASSETS		427,299	443,918	451,381
LIABILITIES				
Current liabilities				
Bank overdraft		-	-	-
Payables	18	3,527	4,135	3,270
Employee entitlements	19	611	557	633
Deferred revenue		272	212	325
Borrowings	20	10,000	5,000	14,000
Derivative financial instruments	21	-	-	-
		14,410	9,904	18,228
Non-current liabilities				
Provisions	22	2,327	1,915	2,480
Employee entitlements	19	450	448	483
Borrowings	20	20,199	26,148	9,979
Derivative financial instruments	21	1,251	-	1,845
		24,227	28,511	14,787
TOTAL LIABILITIES		38,637	38,415	33,015
EQUITY				
Retained earnings	23	229,302	234,309	226,863
Special funds	23	7,587	7,573	11,265
Trusts bequests and other reserves	23	202	182	211
Revaluation reserve	23	151,571	163,439	180,027
Total equity attributable to the Council		388,662	405,503	418,366
TOTAL EQUITY AND LIABILITIES		427,299	443,918	451,381

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2020

	Actual 2019 \$000	Annual Plan 2020 \$000	Actual 2020 \$000
Balance at 01 July	389,182	384,127	388,662
Total comprehensive revenue and expense	(520)	3,884	29,704
Balance at 30 June	388,662	388,011	418,366

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2020

	Note	Actual 2019 \$000	Annual Plan 2020 \$000	Actual 2020 \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from rates revenue		17,200	17,283	17,757
Subsidies and grants received		6,976	9,235	7,527
Development and financial contributions received		78	41	200
Interest received		419	555	326
Dividends received		-	-	-
Receipts from other revenue		6,526	6,384	4,533
Payments to suppliers		(14,963)	(13,250)	(12,792)
Payments to employees		(5,440)	(5,619)	(5,902)
Interest paid		(1,417)	(1,700)	(1,277)
Income tax paid (refund)		-	-	-
Goods and services tax (net)		294	63	58
Net cash from operating activities	24	9,673	12,992	10,430
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment		25	-	36
Proceeds from sale of investment property		25	-	4
Receipts from sale of investments		21,154	13,903	18,084
Purchase of property, plant and equipment		(13,422)	(14,642)	(9,790)
Purchase of intangible assets		-	-	(4)
Acquisition of investments		(18,597)	(13,198)	(13,197)
Net cash from investing activities		(10,815)	(13,937)	(4,867)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings		10,000	255	4,000
Repayment of borrowings		(9,010)	(132)	(10,000)
Dividends paid		-	-	-
Net cash from financing activities		990	123	(6,000)
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		(152)	(822)	(437)
Cash, cash equivalents and bank overdrafts at the beginning of the year		4,114	7,917	3,962
Cash, cash equivalents and bank overdrafts at the end of the year	10	3,962	7,095	3,525

The accompanying notes form part of these financial statements.

Notes to the financial statements

1. Statement of accounting policies

(a) Reporting entity

Grey District Council (“Council”) is a territorial local authority governed by the Local Government Act 2002. Council has one associate: West Coast Amateur Sports Trust.

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. The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice.

The financial statements of Council are for the year ended 30 June 2020. The financial statements were authorised for issue by Council on 14 December 2020.

(b) 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 Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity Standards (PBE Standards) and authoritative notices that are applicable to entities that apply PBE Standards.

Council is classified as a Tier 2 reporting entity but has elected to report under Tier 1 and it applies full PBE Standards.

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.

(c) 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.

The Council has adopted PBE IPSAS 34-38, the new group standard in preparing these financial statements.

Council investments in associates are carried at cost in Council’s own “parent entity” financial statements in accordance with PBE IPSAS 34-38.

(d) Accounting policies

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

Revenue

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

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

Revenue from exchange and non-exchange transactions

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

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transaction arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

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

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

Rates

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

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

Subsidies and grants

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

Other grants and subsidies are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

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

Insurance proceeds

Insurance proceeds are recognised as revenue when the compensation becomes receivable. Claims accepted after balance date are not recognised where their receipt was not virtually certain

Development and financial contributions

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

Finance revenue

Interest revenue is included in finance revenue in the statement of comprehensive revenue and expense and recognised using the effective interest method.

Other revenue

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

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

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

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

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

Other gains and losses

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

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

Borrowing costs

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

Derivatives

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

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.

Leases

Finance leases

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

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

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

Operating leases

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

Cash and cash equivalents

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

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

Financial assets

Council classifies its financial assets into the following four 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 backing, 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 de-recognised are recognised in the surplus/deficit. Loans and receivables are classified as “trade and other receivables” in the statement of financial position.

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

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

Impairment of financial assets

At each balance date, Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. The total impairment loss is recognised in the surplus or deficit.

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

Accounts receivable

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

Inventory

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

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

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

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

Non-current assets held for sale

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

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

Property, plant and equipment

Property, plant and equipment 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.

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 in a non-exchange transaction 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	10-20	5.0-10
- Services	Straight line	15-30	3.33-6.67
- Sundry (e.g. car parking)	Straight line	10	10
Aerodrome	Straight line	10-75	1.33-10
Plant and machinery	Straight line	3-30	3-33
Furniture and fittings	Straight line	10	10
Computer equipment	Straight line	3-8	12.5-33
Library stocks	Straight line	8	12.5
Breakwater 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	50-100	1-2
- Pumps and electrical	Straight line	10-80	1.25-10

Asset Class	Depreciation Method	Life (years)	%
- Reservoirs	Straight line	60-80	1.67-10
Drainage and sewerage			
- Pipe network	Straight line	50-100	1 - 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	No 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- 1.67
- 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	0.67-20
- Streetlights	Straight line	22-40	2.5-4.0
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	Straight line	-	-

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

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

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

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	Historical 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 revenue and expense.

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

Intangible Assets

Software acquisition and development

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

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

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

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

Investment property

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

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

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

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

Impairment of non-financial assets

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

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the 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.

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

surplus/deficit.

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

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

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

Trade and other payables

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

Employee benefits

Short-term benefits

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

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

Long-term benefits

Long service leave and retirement leave

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

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

The present value of the estimated future cash flows. A discount rate of 5.0% and an inflation factor of 2.5% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

Provisions

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

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

Landfill post closure costs

Council has a legal obligation under its resource consent to provide on-going maintenance and monitoring services at the landfill site after closure. A provision for post closure costs is recognised 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 rates applied are 0.22% - 2.72%

Financial guarantees

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

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

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

Borrowings

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

Equity

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

The components of equity are:

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

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

Goods and Service Tax (GST)

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

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.

Cost allocation

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

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

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

Critical accounting estimates and assumptions

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

Landfill aftercare provision

Note 22 discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

Financial guarantees

Note 22 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 2020:

Classification of property

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

Classification of leases

Council is the lessor on a large number of leases which include terms where the lessee can extend the lease into

perpetuity. Council has determined that the risks and rewards of ownership is retained by the Grey District Council and therefore have classified the leases as operating leases.

Classification of property

Council's leasehold property has been classified as Investment Property as the primary purpose is to earn rental revenue for the Council and is not directly related to service delivery.

Cost of service statements

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

Statement of cash flows

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

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

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

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

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

Financial instruments

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The main changes under PBE IFRS 9 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council has not yet assessed the effects of the new standard.

Impairment of revalued assets

In April 2017, the XRB issued Impairment of Revalued Assets, which now clearly scopes revalued property, plant, and equipment into the impairment accounting standards. Previously, only property, plant, and equipment measured at cost were scoped into the impairment accounting standards.

2. Summary revenue and expenditure for groups of activities

Under the amendment, a revalued asset can be impaired without having to revalue the entire class-of asset to which the asset belongs. This amendment is effective for the 30 June 2020 financial statements.

	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000
REVENUE			
Land transport	7,796	11,909	9,190
Stormwater	1,309	1,211	1,158
Wastewater	2,659	2,638	2,870
Water Supply	2,232	3,423	2,433
Solid waste management	2,784	2,450	2,461
Emergency management	95	79	119
Environmental services	2,171	2,172	2,252
Other transport	2,953	1,005	1,608
Property and housing	1,096	1,257	1,138
Community facilities and events	5,183	5,207	5,679
Democracy and administration	8,179	8,576	8,488
Total activity revenue	36,457	39,927	37,396
Less internal recoveries	(6,150)	(6,495)	(6,215)
Total revenue	30,307	33,432	31,181
EXPENDITURE			
Land transport	7,339	7,505	7,342
Stormwater	1,370	1,354	1,505
Wastewater	3,210	3,039	3,425
Water Supply	2,192	2,150	2,185
Solid waste management	2,309	2,167	2,174
Emergency management	83	151	101
Environmental services	2,414	2,129	2,353
Other transport	2,108	1,662	1,208
Property and housing	1,345	1,444	1,380
Community facilities and events	6,702	5,940	6,372
Democracy and administration	7,905	8,502	8,103
Total activity expenditure	36,977	36,043	36,148
Less internal expenses	(6,150)	(6,495)	(6,215)
Total Expenditure	30,827	29,548	29,933

Each significant activity is stated gross of internal costs and revenues. In order to fairly reflect the total external operations for the Council in the statement of comprehensive revenue and expense, these transactions are eliminated as shown above.

3. Rates revenue

Total revenue from any funding mechanism authorised by the Local Government (Rating Act) 2002 (i.e. including targeted water supply rates and lump sum contributions) is as follows:

	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000
GENERAL RATES			
General Rate	7,190	3,227	7,347
Uniform Annual General Charge	3,246	7,224	3,375
Total general rates	10,436	10,451	10,722
TARGETED RATES ATTRIBUTABLE TO ACTIVITIES:			
District Promotion	376	360	403
Refuse Collection	1,412	1,401	1,448
Sewerage Collection	2,567	2,497	2,608
Water Supplies	2,013	2,193	2,076
Water Meter Rates	211	242	224
Lump sum contributions	-		-
PENALTIES			
Rate Penalties	209	180	230
Total rates	17,224	17,324	17,711

Rates remissions

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.

	Actual 2018	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000
Rates on land where GDC is the ratepayer	423	447	425
Rate discounts	33	43	33
Rates remitted per Council policy	46	41	29
Total rates remitted	502	531	487

Non-rateable land

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.

Rating base information

This information is provided in terms of Schedule 10 clause 30A of the Local Government Act 2002:

The annual report must state—

- a. *the number of rating units within the district or region of the local authority at the end of the preceding financial year:*
- b. *the total capital value of rating units within the district or region of the local authority at the end of the preceding financial year:*
- c. *the total land value of rating units within the district or region of the local authority at the end of the preceding financial year.*

	As at 30 June 2018	As at 30 June 2019
Total number of rating units	9,012	9,043
Total capital value of rating units	2,837,586,350	2,681,042,350
Total land value of rating units	1,270,163,350	1,256,134,350

4. Subsidies and grants

	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000
New Zealand Transport Agency subsidies	4,282	7,593	5,859
Ministry of Health drinking water related subsidies	-	-	-
Ministry of Health wastewater related subsidies	-	-	-
Other grants and subsidies	1,727	1,642	2,312
Total subsidies and grants	6,009	9,235	8,171

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised (2019: nil).

5. Fees and charges

	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000
Wastewater - trade waste user charges	90	98	79
Building and resource consent charges	645	698	733
Dog registration and other user charges	196	221	199
Liquor licencing fees	70	53	68
Landfill charges	960	720	723
Swimming pool and stadium user charges	1,036	1,190	871
Parking fees	48	44	41
Lease revenue	361	394	359
Retirement housing rental revenue	643	644	653
Port berthage and user access fees	190	225	198
Other fees and charges	473	342	404
Total fees and charges	4,712	4,629	4,328

6. Interest revenue and finance costs

	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000
INTEREST REVENUE			
Interest Revenue:			
- term deposits	344	561	278
- local authority and government bonds	15	-	-
Total interest revenue	359	561	278
FINANCE COSTS			
Interest expense:			
- interest on borrowings	1,278	1,700	1,046
Interest derivatives (presented net):			
- Interest rate swaps - fair value through P&L	651	-	594
Total Finance Costs	1,929	1,700	1,640
Net finance costs	1,570	1,139	1,362

7. Other revenue

	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000
Traffic and parking infringements	34	57	45
Freedom camping infringements	29		12
Petrol tax	154	182	149
Vested land and infrastructure from property development	-	96	-
Insurance recoveries	1,436	-	-
Non-current assets held for sale gains on disposal	-	-	-
Property plant & equipment gains on disposal	69	55	108
Investment property gains on disposal	-	-	3
Investment property revaluation gains	25	-	24
Other	178	1,252	152
Total other revenue	1,925	1,642	493

8. Personnel costs

	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000
Wages and salaries	5,182	5,340	5,636
Contributions to defined contribution plans	258	225	266
Increase/(decrease) in employee benefit liabilities	41	56	55
Total employee expenses	5,481	5,621	5,957

9. Other expenses

	Note	Actual 2019 \$000	Annual Plan 2020 \$000	Actual 2020 \$000
Fees to principal auditor				
Audit of financial statements		100	111	102
Long Term Plan (LTP) audit		-	40	-
Debenture Trust Deed Audit		4	-	4
Insurance expenses		682	607	858
Consultants		1,199	570	729
Legal fees		85	217	122
Electricity		1,136	956	1,019
Grants & Donations		655	427	364
Remuneration of elected members	32	267	274	331
Directors' fees		-	-	-
Minimum lease payments under operating leases		247	336	247
Assets written off		-	-	-
Impairment of asset expense		-	-	-
Bad debt expense		96	27	-
Movement in impairment of receivables	11	57	-	39
Movement in provision for financial guarantee		16	-	(40)
Loss on sale of property, plant and equipment		-	-	-
Loss on sale of Investment Property		-	-	-
Investment property revaluation losses		(14)	-	-
Other operating expenses		9,568	8,942	8,916
Total other expenses		14,098	12,507	12,691

10. Cash and cash equivalents

	Actual 2019 \$000	Actual 2020 \$000
Cash at bank and on hand	3,962	3,526
Call deposits	-	-
Term deposits with maturities of less than 3 months at acquisition	-	-
Total cash and cash equivalents	3,962	3,526

The carrying value of cash at bank, call deposits, and short-term deposits with maturities less than three months approximates their fair value.

The effective interest rate on deposits in 2020 was 2.71% (2019: 3.27%). The deposits had an average maturity of 192 days (2019: 145 days).

11. Trade and other receivables

	Actual 2019 \$000	Actual 2020 \$000
Receivables		
Rates receivables	1,551	1,575
Water rate receivables	97	80
New Zealand Transport Agency receivable	431	1,075
Port receivables	125	134
Lease receivables	400	381
Sundry receivables	1,702	1,929
Community loans	35	34
Prepayments	265	273
Loans to related parties	-	-
Interest receivable	134	86
GST receivable	90	32
Receivables prior to impairment	4,830	5,599
Less provision for impairment of receivables	(385)	(424)
Total receivables	4,445	5,175
Total receivables comprise:		
Receivables from non-exchange transactions – (this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates)	3,911	4,708
Receivables from exchange transactions – (this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates)	534	467

COMPRISING:

Current	4,410	5,141
Non-current	35	34
Total trade and receivables	4,445	5,175

Fair value

Receivables are generally short-term and non-interest bearing. Therefore, the carrying value of receivables approximates their fair value.

Impairment

The 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. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four (4) months after the due date for payment. If payment has not been made within three (3) months of the Court's judgment, then the Council can apply to the Registrar of the High Court to have the judgment enforced by sale or lease of the rating unit.

Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material.

The ageing profile of receivables at year end is detailed below:

	2019			2020		
	Gross \$000	Impairment \$000	Net \$000	Gross \$000	Impairment \$000	Net \$000
Not past due	1,306	-	1,306	2,051	-	2,051
Past due 1 - 30 days	97	-	97	100	-	100
Past due 31 - 90 days	284	-	284	315	-	315
Past due > 90 days	3,143	(385)	2,758	3,133	(424)	2,709
Total	4,830	(385)	4,445	5,599	(424)	5,175

All receivables greater than 30 days in age are considered to be past due.

The impairment provision has been calculated based on a review of specific overdue receivables. Individually impaired receivables have been determined to be impaired because of the significant financial difficulties being experienced by the debtor.

Movements in the provision for impairment of receivables are as follows:

	Actual 2019 \$000	Actual 2020 \$000
At 1 July	328	385
Provisions reversed during the year	(16)	3
Additional provisions made during the year	73	36
Receivables written off during period	-	-
At 30 June	385	424

12. Other financial assets

	Actual 2019	Actual 2020
	\$000	\$000
CURRENT PORTION		
Term deposits with original maturities greater than 3 months and remaining maturities less than 12 months	7,676	2,999
Borrower notes	-	160
Local authority stock	-	-
Available-for-sale financial assets	-	-
Total current investments	7,676	3,159
NON-CURRENT PORTION		
Borrower notes	240	80
Local authority stock	54	31
Unlisted shares	-	-
Total non-current investments	294	111

Fair value

Term deposits

The carrying amount of term deposits approximates their fair value.

Borrower notes

The carrying amount of borrower notes approximates their fair value.

Unlisted shares

Unlisted shares are recognised at fair value. Due to the immaterial size and nature of the Council's investment in The New Zealand Local Government Insurance Corporation Limited (Civic Assurance), the Council has estimated the fair value of this investment based on the LGFA's net asset backing as at 30 June.

Impairment

There were no impairment expenses or provisions for other financial assets. At balance date, none of these financial assets are either past due or impaired.

13. Inventory

	Actual 2019 \$000	Actual 2020 \$000
Land being developed for sale	307	307
Materials held for repair of Aquatic Centre	-	-
Total inventory	307	307

The land relates to surplus land (commonly referred to as the Koromiko Block) that Council is in the processing of subdividing. Council has sold part of the land and expects to sell the remaining lots over the next 1 - 3 years.

14. Property, plant and equipment

	Cost/ valuation 01-Jul-19	Accumulated depreciation & impairment charges 01-Jul-19	Carrying amount 01-Jul-19	Current year additions	Current year disposals/ transfers at cost	Accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus/ (deficit)	Cost/ valuation 30-Jun-20	Accumulated depreciation & impairment charges 30-Jun-20	Carrying amount 30-Jun-20
INFRASTRUCTURAL ASSETS												
Roading Network	172,962	(8,636)	164,326	5,666	-	-	-	(4,458)	(12,026)	153,508	(1,863)	153,508
Land Under Roads	68,733	-	68,733	-	-	-	-	-	-	68,733	-	68,733
Stormwater	32,560	(1,404)	31,156	243	-	-	-	(774)	9,707	40,332	-	40,332
Flood Protection System	8,615	(1,791)	6,824	-	-	-	-	(72)	-	8,615	(1,863)	6,752
Sewerage	55,999	(2,104)	53,895	568	-	-	-	(1,130)	16,148	69,481	-	69,481
Water Supply Systems	25,414	(1,098)	24,316	398	-	-	-	(569)	10,527	34,672	-	34,672
Landfill Site	6,586	(2,701)	3,885	107	-	-	-	(81)	-	6,693	(2,782)	3,911
Work in progress	754	-	754	183	-	-	-	-	-	937	-	937
TOTAL INFRASTRUCTURAL ASSETS	361,739	(17,734)	353,899	7,165	(27)	-	-	(7,084)	24,356	382,971	(4,645)	378,326
OTHER FIXED ASSETS												
General Land	4,260	-	4,260	-	-	-	-	-	65	4,325	-	4,325
Other Land	2,818	-	2,818	38	-	-	-	-	-	2,856	-	2,856
Buildings	38,248	(3,544)	34,704	1,329	-	-	-	(1,835)	3,765	37,963	-	37,963
Service concession asset - Civic Centre	-	-	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	2,183	(1,356)	827	54	(27)	27	-	(161)	-	2,210	(1,490)	720
Furniture & Fittings	523	(409)	114	32	-	-	-	(17)	-	555	(426)	129
Computer Equipment	2,070	(1,749)	321	156	-	-	-	(136)	-	2,226	(1,885)	341
Library Stocks	2,165	(1,919)	246	65	-	-	-	(49)	-	2,230	(1,968)	262
Breakwaters & Wharves	6,622	(3,742)	2,880	31	-	-	-	(127)	-	6,653	(3,869)	2,784
Aerodrome	2,171	(96)	2,075	117	-	-	-	(48)	232	2,376	(179)	2,376
Parking Developments	443	(172)	271	-	-	-	-	(7)	38	481	-	302
Reserve Board Assets	290	-	290	-	-	-	-	-	-	290	-	290
Sports fields and Parks	2,801	(936)	1,865	2,443	-	-	-	(108)	-	5,244	(1,044)	4,200
Heritage Assets	1,114	(319)	795	-	-	-	-	(20)	-	1,114	(339)	775
Work in progress	2,474	-	2,474	1,083	(2,762)	-	-	-	-	795	-	795
TOTAL OTHER FIXED ASSETS	64,599	(14,242)	53,940	5,348	(2,789)	27	-	(2,508)	4,100	69,318	(11,200)	58,118
TOTAL PROPERTY, PLANT AND EQUIPMENT	426,338	(31,976)	407,829	12,513	(2,789)	27	-	(9,592)	28,456	452,289	(15,845)	436,444

	Cost/valuation 01-Jul-18	Accumulated depreciation & impairment charges 01-Jul-18	Carrying amount 01-Jul-18	Current year additions	Current year disposals/transfers at cost	Accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus / (deficit)	Cost/valuation 30-Jun-19	Accumulated depreciation & impairment charges 30-Jun-19	Carrying amount 30-Jun-19
INFRASTRUCTURAL ASSETS												
Roading Network	167,507	(4,318)	163,189	5,455	-	-	-	(4,318)	-	172,962	(8,636)	164,326
Land Under Roads	68,733	-	68,733	-	-	-	-	-	-	68,733	-	68,733
Stormwater	31,968	(702)	31,266	592	-	-	-	(702)	-	32,560	(1,404)	31,156
Flood Protection System	8,615	(1,718)	6,897	-	-	-	-	(73)	-	8,615	(1,791)	6,824
Sewerage	55,069	(1,052)	54,017	930	-	-	-	(1,052)	-	55,999	(2,104)	53,895
Water Supply Systems	24,047	(549)	23,498	1,367	-	-	-	(549)	-	25,414	(1,098)	24,316
Landfill Site	3,707	(2,656)	1,051	2,879	-	-	-	(45)	-	6,586	(2,701)	3,885
Work in progress	2,093	-	2,093	739	(2,078)	-	-	-	-	754	-	754
TOTAL INFRASTRUCTURAL ASSETS	361,739	(10,995)	350,744	11,962	(2,078)	-	-	(6,739)	-	371,623	(17,734)	353,889
OTHER FIXED ASSETS												
General Land	4,260	-	4,260	-	-	-	-	-	-	4,260	-	4,260
Other Land	2,794	-	2,794	24	-	-	-	-	-	2,818	-	2,818
Buildings	37,565	(1,675)	35,890	683	-	-	-	(1,869)	-	38,248	(3,544)	34,704
Service concession asset - Civic Centre	-	-	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	1,959	(1,280)	679	312	(88)	88	-	(164)	-	2,183	(1,356)	827
Furniture & Fittings	498	(396)	102	25	-	-	-	(13)	-	523	(409)	114
Computer Equipment	1,989	(1,654)	335	115	(34)	34	-	(129)	-	2,070	(1,749)	321
Library Stocks	2,091	(1,879)	212	74	-	-	-	(40)	-	2,165	(1,919)	246
Breakwaters & Wharves	4,808	(3,626)	1,182	1,774	-	-	40	(116)	-	6,622	(3,742)	2,880
Aerodrome	2,158	(52)	2,106	13	-	-	-	(44)	-	2,171	(96)	2,075
Parking Developments	443	(162)	281	-	-	-	-	(10)	-	443	(172)	271
Reserve Board Assets	290	-	290	-	-	-	-	-	-	290	-	290
Sports fields and Parks	2,736	(837)	1,899	65	-	-	-	(99)	-	2,801	(936)	1,865
Heritage Assets	1,114	(280)	834	-	-	-	-	(39)	-	1,114	(319)	795
Work in progress	1,894	-	1,894	636	(56)	-	-	-	-	2,474	-	2,474
TOTAL OTHER FIXED ASSETS	64,599	(11,841)	52,758	3,721	(178)	122	40	(2,523)	-	68,182	(14,242)	53,940
TOTAL PROPERTY, PLANT AND EQUIPMENT	426,338	(22,836)	403,502	15,683	(2,256)	122	40	(9,262)	-	439,805	(31,976)	407,829

Core assets

Included within the infrastructure assets above are the following core Council assets:

	Closing book value	Additions constructed by Council	Additions transferred to Council	Most recent replacement cost estimate for revalued assets
	\$000	\$000	\$000	\$000
2020				
Water Supply Systems				
- treatment plants and facilities	6,748	183	-	6,748
- other assets (such as reticulation systems)	27,924	215	-	59,095
Sewerage				
- treatment plants and facilities	17,680	-	-	17,680
- other assets (such as reticulation systems)	51,801	568	-	75,651
Stormwater	40,332	243	-	89,385
Roads and footpaths	153,508	5,666	-	253,442
Flood Protection System	6,752	-	-	n/a
	304,745	6,875	-	502,001
2019				
Water Supply Systems				
- treatment plants and facilities	4,860	-	-	5,212
- other assets (such as reticulation systems)	19,456	1,367	-	36,373
Sewerage				
- treatment plants and facilities	13,294	-	-	16,201
- other assets (such as reticulation systems)	40,601	930	-	53,463
Stormwater	31,156	592	-	68,387
Roads and footpaths	164,326	5,455	-	256,444
Flood Protection System	6,824	-	-	n/a
	280,517	8,344	-	436,080

The replacement cost for Water Supply Systems, Sewerage, Stormwater, and Roads and footpaths are based on the optimised replacement cost estimate amounts in the valuation for the 2019/2020 year. The Flood protection system relates to the Greymouth floodwall, which Council values on a historical cost basis.

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), ZNZIV, Registered Valuer of Coast Valuations Limited, and the valuation is effective as at 30 June 2020.

The Council also has an investment property portfolio that was revalued as at 30 June 2020. The valuation highlighted that there were market uncertainties that affected the valuation - refer to note 17 of the financial statements for further information.

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. The valuation is effective as at 30 June 2020.

Infrastructural asset classes

Sewerage, water and stormwater

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. The valuation has been independently reviewed by Kerry Mayes Technical Principal: Valuations and Economic Advisor at WSP Ltd. The valuation is effective as at 30 June 2020.

Roading network

At fair value determined on a depreciated replacement cost basis by Pauline True (BBs (Economics), PGDipArts (GIS)), Stantec. The valuation has been independently reviewed by Brian Smith (BCom CA), Stantec. The valuation is effective as at 30 June 2020.

The lives are generally based upon NZ Infrastructure Asset Valuation and Depreciation Guidelines – Version 2.0. In specific cases these have been modified where, in the opinion of Stantec and GDC, a different life is appropriate. The changes are justified in the valuation report.

The change in estimate will not have any cumulative impact on the depreciation recognised in surplus or deficit, rather it will accelerate the recognition of depreciation in surplus or deficit, as detailed in the schedule below (based on roading asset recognised as at reporting date):

- 2021: \$102,000 increase in depreciation
- 2022: \$102,000 decrease in depreciation
- 2023: \$102,000 decrease in depreciation

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. Land under roads is no longer revalued.

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

	Cost/ revaluation 30-Jun-20 \$000
MD Sutherland, Grey DC	145,911
P True, Stantec	153,508
P J Hines, Coast Valuations Limited	43,238

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 prone buildings were all assessed on the above criteria and were determined to either be not impaired or already appropriately considered in the carrying values. 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 and it has been determined that any necessary impairments were appropriately considered and reflected in the market valuations applied as at 30 June 2020 when the asset class was revalued.

