



Happy 30th birthday to us!

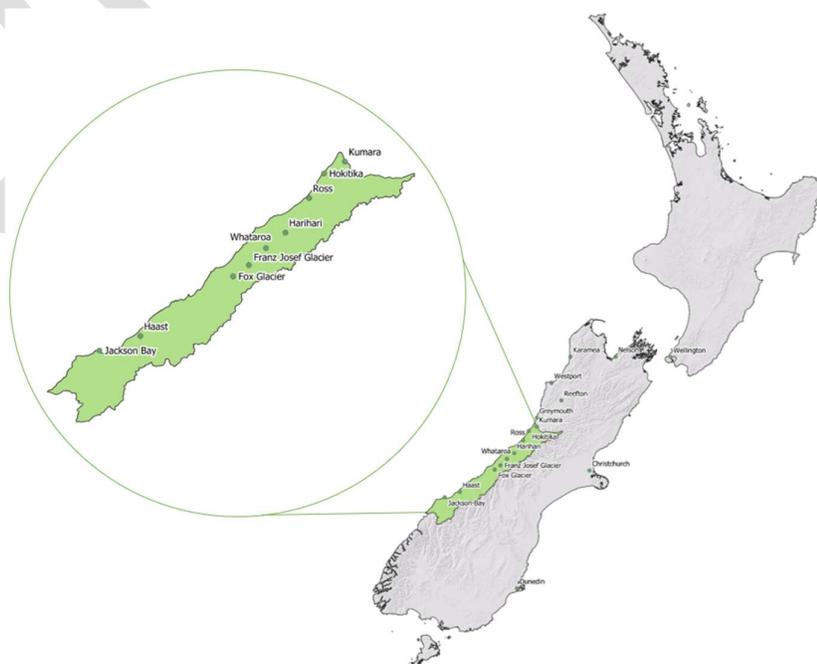
Westland District Council
was constituted on
1 November 1989

Draft Annual Report 2019/2020

Westland District Council

District Profile

District Office	36 Weld Street, Hokitika
Postal Address	Private Bag 704, Hokitika
Communications	Phone: (03) 756 9010 Fax: (03) 756 9045 Email: council@westlanddc.govt.nz Website: www.westland.govt.nz
Date of Constitution of District	1 November 1989
Population – Census Night (2018)	11,301
Resident in District	8,640
Total Area	1,186,272 ha
Rateable Area	139,175 ha
No. of Rateable Assessments	6552
No. of Non-rateable Assessments	797
Rateable Capital Value as at 30 June 2019	\$2,461,457,000
Non-rateable Capital Value as at 30 June 2019	\$611,346,600
Rateable Land Value as at 30 June 2019	\$1,290,508,800
Non-rateable Land Value as at 30 June 2019	\$548,349,900
Date of Last Valuation (by Quotable Valuation Limited)	1 September 2017
Date of Next Valuation (by Quotable Valuation Limited)	1 September 2020
Auditor	Audit New Zealand, on behalf of the Auditor-General
Bankers	Westpac Bank
Insurance Brokers	Aon New Zealand
Cover Photo – Westland District Council Communications Vision statement photo –Kotuku, credit Anonymous	





We work with the people of
Westland to grow and
protect our communities,
our economy and our
unique natural environment

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MAYOR AND CE MESSAGE

E aku nui, e aku rahi, tēnā koutou katoa. Anei te pūrongo ā-tau hei pānui mā koutou.

Greetings to all of you. Here is the Annual Report for you to read.

The 2019/2020 financial year is Year Two of the 2018-28 Long Term Plan (LTP). This Annual Report is an opportunity to reflect on the year and report to you, the community, on the progress Council has made towards achieving the work programme agreed in the LTP.

The biggest impact on the Westland District over the last twelve months was due to Covid-19. In general, this has not had a major impact on Council services. This was mainly due to the excellent work undertaken by our IT team, who enabled the majority of council services to be conducted remotely.

Elections were held in October 2019, with Westland District recording one of the highest voter turnouts in the country. Westland elected five new Councillors and four returning Councillors for the 2019 – 2022 triennium. The new Council has chosen a Committee structure and is approaching their business in a congenial way. Relationships with stakeholders are being developed and strengthened.

Council is committed to making sure we have the infrastructure the district needs. Much of this work is not visible to residents but is essential for the district to continue to thrive. Some of the main infrastructure projects progressed this year include:

- Resurfacing of 22.9 km of sealed roads.
- Ongoing upgrading and renewal of stormwater and sewer mains.
- The completion of the new water treatment plants in Kumara and Whataroa.
- Completion of the new WWTP at Franz Josef.
- New public toilets in Ross, Kumara, Haast and Whataroa.
- Further enhancements of the West Coast Wilderness Trail particularly the Mahinapua section and Old Christchurch Road, Off-Road cycle trail construction
- Project scoping and development for Arahura and Fox Glacier Water Treatment Plants
- Recovery works following the March and December 2019 storm events are still underway

Alongside all of these projects, a number of applications have been made through the Covid-19 “Shovel Ready” Projects fund, targeted at stimulating the economy. Council hopes to see works get underway in the first quarter of the 2020/21 Annual Plan.

Throughout the challenging time of the Covid-19 lockdown, Council staff ensured that essential services were maintained and provided support to the community. Rubbish and recycling collections continued as normal, although some transfer station hours had to be reduced. District Library staff took innovative approaches to make sure that library users were able to continue to borrow books, including promoting digital services and running a ‘call / click & collect’ service during Alert Level 3. Many staff were involved in assisting Civil Defence to provide welfare services to the local community, under the direction of the National Emergency Management Agency.

Finally

The 2019-20 year has been another challenging one for Council and the Westland District. The December storm impacted on tourism, businesses and the environment. This has been closely followed by the impact of a global pandemic which has almost decimated the tourist industry. As tourism activities in Westland contribute highly to GDP on the West Coast the overall economy of the region suffers.

The most important focus for Council is to encourage growth in all sectors of the community and will continue to work to support new ventures that contribute to the economic, social, environmental and cultural well-being of the district. Council provides a conduit to channel government spending through strategic infrastructure projects and support other agencies in keeping people employed and supported.

Providing a high level of Customer service also remains a top priority. There are continued improvements in consent processing and greater interaction with customers to work together to resolve issues.

The district offers so much to all those who live, work and play in Westland and it is important to support each other through the hard times as well as the good.

Nō reira e ngā iwi o tēnei rohe Tēnā koutou, tēnā koutou, tēnā tātou katoa



Bruce Smith
Mayor 2019/20



Simon Bastion
Chief Executive

DRAFT

THE PLANNING CYCLE



ABOUT THE ANNUAL REPORT

The Annual Report explains what Council has done to deliver the work programmes for 2019/2020 as outlined in the Long Term Plan 2018 – 28 (LTP) for year 2, as required by section 98 of the Local Government Act 2002. This shows how Council performed financially and whether we delivered the services outlined in the LTP. The Long Term Plan was adopted by Council on 2 July 2018.