Work in progress

Property, plant, and equipment in the course of construction by class of asset is detailed below:

	Actual 2019 \$000	Actual 2020 \$000
INFRASTRUCTURAL ASSETS		
Water supply systems		
- Taylorville Dobson supply	-	-
- Runanga supply	754	937
	754	937
OTHER FIXED ASSETS		
Buildings		
- Viewing Platform Mawhera Quay	16	-
- Greymouth CBD Town Square	2,080	-
- Marine Dredge	-	698
- Semi Covered Storage Shed Preston Road	-	98
- Blaketown Public Toilet	145	-
- Blackball Public Toilet	200	-
- Rapahoe Public Toilet	33	-
	2,474	796

Insurance of Assets

	Carrying value of assets covered by insurance contracts \$000	Maximum amount to which assets are insured \$000
Buildings	37,963	87,612
Contents	732	14,252
Work in progress	98	98
Vehicles	720	600
Stormwater network and plant	40,332	19,837
Sewerage network and plant	69,481	43,870
Water supply network and plant	34,672	15,988
Landfill	3,911	1,819
Flood Protection System	6,752	3,721
Breakwaters & Wharves	2,784	13,388
	197,445	201,185

ASSET VALUES FROM STATEMENT OF FINANCIAL POSITION

Property, plant and equipment 436,444

Less carrying value of those assets disclosed above:

Carrying value of assets covered by insurance contracts 197,445

Carrying value of assets covered by financial risk sharing arrangements. -

Less uninsured asset classes

Roading Network 153,508

Land Under Roads 68,733

General Land 4,325

Other Land 2,856

Aerodrome 2,376

Parking Developments 302

Reserve Board Assets 290

Sports fields and Parks 4,200

Heritage Assets 775

Work in progress 1,634

-

15. Intangible Assets

Council Computer software

\$000

COST

Balance at 1 July 2018	448
Additions	-
Disposals	-
Balance at 30 June 2019	448

Balance at 1 July 2019	448
Additions	4
Disposals	-
Balance at 30 June 2020	452

ACCUMULATED AMORTISATION AND IMPAIRMENT

Balance at 1 July 2018	(280)
Amortisation charge	(52)
Disposals	-
Balance at 30 June 2019	(332)

Balance at 1 July 2018	(332)
Amortisation charge	(53)
Disposals	-
Balance at 30 June 2020	(385)

CARRYING AMOUNTS

Balance at 1 July 2018	168
Balance at 30 June and 1 July 2019	116
Balance at 30 June 2020	67

There are no restrictions over the title of intangible assets. No intangible assets are pledged as security for liabilities.

16. Depreciation and amortisation expense by group of activity

	Actual 2019 \$000	Annual Plan 2020 \$000	Actual 2020 \$000
Land transport	4,318	4,551	4,457
Stormwater	776	776	847
Wastewater	1,052	1,052	1,130
Water Supply	549	549	569
Solid waste management	58	159	91
Emergency management	4	5	4
Environmental services	3	3	3
Other transport	238	469	256
Property and housing	420	406	423
Community facilities and events	1,681	1,488	1,646
Democracy and administration	220	262	219
Total depreciation and amortisation expense	9,319	9,720	9,645

17. Investment property

	Actual 2019 \$000	Actual 2020 \$000
Balance 01 July	2,709	2,670
Transfer from Assets held for sale	-	-
Transfer from Property, plant and equipment	-	-
Disposals	(25)	(102)
Fair value gains/(losses) on valuation	(14)	24
Balance at 30 June	2,670	2,592

Valuation

At fair value as determined from market-based evidence. The most recent valuation was performed by Peter J Hines BCom (VPM), ZNZIV, Registered Valuer of Coast Valuations Limited and the valuation is effective as at 30 June 2020.

As at the date of valuation we consider the market was impacted by uncertainty caused by the COVID-19 pandemic. This is due to the limited sales that have occurred.

18. Payables

	Note	Actual 2019 \$000	Actual 2020 \$000
Payables under exchange transactions			
Trade payables		2,425	2,054
Sundry Creditors		961	1,080
Directors fee payable		-	-
Accrued expenses		-	-
Amounts due to related parties	29	12	18
Interest Payable		129	118
Total		3,527	3,270
Payables under non-exchange transactions			
Grants payable		-	-
GST payable		-	-
Total		-	-
Total trade and other payables		3,527	3,270

Payables are generally non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value.

19. Employee entitlements

	Actual 2019	Actual 2020
	\$000	\$000
Accrued pay	169	188
Annual leave	621	657
Long service leave	89	89
Retirement gratuities	182	182
	1,061	1,116
COMPRISING:		
Current	611	633
Non-current	450	483
Total employee benefit liabilities	1,061	1,116

Key assumptions in measuring retirement and long service leave obligations

The present value of retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using forward discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns. A weighted average discount rate of 3.5% (2019: 3.5%) and an inflation factor of 2.0% (2019: 2.0%) were used.

20. Borrowings

	Actual 2019 \$000	Actual 2020 \$000
CURRENT		
Secured loans	10,000	14,000
Total current borrowings	10,000	14,000
NON-CURRENT		
Secured loans	20,199	9,979
Total non-current borrowings	20,199	9,979
Total borrowings	30,199	23,979

20. External Borrowings

External borrowings	Maturity date	Interest rate (as at 30 Jun 20)	Balance at 30 June 2019	Loans uplifted	Amortisation of fair value	Loans repaid	Balance at 30 June 2020
			\$	\$		\$	\$
LOAN NAME							
Harbour Asset Management floating rate note	15 Jun 20	2.33%	5,000,000	-	-	(5,000,000)	-
Harbour Asset Management floating rate note	28 Mar 22	1.11%	5,000,000	-	-	-	5,000,000
Local Government Funding Agency	15 May 21	6.00%	5,124,204	-	(124,204)	-	5,000,000
Local Government Funding Agency	15 May 21	6.00%	5,102,428	-	(102,428)	-	5,000,000
Local Government Funding Agency	15 Apr 23	5.50%	2,972,012	-	6,838	-	2,978,850
Local Government Funding Agency	15 Apr 23	1.38%	2,000,000	-	-	-	2,000,000
Local Government Funding Agency	16 Sep 19	1.36%	5,000,000	-	-	(5,000,000)	-
Local Government Funding Agency	15 Mar 21	1.18%	-	4,000,000	-	-	4,000,000
			29,313,199	4,000,000	(219,794)	(10,000,000)	23,978,850
Portion of Term Debt repayable within One year			10,000,000				14,000,000
Portion of Term Debt repayable in One to Two years			10,226,632				5,000,000
Portion of Term Debt repayable in Two to Five years			9,972,012				4,978,850
Portion of Term Debt repayable in Five years or more			-				-
Total Term Debt repayable			30,198,644				23,978,850

The Council's secured loans are secured over either separate or general rates of the Council. Carrying values are approximately equal to fair value.

21. Derivative financial instruments

	Actual 2019	Actual 2020
	\$000	\$000
Interest rate swaps - fair value	1,251	1,845
	1,251	1,845
COMPRISING:		
Current	-	-
Non-current	1,251	1,845
Total derivative financial instruments	1,251	1,845

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$13,500,000 (2019: \$13,500,000). At 30 June 2020, the fixed interest rates of cash flow interest rate swaps vary from 2.04% to 4.95% (2019: 3.39% to 4.95%).

22. Provisions

	Actual 2019	Actual 2020
	\$000	\$000
Landfill aftercare provision	1,667	1,860
Financial guarantees	660	620
Total provisions	2,327	2,480

Movements for each class of provision are as follows:

Landfill aftercare provision

	Actual 2019	Actual 2020
	\$000	\$000
Balance 01 July	1,406	1,667
Additional provisions made in the year	311	243
Amounts used in the year	(50)	(50)
Unused amounts reversed	-	-
Balance at 30 June	1,667	1,860

Landfill 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 2020 and 2051. 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 range of the discount rates of 0.22% to 2.72% (2019: 1.0% to 3.1%).

Financial guarantees

	Actual 2019 \$000	Actual 2020 \$000
Balance 01 July	644	660
Additional provisions made in the year	64	64
Amounts used in the year	(33)	(33)
Unused amounts reversed	(15)	(71)
Balance at 30 June	660	620

Financial guarantees

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	\$693,150	\$41,105
Term	25 years	10 years
Expiry	May 2035	March 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 high likelihood that it will be called upon by the above lenders to make loan payments.

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 2014/2015 Annual Plan, Council resolved to grant the West Coast Theatre Trust an additional \$50,000 of funding to be used to meet the minimum loan payments of the Development West Coast loan. This funding was confirmed to continue in the 2018 – 2028 Long Term Plan and subsequent Annual Plans.

23. Equity

	Actual 2019	Actual 2020
	\$000	\$000
RATEPAYERS EQUITY		
Opening balance	228,098	229,302
Plus net surplus/(deficit) for the year	(520)	1,248
Net transfer from/(to) Special Funds	1,728	(3,678)
Net transfer from/(to) Trusts & Bequests	(4)	(9)
Net Transfer from revaluation reserves on disposal	-	-
Closing balance	229,302	226,863
SPECIAL FUNDS		
Opening balance	9,315	7,587
Plus interest (transfer from ratepayer equity)	269	90
Other transfers from ratepayers equity	497	4,102
Transfer to ratepayers equity	(2,494)	(514)
Closing balance	7,587	11,265
TRUSTS, BEQUESTS & OTHER RESERVES		
Opening balance	198	202
Transfer from ratepayers equity	6	12
Transfer to ratepayers equity	(2)	(3)
Closing balance	202	211
REVALUATION RESERVES		
Opening balance	151,571	151,571
Reclassification to surplus or deficit on disposal	-	-
Net revaluation gains / (losses)	-	28,456
Impairment losses recognised in the revaluation reserve	-	-
Closing balance	151,571	180,027
TOTAL EQUITY	388,662	418,366
REVALUATION RESERVES ARE MADE UP OF THE FOLLOWING		
Land & Building Revaluation Reserve	20,984	24,814
Aerodrome revaluation reserve	436	668
Roading Revaluation Reserve	84,719	72,693
Water Revaluation Reserve	9,044	19,571
Investment Revaluation Reserve	52	52
Parking Developments	-	38
Drainage & Sewerage Revaluation Reserve	36,336	62,191
	151,571	180,027

Information about reserve funds held for a specific purpose is provided on the following page:

2020: Special Funds

Reserve	Activities to which the reserve relates	Balance 01 July \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June \$000
Special funds					
Special Fund Interest Suspense		-	-	-	-
Greymouth Sewerage Fund	Wastewater	-	-	-	-
Te Kinga Infra Upgrade Reserve	All activities	96	3	-	99
Rural Sewerage Capital Works Reserve	Wastewater	297	7	-	304
Cobden Stormwater Mitigation Reserve	Stormwater	54	2	-	56
Barrytown Area Infra Reserve	All activities	64	2	-	66
Atarau Area Infra Reserve	All activities	-	-	-	-
Ahaura Area Infra Reserve	All activities	178	5	-	183
Haupiri Area Infra Reserve	All activities	123	3	-	126
Nelson Creek Infrastructure Reserve	All activities	19	-	-	19
Ngahere Infrastructure Reserve	All activities	205	5	-	210
Blackball Area Infra Reserve	All activities	1	-	-	1
Runanga Area Infra Reserve	All activities	765	19	(72)	712
Kaiata Stillwater Area Infra Reserve	All activities	204	5	(1)	208
Karoro Infrastructure Development Reserv	All activities	661	34	-	695
South Beach/Paroa Infrastructure Reserve	All activities	440	11	-	451
Camerons Infrastructure Reserve	All activities	83	2	-	85
Gladstone Infrastructure Reserve	All activities	218	5	-	223
Arnold Valley Area Infra Reserve	All activities	90	2	-	92
Lake Brunner Area Infra Reserve	All activities	169	4	-	173
Hohonu Area Infra Reserve	All activities	41	1	-	42
Infra Renewal Reserve	All activities	149	140	(26)	263
Moana Water Supply	Water supply	9	1	-	10
Flood Protection Reserve	Stormwater/Flood protection	123	3	-	126
Cemetery Extension Reserve	Cemeteries	52	1	-	53
Cemetery Maintenance Reserve	Cemeteries	377	14	-	391
Footpath Reserve	Land transport	66	1	-	67
Roading Reserve - Exp Committed	Land transport	190	70	(35)	225
Land Fill Reserve	Solid waste management	56	12	-	68
Airport Maintenance Reserve	Airport	507	109	-	616
Disaster Recovery Reserve	All activities	258	6	-	264
Civil Defence Reserve	Emergency management	36	1	(35)	2
Rural Fire Authority Reserve	Rural fire authority	31	1	(30)	2
Economic Development Reserve	All activities	1	-	(8)	(7)
Harbour Endowment LS Reserves	Port	74	12	(4)	82
Land Sale Reserve	All activities	14	180	(115)	79
Reserves Subdivision Contributions	Community facilities and parks	145	41	(2)	184
Maori Land Compensation Reserve	Council property	166	4	(22)	148
TDS Reserve	Economic development	66	1	-	67
Town Clock Reserve	Community facilities and parks	24	-	-	24
Gas Management Plan Reserve	Council property	18	1	-	19
District Planning Reserve	District planning	4	-	-	4
Plant and Machinery Reserve	All activities	408	96	(24)	480
Building & Property Gen Reserve	Council property	43	49	(35)	57
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	20	1	-	21
Spring Creek Pool	Spring Creek Pool	85	2	-	87

Ogilvie Reserve Reserve	All activities	36	1	(11)	26
Corp Equip and Furniture Reserve	Council administration	794	57	(46)	805
Staff Costs Reserve	Council administration	-	-	-	-
Sunshine Coach Reserve	Council administration	7	-	-	7
Rental Housing Reserve	Retirement housing	108	66	(48)	126
Pike River Memorials Maintenance Reserve	Memorial Maintenance	-	-	-	-
Library Reserve	Libraries	12	7	-	19
SPECIAL FUNDS - Committed Expenditure	All activities	-	3,205	-	3,205
Total special funds		7,587	4,192	(514)	11,265

2020: Trusts and bequests

Reserve	Activities to which the reserve relates	Balance 01 July \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June \$000
Trusts and bequests					
McGlashan Trust	Community facilities and parks	19	-	-	19
E White Bequest	Community facilities and parks	43	1	-	44
Mayoral Flood Relief Fund	Democracy	8	-	-	8
Grey United Tennis Resurfacing Reserve	Community facilities and parks	-	-	-	-
Citizens Emergency Relief Fund	Democracy	73	1	-	74
Perotti Bequest	Community facilities and parks	-	-	-	-
Peters Bequest - Talking Books	Libraries	14	1	(2)	13
Vera Corbett Bequest	Libraries	34	1	-	35
Thomas Dehenny Bequest	Community facilities and parks	11	8	(1)	18
Total trusts and bequests		202	12	(3)	211
TOTAL SPECIAL FUNDS, TRUSTS, AND BEQUESTS		7,789	4,204	(517)	11,476

2019: Special Funds

Reserve	Activities to which the reserve relates	Balance 01 July \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June \$000
Special funds					
Greymouth Sewerage Fund	Wastewater	-	-	-	-
Te Kinga Infra Upgrade Reserve	All activities	94	2	-	96
Rural Sewerage Capital Works Reserve	Wastewater	289	8	-	297
Cobden Stormwater Mitigation Reserve	Stormwater	53	1	-	54
Barrytown Area Infra Reserve	All activities	64	2	(2)	64
Atarau Area Infra Reserve	All activities	-	-	-	-
Ahaura Area Infra Reserve	All activities	173	5	-	178
Haupiri Area Infra Reserve	All activities	119	4	-	123
Nelson Creek Infrastructure Reserve	All activities	18	1	-	19
Ngahere Infrastructure Reserve	All activities	199	6	-	205
Blackball Area Infra Reserve	All activities	1	-	-	1
Runanga Area Infra Reserve	All activities	744	21	-	765
Kaiata Stillwater Area Infra Reserve	All activities	199	5	-	204
Karoro Infrastructure Development Reserv	All activities	642	19	-	661
South Beach/Paroa Infrastructure Reserve	All activities	428	12	-	440
Camerons Infrastructure Reserve	All activities	80	3	-	83
Gladstone Infrastructure Reserve	All activities	212	6	-	218
Arnold Valley Area Infra Reserve	All activities	88	2	-	90
Lake Brunner Area Infra Reserve	All activities	175	5	(11)	169
Hohonu Area Infra Reserve	All activities	40	1	-	41
Infra Renewal Reserve	All activities	180	49	(80)	149
Moana Water Supply	Water supply	9	-	-	9
Flood Protection Reserve	Stormwater/Flood protection	119	4	-	123
Cemetery Extension Reserve	Cemeteries	51	1	-	52
Cemetery Maintenance Reserve	Cemeteries	362	15	-	377
Footpath Reserve	Land transport	64	2	-	66
Roading Reserve - Exp Committed	Land transport	214	6	(30)	190
Land Fill Reserve	Solid waste management	45	11	-	56
Airport Maintenance Reserve	Airport	444	63	-	507
Disaster Recovery Reserve	All activities	2,140	61	(1,943)	258
Civil Defence Reserve	Emergency management	35	1	-	36
Rural Fire Authority Reserve	Rural fire authority	30	1	-	31
Economic Development Reserve	All activities	11	-	(10)	1
Harbour Endowment LS Reserves	Port	25	50	(1)	74
Land Sale Reserve	All activities	113	22	(121)	14
Reserves Subdivision Contributions	Community facilities and parks	67	103	(25)	145
Maori Land Compensation Reserve	Council property	183	5	(22)	166
TDS Reserve	Economic development	64	2	-	66
Town Clock Reserve	Community facilities and parks	23	1	-	24
Gas Management Plan Reserve	Council property	18	-	-	18
District Planning Reserve	District planning	4	-	-	4
Plant and Machinery Reserve	All activities	436	103	(131)	408
Building & Property Gen Reserve	Council property	26	48	(31)	43
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	20	-	-	20
Spring Creek Pool	Spring Creek Pool	83	2	-	85

Ogilvie Reserve Reserve	All activities	35	4	(3)	36
Corp Equip and Furniture Reserve	Council administration	772	58	(36)	794
Staff Costs Reserve	Council administration	-	-	-	-
Sunshine Coach Reserve	Council administration	7	-	-	7
Rental Housing Reserve	Retirement housing	112	44	(48)	108
Pike River Memorials Maintenance Reserve	Westland Recreation Centre	-	-	-	-
Library Reserve	Libraries	5	7	-	12
SPECIAL FUNDS - Committed Expenditure	All activities	-	-	-	-
Total special funds		9,315	766	(2,494)	7,587

2019: Trusts and bequests

Reserve	Activities to which the reserve relates	Balance 01 July \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June \$000
Trusts and bequests					
McGlashan Trust	Community facilities and parks	18	1	-	19
E White Bequest	Community facilities and parks	42	1	-	43
Mayoral Flood Relief Fund	Democracy	8	-	-	8
Grey United Tennis Resurfacing Reserve	Community facilities and parks	-	-	-	-
Citizens Emergency Relief Fund	Democracy	71	2	-	73
Perotti Bequest	Community facilities and parks	-	-	-	-
Peters Bequest - Talking Books	Libraries	16	-	(2)	14
Vera Corbett Bequest	Libraries	33	1	-	34
Thomas Deheny Bequest	Community facilities and parks	10	1	-	11
Total trusts and bequests		198	6	(2)	202
TOTAL SPECIAL FUNDS, TRUSTS, AND BEQUESTS		7,785	2,500	(2,496)	7,789

Purpose of each reserve fund

Special funds	
Greymouth Sewerage Fund	To fund the wider Greymouth Area Sewerage Scheme.
Te Kinga Infra Upgrade Reserve	To fund land transport, water, and/or wastewater infrastructure upgrades required in the Te Kinga area.
Rural Sewerage Capital Works Reserve	To fund enhancement and development sewerage schemes other than the Greymouth Area scheme.
Cobden Stormwater Mitigation Reserve	To fund enhancement of stormwater management in Cobden.
Barrytown Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Atarau Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Ahaura Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Hauptiri Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Nelson Creek Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Nelson Creek Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Ngahere Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Blackball Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Runanga Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Kaiata Stillwater Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Karoro/Gladstone Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Karoro Infrastructure Development Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
South Beach/Paroa Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Camerons Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Gladstone Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Arnold Valley Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Lake Brunner Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Hohonu Area Infra Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.

Infra Renewal Reserve	To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of land transport (including footpaths), wastewater, water supply, stormwater and solid waste
Moana Water Supply	To fund any design options for a reticulated water supply servicing Moana (not signalled in this plan).
Flood Protection Reserve	To fund capital works to enhance flood protection measures in the District for which Council is responsible for.
Cemetery Extension Reserve	To fund additional capacity, renewal and maintenance of cemeteries.
Cemetery Maintenance Reserve	To fund additional capacity, renewal and maintenance of cemeteries.
Footpath Reserve	To fund the development or renewal of footpaths in the District (land transport activity).
Roading Reserve - Expenditure Committed	To spread funding of key roading (land transport) renewal projects, given that they do not have an equal funding requirement year to year.
Land Fill Reserve	To fund capital works required for solid waste management
Airport Maintenance Reserve	To fund the periodic re-seal of airport runway and other significant maintenance.
Airport Runway resealing reserve	To fund the periodic re-seal of airport runway and other significant maintenance.
Disaster Recovery Reserve	To fund Council's excess on the loss of Council assets in the event of a major disaster (all activities).
Civil Defence Reserve	To fund any extraordinary expenditure associated with providing Council's emergency management function.
Rural Fire Authority Reserve	To fund the expenditure associated with major rural fires and any significant renewals capital expenditure required for the rural fire activity.
Economic Development Reserve	To fund economic development, including a share of land transport, wastewater, water supply, and stormwater development expenditure incurred via subdivision.
Harbour Endowment LS Reserves	To fund any operating deficits of port related activities
Land Sale Reserve	To fund purchase of land, key strategic assets and obtaining fee simple ownership of leasehold property; and to fund other significant projects as decided by Council as part of the Annual Plan.
Reserves Subdivision Contributions	To fund the creation of new recreational areas/reserves.
Maori Land Compensation Reserve	To fund part of the rent increases on land leased from the Mawhera Incorporation (all activities with associated leases).
TDS Reserve	To fund a portion of any projects that may arise as a result of the Town Development Strategy.
Town Clock Reserve	To fund renewal/major maintenance of town clock.

Gas Management Plan Reserve	To fund a portion of any associated costs of identifying and mitigating effects of any land associated with historic gasworks.
District Planning Reserve	To fund any large costs arising from District Plan reviews or one-off projects associated with planning and regulations.
Plant and Machinery Reserve	To replace existing plant (vehicles), or effect major maintenance to existing plant.
Building & Property Gen Reserve	To fund major maintenance and renewal of Council buildings and associated facilities excluding dedicated reserves (property activity).
Westland Rec Centre Maintenance Reserve	To fund major maintenance and renewal of the Westland Recreation Centre including fit-out.
Spring Creek Pool	To assist in the promotion, development and maintenance of Spring Creek Pool
Ogilvie Reserve	To fund on-going maintenance costs associated with the Ogilvie Reserve.
Corp Equip and Furniture Reserve	To fund the upgrade and renewal of office equipment and furniture; and to fund new office equipment and investment in new technology
Staff Costs Reserve	To fund the cost of recruiting and replacing staff (all activities)
Sunshine Coach Reserve	To fund any renewal and significant maintenance cost associated with the 'Sunshine Coach'
Rental Housing Reserve	To maintain in perpetuity, Council's retirement housing stock.
Miners Rec Centre Reserve	To fund the proposed Miners' Recreation Centre
Library Reserve	To fund any key maintenance work or equipment upgrades required at Council's District library.
Special Funds - Committed Expenditure	Holds amounts already committed by Council from other Special Funds, but not yet spent
Port Plant Renewal	To replace existing port operational plant or effect major maintenance to existing port operational plant.
CWS Ltd Share Sale Reserve	General purpose reserve available for use in any Council activities.

Trusts and bequests	
McGlashan Trust	Maintenance development of war memorial areas in the District.
E White Bequest	Surface development/maintenance of reserve land lying alongside or adjacent to the Greymouth/Hokitika railway line, including Petrie Avenue (parks and reserves, parking).
Mayoral Flood Relief Fund	To assist victims of flooding and other adverse events.
Grey United Tennis Resurfacing Reserve	Money held on behalf of the Grey United Tennis club.
Citizens Emergency Relief Fund	To assist victims of flooding and other adverse events.
Perotti Bequest	A bequest for general municipal purposes (any activities).
Peters Bequest - Talking Books	To purchase talking books for the library.
Vera Corbett Bequest	To purchase library books.
Thomas Dehenny Bequest	A bequest for general municipal purposes (any activities).

24. Reconciliation of operating surplus/(deficit) to net cash inflows/(outflows) from operating activities

	Actual 2019	Actual 2020
	\$000	\$000
Deficit from operations	(520)	1,248
ADD/(LESS) NON CASH ITEMS		
Depreciation	9,319	9,645
Impairment in value of Property, Plant and Equipment	(40)	-
Assets vested in Council	-	-
Unrealised landfill aftercare costs	174	193
Movement in provision for financial guarantee	16	(40)
Movement in employee entitlements (non current)	7	33
Assets vested by Council	-	-
Assets written off	-	-
	9,476	9,831
MOVEMENTS IN WORKING CAPITAL		
(Increase)/decrease in accounts receivable	916	(778)
(Increase)/decrease in interest receivable	60	48
(Increase)/decrease in inventory	-	-
Increase/(decrease) in accounts payable	(749)	(246)
Increase/(decrease) in interest payable	(35)	(11)
Increase/(decrease) in revenue in advance	-	53
Increase/(decrease) in employee entitlements	34	22
	226	(912)
LESS ITEM CLASSIFIED AS INVESTING ACTIVITY		
Net (gain)/loss on sale of property, plant & equipment and non-current assets held for sale	(69)	(108)
Net (gain)loss on sale of investment property	-	(3)
Fair value (gains)/losses on valuation of investment property	14	-
less amortisation of fair value of term loans	(104)	(220)
Change in fair value of interest swap	651	594
	492	263
Net cash flow from operations	9,674	10,430

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 21 years for land and four (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 2019 \$000	Actual 2020 \$000
OFFICE EQUIPMENT		
Not later than one year	45	50
Later than one year and not later than two years	21	44
Later than two years but not later than five years	20	21
Later than five years	-	-
	86	115
LAND LEASES		
Not later than one year	223	212
Later than one year and not later than two years	196	203
Later than two years but not later than five years	559	599
Later than five years	1,813	1,898
	2,791	2,912
Buildings		
Not later than one year	-	15
Later than one year and not later than two years	-	15
Later than two years but not later than five years	-	45
Later than five years	-	59
	-	134
Total non-cancellable operating leases	2,877	3,161

Council as lessor

	Actual 2019 \$000	Actual 2020 \$000
NON-CANCELLABLE OPERATING LEASES AS LESSOR		
Not later than one year	367	344
Later than one year and not later than two years	353	258
Later than two years but not later than five years	773	703
Later than five years	3,981	3,671
Total non-cancellable operating leases	-	4,976

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.

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	
• Roothing Maintenance Works	To 30 June 2021
• Maintenance of Parks & Reserves, Cemeteries & Urban Waterways (New contract commenced 1 July 2019)	To 30 June 2024
Smart Environmental New Zealand Limited	
• Solid Waste Operation Contract	To 30 June 2022
Provision of Services for Civil Defence	Tied in to Contracts
Paul Smith Earthmoving 2002 Limited	
• Utilities Maintenance (incl. Maintenance and Operation of the Greymouth Flood Scheme)	To 30 June 2022
OCS Limited	
• Public Conveniences & Council Chambers Cleaning (New contracted commenced 1 July 2019)	To 30 June 2022
Programmed Property Services Limited	
• Left Bank Art Gallery & Well Women's Centre Exterior Painting and Maintenance	To 17 February 2026

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

In addition to the above operating and maintenance contracts Council as at 30 June 2020 had remaining contractual commitments as follows:

Contract	Contractor	Minimum remaining commitment per awarded contract
Taylorville, Dobson & Kaiata Sewerage Scheme	Tru-Line Civil Limited	\$98,846
Runanga Water Treatment Plant Upgrade - Civil Works	Process Flow Limited	\$9,899
Reasement of Carriageways - Chip Seal (Three Years)	Isaac Construction Limited	\$1,018,905
Croesus Road Upgrade	Rosco Contractors Limited	\$550,364
	TOTAL	\$1,678,014

26. Contingent liabilities

Financial guarantees

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 \$20,640 (2019: \$1,413).