This report is prepared in observance of the Local Government (Financial Reporting and Prudence) Regulations 2014 along with the Local Government Act 2002 Amendment Act provisions.

The diagram above outlines the local government planning and reporting cycle.

STATEMENT OF COMPLIANCE

Westland District Council hereby confirms that all statutory requirements contained in the Local Government Act 2002, in relation to the Annual Report 2019/2020 have been complied with.

Council adopted this Annual Report on 2 November 2020.



Bruce Smith

Mayor 2019/2020



Simon Bastion

Chief Executive

MĀORI CONTRIBUTION TO DECISION-MAKING

Section 81 of the Local Government Act 2002 sets out the obligations for Council under clause 35, schedule 10 LGA, to both consult Māori and encourage Māori involvement in the Council's decision making processes. Section 35 of the Act requires Council to report on the activities that have been undertaken in the year to establish and maintain processes to enable Māori to contribute.

The Long Term Plan 2018-2028 includes a statement of commitment to consultation and engagement with Maori, particularly mana whenua.

The statement expresses the desire of Council and Poutini Ngāi Tahu (Te Rūnanga o Ngai Tahu, Te Rūnanga o Makaawhio and Te Rūnanga o Ngāti Waewae) to maintain good communication and working relationships. In particular, all parties wish to evolve our relationships to ensure that contribution to decision making continues to occur.

At the 26 July 2018 Ordinary Council Meeting, an invitation was extended to the Chairs of Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio to attend and participate in Council Meetings and the Business of Council, in acknowledgement of, and to further strengthen, Council's partnership with Mana Whenua of Westland.

The Chairs of Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio are full members of Committees and are able to participate in Council Meetings.

On the 22 November 2018, Council approved the Manatu Whakaetanga Partnership Agreement with Te Rūnanga O Ngāti Waewae and Te Rūnanga O Makaawhio. The agreement was signed by Mayor Bruce Smith on behalf of Council and Francois Tumahai on 22 August 2019 and by Paul Madgwick on behalf of Te Rūnanga o Makaawhio on 28 May 2020.

COUNCILLORS



Photo Credit: Katrina Thornley Photography

Inset – Kw Paul Madgwick; Back Row – KW Francois Tumahai, Cr Jenny Keogan, Cr Ryan Kennedy, Cr Ian Hartshorne, Cr Paul Davidson; Front Row – Cr Anna Hart, Cr Latham Martin, Mayor Bruce Smith, Deputy Mayor David Carruthers, Cr Jane Neale.

Mayor	Mayor Bruce Smith	mayor.smith@westlanddc.govt.nz
Hokitika Ward	Deputy Mayor David Carruthers	cr.carruthers@westlanddc.govt.nz
	Cr Paul Davidson	cr.davidson@westlanddc.govt.nz
	Cr Latham Martin	cr.martin@westlanddc.govt.nz
Northern Ward	Cr Anna Hart	cr.hart@westlanddc.govt.nz
	Cr Jenny Keogan	cr.keogan@westlanddc.govt.nz
	Cr Jane Neale	cr.neale@westlanddc.govt.nz
Southern Ward	Cr Ian Hartshorne	cr.hartshorne@westlanddc.govt.nz
	Cr Ryan Kennedy	cr.kennedy@westlanddc.govt.nz

RŪNANGA REPRESENTATIVES

Francois Tumahai - Chair Te Rūnanga o Ngāti Waewae

Paul Madgwick – Chair Te Rūnanga o Makaawhio

EXECUTIVE TEAM



Photo Credit: Katrina Thornley Photography.

L – R: Fiona Scadden, Te Aroha Cook, Louis Sparks, Simon Bastion, Diane Maitland, Lesley Crichton

Simon Bastion

Chief Executive

Telephone: 03 756 9010

Email: ce@westlanddc.govt.nz

As Chief Executive, Simon has the overall responsibility to ensure that Westland District Council:

- Receives good policy advice
- Delivers all services to the desired standard
- Complies with the law

Simon also oversees economic development, advocacy, mining, sport and recreation and tourism strategy portfolios in conjunction with Westland District Councillors.

Louis Sparks

Group Manager: District Assets

Telephone: 03 756 9034

Email: louis.sparks@westlanddc.govt.nz

As Group Manager: District Assets, Louis' primary responsibility is to oversee the operation, maintenance and improvement of Council's infrastructural assets. These include roading, 3 water services, recreational assets, cemeteries, land and buildings, and solid waste disposal. Louis is also responsible for the development of Asset Management / Activity Management Plans and long-term infrastructure strategies.

Fiona Scadden

Planning and Customer Service Manager

Telephone 03 756 9010

Email: fiona.scadden@westlanddc.govt.nz

As Planning and Customer Service Manager, Fiona leads the team responsible for meeting the District's Resource Management obligations. These include reviewing and utilising the District plan, processing land use resource consent applications and subdivisions, undertaking compliance and monitoring, creating planning policy, submitting on government policy on behalf of Westland and engaging with Central Government through representation in Stakeholder and Working Groups. It also means ongoing engagement with our communities and community groups. Fiona's customer service team is responsible for ensuring high quality frontline customer service and is the first port of call for rates payments, dog registration and direction to appropriate departments.

Lesley Crichton

Group Manager: Corporate Services

Telephone: 03 756 9081

Email: lesley.crichton@westlanddc.govt.nz

As Group Manager: Corporate Services, Lesley's primary responsibility is to provide effective financial management within the policies adopted by Council. Other responsibilities include the financial inputs and preparation of the Annual Report, Annual Plan, and Long Term Plan, and ensuring the Council Controlled Organisations meet their reporting requirements. Lesley's team also provides information services and Geographical Information System support, business analysis, strategy and communications, and library services.

Te Aroha Cook

Regulatory Services Manager

Telephone 03 756 9010

Email: tearoha.cook@westlanddc.govt.nz

As Regulatory Services Manager, Te Aroha is responsible for overseeing the management and delivery of regulatory functions of Council. This includes Building Control, Animal Control, Environmental Health, Liquor Licencing, Compliance, and associated Bylaws. Te Aroha is also Council's Maori Liaison Officer, with an oversight of Council's statutory obligations to strengthen the capacity of Maori to take part in local government and its decisions making processes.

Diane Maitland

Executive Assistant

Telephone: 03 756 9038

Email: diane.maitland@westlanddc.govt.nz

As Executive Assistant, Diane provides the Chief Executive, Mayor and Councillors with a comprehensive and efficient administrative and secretarial service. Diane facilitates and maintains a professional link between the Mayor, Councillors, Chief Executive and Executive Team. Diane's team provides governance functions and has responsibility for the Local Government Information and Meetings Act 1987 responses.

30 Years of Westland District Council

1 November 2019 was the 30th anniversary of the amalgamation of the Hokitika Borough Council and the Westland County Council. Westland District Council was formed following the 1989 local government reforms that amalgamated 850 local government entities into 86 local authorities.