Claim against Council

In April 2013, the Ministry of Education (MOE) initiated High Court proceedings against Carter Holt Harvey (CHH) and others alleging inherent defects in the cladding sheets and cladding systems manufactured and prepared by CHH. Subsequently, in December 2016, CHH commenced third party proceedings against 48 Councils, including Grey District Council alleging a breach of duty in the processing of building consents, undertaking building inspections and issuing Code Compliance Certificates. The Councils have applied for orders setting aside and striking out CHH's claims against them. The MOE's claim against CHH is for 833 school buildings, 3 of which are located within the Grey District. On the 3 September 2020 a discontinuance was resolved with no liability to Council in this matter.

Council has a contingent liability relating to an April 2019 weather tightness tribunal claim against itself and three other parties. The claimant is seeking \$185,431 in damages. Council and the related parties are in mediation with the complainant.

27. Contingent assets

Financial contributions – resource consents

Council has entered into a number of bonding arrangements with various sub dividers, 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 2020, the payments to be made to Council in the future totalled \$95,173 (2019: \$160,504).

28. Defined benefit superannuation scheme

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 2020, as 95% (98.1% as at 31 March 2019). This funding level is an estimate based on the valuation results and membership data as at 31 March 2012 and allows for the investment return for the year ended 31 March 2017.

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. In the actuarial review completed as at 31 March 2019 the Actuary recommended (and endorsed by the board) employer contributions to the Scheme change from zero to 3 times (300%) of the employees' contribution from 1 April 2020.

29. 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	Service received from the business 2019 (incl. GST)	Amount payable 2019 (incl. GST)	Service received from the business 2020 (incl. GST)	Amount payable 2020 (incl. GST)
				\$	\$	\$	\$
Gibson	A.J	Greymouth Mitsubishi Ltd	Vehicle repairs	1,208	-	469	
Haddock	P.R	Westland Engineering	Engineering Services	586	-	3,595	14
Haddock	P.R	E-Quip Engineering	Engineering Services	40,502	564	20,091	1,895
Haddock	P.R	Minerals West Coast	Contribution	-	-	5,750	
Hay	M	Hay Brothers 2014	Painting Contractors	-	-	17,346	3,984
Kokshoorn	A.F	Greymouth Car Centre	Vehicle repairs	1,921	863	345	
Kokshoorn	A.F	Greymouth Evening Star	Printing and advertising	118,444	6,089	88,253	7,522
				162,661	7,516	135,849	13,415

During the year, Council made supplies to businesses in which councillors had an interest. Details of these interests are as follows:

Councillor	Business in which an interest is held		Transaction type	Services provided to the business 2019 (incl. GST)	Amount receivable 2019 (incl. GST)	Services provided to the business 2020 (incl. GST)	Amount receivable 2020 (incl. GST)
				\$	\$	\$	\$
Gibson	A.J	Muffler Shop West Coast Ltd	Lease	39,805	51,170	36,068	43,024
				21,486	16,861	36,068	43,024

West Coast Theatre Trust

Grey District Council makes two appointments to the West Coast Theatre Trust. Grey District Council does make a contribution to West Coast Theatre Trust for operational purposes but does not have any rights to any distributions from that entity. Therefore, no revenue, expenses or assets are recognised in respect of these investments.

2019 (excl. GST)	Amount payable 30-Jun-19 (excl. GST)	2020 (excl. GST)	Amount payable 30-Jun-20 (excl. GST)
\$	\$	\$	\$
132,944	4,620	92,469	4,620

West Coast Amateur Sports Trust

The above organisation is a Council Controlled Organisation by virtue of the fact that the Mayors of the three West Coast local authorities have nominated the respective District representatives on the Trust. This has happened ‘informally’ and there has been no formal Council involvement and no set policies or objectives with regard to control of this organisation or specific key performance targets or other measures have been put in place. The CCO status of the Trust has only recently come to Council’s attention and steps are in place to change the Trust Deed to remove the right of local authorities to control the votes on the Trust.

2019 (excl. GST)	Amount payable 30-Jun-19 (excl. GST)	2020 (excl. GST)	Amount payable 30-Jun-20 (excl. GST)
\$	\$	\$	\$
2,000	-	-	-

Tourism West Coast

Grey District Council had the ability to appoint Trustees to Tourism West Coast Incorporated. The trustees appointed by Grey District Council had between 20% and 50% of the voting rights to the entity. Grey District Council did make a contribution to Tourism West Coast (\$100,000 annually) for operational purposes but did not have any rights to any distributions from that entity. Therefore, no revenue, expenses or assets are recognised in respect of these investments. Note: Tourism West Coast ceased to exist as a separate entity from 1 April 2019 and these functions are being carried out by Development West Coast.

	2019 (excl. GST)	Amount payable 30-Jun-19 (excl. GST)	2020 (excl. GST)	Amount payable 30-Jun-20 (excl. GST)
	\$	\$	\$	\$
Grants Provided	116,265	-	-	-

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 (2019: 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

	Actual 2019	Actual 2020
	\$000	\$000
Salaries and other short term employee benefits	990,365	1,162,648
Employer superannuation contributions	32,815	47,293
Post employment benefits	-	-
Total compensation	1,023,180	1,209,941
Total full-time equivalent personnel	14	14

Key management personnel include the Mayor, Elected Members, Chief Executive and other senior management personnel.

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors.

30. 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 revenue in 'Other gains/ (losses)'. The value was also added to the appropriate asset category in Property Plant and Equipment.

31. Elected members' remuneration

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

		Honarium 2020	Travel Allowance 2020	Total 2020	Total 2019
		\$	\$	\$	\$
MAYOR					
Kokshoorn	A.F	27,370	-	27,370	82,446
Gibson	T.K	71,263	-	71,263	-
COUNCILLOR					
Becker	A.D	31,551	538	32,090	22,558
Coll	A.P	6,939	-	6,939	21,881
Gibson	A.J	34,916	-	34,916	21,881
Gibson	T.K	7,196	-	7,196	21,881
Green	R.D	19,218	-	19,218	-
Haddock	P.R	31,540	-	31,540	21,881
Hay	M	28,933	-	28,933	30,633
McBride	P.T	26,158	-	26,158	21,881
MacDonald	R.R	19,218	-	19,218	-
Mora	T.F	19,218	-	19,218	-
Sandrey	C.R	6,939	-	6,939	21,881
Total elected members remuneration		330,461	538	330,999	266,923

32. Chief Executive Officer's remuneration

	Actual 2019	Actual 2020
Salary	184,320	249,403
Employer Superannuation Contributions	11,061	21,402
Telephone rental	631	673
Car - Full Use	8,838	9,619
Professional Allowances/Fees	500	-
Total Chief Executive Officer's remuneration	205,350	281,097

The CEO remuneration for the 2019/2020 year includes a hand over period between the outgoing and incumbent CEO's, as well as final entitlement to the outgoing CEO.

33. Council employees

2020

<\$60,000	60	59
\$60,000 - \$79,999	21	21
\$80,000 - \$99,999	12	12
\$100,000 - \$149,999	7	7
\$150,000 - \$200,999	5	5
Total Employees	105	104

2019

<\$60,000		66
\$60,000 - \$79,999		20
\$80,000 - \$99,999		11
\$100,000 - \$119,999		7
\$120,000 - \$239,999		4
Total Employees		108

Total remuneration includes non-financial benefits provided to employees.

At balance date, the Council employed 58 (2019: 56) full-time employees, with the balance of staff representing 18 (2019: 22) full-time equivalent employees. A full-time employee is determined on the basis of a 32-hour working week.

34. Severance payments

There were no severance payments during the 2019/2020 year that meets the definition of a severance payment as in clause 33 of schedule 10 of the Local Government Act 2002 (2019: Nil payments).

35. 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 statement of financial position as an asset or liability.

36. Events subsequent to balance date

Post 30 June 2020 Council has received approval for \$17,439,000 in funding for capital projects from the Provincial Growth Fund (PGF) outside of what had been planned for 2020/2021. Funding agreements were signed during September for the below projects:

- \$3,000,000 for upgrades to the Greymouth Slipway work on this project is to begin in November 2020 to be complete in December 2020.
- \$13,400,000 for the replacement of Rough River and Moonlight bridges and Component Replacement of the William Stewart bridge. These projects are expected to be completed over the next two years.
- \$1,039,000 for Community Hall projects to be completed over the next twelve months.
- Council has a contingent liability relating to the fire in the Recycling Shed at McLeans Pit in November 2020. At the time of this report being finalised Council was still awaiting the final engineers report on the status of the building therefore we cannot made an estimate for costs of the repair. The original construction cost for the building were \$270,000.

Council also signed the Three Waters Reform Memorandum of Understanding (MOU) and is waiting for confirmation of the funding associated with this of \$3,840,000.

37. Impact of Covid-19

On 31 December 2019 China alerted the World Health Organisation to the outbreak of a virus, now commonly referred to as Covid-19, with the outbreak declared a pandemic on 11 March 2020. The New Zealand Government declared a State of National Emergency on 25 March 2020. The next day the country was put into Alert Level 4 and effectively lockdown. On 28 April 2020, the Alert Level was reduced to Level 3, and then further reduced to Level 2 on 14 May 2020. The country moved to Level 1 on 9 June 2020.

Overall, the Council assessed that COVID-19 has had minimal impact on the financial and operational results for the year ended 30 June 2020.

Lock down slowed down the Capital project delivery programme for a short period of time. Performance in some individual activity areas was impacted:

- The Westland Recreation Centre was closed from 23 March 2020 until 30 June 2020, which included closure for remedial works.
- The Grey District Library was closed under Alert Levels 4 and 3, and re-opened with strict hygiene measures and contract tracing at Alert Level 2. However staff continued to provide and promote digital services. Programmes of activities progressively resumed under Alert Level 1.
- Parks, playgrounds and dog parks were closed during Alert Levels 4 and 3, in accordance with the Government's Alert levels. These facilities reopened under Alert level 2.

Council activities in three waters, roading, solid waste and public toilets were considered essential services and remained in operation with strict health and safety protocols following the guidance provided by Central Government's Covid-19 Taskforce.

Council supported community through activation of the Emergency Operations Centre (EOC) in a combined operation the West Coast Regional Council Emergency Coordination Centre. The operation provided welfare support to the district and providing information to the community through, Council's Facebook page and website.

While the lockdown and potential future impacts of Covid-19 may negatively impact residents' ability to pay rates in the future, as at 30 June 2020 there was little impact. This was shown by the low number of applications made to both the rates postponement policy and COVID 19 rates relief scheme, and that Councils rates receivable levels are at approximately the same level as for the previous year.

This year Council has revalued its infrastructure assets at 30 June 2020. It is possible that replacement cost rates may be subject to short-term changes due to shortages of materials or specialist labour. However, the replacement costs that are used in depreciated replacement cost calculations should reflect typical and sustainable market conditions. At the time of developing the unit rates for this valuation date, there was no information to indicate a change to longer term, sustainable market conditions. This assumption was agreed by our valuer. An impairment assessment has been completed for property, plant and equipment. The result of this assessment was that there has been no material movement in asset values resulting from COVID-19.

The Council also has an investment property portfolio that was revalued as at 30 June 2020. The valuation highlighted that there were market uncertainties that affected the valuation. The valuer has stated that due to the COVID-19 pandemic, the normal operation of the property market has been impacted, resulting in a lack of recent comparable market transactions.

38. 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 2019 \$000	Actual 2020 \$000
FINANCIAL ASSETS		
Loans and receivables		
Cash and cash equivalents (net)	3,962	3,526
Short term investments > 3 -12 months	7,676	3,159
Trade and other receivables	4,445	5,175
	16,083	11,860
Held to maturity investments		
Term investments	-	-
Borrower notes (Local Government Funding Agency)	240	240
Local authority stock	54	31
	294	271
Available for sale		
Unlisted shares (Civic Assurance)	-	-
	-	-
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost		
Trade and other payables	3,527	3,270
Secured loans	30,199	23,979
	33,726	27,249
Fair value through statement of comprehensive revenue and expense		
Derivative financial instruments (interest rate swap)	1,251	1,845
	1,251	1,845

Fair value hierarchy

	Total	Quoted Market Price	Observable Inputs	Significant non-observable inputs
	\$000	\$000	\$000	\$000
30 June 2020				
Financial Assets				
Borrower notes	240	-	240	-
Bonds	31	-	31	-
Financial Liabilities				
Derivatives	1,845	-	-	1,845
30 June 2019				
Financial Assets				
Borrower notes	240	-	240	-
Bonds	54	-	54	-
Financial Liabilities				
Derivatives	1,251	-	-	1,251

	Actual 2019 \$000	Actual 2020 \$000
Balance at 1 July	600	1,251
Gain and losses recognised in surplus or deficit	651	594
Gain and losses recognised in other comprehensive revenue and expense	-	-
Purchases	-	-
Sales	-	-
Transfer into level 3	-	-
Transfers out of level 3	-	-
	1,251	1,845

Contractual maturity analysis financial liabilities (excluding derivatives)

	Carrying Amount	Contractual cash flows	Less Than 1 Year	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
2020						
Payables	3,270	3,270	3,270	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured loans	23,979	23,979	14,000	5,000	4,979	-
Finance leases	-	-	-	-	-	-
Financial guarantees	620	620	596	-	-	-
Total	27,869	27,869	17,866	5,000	4,979	-
2019						
Payables	3,527	3,527	3,527	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured loans	30,199	30,199	10,000	10,227	9,972	-
Finance leases	-	-	-	-	-	-
Financial guarantees	660	596	596	-	-	-
Total	34,386	34,322	14,123	10,227	9,972	-

Contractual maturity analysis derivative financial liabilities

	Liability carrying amount	Asset carrying amount	Contractual cash flows	Less than 1 year	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2020							
Net settled derivative liabilities	1,845	-	1,845	-	-	595	1,250
Total	1,845	-	1,845	-	-	595	1,250
2019							
Net settled derivative liabilities	1,251	-	1,251	-	-	77	1,174
Total	1,251	-	1,251	-	-	77	1,174

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 20.

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 and other financial assets at 30 June 2020 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus/deficit by \$34,000 (2019: \$60,000).

Based on financial instrument disclosures at the balance date and with other variables held constant; if interest rates on borrowings at 30 June 2020 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus after tax by \$120,000 (2019: \$152,000) 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 Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of \$550,000 (2019: \$550,000) plus available credit on a credit line facility with Westpac of \$5,000,000 (2019: \$5,000,000). 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 12 and 21 respectively.

39. 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 Plan (LTP) 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 LTP.

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.

40. Explanation of major variances against budget

Explanations for major variations from Council's estimated figures in the 2019/2020 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 revenue and expense

- The actual result is a surplus of \$29,704,000 as compared to the budgeted surplus of \$3,884,000. This positive variance of \$25,820,000 is attributable to several factors most notably the asset revaluation increase of \$28,456,000 and Council budgeted for major component replacement of Rough River Bridge which was not completed in 2019/2020.
- **Subsidies and grants** are lower than budgeted by \$1,064,000 as New Zealand Transport Agency (NZTA) subsidies were less than anticipated due to Rough River Bridge.

- **Interest revenue** is lower than budgeted by \$283,000 due interest rates being lower than anticipated as well as cash reserves being used in place of debt funding while awaiting Local Government Funding Authority (LGFA) guarantor status.
- **Other revenue** is lower than budgeted by \$1,167,000 as there was a reimbursement expected from Buller District Council for the works not completed on the Rough River Bridge.
- \$29,697,000 as compared to the budgeted surplus of \$3,884,000. This positive variance of \$25,813,000 is attributable to a larger than anticipated increase in the three waters valuation.

Statement of financial position

- **Total assets** are more than budgeted by \$7.6m due to property plant and equipment valuations increasing by \$28m combined with a reduction in cash and cash equivalents and other financial assets are lower than anticipated as term investments were not renewed in place of debt funding while awaiting Local Government Funding Authority guarantor status.
- **Total liabilities** are lower than anticipated by \$4.4m due to the deferral of renewing existing borrowing while waiting for LGFA guarantor status to be confirmed.

Statement of movements in equity

Significant variations from budgeted changes in equity relate to:

- Total comprehensive income being \$25,813,000 more than budgeted, per above variances.

Statement of cash flows

Cash flow variations from budget largely reflect the variations as detailed above, most notably the variation in financing activities associated with Council requirements for borrowing as an LGFA guarantor.

Funding impact statement for whole of Council

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
[A] SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	10,176	10,645	10,631	10,952
Targeted rates	6,515	6,579	6,693	6,759
Subsidies and grants for operating purposes	1,472	1,915	1,777	2,020
Fees and charges	4,378	5,001	4,629	4,352
Interest and dividends from investments	549	359	561	278
Local authorities fuel tax, fines, infringement fees, & other receipts	392	366	1,491	347
Total operating funding [A]	23,482	24,865	25,782	24,708
[B] APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	17,188	19,281	18,128	18,531
Finance costs	1,817	1,929	1,700	1,640
Other operating funding applications	-	298	-	153
Total applications of operating funding [B]	19,005	21,508	19,828	20,324
Surplus (deficit) of operating funding [A - B]	4,477	3,357	5,954	4,384
[C] SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	5,972	4,095	7,458	6,161
Development and financial contributions	41	78	41	200
Increase (decrease) in debt	(430)	(844)	1,475	(718)
Gross proceeds from sale of assets	-	94	-	209
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	1,200	-	-
Total sources of capital funding [C]	5,583	4,623	8,974	5,852
[D] APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	4,067	3,517	2,064	4,657
—to replace existing assets	5,986	10,034	13,244	5,098
Increase (decrease) in reserves	7	(1,701)	(380)	3,663
Increase (decrease) of investments	-	(3,870)	-	(3,146)
Total applications of capital funding [D]	10,060	7,980	14,928	10,272
Surplus (deficit) of capital funding [C - D]	(4,477)	(3,357)	(5,954)	(4,420)
Funding balance: [A - B] + [C - D]	-	-	-	(36)

Reconciliation of Operating Funding to statement of Comprehensive Revenue and Expense

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
Surplus (deficit) of operating funding	4,477	3,357	5,954	4,384
Add sources of capital funding recognised as revenue in Statement of Comprehensive Revenue and Expense				
Subsidies and grants for capital expenditure	5,972	4,095	7,458	6,161
Development and financial contributions	41	78	41	200
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	1,200	-	-
Adjust for other sources of non cash items excluded from the Funding Impact Statement				
Depreciation and amortisation expense	(9,487)	(9,319)	(9,720)	(9,645)
Net gain (loss) of non current assets held for sale	-	-	-	-
Net gain (loss) on sale of property plant & equipment/investment property	65	69	55	111
Vested assets revenue/Other dedicated capital funding	94	-	96	-
Fair value gain / (loss) on investment property	-	14	-	-
Gross profit on sale of land inventory	-	-	-	-
Other non operating revenue/(expense)	-	-	-	-
Surplus/(deficit) after tax attributable to Grey District Council	1,162	(506)	3,884	1,211

Financial reporting and prudence disclosures

The government has introduced the new Local Government (Financial Reporting and Prudence) Regulations 2014 which has a series of measures and benchmarks, disclosed in the following pages. These measures further highlight the financial performance of Council in a way that is consistent and standardised.

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

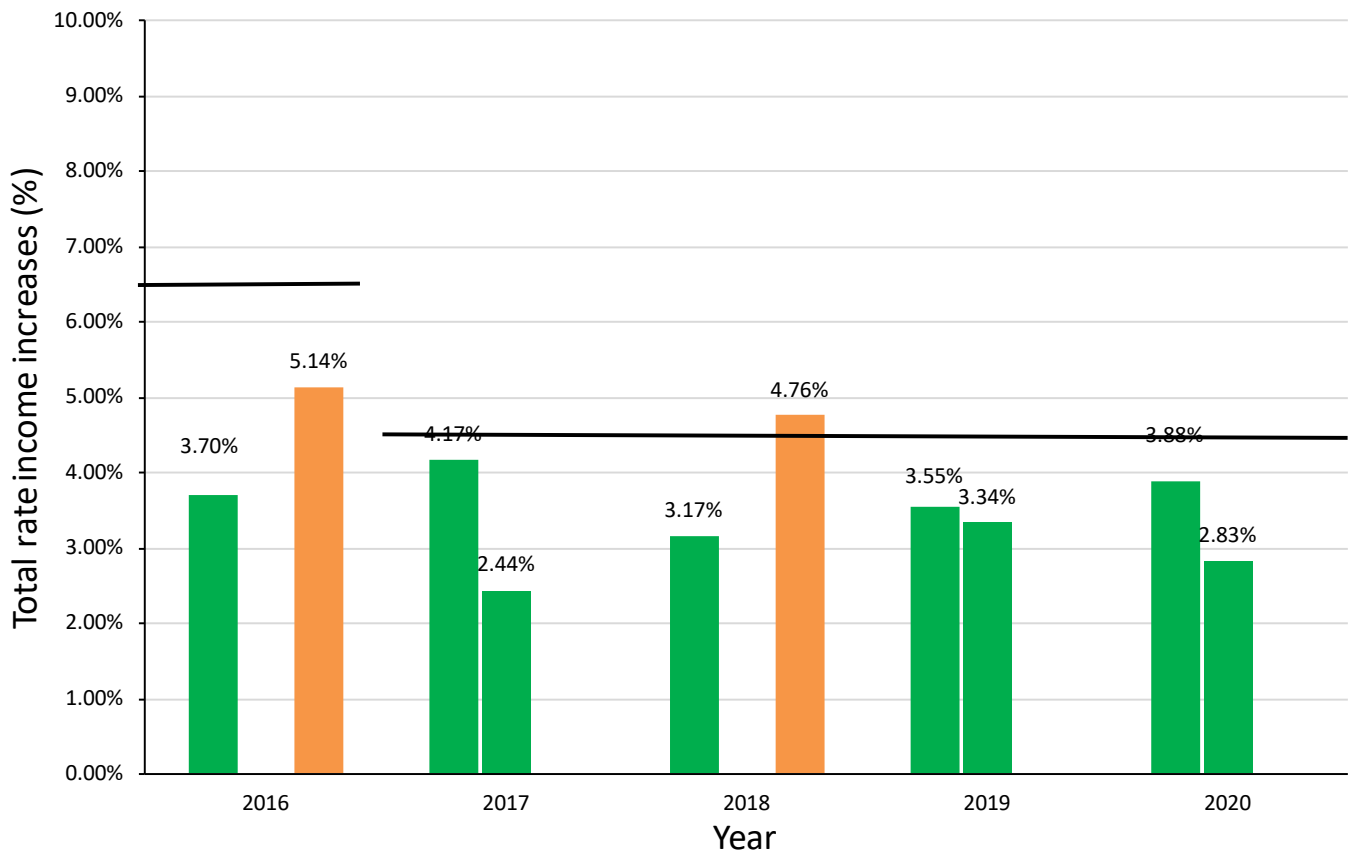
1. Rate affordability benchmarks

The Council meets the rates affordability benchmark if—

- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

Total actual rate income percentage increases

- For 2016, 2017, 2018 and 2019, the limit as contained within Council's financial strategy (per the 2018 – 2028 Long Term Plan) is for the total rate increase in any year to be no more than 4.5% (4.5% being the benchmark).

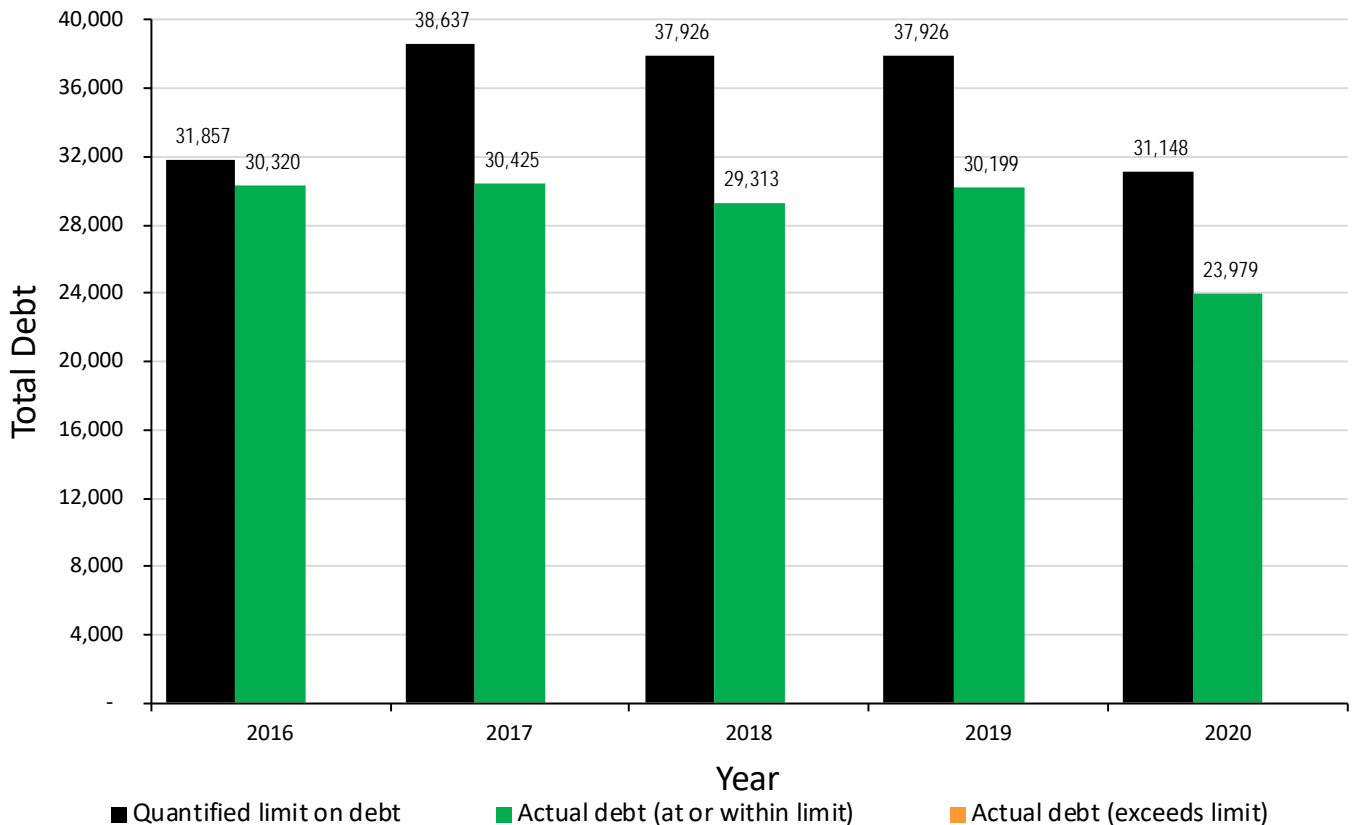


2. Debt affordability benchmarks

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The Council has four measures for debt affordability and these are set out below.