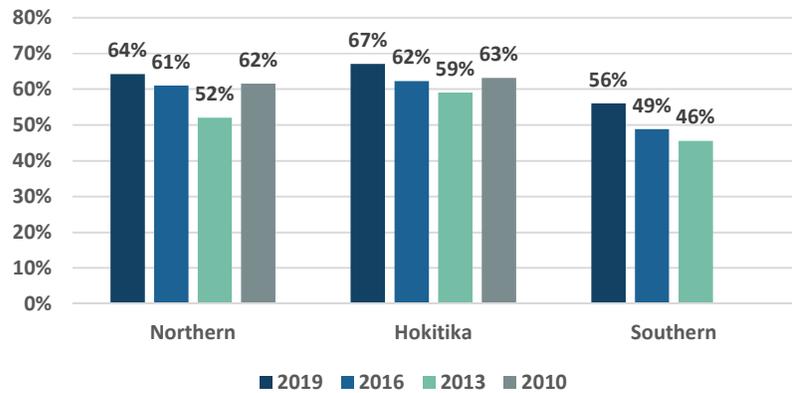
Voter turnout

Voters in Westland District are highly engaged in the voting process, and the 2019 Local Council Election was no exception. Returns for the district increased by 4.9% from 2016 to 64% and voter turnout increased in all wards.

*Southern Ward seats were uncontested in 2010.



Returns by Ward



Tohu Whenua

In February 2020, Hokitika Port and Commercial Area at Gibson Quay joined the Tohu Whenua, Landmarks that tell our stories, programme. Chosen for being “a place our ancestors determinedly entered in search of pounamu and gold”. Hokitika, Brunner Mine, Reefton, and Denniston Mine represent the West Coast as Tohu Whenua.

A wooden Tohu Whenua Pou was erected at the Gibson Quay viewing platform. The launch celebration was attended by representatives of local iwi Ngāti Waewae and Ngāti Mahaki ki Makaawhio, the Chair of the Tohu Whenua Governance Group, Mayor Bruce Smith, Department of Conservation, and representatives of Hokitika’s heritage community. Attendees enjoyed performances by children from Hokitika Primary School.



Franz Josef Wastewater Treatment Plant

The Franz Josef Wastewater Treatment Plant became fully operational in March 2020 providing improved capacity and odour reduction.

Retiring Councillors

Three Councillors retired at the end of the 2016 – 2019 Triennium. The new Council hosted a presentation to thank them for their work and dedication to serving the community during their time as Councillors.

Left to Right: Des Routhan (Hokitika Ward), Helen Lash (Southern Ward) and Durham Havill (Northern Ward).



Implementation of IBIS

Following the 2018 Long Term Plan process, Council's finance team began to work with the IBIS Breeze Financial Management system. This is a financial modelling and management tool that assists with quick and easy production of financial information. The Annual Plan 2020/2021 was produced using IBIS Breeze, which created efficiencies as the Plan went through several variations to reflect the Covid-19 situation.

YEAR IN REVIEW 2019/2020

Citizenship ceremonies

Westland has people from over 60 nationalities living in the district with many of them becoming New Zealand citizens. Council held citizenship ceremonies in September and December 2019 and January 2020. Further planned ceremonies were disrupted by Covid-19. New citizens came from England, South Africa, Nepal, Australia, Philippines, and Sri Lanka.



LGOIMA's on Council's website

To provide more information of public interest to the community, Council began publishing responses to Local Government Official Information and Meetings Act on the website. Responses and statistics about the requests are regularly updated to promote transparency.



Museum Storage Project

With the closure of the Carnegie Building late 2019, a number of large and heavy objects needed to be relocated to the Collection Store. The lifting expertise of the Hokitika Volunteer Fire Brigade was called upon on a number of occasions to relocate these larger items including the Dalziel Pounamu boulder. The boulder, which weighs approximately 300kgs, was transferred onto a pallet for relocation. Originally this boulder was lifted from the Dalziel Claim at the Arahura headwaters by helicopter and delivered to museum on the Rentons Forklift.

PERFORMANCE AT A GLANCE



DEMOCRACY

5 new standing committees; **105** LGOIMA requests processed; **2,417** follow Council’s FB page; **7%** of residents understand how Council makes decisions



CORPORATE SERVICES

439 dog control complaints
1,971 dogs registered



ANIMAL CONTROL

Playground Audits: Cass Square, Whataroa, Ross

90% residents satisfied with Parks and Reserves



PARKS AND RESERVES

West Coast Wilderness Trail use increased **10.5%**

23 events received Creative Communities Funding

102 Food premises inspected

353 Museum enquiries

1,298 attended swimming lessons

3,761 Museum records updated

6,654 e-books and audio books borrowed

7,965 Hokitika Wildfoods Festival attendees

63,733 library books borrowed

Tonnes of waste sent to landfill



100% discharge compliance for stormwater systems



STORMWATER

76% residents satisfied with standard and safety of unsealed roads

FINANCIAL PERFORMANCE

FINANCIAL STATISTICS

	2019/2020	2018/19	2017/18	2016/17	2015/16
Proportion of general rates to total income	27%	25%	29%	33%	29%
Average general rates per rateable property	1,169	1,028	1,019	1,073	1,010
Public debt (as a percentage of property, plant & equipment)	5%	5%	4%	4%	4%
Public debt (per rateable property)	2,994	2,832	2,698	2,514	2,650

FINANCIAL PERFORMANCE SUMMARY

	2019/2020 \$000	2018/19 \$000	2017/18 \$000	2016/17 \$000	2015/16 \$000
Rates - general	7,658	6,761	6,808	7,166	6,711
Net surplus/(deficit)	3,428	1,084	238	(1,325)	764
Working capital	2,037	3,634	1,181	3,993	4,004
Public debt	19,618	18,618	18,018	16,790	17,600
Total assets	427,085	422,163	449,340	447,632	449,597

DISCLOSURE STATEMENT

The following information is the annual report disclosure statement for year ending 30 June 2020.

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

The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

1. Rates affordability

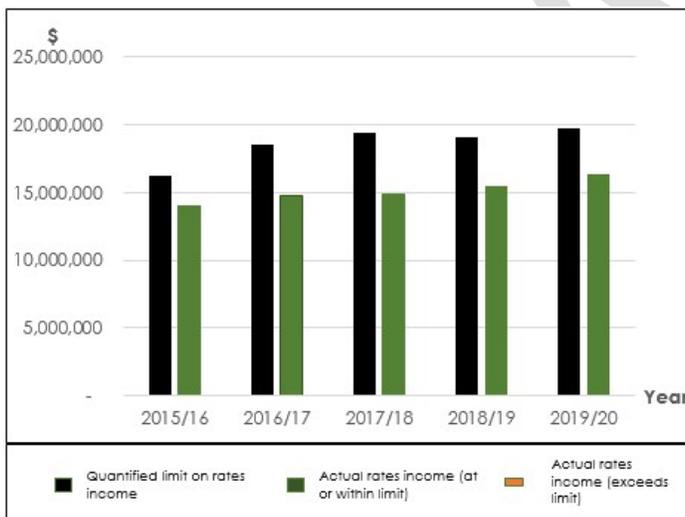
Council meets the rates affordability benchmark if -

- 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.

The following graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's long-term plan. The quantified limit is \$19,772,000.

Council has met this measure in the 2019/2020 financial year: rates do not exceed the rates (income) affordability benchmark.

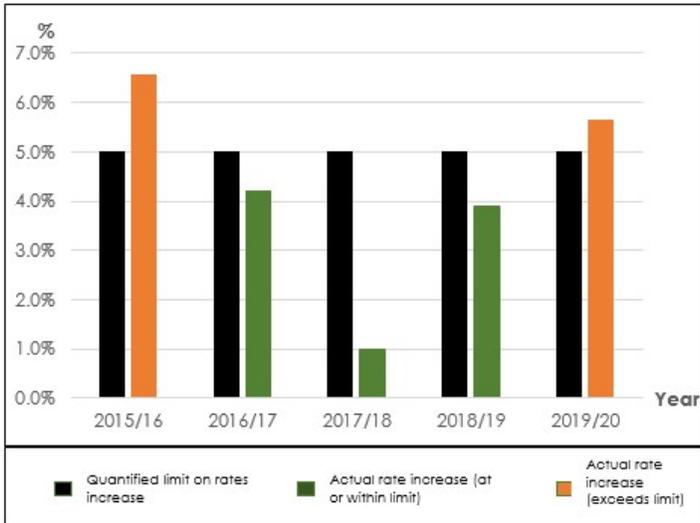
Rates (income) affordability



The following graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the council's long-term plan. The quantified limit is 5% in any one year.

Council has not met this measure in the 2019/2020 financial year: rates exceed the rates (increases) affordability benchmark.

Rates (increases) affordability

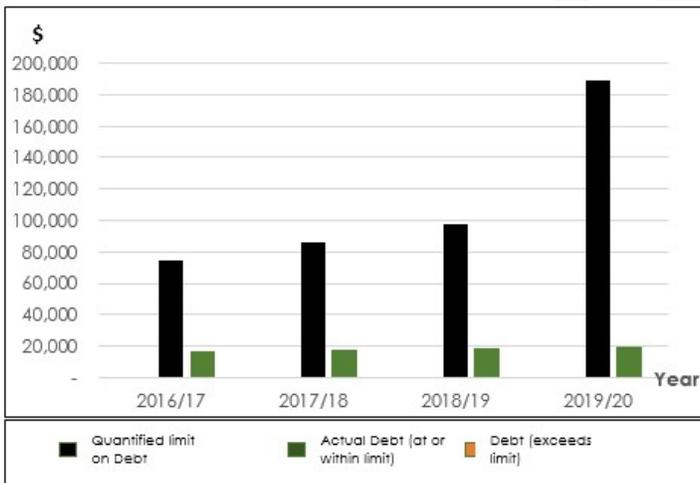


2. Debt affordability benchmark

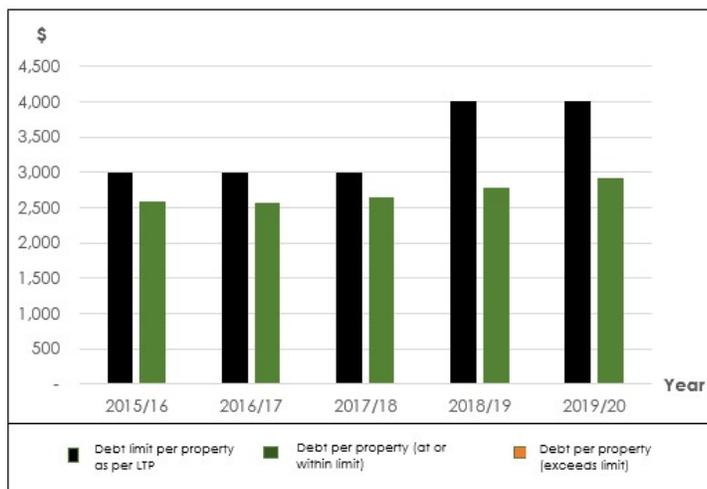
Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

The following graph compares the council’s actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council’s long-term plan. The quantified limit is set so that finance costs will not exceed 10% of revenue.

Council has met this measure in the 2019/2020 financial year: debt does not exceed the debt affordability benchmark.



The following graph shows the limits included in the LTP 2018-2028 (which completes the 5-year reporting requirement). The quantified limit is that average debt will not exceed \$4,000 per rateable property. The actual average debt was \$2,994 therefore this measure has been met. (The limit was increased from \$3,000 to \$4,000 by council during the Long Term Plan process).

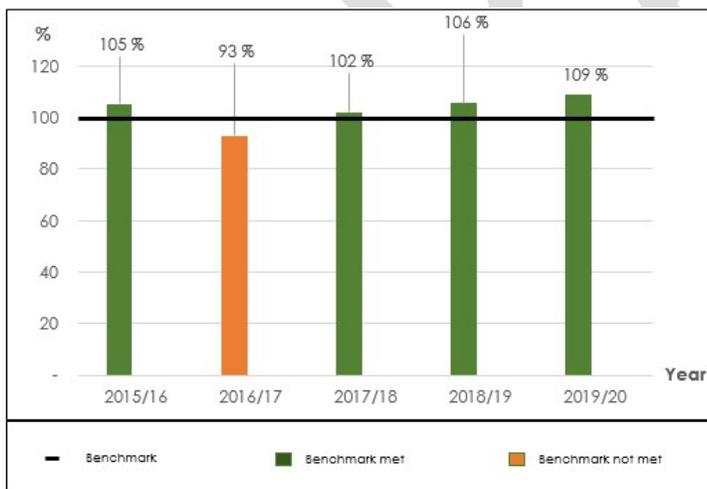


3. Balanced budget benchmark

The following graph displays 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). Council meets this benchmark if its revenue equals or is greater than its operating expenses.

This benchmark has been met in the 2019/2020 financial year.

Revenue / Expenditure (%)

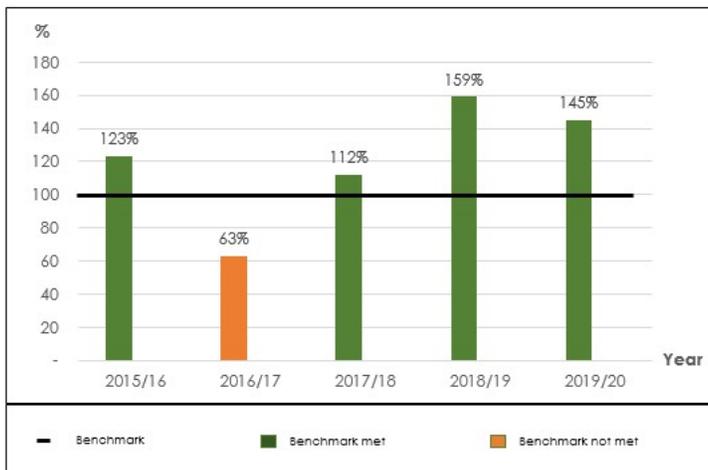


4. Essential services benchmark

The following graph displays council's capital expenditure on network services as a proportion of depreciation on network services. Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network service.