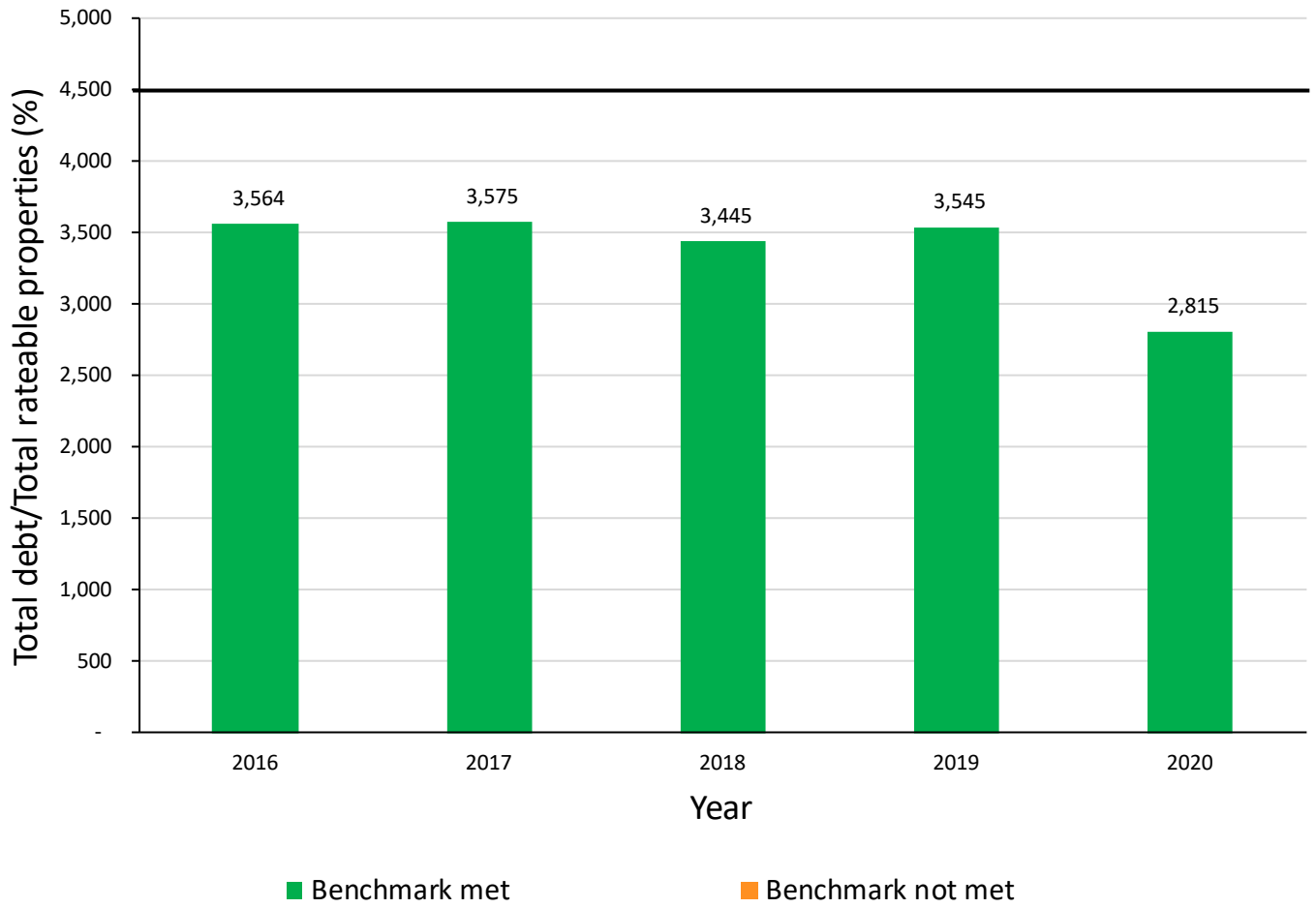
Actual debt compared to forecast debt

The following graph compares total actual debt as compared to what total budgeted was forecast to be (with the budgeted total debt being the benchmark). The benchmark is met if total actual debt is less than or equal to total budgeted debt.



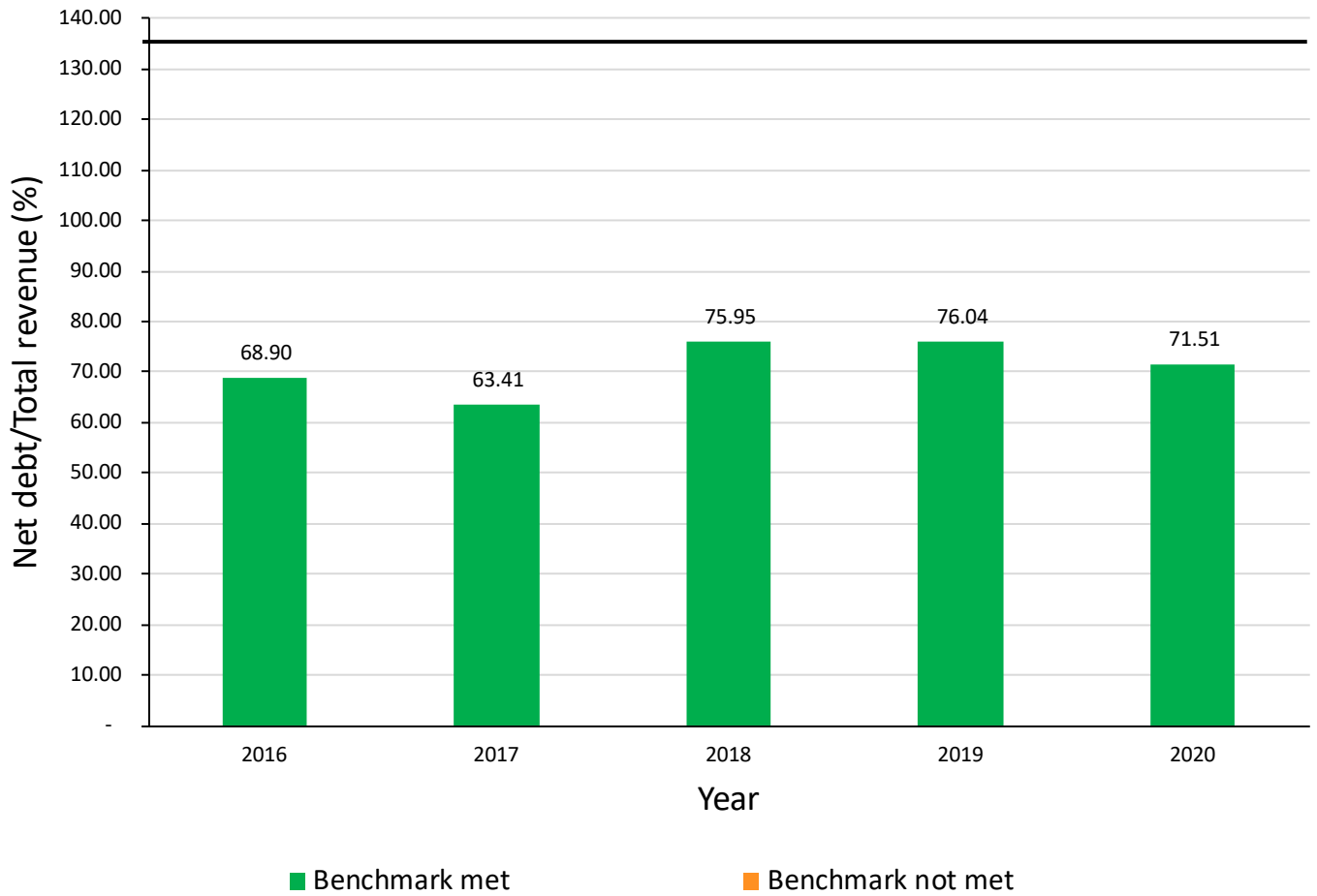
Total actual debt per rateable property

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



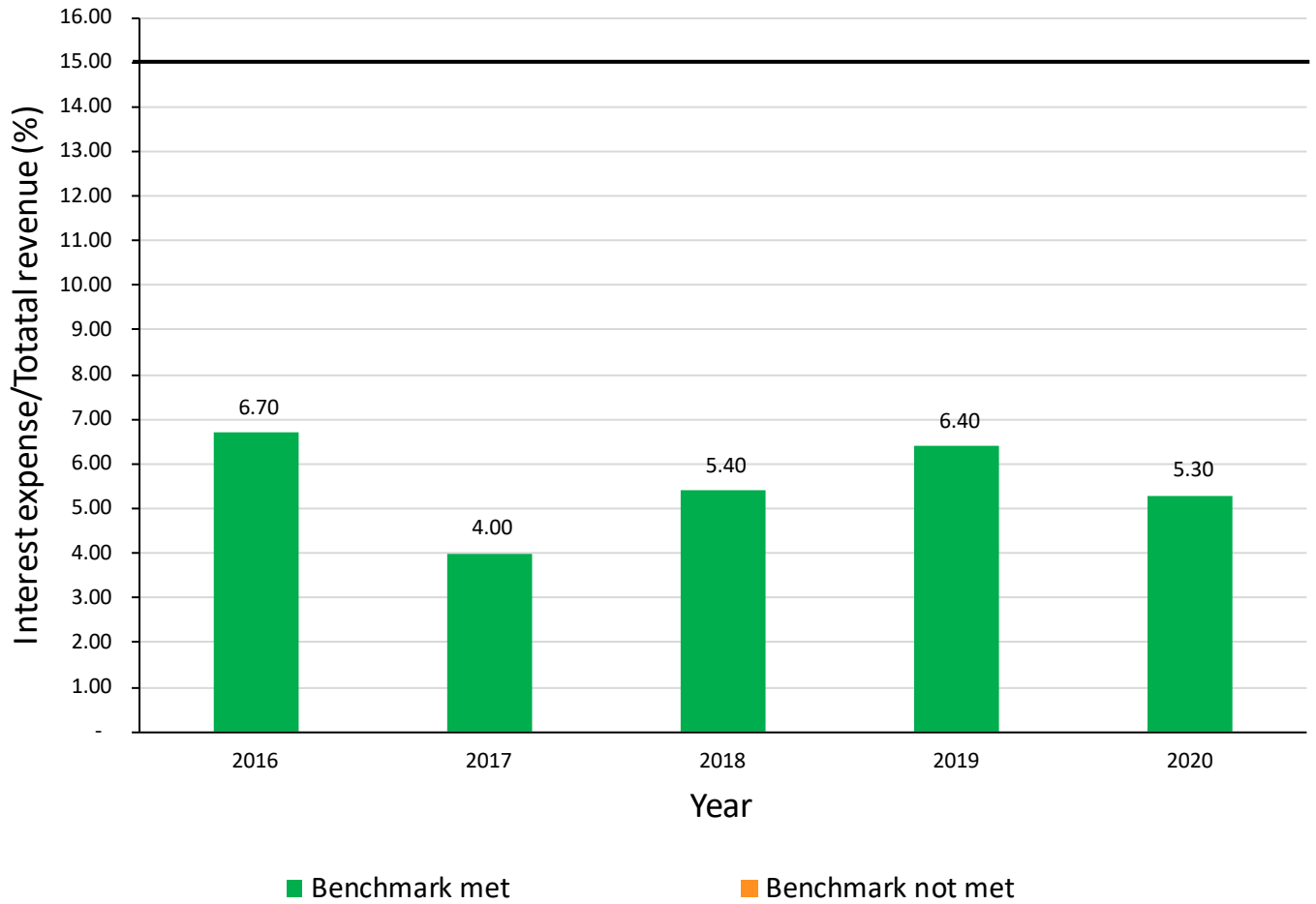
Total net debt as a percentage of total actual revenue

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



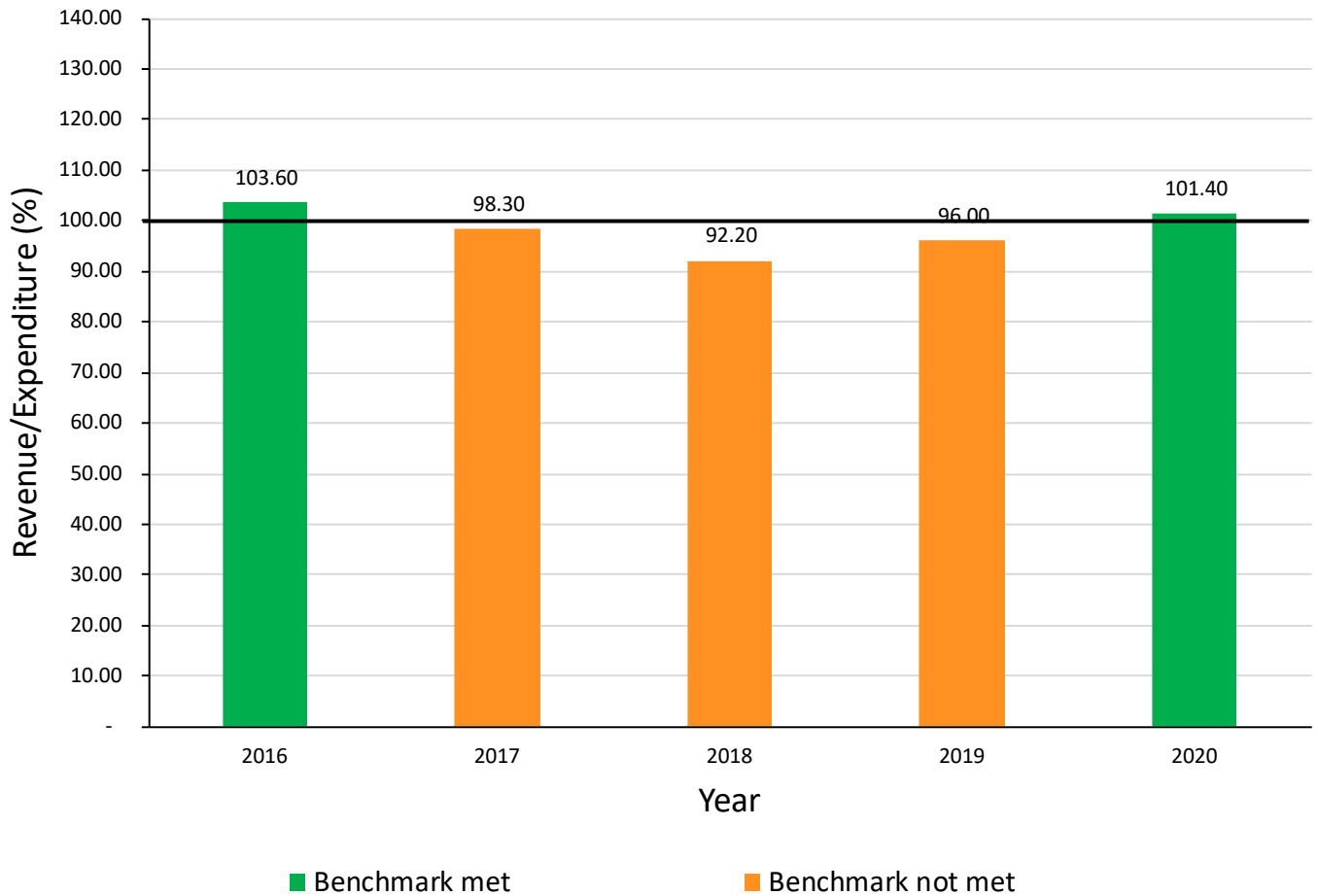
Actual debt servicing (finance) costs as a percentage of total actual revenue

The following graph displays total actual interest expense as a percentage of total revenue. Council's benchmark is for total interest expenses to remain less than 15% of total revenue.



3. Balanced budget benchmark

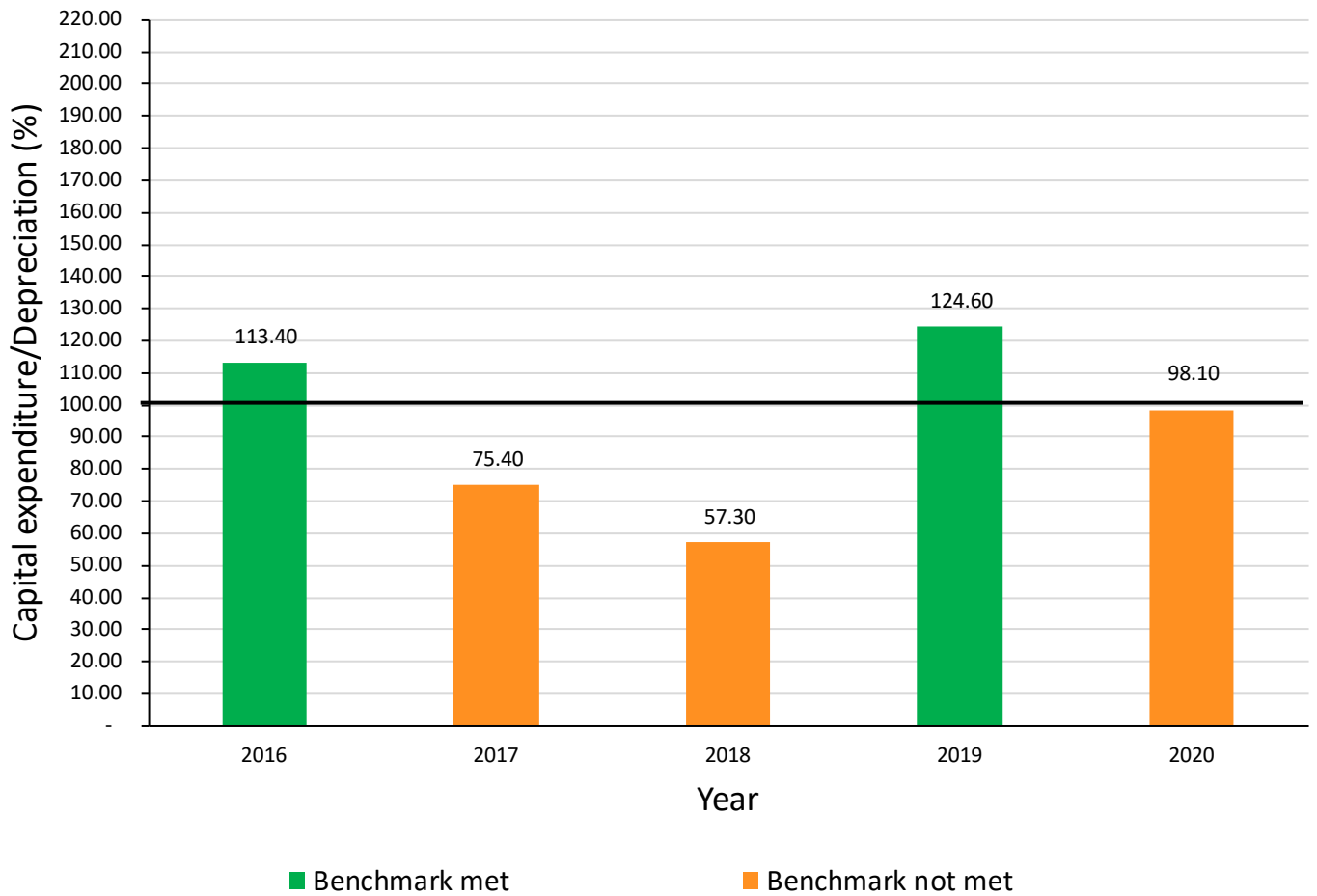
The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



4. Essential services benchmark

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services.

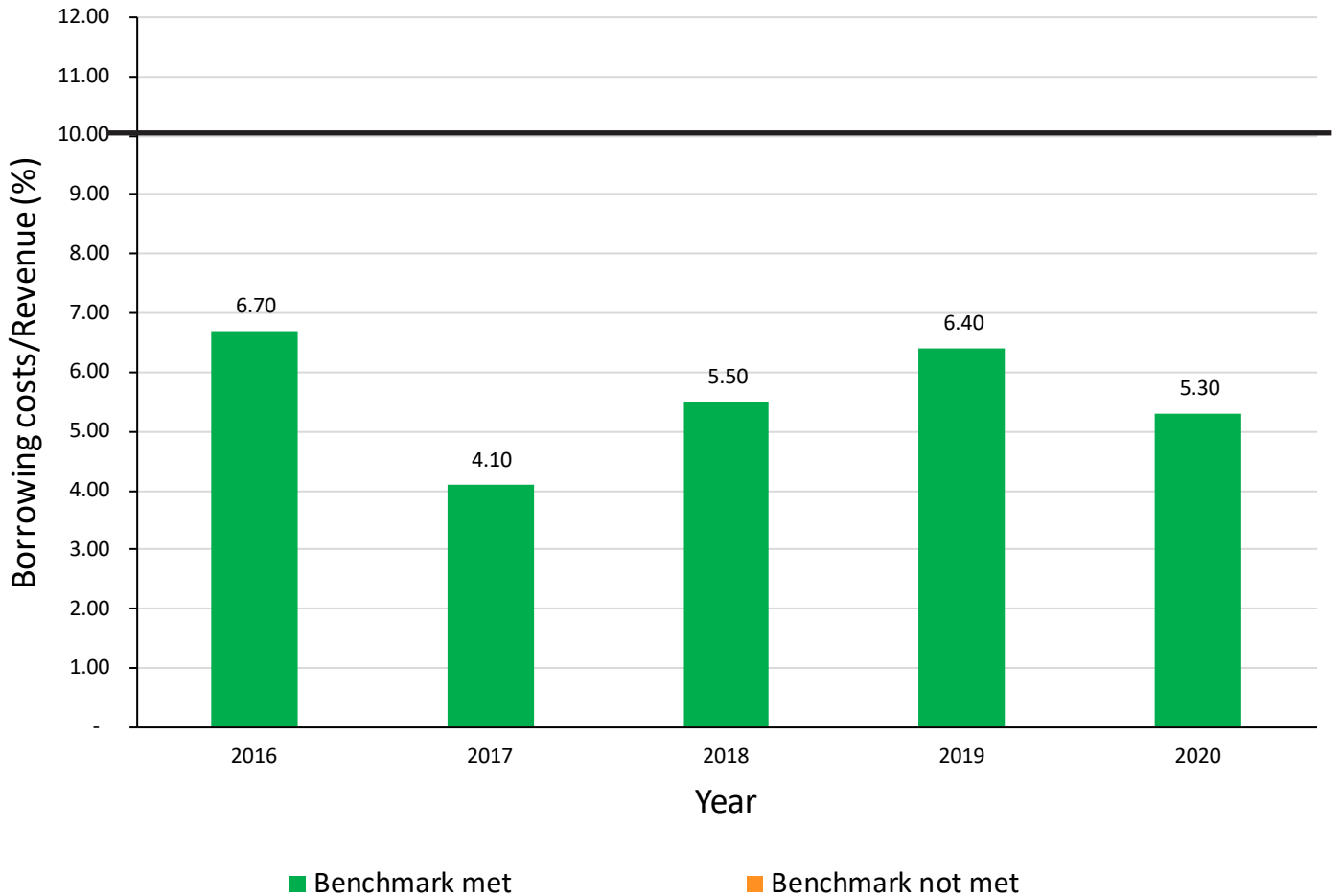
The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing benchmark

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

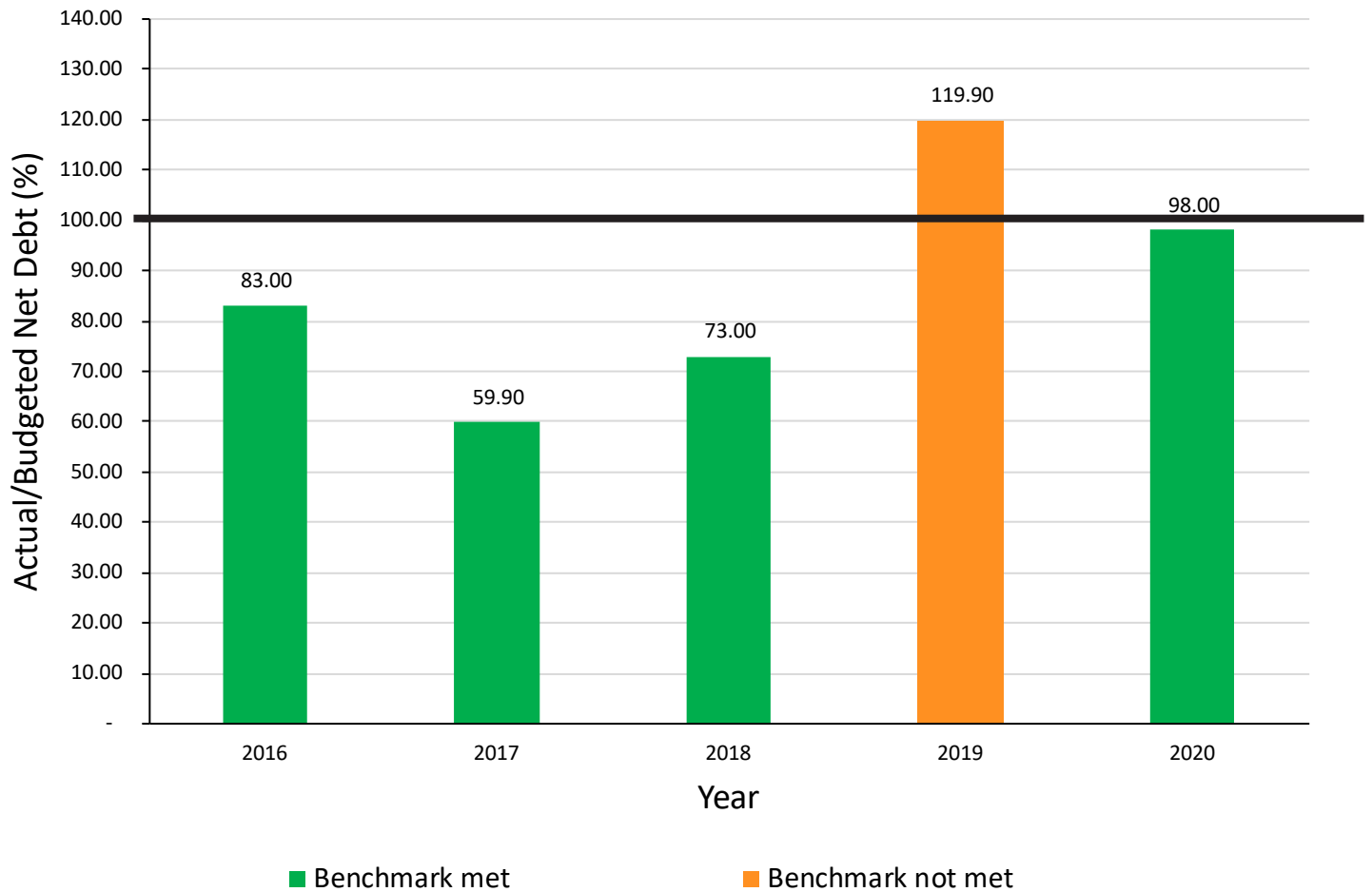
Because Statistics New Zealand projects the council's population will grow no faster than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



Debt control benchmark

The following graph displays the council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

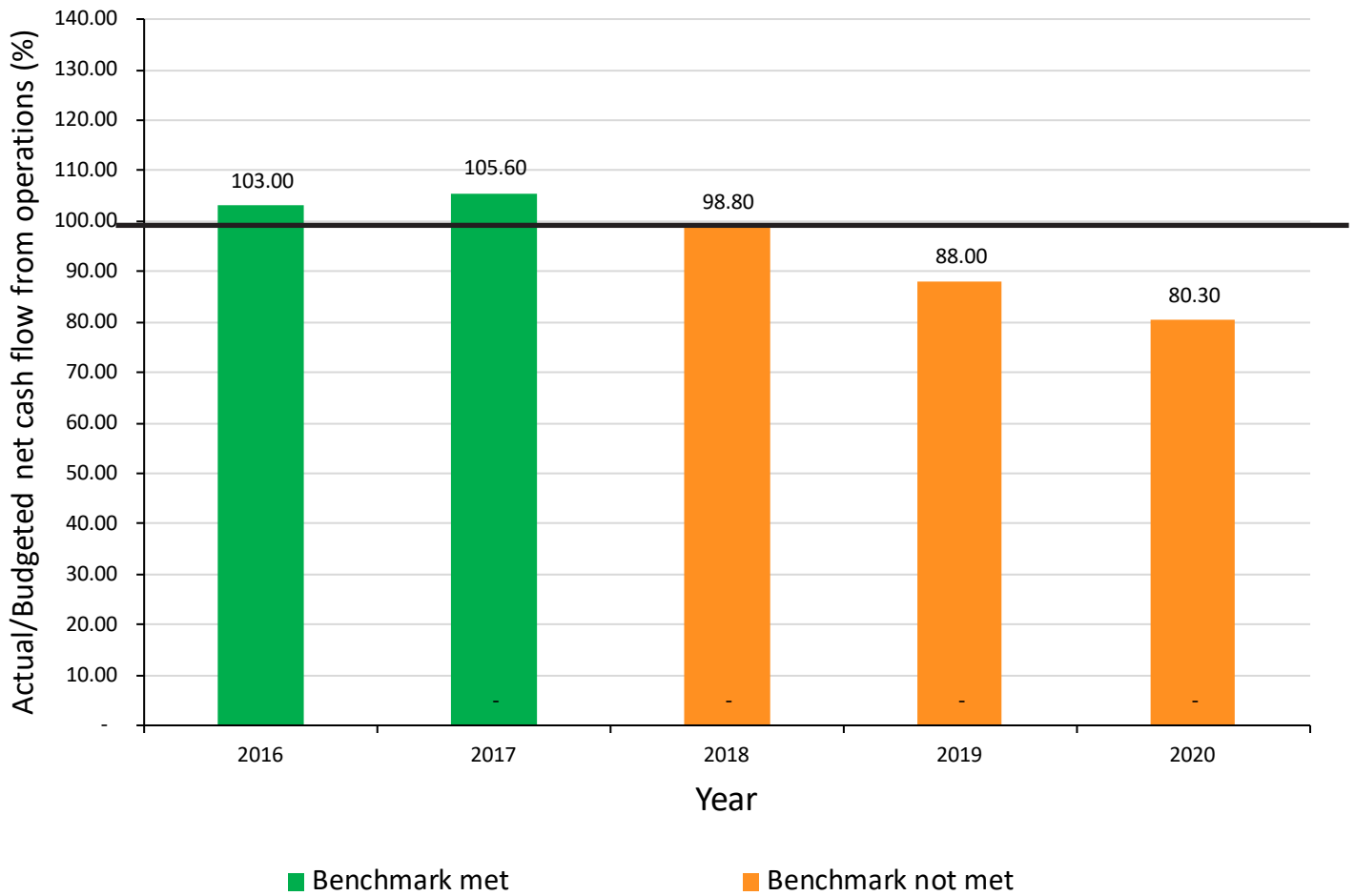
The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



Operations control benchmark

This graph displays the council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



PART D:

Groups of Activity Statements

Resident Satisfaction Survey

Council used an independent research company to carry out a resident satisfaction survey on Council's behalf. The interviews took place in between mid-October and December 2019. 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 2013 Census.