This benchmark has been met in the 2019/2020 financial year.

Capital expenditure / Depreciation (%)



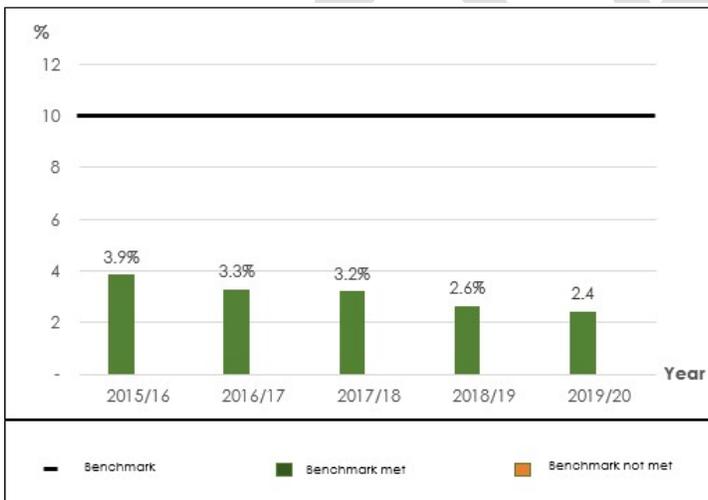
5. Debt servicing benchmark

The following graph displays 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 Westland District's population will grow more slowly than the national population growth rate, council meets the debt servicing benchmark if its borrowing costs are equal to or are less than 10% of its revenue.

This benchmark has been met in the 2019/2020 financial year.

Borrowing costs/Revenue (%)

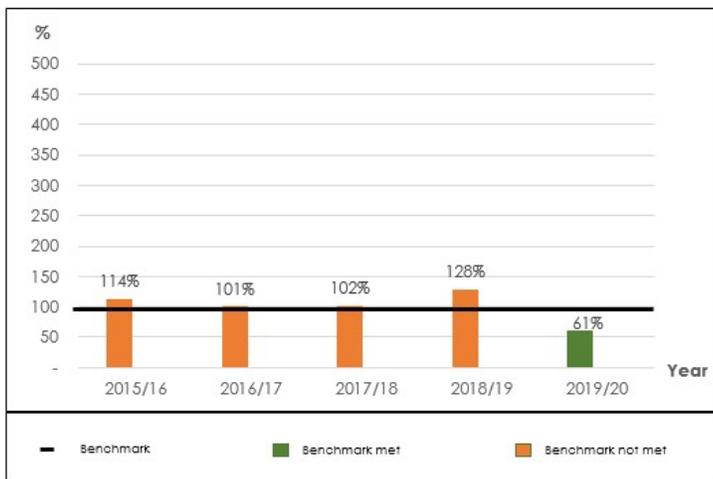


6. Debt control benchmark

The following graph displays 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).

Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt. This benchmark has been met in the 2019/2020 financial year.

Actual / Budgeted net debt (%)



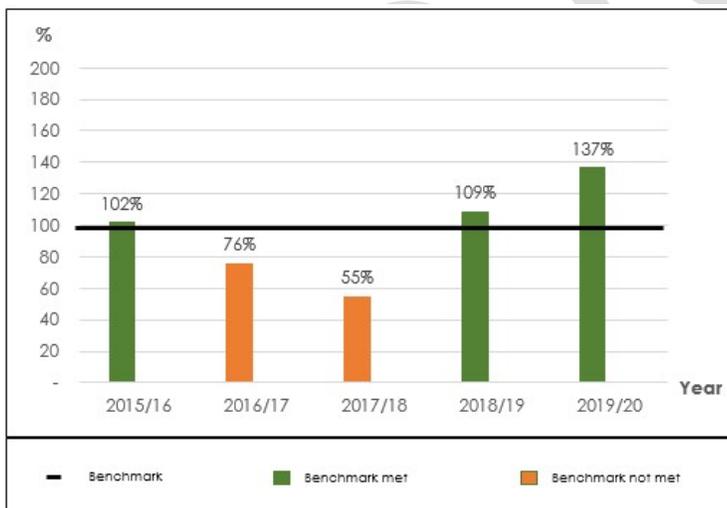
7. Operations control benchmark

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

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.

This benchmark has been met in the 2019/2020 financial year.

Actual / Budget net cash flow from operations (%)



FINANCIAL STATEMENTS

This section outlines Council's financial performance for the year. The following information is included:

- Statement of Comprehensive Revenue and Expense
- Statement of Changes in Equity
- Statement of Financial position
- Statement of Cash Flows
- Whole of Council Funding impact statement
- Notes to the Financial Statements
- Reserve Funds

DRAFT

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2020

Statement of Comprehensive Revenue and Expense						
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000	Notes
Revenue						
Rates	16,396	16,472	15,517	16,396	15,517	3
Grants and subsidies	7,396	4,337	7,825	8,744	7,825	3
Interest revenue	42	82	87	42	87	3
Fees and charges	1,663	2,171	1,892	1,663	1,892	3
Other revenue	3,318	1,022	1,708	30,929	23,730	3
Total operating revenue	28,815	24,084	27,028	57,773	49,050	
Expenditure						
Employee benefit expenses	4,036	4,090	3,687	17,538	15,952	4
Finance costs	702	740	766	1,130	1,250	5
Depreciation and amortisation	7,131	6,316	6,313	9,619	8,631	13 & 14
Other expenses	13,518	11,871	15,179	24,412	21,482	6
Total operating expenditure	25,387	23,017	25,945	52,699	47,315	
Income tax expenses/(benefit)						
Income tax expenses/(benefit)	-	-	-	478	388	7
Income tax expenses/(benefit)				478	388	
Operating Surplus/(Deficit)	3,428	1,067	1,084	4,597	1,348	
Other comprehensive revenue and expense						
Gain/(loss) on revaluation of assets	-	-	(28,761)	-	(28,761)	13
Movement in Landfill Provision	-	-	-	-	-	16
Other Comprehensive Revenue and Expenses Subtotal			(28,761)		(28,761)	
Total comprehensive revenue and expense/(deficit) for the year attributable to Council	3,428	1,067	(27,677)	4,597	(27,413)	

Explanations of major variances against budget are provided in Note 24.

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2020

Statement of Changes in Equity					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Balance at 1 July	396,484	446,412	424,162	401,139	428,552
Total comprehensive income	3,428	1,067	(27,677)	4,597	(27,413)
Balance at 30 June	399,911	447,479	396,484	405,735	401,139

Explanations of major variances against budget are provided in Note 24.

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As at 30 June 2019

Statement of Financial Position						
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000	Notes
Assets						
Current assets						
Cash & cash equivalents	5,123	2,570	2,589	5,983	3,032	8
Debtors & other receivables	4,211	1,919	4,675	8,462	7,633	9
Inventory	-	-	-	666	1,103	10
Work in progress	-	-	-	222	577	13
Other financial assets	48	-	-	48	-	12
Total Current Assets	9,382	4,489	7,265	15,381	12,345	
Non-current assets						
Council Controlled Organisation	8,695	8,695	8,695	-	-	12
Intangible assets	74	80	117	74	117	14
Assets Under Construction	2,955	1,309	4,458	3,021	4,517	13
Derivative financial instruments	-	-	-	-	-	11
Other Financial Assets	314	69	368	314	368	12
Investment property	-	-	-	1,010	1,035	13A
Property, Plant and Equipment	405,665	463,166	401,260	423,819	418,717	13
Term Inventory	-	-	-	299	353	10
Total Non-current assets	417,703	473,319	414,898	428,536	425,108	
Total Assets	427,085	477,808	422,163	443,918	437,453	
Liabilities						
Current liabilities						
Creditors & other payables	3,407	2,453	2,845	5,863	5,126	15
Employee benefit liabilities	476	205	368	1,898	1,290	17
Tax payable	3	3	3	565	233	7
Borrowings	3,000	-	-	3,891	1,066	18
Derivative financial instruments	34	-	20	34	20	11
Other	425	377	395	450	415	18
Total Current Liabilities	7,345	3,038	3,631	12,701	8,150	
Non-current liabilities						
Deferred Tax	32	28	32	202	286	7
Employee benefit liabilities	42	35	36	148	128	17
Provisions	2,040	2,089	2,480	2,040	2,480	16
Borrowings	16,618	24,339	18,618	21,995	24,389	18
Derivative financial instruments	1,097	800	882	1,097	882	11
Total Non-Current Liabilities	19,829	27,291	22,048	25,481	28,165	

Total Liabilities	27,175	30,329	25,679	38,183	36,315	
Net Assets	399,911	447,479	396,484	405,735	401,138	
Equity						
Retained earnings	151,089	144,742	147,535	156,912	152,189	19
Restricted Reserves	9,038	10,582	9,164	9,038	9,164	19
Revaluation reserves	239,721	292,091	239,721	239,721	239,721	19
Other comprehensive revenue and expense reserve	64	64	64	64	64	19
	399,911	447,479	396,484	405,735	401,138	

Explanations of major variances against budget are provided in Note 24.
The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the year ended 30 June 2020

CASH FLOW STATEMENT						
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000	Notes
Net Cashflow Operating Activities						
Cash was provided from:						
Rates Revenue	16,589	16,472	15,616	16,375	15,506	
Fees, charges, and other receipts (including donations)	1,409	2,171	2,137	1,409	2,137	
Interest Received	32	602	87	32	87	
Dividends received	200	-	324	-	24	
Grants and Subsidies	7,941	4,337	8,047	9,289	8,047	
Other Revenue	1,200	502	1,612	27,802	23,635	
Cash was provided from:	27,372	24,084	27,822	54,908	49,436	
Cash was applied to:						
Payment Staff & Suppliers	16,279	15,778	16,889	38,897	34,858	
Interest Paid	733	740	677	1,161	1,161	
Income tax paid	-	-	-	230	586	
Cash was applied to:	17,012	16,518	17,566	40,289	36,605	
Net Cashflow Operating Activities	10,360	7,566	10,256	14,619	12,831	
Net Cashflow Investment Activities						
Cash was provided from:						
Proceeds from Investments realised	-	-	-	-	-	
Proceeds sale of property, plant and equipment	-	-	200	690	574	
Movement in Westpac bonds	-	-	310	-	310	
Cash was provided from:	-	-	510	690	884	
Cash was applied to:						
Purchase of property, plant and equipment	8,739	11,157	10,645	12,575	13,389	
Purchase of investment property	-	-	-	1	-	
Purchase of intangibles	74	-	87	74	87	
Purchase of Investments	16	-	69	16	69	
Cash was applied to:	8,829	11,157	10,801	12,666	13,545	
Net Cashflow Investment Activities	(8,829)	(11,157)	(10,291)	(11,976)	(12,661)	

Net Cashflow Finance Activities					
Cash was provided from:					
Proceeds from borrowings	1,000	5,511	2,171	1,826	3,715
Capital works loan repayments	3	-	3	3	3
Cash was provided from:	1,003	5,511	2,174	1,829	3,718
Cash was applied to:					
Repayment of borrowings	-	1,618	1,571	1,505	2,804
Cash was applied to:	-	1,618	1,571	1,505	2,804
Net Cashflow Finance Activities	1,003	3,893	603	324	914

Cash Balance					
Cash Balance					
Net increase/(decrease) in cash held	2,534	302	568	2,967	1,084
Total cash resources at start of the year	2,589	2,268	2,021	3,012	1,928
Cash Balance	5,123	2,570	2,589	5,979	3,012
Cash & cash equivalents	5,123	2,570	2,589	5,983	3,032
Bank overdraft	-	-	-	(4)	(20)
Cash Balance	5,123	2,570	2,589	5,979	3,012

Explanations of major variances against budget are provided in Note 24.
The accompanying notes form part of these financial statements.

RECONCILIATION OF NET SURPLUS/(DEFICIT) AFTER TAX TO NET CASH FLOW FROM OPERATING ACTIVITIES				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Surplus/(deficit) after tax	3,428	1,084	4,597	1,348
Add/(Less) non-cash items				
Depreciation and amortisation	7,131	6,313	9,774	8,631
Increase/(decrease) in provision for doubtful debts	(14)	(156)	(5)	(154)
Increase/(decrease) in employee entitlements	75	(2)	88	4
Increase/(decrease) in deferred tax	-	-	(84)	77
(Gain)/loss on fair value of investment property	-	-	25	7
Other non cash items	(385)	-	(255)	-
Vested asset	(1,500)	-	(1,500)	-
Impairment of goodwill	-	-	-	151
(Gain)/loss in interest rate swap	249	358	249	358
	5,556	6,512	8,292	9,073
Add/(less) items classified as investing or financing activities				
(Gains)/losses on sale of assets	239	443	32	216
Dividends to equity holders	-	-	-	-
Net loss/(gain) on sale of investment property	-	-	-	-
Capital creditors	(54)	1,126	(21)	1,183
Total current portion	185	1,569	11	1,399
Add/(less) movements in working capital				
Debtors and other receivables	478	633	(66)	86
Inventories	-	-	493	(551)
Creditors and other payables	606	445	347	1,687
Deferred income	-	-	5	(25)
Employee entitlements	108	13	608	80
Taxation provision	-	-	333	(266)
	1,192	1,091	1,720	1,011
Net cash inflow/(outflow) from operating activities	10,360	10,256	14,619	12,831

Explanations of major variances against budget are provided in Note 24.
The accompanying notes form part of these financial statements.