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

Results from the 2019 resident satisfaction survey have been used for the measures of some non-financial performance.

Land Transport



Land transport

Activities included in this group

Land Transport includes the following key functions:

- Council roads including associated facilities such as street lights, cycle lanes and road signs (State Highways excluded as they are the responsibility of the New Zealand Transport Agency (NZTA))
- Footpaths
- Bridges and large culverts
- Bus shelters
- Promotion of road safety

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

The management and maintenance of the Greymouth to Taramakau Bridge section of the West Coast Wilderness Trail is included in this activity.

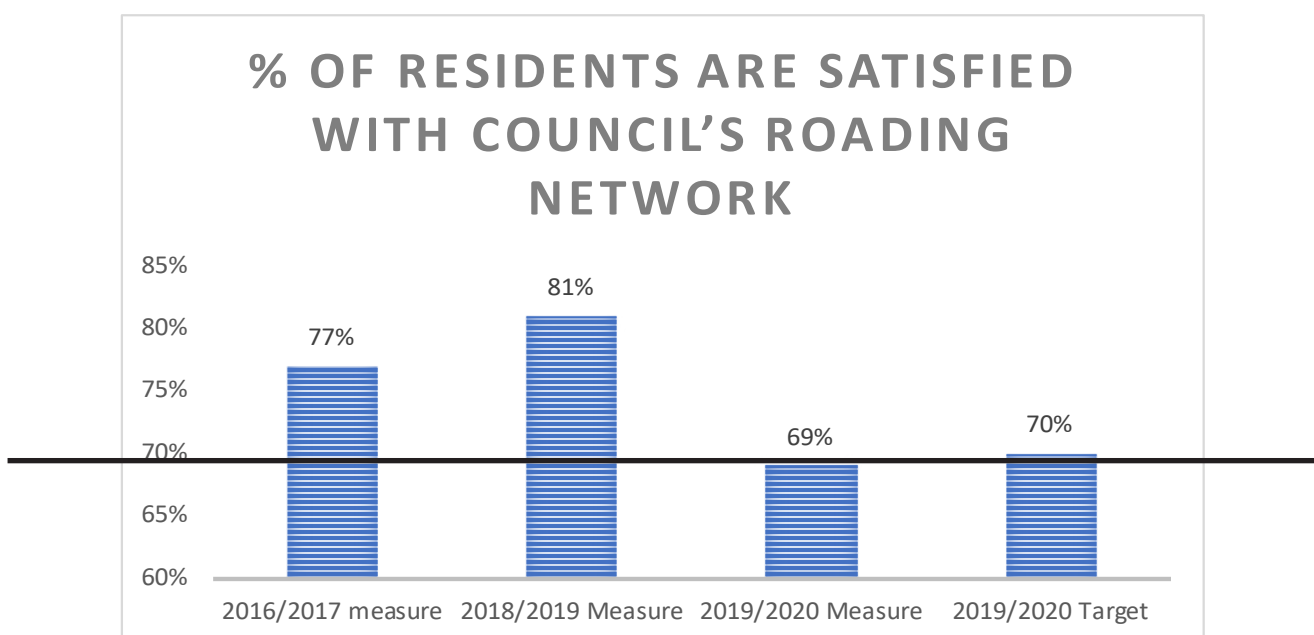
Why we are involved in this activity/these activities

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

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

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

Performance measurement



What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Public satisfaction with our local roading network, including footpaths	% of residents are satisfied with Council's roading network	70%	81%	69%	<p>The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website.</p> <p>This is a decrease from last year but is only just under the target. Feedback in the survey indicated complaints about the quality of road resurfacing, poor condition of some roads, footpaths and bridges, potholes and lack of maintenance overall</p>
	% of residents are satisfied with the way local roads are maintained	60%	72%	53%	<p>The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website.</p> <p>This is a decrease from last year and feedback in the survey indicated complaints about the quality of road resurfacing, poor condition of some roads, footpaths and bridges, potholes and lack of maintenance overall.</p> <p>Council notes that deferred maintenance, an incomplete reseal programme for 2019/2020 and several bridges posted less than Class 1 is likely to have contributed towards the decrease.</p> <p>Further, the closure of Crooked River Bridge for repairs for part of the year meant traffic was diverted from sealed roads to unsealed roads</p>

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Public satisfaction with our local roading network, including footpaths	% of residents are satisfied with the way footpaths are maintained	52%	52%	43%	<p>The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website.</p> <p>This is a decrease from last year and less than target. Feedback in the survey indicated complaints about the poor condition of some roads, footpaths and bridges and lack of maintenance overall. It is noted that there was a 25% reduction this year in the number of service requests received for footpaths.</p> <p>With assistance from NZTA, Council has increased budgets for the maintenance and renewal of footpaths from 2019/2020.</p>
	Maximum number of reported local road closures due to surface flooding per year	15	7	0	No road closures due to flooding.
	% of customer requests responded to within 10 working days	85%	87%	82%	195 service requests out of 237 were responded to within 10 working days.
The condition of our roads and footpaths	% of roads which meet smooth roads standard	90%	93%	91%	Road roughness data was last collected earlier this year. The percentage of roads meeting the smooth roads standard remains above target.
	% of sealed road network resurfaced per year	7.04%	7.55%	3.54%	The target was not met as there was insufficient staff capacity to properly manage the sealed road resurfacing Contract, which caused delays. Once work on the Contract was in progress, COVID-19 Alert Level 4 restrictions caused cancellation of remaining resurfacing work.
	% of footpaths at service standard of "fair" or better (as measured against condition ratings set in GDC Land Transport AMP)	80%	79%	78%	Council plans to commission an independent audit of its footpath network to determine why the percentage of serviceable footpaths remains slightly below target.

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
The safety of our roads	% of residents who agree that local roads are safe when using them	80%	83%	73%	The Resident's Satisfaction Survey was conducted during October/November 2019. Full report available on Council's website. This is a decrease from last year and it is likely to be a result of the complaints about lack of maintenance and poor condition of some of our roads, bridges and footpaths. People in town (ie greater Greymouth and Karoro) felt safer than those living further out.
	Maximum % of fatalities/serious injury crashes on local roads contributed to by road factors	<17%	29%	20%	In 2018/2019, half of the six DSI crashes on local roads were due to road factors and in 2019/2020, only one of the five DSI crashes on local roads (20%) were attributable to road factors.
	Change in number of fatalities/serious injury crashes from previous year on local roads <ul style="list-style-type: none"> 2019/2020: 6 fatal/serious crashes 2018/2019: 7 fatal/serious crashes 2017/2018: 5 fatal/serious crashes 	Reduction >1	+2	-1	Using the NZTA's upgraded Crash Analysis System, there was a total of seven deaths or serious injury (DSI) crashes on local roads in 2018/2019. In 2019/2020 there were six DSI crashes on local roads. All other DSI crashes were on State Highways.

Activity funding impact statement

	2019 LTP Year 1 \$000	2019 Actual \$000	2020 Annual Plan \$000	2020 Actual \$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	2,906	3,035	2,965	3,103
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	1,396	1,755	1,519	1,437
Fees and charges	18	293	18	75
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	180	169	1,274	153
Total operating funding [A]	4,500	5,252	5,776	4,768
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	2,697	2,517	2,759	2,345
Finance costs	6	4	4	1
Internal charges and overheads applied	185	500	190	539
Other operating funding applications	-	-	-	-
Total applications of operating funding [B]	2,888	3,021	2,954	2,885
Surplus (deficit) of operating funding [A - B]	1,612	2,231	2,822	1,883
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	5,572	2,544	6,085	4,422
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(24)	(24)	1,807	(26)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	5,548	2,520	7,892	4,396
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	3,799	278	325	2,935
—to replace existing assets	3,391	5,177	10,423	2,763
Increase (decrease) in reserves	(30)	(30)	(34)	1,861
Increase (decrease) of investments	-	(674)	-	(1,280)
Total applications of capital funding [D]	7,160	4,751	10,714	6,279
Surplus (deficit) of capital funding [C - D]	(1,612)	(2,231)	(2,822)	(1,883)
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	2,906	3,035	2,965	3,103
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	6,968	4,299	7,604	5,859
User charges & regulatory revenue (consent fees, infringements etc)	18	293	18	75
Internal charges and overheads recovered	-	-	-	-
Other revenue	227	169	1,322	153
Total revenue	10,119	7,796	11,909	9,190
EXPENDITURE				
Staff costs	-	-	-	-
Operating & maintenance costs	2,697	2,517	2,759	2,345
Finance costs	6	4	4	1
Internal charges and overheads applied	185	500	190	539
Other expenses	-	-	-	-
Depreciation	4,318	4,318	4,551	4,457
Total expenditure	7,206	7,339	7,505	7,342
Surplus (deficit) of activities	2,913	457	4,404	1,848

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan	Actual	Annual Plan	Actual
	2019	2019	2020	2020
	\$000	\$000	\$000	\$000
General renewals and miscellaneous new capital	2,414	3,688	6,127	2,092
General Bridge component renewals	294	436	409	294
Replacement of assets after severe weather	457	92	156	-
Footpath Renewals	239	12	244	35
On-going minor safety improvements	306	1,008	312	552
Croesus Road upgrade	3,480	219	3,500	2,725
Total capital expenditure	7,190	5,455	10,748	5,698

Variations from budget

1. Subsidies and grants (operating and capital) are less than budget by \$1,745,000 mainly due to the entire NZTA financially assisted programme not being carried out (notably Rough River Bridge component replacement), as well as no significant severe weather events to respond to in terms of roading damage.
2. Local authorities fuel tax, fine. infringement fees and other receipts are \$1,121,000 lower than budgeted as a reimbursement from Buller District Council of \$1m was anticipated for the works not completed on the Rough River Bridge.
3. Subsidies and grants for capital expenditure \$1,663,000 lower than budgeted as a subsidy from NZTA of \$3.4m was anticipated for the works not completed on the Rough River Bridge a subsidy of \$2.7m for Croesus road upgrade being an unbudgeted grant from the Provincial Growth Fund.
4. Increase in debt levels is \$1.8m lower than budgeted due to the works on Rough River Bridge not being completed.
5. Capital expenditure to improve the level of service is \$2.6m higher than budgeted for due to Croesus road upgrade being an unbudgeted grant from the Provincial Growth Fund.
6. Capital expenditure to replace existing assets is \$7.6m lower than budgeted due to the works on Rough River Bridge not being completed.
7. Internal charges and overheads applied are greater than budget by \$349,000, which relates to the Croesus road upgrade being an unbudgeted grant from the Provincial Growth Fund.

Identified effects of these activities on the community

- On-going minor safety improvements have decreased the risk to users of the district's roading network.
- Continued reduction in funding (in real terms) from the NZTA for subsidised works in line with the Government Policy Statement on Land Transport Funding (i.e. no adjustment for inflation) has placed a higher financial burden on the local community.

Stormwater



Stormwater

Activities included in this group

Stormwater includes the following key functions:

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

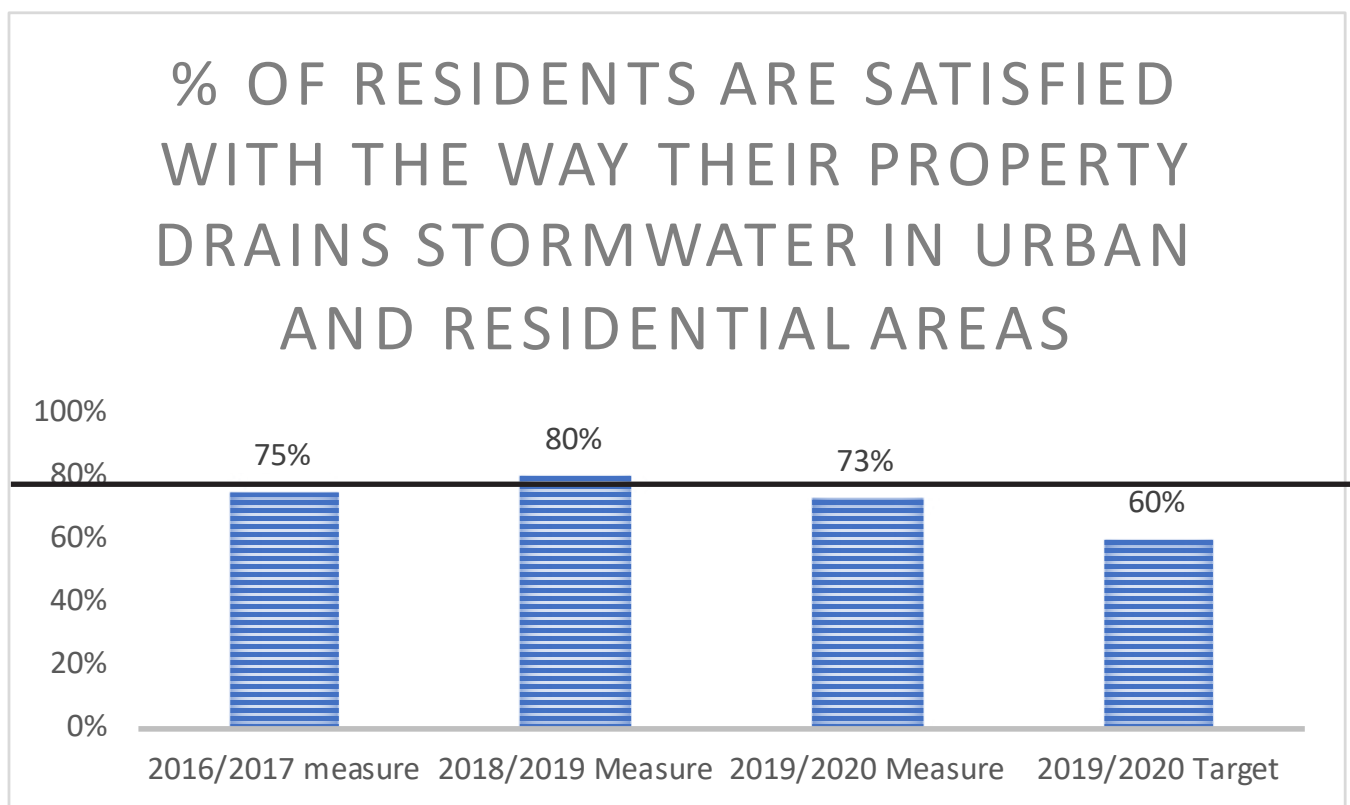
Note: Council has a minor Flood Protection responsibility in that it puts floodgates in place in specific locations when levels in the Grey River reach a specific height.

It also maintains and operates flood pump stations at Johnston Street and Tarry Creek Greymouth as part of the Greymouth Flood Scheme on behalf of the Greymouth Flood Scheme Committee (a joint Grey District Council and West Coast Regional Council committee).

Why we are involved in this activity/these activities

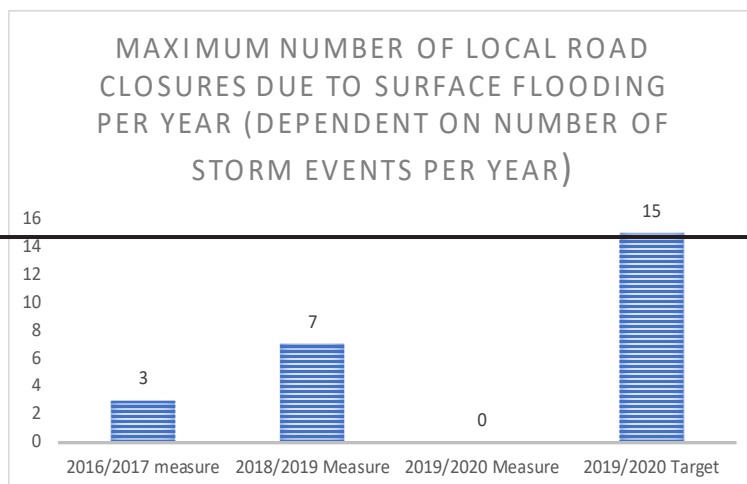
Council needs to control stormwater to protect our community's health and safety and minimise property damage and access. Adequate collection and disposal arrangements are of critical importance and the flood prevention focus is important.

Performance measurement



What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Customer satisfaction	% of residents are satisfied with the overall stormwater service	65%	66%	59%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. This is a decrease from last year. Feedback in the survey includes lack of maintenance of stormwater drains and overflows during heavy rains.
	Number of complaints received about a Council stormwater scheme (per 1,000 properties connected to a Council scheme) Number of service connections: 6,199	<i>Total complaints: 30 Per 1,000 properties: 5.1 (5,852 connections)</i>	Total complaints: 29 Per 1,000 properties: 4.7 (6,195 connections)	Total complaints: 28 Per 1,000 properties: 4.5 (6,199 connections)	28 complaints were received and resolved regarding Council's stormwater services, which is similar to last year. It is noted that we deal with a number of complaints where sewage is still discharging to the stormwater system. New sewerage system will hopefully alleviate most of these. Storm events appear to be more frequent with higher rainfall intensities, resulting in more surface ponding and flood events.
The reliability and efficiency of the stormwater system	% of residents are satisfied with the way their property drains stormwater in urban and residential areas	60%	80%	73%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. This is a decrease from last year. Feedback in the survey includes lack of maintenance of stormwater drains and overflows during heavy rains.
	Requirements of the Greymouth Flood Scheme Action Plan are met prior to and during significant storm events	<i>Achieved</i>	Achieved	Achieved	No significant flood events within 2019/2020 that resulted in triggering the Greymouth Flood Action Plan, meaning no flood events resulting in a 5.0m level at the Dobson monitoring site on the Grey River.
	Maximum number of flooding events * * Note: a flood event is defined as a 50 year flood, which is a flood event that has a 2% probability occurring in any given year. To measure this Council will obtain information on corresponding storm event rainfall intensities.	<i>Nil</i>	Nil	Nil	No significant flood events as defined by a 1:50 return period for 2019/2020.

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
	<p>For each flooding event, maximum number of habitable floors affected (per 1,000 properties connected to a Council scheme)</p> <p>Number of serviced urban properties: 6,199</p> <p>Note:</p> <ul style="list-style-type: none"> Council is only measuring reported incidents in urban areas where the stormwater network is. Number of serviced properties includes all urban properties, whether connected to the Council service or not. Some properties discharge stormwater via their own property stormwater system to watercourses. 	<p>Total floors: 2</p> <p>Per 1,000 properties: 0.34 (5,852 connections)</p>	<p>Total floors: 0</p> <p>Per 1,000 properties: 0 (6,195 connections)</p>	<p>Total floors: 0</p> <p>Per 1,000 properties: 0 (6,199 connections)</p>	Nil for 2019/2020.
	Maximum number of local road closures due to surface flooding per year (dependent on number of storm events per year)	15	7	0	No road closures due to flooding in 2019/2020.
	Median response time to attend a flooding event	3 hours	Nil	Nil	No significant flood events as defined by a 1:50 return period for 2019/2020.
Stormwater discharges are managed without adversely affecting the receiving environment	Number of abatement notices	2	Nil	Nil	Nil for 2019/2020.
	Number of infringement notice	1	Nil	Nil	Nil for 2019/2020.
	Number of enforcement orders	Nil	Nil	Nil	Nil for 2019/2020.
	Number of successful prosecutions	Nil	Nil	Nil	Nil for 2019/2020.
	Total for all enforcement actions	3	Nil	Nil	



Activity funding impact statement

	2019 LTP Year 1 \$000	2019 Actual \$000	2020 Annual Plan \$000	2020 Actual \$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	1,083	1,131	1,192	1,158
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	178	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
Total operating funding [A]	1,083	1,309	1,192	1,158
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	327	325	394	426
Finance costs	39	37	36	33
Internal charges and overheads applied	147	232	148	199
Other operating funding applications	-	-	-	-
Total applications of operating funding [B]	512	594	578	658
Surplus (deficit) of operating funding [A - B]	571	715	614	500
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(14)	(14)	48	41
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	(14)	(14)	48	41
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	8	1	224	86
—to replace existing assets	549	592	590	156
Increase (decrease) in reserves	-	-	(153)	393
Increase (decrease) of investments	-	108	-	(94)
Total applications of capital funding [D]	557	701	662	541
Surplus (deficit) of capital funding [C - D]	(571)	(715)	(614)	(500)
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019 LTP Year 1	2019 Actual	2019 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	1,083	1,131	1,083	1,158
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges & regulatory revenue (consent fees, infringements etc)	-	178	-	-
Internal charges and overheads recovered	-	-	-	-
Other revenue	19	-	19	-
Total revenue	1,102	1,309	1,102	1,158
EXPENDITURE				
Staff costs	-	-	-	-
Operating & maintenance costs	327	325	327	426
Finance costs	39	37	39	33
Internal charges and overheads applied	147	232	147	199
Other expenses	-	-	-	-
Depreciation	776	776	776	847
Total expenditure	1,289	1,370	1,289	1,505
Surplus (deficit) of activities	(187)	(61)	(187)	(143)

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2019	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000	\$000
General renewals (replacement of assets)	549	593	811	240
Miscellaneous new capital	8	-	4	2
Runanga flood mitigation	-	-	-	-
Structural repairs - Johnston St pump station	-	-	-	-
Spare pump for stormwater pump stations	-	-	-	-
Culverting of drains - Blackball	-	-	-	-
Total capital expenditure	557	593	815	242

Variations from budget

1. Operating and maintenance costs, internal charges and overheads are \$151,000 higher than budgeted due to additional costs associated with the Churchill Street stormwater project.
2. General renewals are lower than budgeted by \$570,000 due to contractor delays and the COVID-19 lockdown. The incomplete work has been signalled as a carry forward in the 2020/2021 Annual Plan.

Identified effects of these activities on the community

- The nature of some of Council's stormwater network is such that overflows in higher rainfall are not uncommon. This has short term negative effects as overflows can enter private property and flow down secondary flow paths (such as roads)
- The on-going effects of climate change are potentially leading to more frequent high intensity storms which reduce the ability of stormwater systems to cope.
- The ongoing Greymouth wastewater upgrade is starting to demonstrate results for the Greymouth stormwater system working more efficiently.

Wastewater



Wastewater (sewerage)

Activities included in this group

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

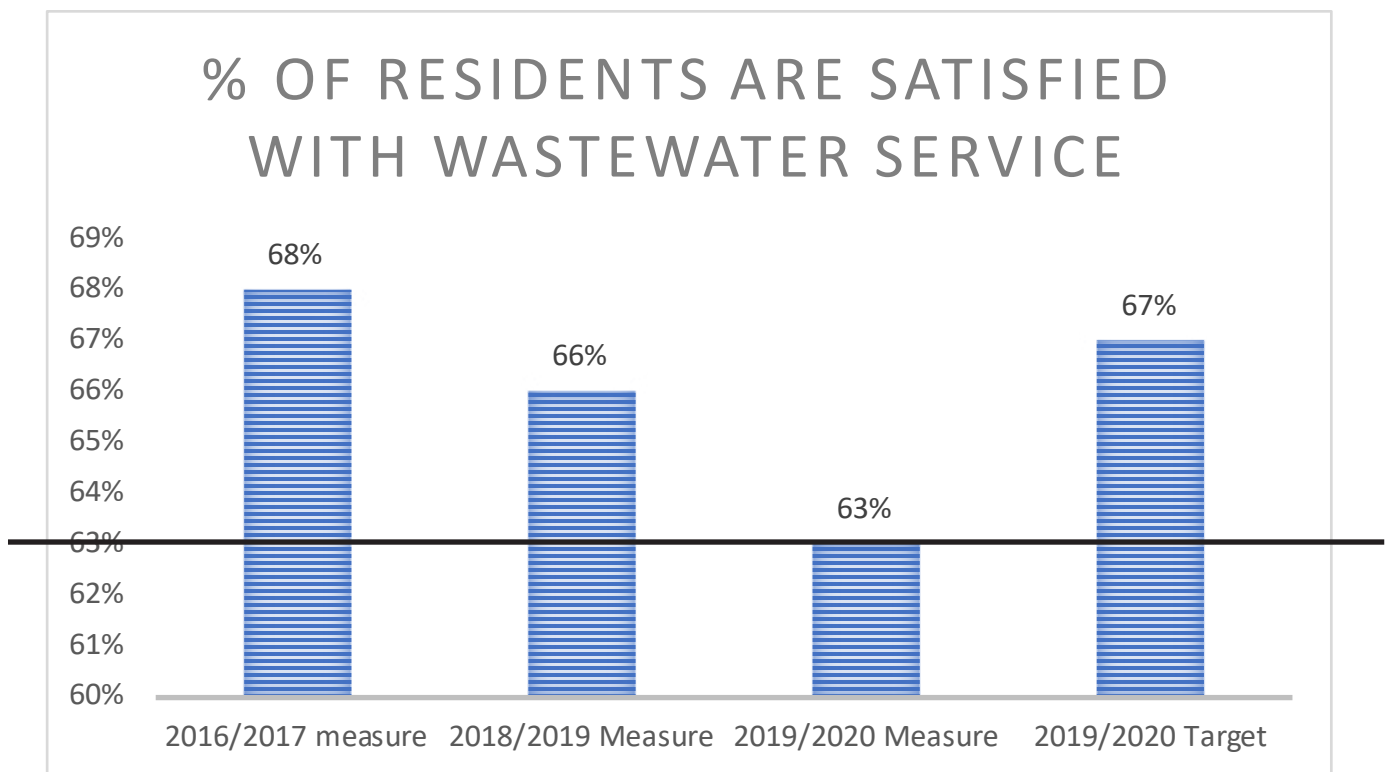
- Wider Greymouth area (Greymouth, Cobden, Blaketown, Boddytown, Dobson, Taylorville and Kaiata)
- Karoro, South Beach, Paroa
- Runanga/Dunollie
- Moana
- Blackball
- Iveagh Bay (Te Kinga)

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

Why we are involved in this activity/these activities

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

Performance measurement



What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Customer satisfaction	% of residents are satisfied with wastewater service	67%	66%	63%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website.
	Number of complaints received, e.g. about odour, faults, blockages, response times (per 1,000 sewerage connections) Number of service connections: 5,047	Total complaints: 50 Per 1,000 properties: 10.4 (4,826 connections)	Total complaints: 43 Per 1,000 properties: 8.9 (4,832 connections)	Total complaints: 65 Per 1,000 properties: 12.5 (5,047 connections)	65 complaints were received and resolved in 2019/2020. This is an increase from the 43 complaints received last year. No odour complaints were received. The complaints were mainly to do with blocked sewers or sewer discharges onto properties.
The reliability and efficiency of the wastewater system	Number of wastewater overflows into houses due to faults in the public reticulation	Nil	Nil	Nil	No wastewater overflows into houses were reported in 2019/2020.
	Number of dry weather sewerage overflows (per 1,000 sewerage connections) Number of service connections: 5,047	Total overflows: 1.5 Per 1,000 properties: 0.3 (4,826 connections)	Total overflows: 11 Per 1,000 properties: 2.3 (4,832 connections)	Total overflows: 9 Per 1,000 properties: 1.8 (5,047 connections)	Nine dry weather sewerage overflows were reported in 2019/2020. The high number of overflows is due to the increase in use of the Cobden Bridge Campervan Dump Station. Staff will investigate how the use of the Cobden Bridge Campervan Dump Station can be better managed.
	If deemed necessary by the West Coast Regional Council, any non-compliance is publicly advertised: <ul style="list-style-type: none"> • Within ½ hour on the website • Same day on the local radio station • The next publication of the local daily newspaper 	Achieved	Achieved	Achieved	Nil for 2019/2020.