Whole of Council Funding Impact Statement

For the year ended 30 June 2020

Funding Impact Statement for Whole of Council				
	Long Term Plan 2019 \$000	Annual Report 2019 \$000	Annual Plan 2020 \$000	Actual 2020 \$000
(SURPLUS) / DEFICIT OF OPERATING FUNDING				
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	6,926	6,700	9,803	7,487
Targeted Rates	8,780	8,817	6,669	8,909
Subsidies and grants for operating purposes	1,943	3,289	2,078	3,193
Fees and charges	1,840	1,892	2,171	1,663
Interest and dividends from investments	699	411	602	242
Local authorities fuel tax, fines, infringement fees, and other receipts	510	1,234	502	3,118
Total Operating Funding (A)	20,698	22,343	21,825	24,612
Applications of Operating Funding				
Payments to staff and suppliers	15,083	18,272	15,961	17,394
Finance Costs	757	766	740	702
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	15,840	19,038	16,701	18,095
Surplus/(Deficit) of Operating Funding (A - B)	4,857	3,305	5,124	6,517
(SURPLUS) / DEFICIT OF CAPITAL FUNDING				
Sources of Capital Funding				
Subsidies and grants for capital expenditure	3,754	4,535	2,259	4,202
Development and financial contributions	93	-	-	-
Increase (decrease) in debt	1,044	600	3,893	1,000
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	4,891	5,135	6,152	5,202
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	39	508	41	29
- to improve the level of service	4,829	4,403	6,414	8,430
- to replace existing assets	4,174	4,924	4,702	4,812
Increase (decrease) in reserves	707	(1,394)	119	(1,551)
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	9,749	8,440	11,276	11,720
Surplus/(Deficit) of Capital Funding (C - D)	(4,857)	(3,305)	(5,124)	(6,517)
Funding Balance ((A - B) + (C - D))				

Explanations of major variances against budget are provided in Note 24.
The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

Westland District Council (Council) is a territorial local authority governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The group consists of the ultimate parent, Westland District Council, and its subsidiaries, Westland Wilderness Trust, Westland Holdings Limited (100% owned), and the 100% owned subsidiaries of Westland Holdings Limited: Westroads Limited, Destination Westland Limited.

The primary objective of Council is to contribute to the purpose of local government in the Westland District by:

Enabling democratic local decision-making and action by, and on behalf of, communities; and meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

By providing goods or services for the community rather than making a financial return, Council has designated itself as a public benefit entity (PBE) for Financial Reporting purposes.

The financial statements of the Council and group are for the year ended 30 June 2020.

Section 98(3) of the Local Government Act 2002 requires the Council to complete and adopt the annual report within four months of the end of the financial year to which it relates.

BASIS OF PREPARATION

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of Compliance

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R) which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). The Financial Statements have been prepared in accordance with Tier 1 PBE Standards.

These financial statements comply with PBE Reporting Standards.

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000), other than the remuneration and the severance payment disclosures in Note 4, and the related party transaction disclosures in Note 20, which are rounded to the nearest dollar.

The functional currency of the Council is New Zealand dollars.

ACCOUNTING STANDARDS ISSUED FOR PUBLIC BENEFIT ENTITIES

The Council is subject to Tier 1 reporting requirements of the Accounting Standard for Public Benefit Entities.

The financial statements are compliant with the International Public Sector Accounting Standards (IPSAS).

STANDARDS ISSUED BUT NOT YET EFFECTIVE AND NOT EARLY ADOPTED

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

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 and group have not yet assessed the effects of the new standard.

Service Performance Reporting

In November 2017, the XRB issued PBE FRS 48 Service Performance Reporting. This replaces the service performance reporting requirements of PBE IPSAS 1 and establishes requirements for the reporting of service performance information in order to better meet the needs of users of general purpose financial reports of public benefit entities. PBE FRS 48 is effective for annual periods beginning on or after 1 January 2022 due to amendments issued in August 2020, with early application permitted. The Council has not yet assessed the effects of the new standard.

Statement of Cash Flows

In September 2014, the XRB issued PBE IPSAS 2 Statement of Cash Flows. This requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The council and group do not intend to early adopt the amendment.

CHANGES IN ACCOUNTING POLICIES

There have been no changes to accounting policy during the financial year.

SIGNIFICANT ACCOUNTING POLICIES –

Are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

Basis of consolidation:

The Group (Westland District Council and Westland Holdings Ltd) consolidated accounts are prepared by combining like items of assets, liabilities, equity, revenue and expenses on a line-by-line basis. All significant intra-group balances, transactions, revenue and expenses are eliminated on consolidation.

The Council and group has adopted the new group standards, PBE IPSAS 34, 35 and 38, in preparing these financial statements. In adopting these new standards, the Council and group has updated its accounting policies for its investments in subsidiaries. Disclosures have also been updated for the new disclosure requirements of PBE IPSAS 38.

SUBSIDIARIES

Subsidiaries are those entities in which Council has control. Westland Holdings Ltd is Council's direct reporting subsidiary. As of 30 June 2020, this company controls two Council Controlled Organisations which are reporting entities under the Local Government Act 2002. As at 30 June 2020 the Group consists of Destination Westland Ltd and Westroads Ltd. Investments in subsidiaries are recorded at cost. Transactions with subsidiaries are at arm's length and under normal trading terms. Recharges are invoiced at cost.

GOODS AND SERVICES 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 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 in its 2019/20 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.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing the financial forecasts and statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments 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:

- Estimating the landfill aftercare provision – see Note 16.
- Estimating the fair value of land, buildings, and infrastructural assets – see Note 13.
- Estimating the retirement and long service leave obligation – see Note 17.

NOTE 2: SUMMARY REVENUE AND EXPENDITURE FOR GROUP OF ACTIVITIES

Accounting policy

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

- Direct costs are charged directly to significant activities.
- Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.
- 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.

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as staff numbers, items processed, and/or based on level of support provided to each activity.

There have been no changes to the cost allocation methodology during the year.

Each significant activity is stated gross of internal costs and revenues, and includes targeted rates attributable to activities (refer to Note 3). 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.

SUMMARY REVENUE AND EXPENDITURE FOR GROUP OF ACTIVITIES			
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000
Revenue			
Community Services	1,027	822	926
Leadership	7,852	6,042	8,444
Leisure services and facilities	3,488	1,322	2,760
Planning & Regulatory	1,661	1,064	1,707
Solid Waste	1,529	1,615	1,641
Stormwater	564	560	576
Transportation	3,226	3,427	4,566
Wastewater	2,534	2,100	2,546
Water Supply	4,599	4,119	4,186
less internal overhead recoveries	(5,423)	(4,866)	(7,022)
General Rates	7,758	7,880	6,700
Total operating revenue	28,815	24,084	27,028
Expenditure			
Community Services	1,559	1,316	1,434
Leadership	8,179	7,700	9,594
Leisure services and facilities	3,852	3,249	3,792
Planning & Regulatory	3,011	2,715	2,860
Solid Waste	2,018	2,347	2,584
Stormwater	663	503	633
Transportation	7,020	5,831	7,676
Wastewater	1,297	1,237	1,307
Water Supply	3,212	2,985	3,087
less internal overhead expenses	(5,423)	(4,866)	(7,022)
Total operating expenditure	25,387	23,017	25,945
Operating Surplus/(Deficit)	3,428	1,067	1,084

NOTE 3: REVENUE

Accounting policy

Revenue is measured at the fair value of consideration received.