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
	Median response times to reported faults <ul style="list-style-type: none"> to get to site (timed from notification) to resolve the problem (timed from notification) (Where contaminated sites are discovered or identified through site investigations, response times will be longer if consents are required to remove and dispose of material)	<ul style="list-style-type: none"> 1 hour 5 hours 	<ul style="list-style-type: none"> 40 minutes 1.52 hours 	<ul style="list-style-type: none"> 39 minutes 2.16 hours 	Contractor has met the required response timeframes under these performance measures. Our new maintenance contractor is working well to meet targets set.
	All planned shutdowns are notified at least 24 hours prior	<i>Achieved</i>	Achieved	Achieved	All repairs to the sewer network are completed live. The network had no planned shutdowns in the 2019/2020 year.
Treated wastewater discharges are managed without adversely affecting the receiving environment	Number of abatement notices	2	Nil	Nil	Nil for 2019/2020.
	Number of infringement notices	1	Nil	Nil	Nil for 2019/2020.
	Number of enforcement orders	<i>Nil</i>	Nil	Nil	Nil for 2019/2020.
	Number of successful prosecutions	<i>Nil</i>	Nil	Nil	Nil for 2019/2020.
	<i>Total for all enforcement actions</i>	3	<i>Nil</i>	<i>Nil</i>	

Activity funding impact statement

	2019	2019	2020	2020
	LTP Year 1	Actual	Annual Plan	Actual
	\$000	\$000	\$000	\$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	2,468	2,567	2,497	2,608
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	110	88	112	153
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
Total operating funding [A]	2,578	2,655	2,609	2,761
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	1,029	1,120	1,051	1,348
Finance costs	756	829	707	706
Internal charges and overheads applied	226	209	229	241
Other operating funding applications	-	-	-	-
Total applications of operating funding [B]	2,011	2,158	1,987	2,295
Surplus (deficit) of operating funding [A - B]	567	497	622	466
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	-	1	-	7
Development and financial contributions	15	3	15	102
Increase (decrease) in debt	(295)	(295)	(322)	(93)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	(280)	(291)	(307)	16
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	720	-	248
—to replace existing assets	287	210	495	320
Increase (decrease) in reserves	-	-	(180)	103
Increase (decrease) of investments	-	(724)	-	(189)
Total applications of capital funding [D]	287	206	315	482
Surplus (deficit) of capital funding [C - D]	(567)	(497)	(622)	(466)
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates (including targeted rates for water supply)	2,468	2,567	2,497	2,608
Subsidies and grants (operating and capital)	-	1	-	7
User charges & regulatory revenue (consent fees, infringements etc)	110	88	112	153
Internal charges and overheads recovered	-	-	-	-
Other revenue	29	3	29	102
Total revenue	2,607	2,659	2,638	2,870
EXPENDITURE				
Staff costs	-	-	-	-
Operating & maintenance costs	1,029	1,120	1,051	1,348
Finance costs	756	829	707	706
Internal charges and overheads applied	226	209	229	241
Other expenses	-	-	-	-
Depreciation	1,052	1,052	1,052	1,130
Total expenditure	3,063	3,210	3,039	3,425
Surplus (deficit) of activities	(456)	(551)	(401)	(555)

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2019	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000	\$000
General renewals & miscellaneous new capital	222	199	155	254
Runanga system replacement	65	14	340	80
Greymouth wastewater upgrade	-	716	-	229
Runanga Pond effluent discharge upgrade	-	-	-	-
Dobson/Kaiata/Taylorville scheme	-	1	-	5
Total capital expenditure	287	930	495	568

Variations from budget

1. User charges are \$41,000 more than budgeted due to insurance payments received for a fire at the wastewater treatment plant in Te Kinga.
2. Operating and maintenance costs are \$297,000 higher than budgeted due an increase in insurance costs of \$50,000 and higher than normal levels of pump repairs due to failure and issues created by flushable wipes. Costs associated with the transport of waste from the Te Kinga treatment plant to Moana also contributed to costs.
3. General renewals are higher than budgeted by \$99,000 due to the costs associated with replacing the Te Kinga wastewater treatment plant electrical control cabinet and other unplanned pump renewals.

Identified effects of these activities on the community

- The on-going upgrades and new schemes have placed a recognised financial burden on those required to fund them. Whilst this has a negative impact it is considered that they are outweighed by the positive impacts, such as reduced discharges to the environment.

Water Supply



Water supply

Activities included in this group

Water supply includes sourcing, treatment and distribution from the following Council water supply schemes:

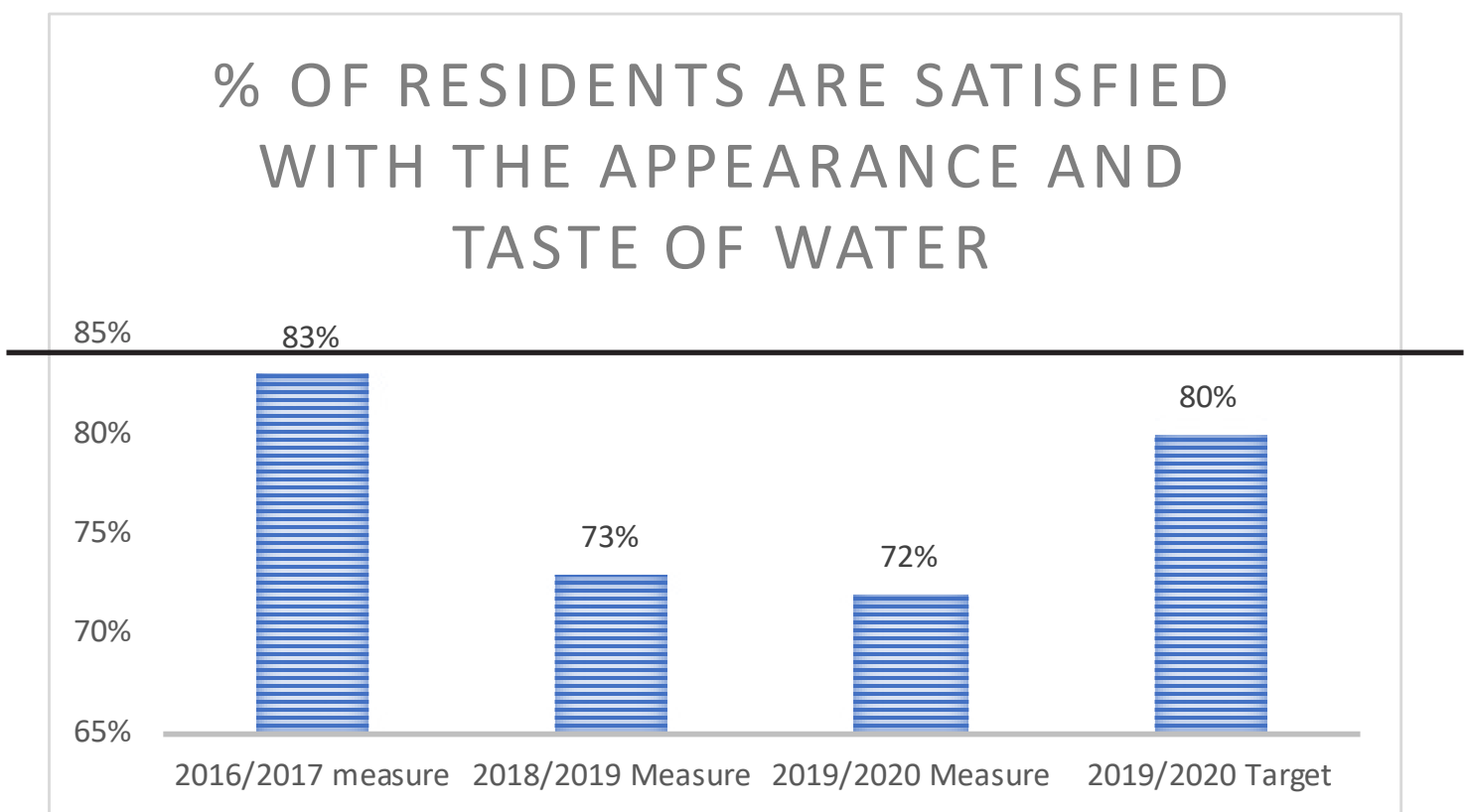
- Wider Greymouth (Greymouth, Cobden, Blaketown, Boddytown, Karoro, South Beach, Paroa, Taylorville, Dobson and Stillwater)
- Runanga/Dunollie/Rapahoe
- Blackball

Why we are involved in this activity/these activities

We provide quality, affordable water and, in the process contribute to:

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

Performance measurement



What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Customer satisfaction	% of residents are satisfied with the appearance and taste of water	80%	73%	72%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. The result is similar to last year but less than target.
	% of residents are satisfied with the pressure and flow of water	75%	92%	85%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. The result is less than last year but above target. There is a slight increase in dissatisfaction amongst those surveyed, likely related to the issues covered in satisfaction with overall water supply service.
	% of residents are satisfied with overall water supply service	70%	64%	57%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. The result is lower than last year and the target. Dissatisfaction is higher in Runanga/Rapahoe etc (where properties are still connected to the Greymouth chlorinated supply due to Ministry of Health requirements) and Kaiata/Dobson/ Taylorville/ Stillwater. A new water supply scheme is in progress for Kaiata.
	Maximum number of complaints received about water clarity, taste, odour, pressure/ flow, continuity of supply or Council's response to reported issues (per 1,000 water supply connections) Number of rated properties: 4,718	<i>Total complaints: 133 Per 1,000 properties: 28.3 (4,686 connections)</i>	Total complaints: 56 Per 1,000 properties: 11.9 (4,694 connections)	Total complaints: 217 Per 1,000 properties: 46 (4,718 connections)	217 complaints were received and resolved in 2019/2020, which is over our target of 133 complaints. However, due to the contractor shutting down a main from the water treatment plant and reservoir, Council received 173 phone calls about one unplanned water shutdown.

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
Council is providing a reliable, efficient and safe water supply	If deemed necessary by the Ministry of Health, any non-compliance is publicly notified as soon as practical, by advertising: <ul style="list-style-type: none"> • Within ½ hour on the website • Same day on the local radio station • The next available publication of the local daily newspaper 	<i>Achieved</i>	Achieved	Achieved	No requests from the Ministry of Health for 2019/2020.
	Maximum number of notifiable water supply transgressions with Drinking Water Standards per year:				
	• Greymouth (now includes Taylorville/Dobson/Stillwater)	<i>Nil</i>	1	Nil	Runanga Supply was connected to the Greymouth supply on a temporary basis on 26 April 2018 while new water treatment plant was under construction.
	• Blackball	<i>Nil</i>	Nil	Nil	
	• Runanga/Rapahoe	<i>1</i>	N/A	N/A	
All planned shutdowns are notified at least 24 hours prior	<i>Achieved</i>	Achieved	Achieved	There were 20 planned shutdowns during 2019/2020 and they were all notified 24 hours prior.	

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes	
Council is providing a reliable, efficient and safe water supply	Maximum % of real water loss from reticulation system (water loss measured from the reservoirs at least once per year):				A desktop analysis was completed through the Greater Greymouth Water Supply Master Plan report in late 2016. This suggests that leakage is significantly higher than previously known. Council is moving forward with splitting the scheme reticulation within the respective schemes to enable better monitoring and identification of leakage. Council will complete a full scheme leakage assessment once metered areas are installed and information is being trended.	
	<ul style="list-style-type: none"> Greymouth (now includes Taylorville/Dobson/Stillwater) 	20%	Not measured	Not measured		
	<ul style="list-style-type: none"> Blackball 	5%	Not measured	Not measured		
	<ul style="list-style-type: none"> Runanga/Rapahoe 	15%	Not measured	Not measured		
	Drinking water supply compliance with following sections of the drinking water standards:					
	Part 4 – bacteria ¹ compliance criteria -					
	<ul style="list-style-type: none"> Greymouth (now includes Taylorville/Dobson/Stillwater) 	<i>Achieved</i>	Achieved	Achieved	Compliance achieved for 2019/2020.	
	<ul style="list-style-type: none"> Blackball 	<i>Achieved</i>	Achieved	Achieved	Compliance achieved for 2019/2020.	
	<ul style="list-style-type: none"> Runanga/Rapahoe 	<i>Achieved</i>	Achieved	Achieved	Runanga Supply was connected to the Greymouth supply on a temporary basis on 26 April 2018 while new water treatment plant was under construction.	
	Part 5 – protozoal compliance criteria -					
	<ul style="list-style-type: none"> Greymouth (now includes Taylorville/Dobson/Stillwater) 	<i>Achieved</i>	Achieved	Achieved	Compliance achieved for 2019/2020.	
	<ul style="list-style-type: none"> Blackball 	<i>Achieved</i>	Achieved	Achieved	Compliance achieved for 2019/2020.	
	<ul style="list-style-type: none"> Runanga/Rapahoe 	<i>Achieved</i>	N/A	N/A	Runanga Supply was connected to the Greymouth supply on a temporary basis on 26 April 2018 while new water treatment plant was under construction.	

¹ Bacteria (eg E.Coli) and protozoa (eg Giardia and Cryptosporidium) are small living organisms (bugs and such like) that are harmful to humans. Bacteria can be removed by chlorine disinfection whereas protozoa cannot and require higher levels of treatment.

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
Average consumption of drinking water per day per resident	<i>Figures in table below are from July 2017 to June 2018</i> Breakdown –	< 640 liters per person per day	812 liters per person per day	636** liters per person per day	Council is actively undertaking leak detection throughout all water schemes. It is hoped that leak resolution and pipework renewals will result in a decrease in average consumption rates moving forward.

Scheme	Litres supplied per year ¹	Population serviced ²	Consumption ³
Greymouth (includes Dobson/Taylorville/Stillwater)	2,575,475,000	9,717	726
Runanga/Rapahoe*	187,484,000	1,159	338
Blackball	80,192,000	468	469
Totals	2,843,151,000	11,704	665

¹ Supply and consumption includes industrial/commercial use

² Normal resident population ex 2013 Census

³ Consumption expressed as litres per person per day.

* Runanga/Rapahoe consumption for 10 months as it was then connected to Greymouth as part of the upgrade project.

**Some of the readings are missing from the contractor so an average has been used on some readings.

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
Our response times to reported faults	Median response times to faults or unplanned interruptions: (Where contaminated sites are discovered or identified through site investigations response times will be longer if consents are required to remove and dispose of material)				
	• Attendance time for urgent call-outs (from notification)	1 hour	50 minutes	45 minutes	Contractor has met the required response timeframes under the maintenance contract.
	• Resolution time for urgent call-outs (from notification)	5 hours	2.13 hours	1.48 hours	Contractor has met the required response timeframes under the maintenance contract.
	• Attendance time for non-urgent call-out	1.5 working days	4.31 hours	1.45 hours	Contractor has met the required response timeframes under the maintenance contract.
Water is sourced from a sustainable resource	Maximum number of resource consent infringements	Nil	Nil	Nil	None received for 2019/2020.

Activity funding impact statement

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	2,323	2,224	2,435	2,300
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	8	-	1
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
Total operating funding [A]	2,323	2,232	2,435	2,301
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	1,059	935	1,079	891
Finance costs	364	376	365	335
Internal charges and overheads applied	155	332	156	390
Other operating funding applications	-	-	-	-
Total applications of operating funding [B]	1,578	1,643	1,601	1,616
Surplus (deficit) of operating funding [A - B]	745	589	834	685
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	-	-	973	100
Development and financial contributions	-	-	-	32
Increase (decrease) in debt	364	(142)	501	(146)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	364	(142)	1,474	(14)
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	4	778	1,249	198
—to replace existing assets	1,131	1,328	1,077	382
Increase (decrease) in reserves	(26)	(26)	(18)	453
Increase (decrease) of investments	-	(1,633)	-	(362)
Total applications of capital funding [D]	1,109	447	2,308	671
Surplus (deficit) of capital funding [C - D]	(745)	(589)	(834)	(685)
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates (including targeted rates for water supply)	2,323	2,224	2,435	2,300
Subsidies and grants (operating and capital)	-	-	973	100
User charges & regulatory revenue (consent fees, infringements etc)	-	8	-	1
Internal charges and overheads recovered	-	-	-	-
Other revenue	14	-	15	32
Total revenue	2,337	2,232	3,423	2,433
EXPENDITURE				
Staff costs	-	-	-	-
Operating & maintenance costs	1,059	935	1,079	891
Finance costs	364	376	365	335
Internal charges and overheads applied	155	332	156	390
Other expenses	-	-	-	-
Depreciation	549	549	549	569
Total expenditure	2,127	2,192	2,150	2,185
Surplus (deficit) of activities	210	40	1,273	248

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2019	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000	\$000
General renewals & miscellaneous new capital	585	1,355	1,081	361
Greymouth water supply upgrades	-	-	-	-
Runanga Water Supply - Plant upgrade	-	739	-	183
New Water Supply Kaiata	-	-	1,245	1
Stillwater - connect to Greymouth	-	-	-	-
Replacement reservoir - Greymouth supply	550	12	-	35
Total capital expenditure	1,135	2,106	2,326	580

Variations from budget

1. Payments to staff and suppliers were lower than budgeted by \$188,000 as electricity costs were lower than anticipated and delays in the works programme for the 2019/2020 year due to the COVID-19 lockdown.
2. Subsidies and grants were \$873,000 lower than budgeted as the Kaiata water supply scheme construction contract was not tendered in the 2019/2020 year, therefore the Ministry of Health Subsidy for the scheme was not received.
3. General renewals and miscellaneous new capital expenditure were \$720,000 below budget as the replacement reservoir was included in 2019/2020 budget but not started in the 2019/2020 year.
4. The Kaiata water supply budget was not spent in the 2019/2020 year due to the COVID-19 lockdown and staff availability. This budget has been brought forward to the 2020/2021 Annual Plan.

Identified effects of these activities on the community

- There have been on-going problems associated with the protection of the Runanga water supply. The risk of contamination is increased after flood events, and contamination has previously occurred. The community has expressed a clear preference to remain on a non-chlorinated supply. Council has worked with the community in explaining the on-going risks of having a non-chlorinated supply, including there is no residual protection in the network from the chlorine being present. Council is upgrading the water source and treatment plant to protect and treat the water at the source, however per the above there will be no network protection. In the event of any transgression being identified the water will immediately be chlorinated and various methods used to communicate the risk to the community.

Solid Waste



Solid waste (refuse and recycling)

Activities included in this group

Waste management involves:

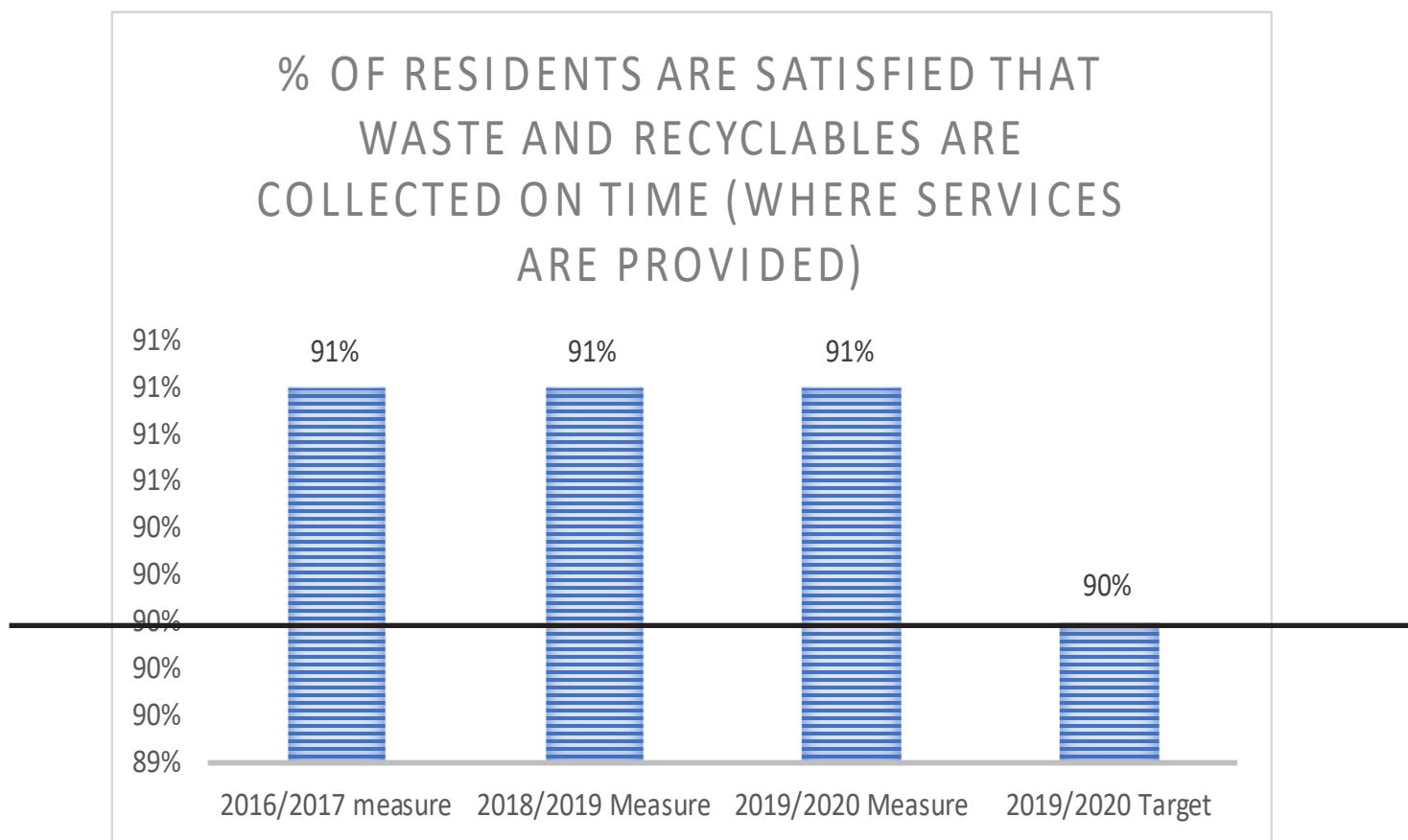
- Refuse collection
- Recovery of recyclable materials
- Management of Landfill and Clean fill- Resource Recovery Centres
- Management of minor quantities of hazardous waste
- Litter Bin management
- Waste minimisation
- Environmental monitoring, also of closed refuse facilities

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

Why we are involved in this activity/these activities

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

Performance measurement



What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
The provision of a reliable, efficient and convenient service	% of residents are satisfied facilities (litter bins, recycling stations, recycling centre) are kept clean and tidy	75%	74%	73%	The Resident's Satisfaction Survey was conducted during October/November 2019. Full report available on Council's website.
	% of residents are satisfied with overall service	92%	84%	80%	The Resident's Satisfaction Survey was conducted during October/November 2019. Full report available on Council's website.
	% of waste collected is recycled	20%	20%	17%	During the COVID-19 pandemic, all recyclable products collected were directed to the landfill. This has resulted in lower percentages of waste being recycled in the 2019/2020 year.
	% of residents are satisfied that waste and recyclables are collected on time (where services are provided)	90%	91%	91%	The Resident's Satisfaction Survey was conducted during October/November 2019. Full report available on Council's website.
Facilities and services are managed without adversely affecting the receiving environment	% capacity remaining in landfill cell (100% - annual volume of waste to landfill divided by actual built capacity) NOTE: Construction of Cell 3, completed June 2019, has an estimated life of seven years. * Estimate only.	80.5%	99%	76%	During the COVID-19 pandemic, all collected recyclable products were directed to the landfill. This is the reason for the higher than expected decrease in available Cell 3A capacity.
	Maximum number of resource consent infringements	Nil	Nil	Nil	None received for 2019/2020

² Where Council provides a recycling service.

Activity funding impact statement

	2019	2019	2020	2020
	LTP Year 1	Actual	Annual Plan	Actual
	\$000	\$000	\$000	\$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	225	235	282	240
Targeted rates	1,374	1,412	1,401	1,448
Subsidies and grants for operating purposes	46	54	47	49
Fees and charges	570	963	720	724
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
Total operating funding [A]	2,215	2,664	2,450	2,461
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	1,603	1,676	1,745	1,665
Finance costs	152	169	155	91
Internal charges and overheads applied	107	124	108	134
Other operating funding applications	-	282	-	193
Total applications of operating funding [B]	1,862	2,251	2,008	2,083
Surplus (deficit) of operating funding [A - B]	353	413	442	378
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	-	120	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(287)	(287)	(375)	(375)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	(287)	(167)	(375)	(375)
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	28	631	28	89
—to replace existing assets	29	291	29	74
Increase (decrease) in reserves	10	(1,359)	10	239
Increase (decrease) of investments	-	683	-	(399)
Total applications of capital funding [D]	66	246	67	3
Surplus (deficit) of capital funding [C - D]	(353)	(413)	(442)	(378)
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	225	235	282	240
Targeted rates (including targeted rates for water supply)	1,374	1,412	1,401	1,448
Subsidies and grants (operating and capital)	46	174	47	49
User charges & regulatory revenue (consent fees, infringements etc)	570	963	720	724
Internal charges and overheads recovered	-	-	-	-
Other revenue	-	-	-	-
Total revenue	2,215	2,784	2,450	2,461
EXPENDITURE				
Staff costs	-	-	-	-
Operating & maintenance costs	1,603	1,676	1,745	1,665
Finance costs	152	169	155	91
Internal charges and overheads applied	107	124	108	134
Other expenses	-	282	-	193
Depreciation	159	58	159	91
Total expenditure	2,021	2,309	2,167	2,174
Surplus (deficit) of activities	194	475	283	287

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2019	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	27	208	8	73
Expand dry storage capacity at McLeans landfill/recycling facility	-	-	-	-
Establish cleanfill site at McLeans landfill	-	-	-	-
New landfill cell design and construction (cell 3)	-	531	-	79
Cobden Sea Wall Protection	-	170	20	-
Old Cobden landfill - reinstatement of area	29	13	29	11
Total capital expenditure	56	922	57	163

Variations from budget

1. Other expenses were \$193,000 greater than budgeted due to the movement in the landfill aftercare provision.
2. Capital expenditure is \$105,000 higher than budgeted due to further works to complete cell 3a being a carryover from the 2017/2018 year.

Identified effects of these activities on the community

- The introduction of kerbside recycling to the 'greater Greymouth' area has resulted in a reduction in the volume of waste being dumped in the landfill. This has a long term positive impact as the landfill facility can offer a longer useful life.
- The 'bring to' recycling facility at McLeans landfill has also been successful in providing a service for those who do not have the kerbside recycling service.
- The provision of environmentally compliant solid waste management services comes at a relatively high cost. Whilst this is accepted by most, a minority choose to dispose of refuse illegally. The cost of illegal dumping is wherever possible recovered from the offending party.

Emergency Management



Emergency management

Activities included in this group

Emergency management includes:

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

Why we are involved in this activity/these activities

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

Council subscribes to the principles of “reduce, readiness, response, recovery”

Performance measurement

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Training and preparation of our emergency management personnel in the event of an emergency	Minimum number of in-house/national training exercises participated in annually	2	24	6	Six training courses were offered prior to the COVID-19 civil defence response. The training programme as proposed in the training calendars were severely affected due to the response required by all Councils to COVID-19.
	Minimum % of personnel trained in the operations of an emergency operations centre (EOC)	80%	22%	30%	28 of 93 staff employed by Grey District Council completed Emergency Management training or staffed the Joint Emergency Coordination Centre (JECC) during the COVID-19 response or both. The COVID-19 response had a big impact on training delivery but during the response, all those who staffed the JECC were trained in various aspects of their roles.
Greater public awareness and participation from the public to be better prepared for emergency situations	Minimum % of schools and pre-school organisations visited annually to deliver Civil Defence messages	90%	35%	78%	78% of schools visited (does not include pre-schools). This is less than target due to a large focus on the COVID-19 response but a big increase on the result from last year. It is noted that the focus in 2019/2020 was on working with schools via a variety of communication methods. Schools regularly conduct alternate communication's checks with the Emergency Management Officer. Schools are also encouraged to participate in this year's Shakeout and Tsunami Hikoi.
	Relevant details are posted on Council's website, including Civil Defence notifications, preparedness reminders etc.	Achieved	Achieved	Achieved	Civil defence notifications and preparedness reminders are posted to the Council website and Facebook page.

Activity funding impact statement

	2019 LTP Year 1 \$000	2019 Actual \$000	2019 Annual Plan \$000	2020 Actual \$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	92	95	79	99
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	20
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
Total operating funding [A]	92	95	79	119
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	12	22	83	45
Finance costs	15	4	14	5
Internal charges and overheads applied	61	53	49	47
Other operating funding applications	-	-	-	-
Total applications of operating funding [B]	87	79	146	97
Surplus (deficit) of operating funding [A - B]	5	16	(67)	22
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(5)	(5)	(5)	(5)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	(5)	(5)	(5)	(5)
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	-	-	23
—to replace existing assets	-	-	-	28
Increase (decrease) in reserves	-	-	(72)	(72)
Increase (decrease) of investments	-	11	-	38
Total applications of capital funding [D]	-	11	(72)	17
Surplus (deficit) of capital funding [C - D]	(5)	(16)	67	(22)
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	92	95	79	99
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges & regulatory revenue (consent fees, infringements etc)	-	-	-	20
Internal charges and overheads recovered	-	-	-	-
Other revenue	-	-	-	-
Total revenue	92	95	79	119
EXPENDITURE				
Staff costs	-	-	-	-
Operating & maintenance costs	12	22	83	45
Finance costs	15	4	14	5
Internal charges and overheads applied	61	53	49	47
Other expenses	-	-	-	-
Depreciation	5	4	5	4
Total expenditure	92	83	151	101
Surplus (deficit) of activities	0	12	(72)	18

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan	Actual	Annual Plan	Actual
	2019	2019	2020	2020
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	-	-	-	51
New rural fire equipment	-	-	-	-
Total capital expenditure	-	-	-	51

Variations from budget

1. User charges are \$20,000 more than budgeted due to money recovered from the West Coast Regional Council for the set up of the joint Regional Emergency Co-Ordination Centre (ECC) and Grey District Emergency Operation Centre (EOC).
2. Operational expenditure was \$49,000 lower than budgeted and capital expenditure was higher than budgeted by \$55,000 as operational funding was redirected to set up the joint ECC and EOC due to the COVID-19 emergency response.

Identified effects of these activities on the community

- The ongoing pro-active measures undertaken serve to build a community more resilient and prepared for emergencies.



Environmental Services

Environmental services

Activities included in this group

Environmental services include:

District Planning

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

Building Control

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

- Processes building consent applications
- Grants and issues building consents
- Undertakes building inspections
- Issues Notices to Fix
- Issues Code Compliance Certificates
- Investigation of complaints relating to building work and illegal buildings
- Issues compliance schedules
- Any other functions and duties specified in the Building Act 2004

As a **Territorial Authority (TA)** Council carries out the following tasks:

- Performs functions relating to our Dangerous, Earthquake-Prone and Insanitary Buildings Policy
- Administration and audit of building warrants of fitness (BWOFF)
- Investigation of building work related complaints where consents have not been applied for or issued
- Issues project information memorandum (PIM)
- Issues building consent discretionary exemptions under Schedule 1(2)
- Processes and Issues Certificates of Acceptance (CoA)
- Issues and amends compliance schedules
- Decides the extent to which buildings must comply with the building code when they're altered, are subject to a change of use, or their specified intended life changes
- Carries out any other functions and duties specified in the Building Act

Other Regulation

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

Health Regulation

- Inspection and licensing of food premises under the Food Hygiene Regulations 1974 and the Food Act 2004
- Annual registration of offensive trades, camping grounds, hairdressers, funeral directors, mortuaries and mobile shops, together with other duties under the Health Act 1956

- Responding, investigating and reporting on noise complaints and other duties under the Resource Management Act 1991 and the District Plan
- Ensuring appropriate steps are in place to limit the impact of commercial or industrial noise and ensure compliance within the noise provisions of the District Plan
- Inspection of liquor premises (participation in stakeholder compliance visits), licensing of liquor premises, reporting to the Alcohol Regulatory and Licensing Authority (ARLA) and the Grey District Licensing Committee (DLA) and administering new applications or renewals of managers certificates

Dog/Stock Control

- Investigation of complaints about dogs including barking, wandering, menacing and dangerous dogs
- Enforcing legislation and Council's bylaws which govern where dogs are permitted, control of dogs on a leash and fencing of dogs within a property boundary
- Impounding wandering dogs and taking steps to identify the owner of the dog
- Maintaining a register of dogs generally and for those classified as menacing or dangerous
- Responding to wandering stock complaints

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

Why we are involved in this activity/these activities

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

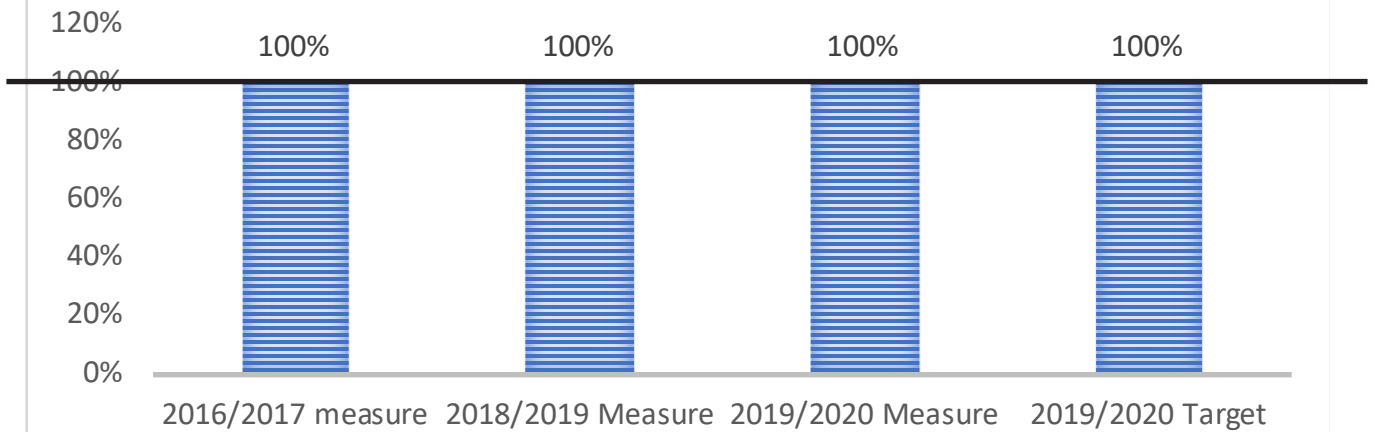
- The district planning service ensures the District is able to promote development to support a prosperous community without compromising rights of residents and the District's physical and natural assets/resources. It achieves this aim by appropriate application of the Resource Management Act, through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

Performance measurement

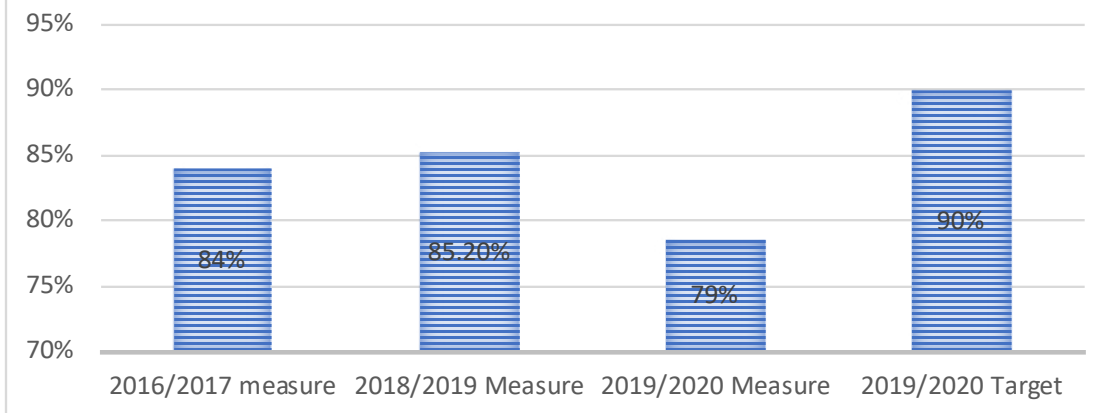
What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Council is efficiently processing information requests and consent applications within statutory time limits	% of Land Information Memoranda (LIMs) issued within 10 working days of application	100%	94%	94%	267 of 283 LIMs were issued within 10 working days in 2019/2020. The COVID-19 lockdown affected these figures.
	% of non-notified land use consents processed within 20 working days	100%	90%	89%	34 of 38 non-notified consents were processed within 20 days in 2019/2020. Four consents took over 20 days to process, however three of these had S37 extensions in line with the legislation. The reasons for the extensions were due to either "special circumstances" (COVID-19) or to allow for review of draft conditions. One application took more than 20 working days.
	% of building consent applications issued with statutory time limits	100%	97.3%	99%	385 of 388 building consent applications issued within statutory time frame. These figures are affected by COVID-19 lockdown.
	% of Code of Compliance Certificates (CCC) issued with statutory time limits	100%	93.5%	99.6%	284 of 285 CCC issued within statutory timeframes. One CCC outside the statutory timeframe is due to the COVID-19 Lockdown delays.
	% of building inspection undertaken at agreed times	95%	100%	100%	Staff are confident that all appointments were undertaken at agreed times during 2019/2020. No complaints were reported regarding missed appointments. Better communications with consent holders have enabled bookings to be kept. A diary process is being used and is proving successful. Greater knowledge of the process by builders enabled the 100% result.
We are ensuring that buildings within the District are safe and meet national quality standards	Required % of owners of earthquake prone buildings in the District aware of their obligations to strengthen their buildings to the required standard	100%	100%	100%	All building owners remaining on list have now been issued EPB Notices and MBIE Register has been updated.
	Grey District Council maintains accreditation as a building consent authority	Achieved	Achieved	Achieved	BCA Accreditation has been maintained; IANZ assessment undertaken in Feb 2020. Next assessment is March 2022.

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
A safer District is being provided for by promoting responsible dog ownership and monitoring food and liquor premises	% of known dogs registered by August each year	90%	85.2%	76.8%	2,253 of 2,748 dogs registered by August.
	Time taken to respond to food premises complaints	5 days	100%	100%	All complaints are responded to within 24 hours.
	% of premises requesting new and renewed liquor licenses that are inspected	100%	86%	100%	The number of premises fluctuates during the year. The current total is 64. During 2019/2020, all premises requesting new or renewal of their licences were visited as part of that process.
We are responding to service requests in a timely manner	% of after-hours noise complaints responded to within two hours	95%	97%	98%	Council contracts a security company to provide this service. Reports of complaints are monitored and checked by our staff daily.
	% of after-hours animal control complaints responded to within two hours	95%	100%	100%	All 568 complaints received were responded to within two hours.
	% of complaints about breaches of bylaws and District Plan rules are responded to within five working days	95%	100%	100%	Only a small number of complaints were received, and these were dealt with within the required timeframe. Where a resource consent was required, this is within the required consent timeframes.
Our District Plan is effective in developing and maintaining sustainable development and a satisfactory environment	% of land use consents issued since 2005 are monitored for compliance with conditions	50%	2.6%	5.7%	58 of 1,013 land use consents issued since 2005 have been recorded as being monitored in 2019/2020. This is a satisfactory number given that the monitoring officer is part time and no monitoring was able to be undertaken during COVID-19 lockdowns.
	% of residents satisfied with Council's regulation of land use throughout the District	60%	52%	40%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. Feedback from the survey indicated complaints about paperwork, red tape and timeframes. There was acknowledgement of the impact on Council by changes made at Central Government level. Other issues include land ownership and underutilisation of land.
Iwi are consulted on all new policies, bylaws, District Plan changes and notified resource consents	New policies, bylaws, DP changes and notified resource consents have involved Iwi consultation as required	Achieved	Achieved	Achieved	For all publicly notified consents, notice is served on both Ngai Tahu and Ngati Waewae (note: there were no publicly notified consents in the monitoring period therefore there was no consultation).

REQUIRED % OF OWNERS OF EARTHQUAKE PRONE BUILDINGS IN THE DISTRICT AWARE OF THEIR OBLIGATIONS TO STRENGTHEN THEIR BUILDINGS TO THE REQUIRED STANDARD



% OF KNOWN DOGS REGISTERED BY AUGUST EACH YEAR



Activity funding impact statement

	2019 LTP Year 1 \$000	2019 Actual \$000	2020 Annual Plan \$000	2020 Actual \$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	975	1,019	958	1,043
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	1,038	938	1,059	1,052
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	126	135	129	85
Total operating funding [A]	2,139	2,092	2,146	2,180
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	417	689	426	579
Finance costs	-	-	-	-
Internal charges and overheads applied	1,703	1,722	1,700	1,771
Other operating funding applications	-	-	-	-
Total applications of operating funding [B]	2,119	2,411	2,126	2,350
Surplus (deficit) of operating funding [A - B]	20	(319)	20	(170)
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	26	75	26	66
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	26	75	26	66
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	15	-	15	-
—to replace existing assets	4	47	4	-
Increase (decrease) in reserves	26	59	26	82
Increase (decrease) of investments	-	(350)	-	(186)
Total applications of capital funding [D]	46	(244)	46	(104)
Surplus (deficit) of capital funding [C - D]	(20)	319	(20)	170
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	975	1,019	958	1,043
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges & regulatory revenue (consent fees, infringements etc)	1,038	938	1,059	1,052
Internal charges and overheads recovered	-	-	-	-
Other revenue	152	214	155	157
Total revenue	2,165	2,171	2,172	2,252
EXPENDITURE				
Staff costs	21	6	21	12
Operating & maintenance costs	396	683	405	567
Finance costs	-	-	-	-
Internal charges and overheads applied	1,703	1,722	1,700	1,771
Other expenses	-	-	-	-
Depreciation	3	3	3	3
Total expenditure	2,122	2,414	2,129	2,353
Surplus (deficit) of activities	43	(243)	43	(101)

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2019	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000	\$000
Replacement of operational vehicles	-	43	-	-
Miscellaneous renewals & new capital	19	4	19	-
Total capital expenditure	19	47	19	-

Variations from budget

1. Local Authorities fuel tax, fines, infringements fees and other receipts are lower than budgeted by \$44,000 due to a drop in the level of freedom camping infringement fines issues in the 2019/2020 year.
2. Payments to staff and suppliers are higher than budget by \$153,000. This is due to additional costs being incurred to support Council's continuing accreditation as Building Consent Authority and costs associated with outsourcing building consent processing.
3. Development and financial contribution are \$40,000 higher than budgeted due to there being a greater number of land use consents requiring reserves contributions than anticipated. This, conversely, relates to the larger than budgeted increase in reserves.

Identified effects of these activities on the community

- During the year Council continued to enforce its Earthquake-Prone Buildings (EQPB) Policy. In developing this policy, the Grey District Council must balance the need to protect public health and safety against the economic implications of requiring significant remedial building work and the community's desire to protect historic structures and the West Coast heritage. Council has continued to proactively engage with the community and building owners concerning their obligations under the policy.

Other Transport



Other transport

Activities included in this group

Other transport includes:

Greymouth Aerodrome

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

Parking

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

Port of Greymouth

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

Why we are involved in this activity/these activities

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

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

Performance measurement

Aerodrome

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
The provision of a safe service	Meet Civil Aviation Authority requirements for the aerodrome	<i>Achieved</i>	Achieved	Achieved	The Aerodrome meets the requirements set out by Civil Aviation Rule Part 139 Aerodrome - Certification, Operation and Use.
Customer satisfaction	% of residents satisfied that the aerodrome provides essential emergency air services	70%	72%	70%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website.

Parking

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
The maintenance, safety, convenience & accessibility of parking in the CBD	Off road car parks are inspected regularly for deterioration in surface seal, markings and signage Information on remedial action will be made publicly available via the monthly meeting agenda	<i>Achieved</i>	Achieved	Achieved	Inspections are undertaken weekly by the Parking Enforcement Officer and on request. Any matters for attention are brought to the attention of the Department Manager.
Customer satisfaction	% of residents are satisfied with the availability of public parking	80%	75%	67%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. This result is less than last year and target. Feedback from the survey includes the time limits in town (complaints they are not long enough for appointments etc) and lack of parking in the CBD for workers are issues. It is noted that Council have consulted twice in recent years on potential changes to parking in the CBD, with few submissions received.
Sustainability of the service for the future	Implementation of a parking strategy for the CBD and environs with key stakeholders – Strategy to be reviewed every three years	<i>Pending</i>	Achieved	Ongoing	Council will shortly be commissioning a Parking and Traffic Study and Strategy as part of the CBD Redevelopment Plan to be draw traffic into town and ensure appropriate traffic flow and parking availability once in town.

Port of Greymouth

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Confidence of users	Annual survey of Port users completed in August, measuring satisfaction	65%	92%	100%	40 questionnaires were sent out in July and unfortunately only one response was received back. * The one responder was satisfied with the facilities, hence the 100%, however given the low response rate, this cannot really be considered representative of user opinions. Negative feedback received was that the entry fee is excessive and deters fishermen from entering the Port.
Provision of a safe and reliable service	Number of incidents recorded per year in Incident Register	<2	2	5	Five incidents were recorded over the year: <ul style="list-style-type: none"> • Two related to old, unmaintained vessels sinking at their berth • One related to a vessel fouling their prop on a lagoon channel marker buoy • One related to a vessel colliding with another whilst berthing • One related to an injury to a port staff member whilst at work Four of these incidents involved vessels over which the Port had no control. The Port of Greymouth has no Harbourmaster and so is unable to require vessel owners to ensure their vessels are safe or to require owners to remove vessels. The two collisions were not related to Port vessels or vessels under control of the Port.
Communication with users	At least four (4) informal discussions with Westfleet and Talley's management and two minuted meetings per year	2 meetings	2 meetings minuted and informal meetings >5 with Westfleet and Talleys	2 meetings minuted and informal meetings 4 minimum with Westfleet and Talleys	Two minuted meetings were held, in November 2019 and April 2020. Regular informal meetings with Westfleet & Talley's in excess of five with each company (dates not recorded)

Activity funding impact statement

	2019	2019	2020	2020
	LTP Year 1	Actual	Annual Plan	Actual
	\$000	\$000	\$000	\$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	415	433	478	444
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	435	523	470	461
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	56	47	57	66
Total operating funding [A]	906	1,003	1,005	971
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	811	1,430	842	500
Finance costs	114	143	105	161
Internal charges and overheads applied	244	297	247	291
Other operating funding applications	-	-	-	-
Total applications of operating funding [B]	1,168	1,870	1,193	952
Surplus (deficit) of operating funding [A - B]	(262)	(867)	(188)	19
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	-	750	-	637
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	327	204	357	(65)
Gross proceeds from sale of assets	-	54	-	10
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	1,200	-	-
Total sources of capital funding [C]	327	2,208	357	582
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	84	-	-
—to replace existing assets	3	1,740	107	738
Increase (decrease) in reserves	62	(459)	62	161
Increase (decrease) of investments	-	(24)	-	(298)
Total applications of capital funding [D]	65	1,341	169	601
Surplus (deficit) of capital funding [C - D]	262	867	188	(19)
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019 LTP Year 1	2019 Actual	2019 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	415	433	478	444
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	750	-	637
User charges & regulatory revenue (consent fees, infringements etc)	435	523	470	461
Internal charges and overheads recovered	-	-	-	-
Other revenue	56	1,247	57	66
Total revenue	906	2,953	1,005	1,608
EXPENDITURE				
Staff costs	282	228	288	223
Operating & maintenance costs	529	1,202	553	277
Finance costs	114	143	105	161
Internal charges and overheads applied	244	297	247	291
Other expenses	-	-	-	-
Depreciation	469	238	469	256
Total expenditure	1,637	2,108	1,662	1,208
Surplus (deficit) of activities	(731)	845	(657)	400

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2019	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	3	50	107	9
Dredging - Port of Greymouth	-	-	-	698
Breakwater repairs	-	1,774	-	31
Berth renewals	-	-	-	-
Port Beacon/Light Replacement	-	-	-	-
Total capital expenditure	3	1,824	107	738

Variations from budget

1. Subsidies and grants are higher than budgeted by \$637,000. This is due to a Provincial Growth Fund (PGF) grant being received for the building of a new dredge for the Port.
2. Payments to staff and suppliers were \$342,000 lower than budget. This is due to lower than anticipated operational maintenance spend at the aerodrome, as well as one Port staff member leaving and not being replaced in the 2019/2020 year. Legal costs for Port leases of \$95,000 were not used in the 2019/2020 year.
3. Change in debt is less than budgeted. This is due to a surplus in Port operations, enabling the activity to operate without drawing down further loan funds in the 2019/2020 year.
4. Capital expenditure was \$432,000 higher than budgeted. This is due to the building of the new dredge funded by a Provincial Growth Fund grant.

Identified effects of these activities on the community

- The port operations continue to struggle financially, however there is a more positive outlook with the development of a new fish processing facility in Greymouth.
- The aerodrome continues to offer the facilities required to support the West Coast District Health Board functions.
- With the district economy taking a down turn the provision of parking enforcement has not been required to the same extent as previous years. Council has reduced the service provided to match the demand.

Property and Housing



Property and housing

Activities included in this group

This includes:

Retirement Housing

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

Property

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

Why we are involved in this activity/these activities

Council is proud of its provision of quality pensioner housing. Council is also committed to managing its property portfolio responsibly so as to maximize revenue for the benefit of all residents.

Performance measurement

Retirement Housing

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
An affordable, well maintained and efficient retirement housing service is provided	Achievement of minimum percentage of occupancy rates	95%	98%	96%	All units are effectively let. Council takes the opportunity between tenants to undertake any necessary renewal works.
	Retention of the 0800 24 hours contact service for emergency repairs and maintenance (e.g. water breaks etc.)	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Council continues to provide the 0800 number which is directed to a call centre and is available 24/7. All residents are advised of this service.
	Rent levels set annually below market rates	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Based on anecdotal evidence available from the Ministry of Business Innovation and Employment (MBIE) rentals are approximately 60% of market rentals.
	Flats are inspected at least once per year	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	The Property Officer carried out interior flat inspections during August 2019. Exterior issues are identified when staff or contractors are on site and rectified as appropriate
Customer satisfaction	% tenants satisfied with the service (annual survey of tenants)	90%	97.4%	Not measured	The last survey was carried out in May 2019. The next survey will be carried out before the end of 2020.

Activity funding impact statement

	2019	2019	2020	2020
	LTP Year 1	Actual	Annual Plan	Actual
	\$000	\$000	\$000	\$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	812	805	828	785
Internal charges and overheads recovered	452	247	374	247
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
Total operating funding [A]	1,264	1,052	1,202	1,032
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	795	639	781	702
Finance costs	93	70	75	56
Internal charges and overheads applied	175	216	182	199
Other operating funding applications	-	-	-	-
Total applications of operating funding [B]	1,063	925	1,038	957
Surplus (deficit) of operating funding [A - B]	201	127	164	75
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(57)	228	(54)	(54)
Gross proceeds from sale of assets	-	19	-	193
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	(57)	247	(54)	139
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	370	-	98
—to replace existing assets	87	187	77	82
Increase (decrease) in reserves	57	49	33	189
Increase (decrease) of investments	-	(232)	-	(155)
Total applications of capital funding [D]	144	374	110	214
Surplus (deficit) of capital funding [C - D]	(201)	(127)	(164)	(75)
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019	2019	2020	2020
	LTP Year 1	Actual	Annual Plan	Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges & regulatory revenue (consent fees, infringements etc)	812	805	828	785
Internal charges and overheads recovered	452	247	374	247
Other revenue	65	44	55	106
Total revenue	1,329	1,096	1,257	1,138
EXPENDITURE				
Staff costs	-	-	-	-
Operating & maintenance costs	795	639	781	702
Finance costs	93	70	75	56
Internal charges and overheads applied	175	216	182	199
Other expenses	-	-	-	-
Depreciation	406	420	406	423
Total expenditure	1,469	1,345	1,444	1,380
Surplus (deficit) of activities	(140)	(249)	(187)	(242)

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan	Actual	Annual Plan	Actual
	2019	2019	2020	2020
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	87	46	77	138
Council main offices - waterproofing and miscellaneous renewal	-	-	-	-
Left Bank Art Gallery - Earthquake strengthening	-	370	-	-
Retirement Housing - wastewater connections	-	-	-	-
Increase file and yard storage capacity	-	-	-	-
Retirement Housing insulation upgrades	-	-	-	-
Retirement Housing renewals	-	141	-	42
Total capital expenditure	87	557	77	180

Variations from budget

1. Fees and charges are \$43,000 lower than budget. This is largely due to a reduction in lease income attributed to continuing freeholding of property.
2. Internal charges and overheads recovered are lower than budgeted by \$127,000. This is due to a reduction in electricity costs and low interest rates reducing financing cost.
3. Payments to staff and suppliers were \$79,000 lower than budget. This is largely due to lower electricity, lease and maintenance costs.
4. Gross proceeds from the sale of assets and increase in reserves are both more than budget. This is due to the freeholding of Council property through the year.

Identified effects of these activities on the community

- Council continues to offer quality retirement housing at below market rental rates. This has a positive impact on those in need, as evidenced by the continuing popularity.

Community Facilities and Events



Community facilities & events

Activities included in this group

Community facilities include:

Libraries

- Greymouth Library (including Pioneer Library)
- Runanga Library

Swimming Pools

- Westland Recreation Centre
- Spring Creek Pool, Runanga

Museum

- History House Museum

Heritage, Arts & Culture

- Financial support to other Arts, Culture and Heritage bodies

Indoor Sport Centres

- Westland Recreation Centre

Cemeteries

- Karoro Cemetery
- Gladstone Cemetery
- Stillwater Cemetery
- Barrytown Cemetery
- Blackball Cemetery
- Ahaura Cemetery
- Nelson Creek Cemetery (Ngahere)
- Moonlight Cemetery (not maintained)
- Maori Gully
- Cobden Cemetery
- Greenstone Cemetery
- Dungaville Cemetery (not maintained)
- Notown Cemetery
- Napoleon's Hill Cemetery (not maintained)

Parks and Tracks

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

Why we are involved in this activity/these activities

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

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

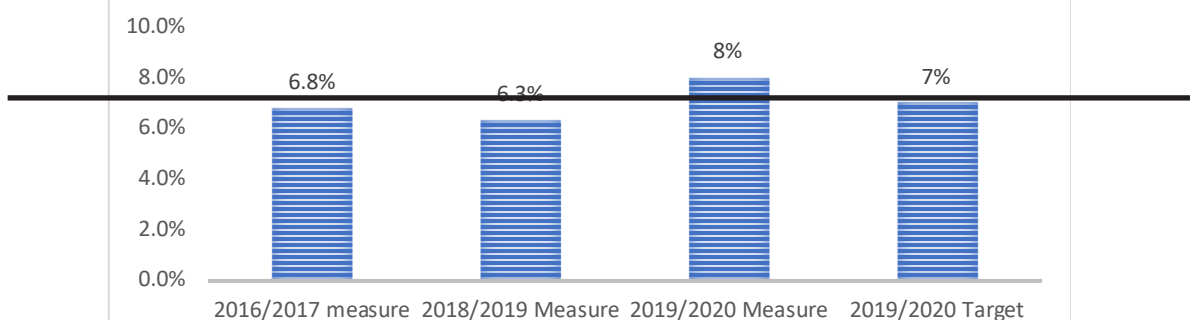
Performance measurement

Libraries

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Customer satisfaction	% of residents are satisfied with service	80%	84%	72%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. 47% of respondents had visited the Library in the last 12 months. Ideas for improvement include a bigger building, having spaces for study or meetings and a better and larger collection. There were also some comments about the current Library looking old and tired.
Community participation and engagement with the service	Number of outreach literacy learning and educational programmes delivered annually e.g. story-time, Summer Reading Challenge, housebound deliveries, adult education programmes	240	248	200	200 events were held during 2019/2020, providing a range of activities to all sectors of the Grey District community. The Covid-19 lockdown impacted numbers throughout April and May 2020.
	% of residents who are members of the Library	78%	84%	81%	11,113 enrolled borrowers as a percentage of 13,750 population.
Availability, accessibility and quality of the library service	The Grey District Library is open at least one late night per week and on Saturday mornings	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	The Library in Greymouth is open every Saturday morning except at Easter and is open every Wednesday evening except on public holidays and the week between Christmas and New Year. Note: Opening hours were impacted by the various alert levels of Covid-19.
	An on-line service is provided to allow members to browse the library catalogue (both printed and electronic) and make collection reservations	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Access to the online service is available via Council's website or directly via the URL https://ent.kotui.org.nz/client/en_AU/grey

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
Availability, accessibility and quality of the library service	% of material less than ten years old (note: excludes the Pioneer Library)	85%	67.5%	67%	21,814 of 33,448 items in the collection are less than 10 years old as at 30 June 2020. Our collection is updated as budgets allow.
	Retain free public internet access for New Zealand citizens	<i>Achieved</i>	Achieved	Achieved	The Library continues to provide free public internet access via membership of the Aotearoa People's Network Kahoroa (APNK). Note: There was a period during the Covid-19 lockdown when the National Library turned off wi-fi access to all APNK members at the request of the government.
	Increased number of WIFI connections annually within Grey District Library and vicinity	24,200	19,778	24,063	Usage data for 2019/2020. Available from: https://support.apnk.nz/library/wifi-stats The free WIFI is very popular with tourists and locals. As well as APNK provided desk computers, the Library has five APNK provided Chromebooks, which are very popular and used regularly to access the internet.
	Increased Facebook likes and reach	410	571	619	As at 30 June 2020, the Library Facebook page had 619 likes. Staff continually update the Facebook page to engage users and grow the audience.
Developing the library collection and building our local identity	% of new items acquired each year – New Zealand material or written by New Zealand authors	7%	6.3%	8%	282 of the 3,411 new items added to the library collection were New Zealand material or written by New Zealand authors in 2019/2020.

% OF NEW ITEMS ACQUIRED EACH YEAR – NEW ZEALAND MATERIAL OR WRITTEN BY NEW ZEALAND AUTHORS



Swimming Pools

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
A safe service is provided	% compliance with the NZ Water Quality Standards	100%	100%	100%	External water tests are completed monthly. Internal tests are done three hourly. Pool Safe accreditation received 2020.
	Lifeguards are trained to the NZ national standard	Achieved	Achieved	Achieved	Only certified lifeguards are on duty. Uncertified lifeguards are identified as trainees until certified. Meeting all national standards as per Poolsafe regulations.
Customer satisfaction	% of residents are satisfied with service	75%	85%	75%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. The result is on target but less than last year. Some feedback mentioned in the survey included dissatisfaction with closures (including temporary closures due to contaminations and closures for maintenance) and entry cost. Note: The pool was closed during relevant COVID-19 restrictions and for remedial works (earthquake strengthening and floor resurfacing) during 2020/2021 – approx. three months.
Availability, accessibility and quality of the service	Number of users annually – Greymouth	90,000	90,831	74,896	The pool was shut in March 2020 due to Covid-19 lockdown then for annual maintenance. This has impacted on our user numbers. Note: At present the number of users counted includes gym, pool and swim school member visits at the Westland Recreation Centre (WRC). The number of pool users has been estimated using a percentage of the total number of membership card swipes and over the counter payments. We are looking to make changes to our data collection to more accurately report this number in the future.
	Number of users annually – Runanga	1,000	2,347	1,994	Spring Creek Pool was reopened to public in May under Covid-19 Alert Level 2 as an alternative while the WRC pool was closed for annual maintenance works.

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
	Service availability: <ul style="list-style-type: none"> • Greymouth: seven days a week • Runanga: seven days a week during the swim season 	<i>Achieved</i>	Achieved	Achieved	The WRC pool is open seven days a week and most public holidays. Spring Creek Pool in Runanga was open seven days a week during the summer season where possible but there were occasions when it had to close due to staffing constraints and lack of support from the community.
	Number of Swim School registrations per term	380	534	524	This include pre-school numbers and private lessons. There is a slight decrease from the previous year, which is due to the impact of Covid-19 on Swim School registrations on Tern 2 in 2020.
	Minimum total swims per capita (national per capita swim averages are 5.5)	6.5	7.0	5.6	Calculated by adding users at the WRC and Spring Creek pools (76,890) and dividing by population (13,750). A lower than usual performance due to the impact of closures under Covid-19 alert levels, although we still met the national average
Management of potential adverse effects on the environment	No Resource Consent infringements for the coal fired boiler	<i>Achieved</i>	Achieved	Achieved	Emissions reports showed no infringements on our Resource Consent conditions.

History House Museum

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Customer satisfaction	% of users that are satisfied with the service	70%	Not measured	Not measured	Given the closure of the Museum building, this measure was not included in the last customer satisfaction survey.
Availability, accessibility and quality of the service	Increased social media (i.e. Facebook and Instagram) likes and reach	20	105	114	Although the number of likes has increased, the History House Museum Facebook page and Instagram account are not currently being actively maintained while the museum is closed.
	New displays prepared each year	3	0	0	No displays due to the museum being closed.
	Informative rack cards and flyers are provided and distributed to tourist locations annually as required	Achieved	Not Achieved	Not Achieved	No promotion carried out due to the museum being closed.
	Contribute relevant material to external authors of publications and/or promotion articles, locally or nationally (Clarified that Museum staff provide material for externally written articles/publications)	4 articles per year	Not achieved	Not achieved	Due to the museum being closed
	Increased number of visitors (per annum)	3,000	547	0	Since the closure of the temporary pop-up exhibition in July 2018, there has not been a museum display or exhibition for visitors.

Westland Recreation Centre

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Customer satisfaction	% of residents satisfied with the service	75%	79%	67%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. * 59% of respondents had visited the Westland Recreation Centre in the last 12 months. Visits were higher by those who lived in the Greater Greymouth area. The result is less than last year and target. Some feedback mentioned in the survey included dissatisfaction with closures (it was closed for a couple of months under the relevant COVID-19 levels and for maintenance/upgrade works), cost and some people wanted the gym to be open 24/7. An idea for improvement was the inclusion of a café in the facility.
	% of residents satisfied with sports stadiums	75%	80%	63%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. * Survey respondents commented they would like to see a wider range of activities and sports being catered to, ie climbing wall, indoor cricket, table tennis etc.
	% of residents satisfied with fitness centres/gyms	70%	73%	51%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. * The main themes from the survey response were for the gym to be open 24/7, cheaper prices and a free trial option.
Availability, accessibility and quality of the service	The Westland Recreation Centre will be available for use seven days a week	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	The WRC pool is open seven days a week and most public holidays.

* As part of the 2019 Resident Satisfaction Survey, people were asked what would encourage them to visit the Westland Recreation Centre more often. The most common responses were cheaper prices, discounts, free trial, having more time to go and more events or exhibitions. Staff have taken note of the feedback.

Cemeteries

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Customer satisfaction	% of residents satisfied with the standard of cemetery facilities (New measure from 2018/2019)	90%	89%	77%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. There was a large increase in the number of "don't know/N/A" responses for this question in 2019 (from 9% in 2018 to 23%), which caused the satisfaction rating to decrease
Availability of on-line cemetery records	On-line register updated with each new interment	All sites available	Not achieved	Not achieved	Data is nearing completion and discussions with consultant to migrate the information to online service has commenced.
Environmental effects	Maximum number of resource consent breaches to show the facilities are managed without adversely affecting the receiving environment	Nil	Nil	Nil	None received for 2019/2020

Parks and Tracks

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
Customer satisfaction	% of residents are satisfied with the service	85%	90%	85%	The Resident's Satisfaction Survey was conducted during October/November 2019. Full report available on Council's website.

Public Toilets

What we're measuring	How we'll measure	2019/2020 target	2018/2019 measure	2019/2020 measure	Notes
Customer satisfaction	% of residents are satisfied with the service	70%	70%	71%	The Resident's Satisfaction Survey was conducted during October/November 2019. Full report available on Council's website.



Activity funding impact statement

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	3,129	3,265	3,317	3,369
Targeted rates	-	-	100	-
Subsidies and grants for operating purposes	30	104	46	346
Fees and charges	1,318	1,132	1,344	964
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	2	-	5
Total operating funding [A]	4,477	4,503	4,807	4,684
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	3,381	4,118	3,573	3,972
Finance costs	278	296	237	252
Internal charges and overheads applied	612	591	642	542
Other operating funding applications	-	16	-	(40)
Total applications of operating funding [B]	4,271	5,021	4,452	4,726
Surplus (deficit) of operating funding [A - B]	206	(518)	355	(42)
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	400	680	400	995
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(436)	(506)	(479)	8
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	(36)	174	(79)	1,003
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	108	645	67	819
—to replace existing assets	204	248	204	451
Increase (decrease) in reserves	(143)	(115)	5	20
Increase (decrease) of investments	-	(1,122)	-	(329)
Total applications of capital funding [D]	170	(344)	276	961
Surplus (deficit) of capital funding [C - D]	(206)	518	(355)	42
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019 LTP Year 1	2019 Actual	2020 Annual Plan	2020 Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	3,129	3,265	3,317	3,369
Targeted rates (including targeted rates for water supply)	-	-	100	-
Subsidies and grants (operating and capital)	430	784	446	1,341
User charges & regulatory revenue (consent fees, infringements etc)	1,318	1,132	1,344	964
Internal charges and overheads recovered	-	-	-	-
Other revenue	-	2	-	5
Total revenue	4,877	5,183	5,207	5,679
EXPENDITURE				
Staff costs	1,341	1,669	1,420	1,763
Operating & maintenance costs	2,040	2,449	2,153	2,209
Finance costs	278	296	237	252
Internal charges and overheads applied	612	591	642	542
Other expenses	-	16	-	(40)
Depreciation	1,488	1,681	1,488	1,646
Total expenditure	5,759	6,702	5,940	6,372
Surplus (deficit) of activities	(882)	(1,519)	(733)	(693)

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2019	Actual 2019	Annual Plan 2020	Actual 2020
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	84	379	139	545
Vehicle/plant replacement	-	-	-	-
New Toilet - Northern Breakwater/Cobden Eco-sanctuary	-	-	-	-
New Toilet - Blackball	-	200	-	275
New Toilet - Anzac Park	92	-	-	-
Westland Recreation Centre	-	5	-	-
Library collection purchases	66	70	62	60
Grey Aquatic Centre - roof remediation	-	-	-	353
Grey Aquatic Centre - tile remediation	-	-	-	-
CBD Renewal Projects	-	239	-	37
History House upgrade	70	-	70	-
Total capital expenditure	312	893	271	1,270

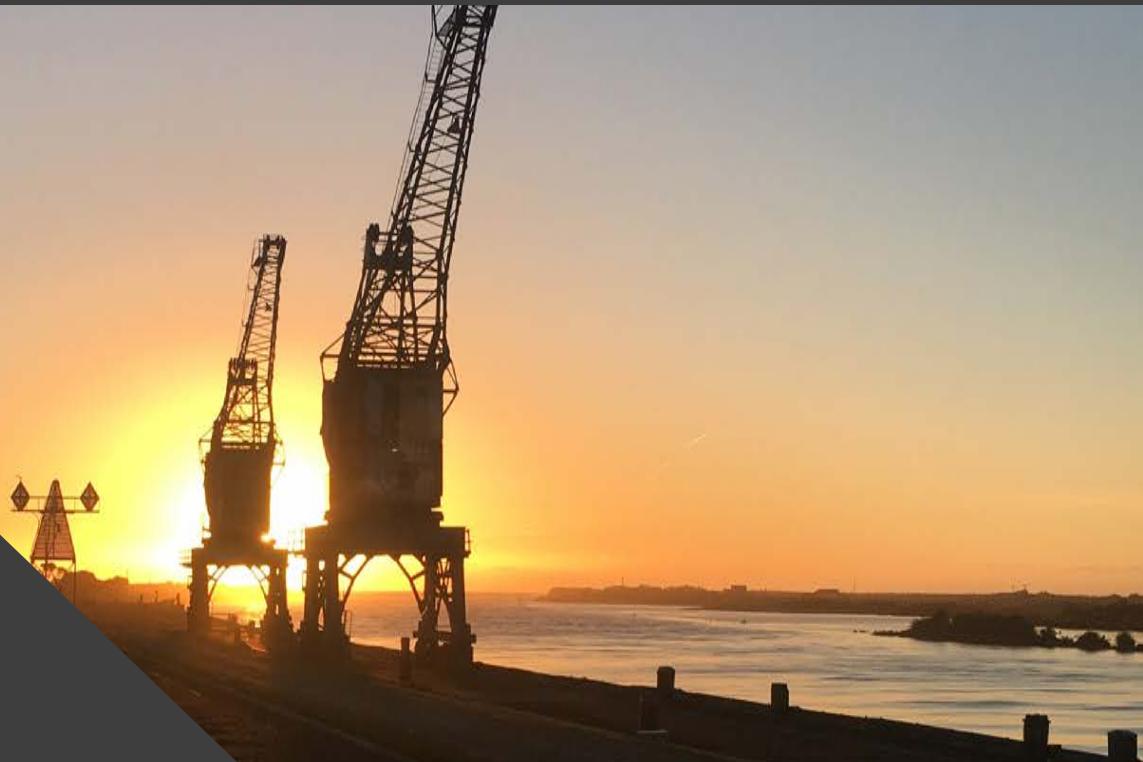
Variations from budget

1. Subsidies and grants were \$895,000 more than budget. This is due to the receipt of grants for building of the Westland Recreation Centre and Economic Development Funds from Development West Coast.
2. User charges and regulatory revenue is \$380,000 below budget. This is largely caused by a reduction in fees received at the Westland Recreation Centre and Grey District Library due to the facilities being closed during the COVID-19 lockdown and the Westland Recreation Centre having a shutdown period for remedial works.
3. Staff costs were \$343,000 higher than budget. This is due to various reasons, including additional staff costs at the Westland Recreation Centre compared to that forecast in the Annual Plan.
4. Capital expenditure overall is \$418,000 higher than budget. This includes unplanned remedial works for the Westland Recreation Centre and construction of new public toilets at Blackball, Blaketown and Rapahoe, which were funded by Tourism Infrastructure Funds awarded in 2019/2020.

Identified effects of these activities on the community

- Council continues to offer high quality community facilities that form an integral part of making the Grey District an attractive place to live, work, and invest. It is recognised that these facilities require a high level of general ratepayer input, and there is not always a direct link between those who pay and those who benefit. Council strives to deliver the services in the most cost effective manner possible.

Democracy and Administration



Democracy and administration

Activities included in this group

Democracy and Administration includes:

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

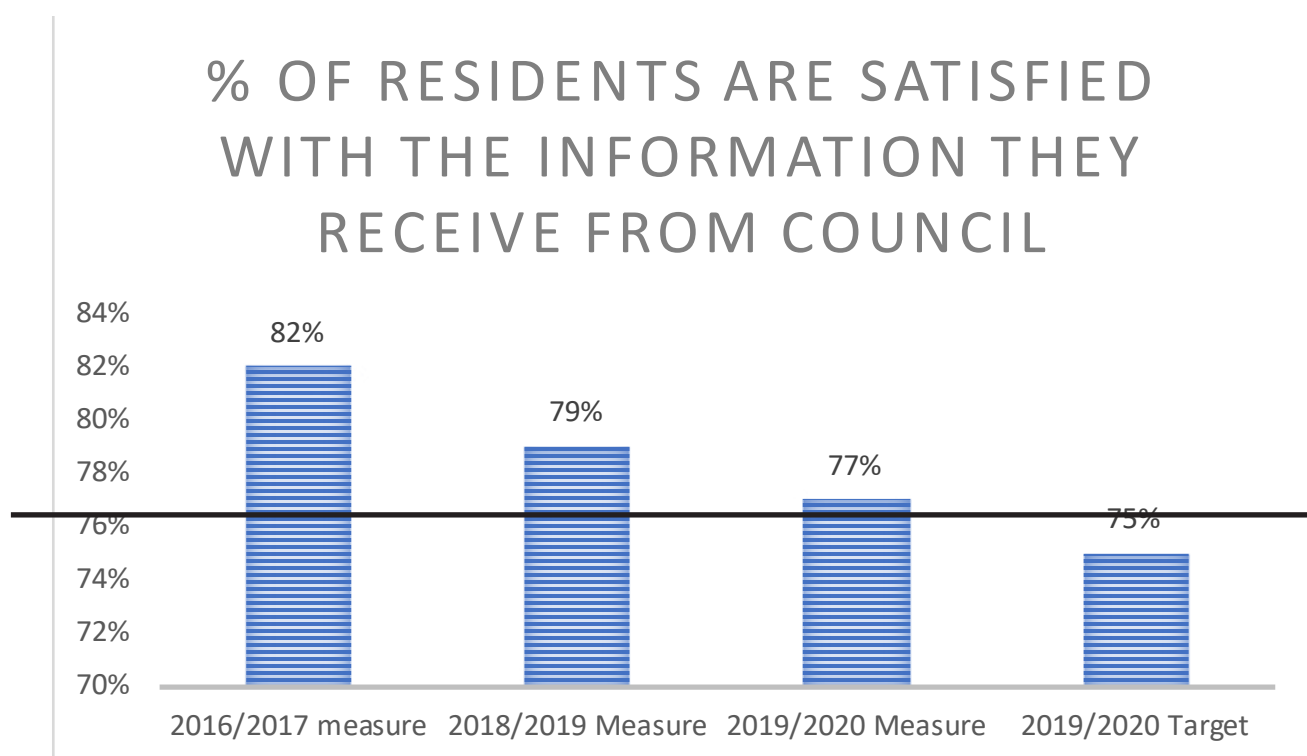
A healthy community requires its elected Council to show strong leadership, but, at the same time, to conduct its business in an open, transparent manner. An important part of this is for it to actively and constructively seek the involvement of the community in matters that affect them or are dear to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

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

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

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

Performance measurement



What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
Customer satisfaction	% of residents are satisfied with the service they received when they have contacted Council offices	80%	81%	76%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website.
	% of residents are satisfied with the information they receive from Council	75%	79%	77%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website.
	% of residents are satisfied with the performance of Mayor and Councillors	75%	76%	59%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. It is noted that the survey was carried out not long after the local body elections. There was a large increase in the number of "don't know/N/A" responses for this question in 2019 (from 3% in 2018 to 22%), which caused the satisfaction rating to decrease.
	% of residents are satisfied with overall performance of Grey District Council	75%	74%	63%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. There was a moderate increase in the number of "don't know/N/A" responses for this question in 2019 (from 5% in 2018 to 11%), which impacted the satisfaction rating. Satisfaction was greater for people in town (ie greater Greymouth and Karoro) than those living further out.
Transparency, accountability and accessibility to the public	Full opportunity for public participation in Council meetings through availability of speaking rights and the public forum	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	A public forum has been available before every ordinary meeting of Council.
	Minimum % of Council business conducted in open	>80%	89%	86%	Those items not included in the open agenda relate mainly to commercially sensitive issues.

What we're measuring	How we'll measure	2019/ 2020 target	2018/ 2019 measure	2019/ 2020 measure	Notes
	% of residents are satisfied that Council consults with them residents on important issues	75%	58%	52%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website. There is a slight increase in dissatisfaction, from 34% in 2018 to 36% in 2019. Some feedback from the survey responses include the Town Square development and the overall cost of almost \$2 million (which was completed three years ago), lack of consultation around.
Co-operation with other agencies	Full participation in West Coast Mayors/Chairs and CEO meetings	100%	100%	100%	The Mayor and CEO attended all mayors and chairs meetings in the 2019/2020 year.
	Full participation in Grey DC/ DOC liaison quarterly meetings	100%	100%	100%	Grey attended and participated in all the GDC/ DOC Liaison meetings held in 2019/2020.
Engagement with our partners and the wider community	Review the Community Economic Development Strategy on an annual basis	<i>Achieved</i>	Not Achieved	Not Achieved	The Community Economic Development Strategy was not reviewed in 2019/2020 due to other priorities. A review needs to be undertaken of the strategy to ensure it remains relevant and is aligned to other Council strategies and plans. It is hoped this can commence in 2020/2021
	Monitor the goals outlined in the Community Economic Development Strategy on an annual basis	<i>Achieved</i>	Not Achieved	Not Achieved	The Community Economic Development Strategy was not reviewed in 2019/2020 due to other priorities. A review needs to be undertaken of the strategy to ensure it remains relevant and is aligned to other Council strategies and plans. It is hoped this can commence in 2020/2021.
Availability of service	Increase in number of online payments (percentage)	>5%	5%	5.4%	On-line payments increased from 35,578 in 2018/2019 to 37,507 in 2019/2020.

Activity funding impact statement

	2019 LTP Year 1 \$000	2019 Actual \$000	2020 Annual Plan \$000	2020 Actual \$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	1,351	1,432	1,360	1,496
Targeted rates	350	376	260	403
Subsidies and grants for operating purposes	-	2	165	188
Fees and charges	77	73	78	117
Internal charges and overheads recovered	6,037	5,903	6,121	5,968
Local authorities fuel tax, fines, infringement fees, & other receipts	579	372	592	316
Total operating funding [A]	8,394	8,158	8,576	8,488
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	5,916	5,863	6,268	6,161
Finance costs	2	1	2	-
Internal charges and overheads applied	2,016	1,821	1,970	1,723
Other operating funding applications	-	-	-	-
Total applications of operating funding [B]	7,934	7,685	8,240	7,884
Surplus (deficit) of operating funding [A - B]	460	473	336	604
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(3)	(3)	(3)	(3)
Gross proceeds from sale of assets	-	21	-	6
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	(3)	18	(3)	3
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	105	10	155	161
—to replace existing assets	301	214	238	104
Increase (decrease) in reserves	51	180	(61)	234
Increase (decrease) of investments	-	87	-	108
Total applications of capital funding [D]	457	491	333	607
Surplus (deficit) of capital funding [C - D]	(460)	(473)	(336)	(604)
Funding balance: [A - B] + [C - D]	-	-	-	-

Activity revenue and expense statement

	2019	2019	2020	2020
	LTP Year 1	Actual	Annual Plan	Actual
	\$000	\$000	\$000	\$000
REVENUE				
General rates, uniform annual general charges, rates penalties	1,351	1,432	1,360	1,496
Targeted rates (including targeted rates for water supply)	350	376	260	403
Subsidies and grants (operating and capital)	-	2	165	188
User charges & regulatory revenue (consent fees, infringements etc)	77	73	78	117
Internal charges and overheads recovered	6,037	5,903	6,121	5,968
Other revenue	579	393	592	316
Total revenue	8,394	8,179	8,576	8,488
EXPENDITURE				
Staff costs	3,846	3,578	3,892	3,959
Operating & maintenance costs	2,070	2,285	2,376	2,202
Finance costs	2	1	2	-
Internal charges and overheads applied	2,016	1,821	1,970	1,723
Other expenses	-	-	-	-
Depreciation	262	220	262	219
Total expenditure	8,196	7,905	8,502	8,103
Surplus (deficit) of activities	198	274	74	385

Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan	Actual	Annual Plan	Actual
	2019	2019	2020	2020
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	23	207	273	248
Vehicle and plant item replacements	170	-	-	-
New events area establishment	100	-	-	-
Office equipment (including IT)	113	17	120	17
Total capital expenditure	406	224	393	265

Variations from budget

1. Fees and charges are higher than budgeted by \$39,000. This is due to recovery of Election costs for 2019 from the West Coast District Health Board, West Coast Regional Council and Buller District Council.
2. Other revenue is lower than budgeted by \$276,000. This is largely due to low interest rates on investments and the use of investment to offset borrowing as an interim measure while LGFA Guarantor status was confirmed to secure lower borrowing interest rates.
3. Operating and maintenance costs were lower than budgeted by \$174,000. This is largely due to delays in the CBD Redevelopment Plan, which has been signalled to be carried forward to the 2020/2021 year.
4. Capital expenditure is higher than budget by \$274,000 due to a variation in reserves. Vehicle replacements were deferred as they were not deemed necessary in the 2019/2020 year and investment income was lower than anticipated, which reduced the interest income transferred to reserves.

Identified effects of these activities on the community

- Back in October 2012, key stakeholders identified from a cross section of organisations within the district were invited to be part of the Economic Development Liaison Group (EDLG) to help draft an Economic Development Strategy. Chaired by the Mayor, this group was responsible for overseeing and guiding the development of the Grey District Council's Economic Development Strategy, a ten-year plan to help foster economic growth within the district. A draft Economic Development Strategy was put out to the community for feedback in May and on 11 July 2013, the EDLG met to hear and consider submissions on the draft plan. Following this, a final strategy was developed and subsequently adopted by Council on 12 August 2013. This strategy continues to act as the basis for subsequent Council projects, such as the CBD renewal.

PART 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.

At their meeting on 8 April 2019, Grey District Council confirmed the Memorandum of Understanding between Council and Te Runanga O Ngāti Waewae, paving the way for greater acknowledgement of the important role of Māori in our District, both historically and into the future.

The Memorandum will be officially signed at the Council meeting on 13 May 2019, at which time the Runanga Chairperson, Mr Francois Tumahai, will take a seat at the Council table as part of an informal arrangement pending formalisation at the next Electoral Representation Review.

PART F: Council controlled organisations

West Coast Amateur Sports Trust

The above organisation is a Council Controlled Organisation by virtue of the fact that the Mayors of the three West Coast local authorities have nominated the respective District representatives on the Trust. This has happened ‘informally’ and there has been no formal Council involvement and no set policies or objectives with regard to control of this organisation or specific key performance targets or other measures have been put in place. The CCO status of the Trust has only recently come to Council’s attention and steps are in place to change the Trust Deed to remove the right of local authorities to control the votes on the Trust.