(i) Rates revenue

Rates, including water-by-meter rates, are set annually by a resolution of Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable. Rates arising from late payment penalties are recognised as revenue when rates become overdue. Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis. Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

RATES REVENUE					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Gross rates					
General rates					
General rates	7,658	7,717	6,761	7,658	6,761
Penalties	100	163	124	100	124
Total general-purpose rates	7,758	7,880	6,885	7,758	6,885
Targeted rates					
Community rates	2,013	2,013	2,016	2,013	2,016
Sewerage rates	1,274	1,274	1,491	1,274	1,491
Tourism rates	475	475	385	475	385
Enterprise Hokitika rates (DH)	39	39	39	39	39
Waste management	762	762	733	762	733
Total targeted rates excluding water rates	4,562	4,562	4,663	4,562	4,663
Water rates					
Metered water supply	495	303	386	495	386
Westland Milk Products water rate	2,894	2,894	2,724	2,894	2,724
Other water rates	957	957	1,044	957	1,044
Total targeted water rates	4,347	4,154	4,154	4,347	4,154
Total rates revenue (gross of remissions)	16,667	16,597	15,702	16,667	15,702
Net rates					
Rates remissions					
Remissions and write offs	235	90	151	235	151
Rates discounts	37	35	34	37	34

Total rates remissions	271	125	185	271	185
Total remissions	271	125	185	271	185
Total rates revenue net of remissions	16,396	16,472	15,517	16,396	15,517

The total amount of rates charged on Council-owned properties that have not been eliminated from revenue and expenditure is \$206,261 (2019: \$186,404). For the Group, rates of \$328,695 (2019: \$329,911) have not been eliminated.

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.

(ii) Other revenue

FINANCE REVENUE AND OTHER REVENUE					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Finance revenue					
Call and current account interest	3	82	35	3	35
Term deposit interest	25	-	36	25	36
Interest on bonds	-	-	-	-	-
Other interest	9	-	10	9	10
Borrower notes	5	-	7	5	7
Total finance revenue	42	82	87	42	87
Subsidies and grants					
NZTA Government grants	3,227	3,427	4,463	3,227	4,463
Tourism Infrastructure grants	3,285	700	2,059	3,285	2,059
West Coast Wilderness Trail grants	409	-	962	409	962
Events grants	-	-	6	-	6
Civil defence grants	-	-	300	-	300
Other grants	475	210	34	1,823 ¹	34
Total subsidies and grants	7,396	4,337	7,825	8,744	7,825
Fees and charges					
Landfill fees	737	851	900	737	900
Building and resource consent fees	159	169	147	159	147
Regulatory fees	572	578	478	572	478
Other fees and charges	195	573	367	195	367
Total fees and charges	1,663	2,171	1,892	1,663	1,892

Other revenue					
Dividend revenue	200	520	324	-	24
Donations	1	2	4	1	4
Gain on interest rate swaps	332	-	172	332	172
Infringements and fines	20	22	25	20	25
Petrol tax	130	133	145	130	145
Property, plant and equipment: gain on disposal	-	-	150	360	407
Regulatory revenue	160	162	135	160	135
Subvention receipts	200	-	240	-	-
Other revenue*	2,275	183	514	29,926	22,818
Total other revenue	3,318	1,022	1,708	30,929	23,730
Total Finance Revenue and Other Revenue	12,419	7,611	11,512	41,378	33,534

*Other income includes vested income of \$1.5m arising from the fair value gain on initial recognition of land and buildings transferred to Westland District Council by Westland Racing Club during the year.

*Other grants received within the group includes \$1.348m of the Covid-19 wage subsidy.

There are no unfulfilled conditions or contingencies attached to the subsidies and grants recognised.

Provision of commercially based services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. The stage of completion is assessed by reference to surveys of work performed.

Sales of goods

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns or allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods. Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Infringement fees and fines

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The revenue recognised is determined based on the probability of collecting fines.

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

Donated and bequeathed financial assets

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability is released to revenue as the conditions are met e.g. as the funds are spent for the nominated purpose.

Revenue from investments

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate. Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.

(iii) Grants and Subsidies

Council receives government grants from New Zealand Transport Agency, which subsidises part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. Council also from time to time receives grants from other parties that are recognised on the same basis.

(iv) Fees and charges

Building and resource consent revenue:

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Entrance fees:

Entrance fees are fees charged to users of the Council's local facilities and events-. Revenue from entrance fees is recognised upon entry to such facilities, or when the event is held.

Landfill fees:

Fees for disposing of waste at the Council's landfill are received and recognised as waste is disposed by users.

(v) Operating leases as a lessor

Investment property is leased under operating leases. The following aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

OPERATING LEASES AS A LESSOR				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Not later than one year	-	-	127	119
Later than one year and not later than five years	-	-	156	205
Later than five years	-	-	141	140
Total non-cancellable operating leases	-	-	424	464

NOTE 4: PERSONNEL COSTS

Accounting policy

Superannuation schemes

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Defined benefit schemes

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the board of trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

EMPLOYEE BENEFIT EXPENSES					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Salaries and wages	3,842	3,972	3,577	16,338	15,355
Employer contributions to superannuation schemes and benefits	119	119	112	611	527
Increase/(decrease) in employee entitlements	75	-	(2)	589	70
Total employee benefit expenses	4,036	4,090	3,687	17,538	15,952

Employer contributions to superannuation and benefits includes KiwiSaver and the Defined Benefit Plan.

PERSONNEL COSTS		Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000
Chief Executive			
Salary		239,700	235,000
Superannuation contribution		7,191	7,050
Total Chief Executive's remuneration		246,891	242,050
Elected representatives received the following remuneration:			
B. Smith	Mayor	86,325	77,620
L. Martin	Councillor/Deputy Mayor (to 16 October 2019)/Committee Chair	35,489	29,148
H. Lash	Councillor/Deputy Mayor – (to 16 October 2019)	7,915	25,174
G. Eatwell	Councillor (to 16 October 2019)	6,666	21,200
D. Carruthers	Councillor/Deputy Mayor (from 17 October 2019)	43,021	29,148
D. Havill	Councillor (to 16 October 2019)	6,666	21,200
J. Neale	Councillor	22,584	21,200
G. Olson	Councillor (to 16 October 2019)	6,666	21,200
D. Routhan	Councillor (to 16 October 2019)	6,666	21,200
P. Davidson	Councillor	15,918	-
A. Hart	Councillor	15,918	-
I. Hartshorne	Councillor	15,918	-
R. Kennedy	Councillor	15,918	-
J. Keogan	Councillor	15,918	-
Total elected representatives' remuneration		301,586	267,090

There were no directors' fees paid by Westland Holdings Ltd in this financial year (2019: Nil) to councillors.

There were \$26,250 directors' fees paid by Destination Westland Ltd in this financial year (2019: \$21,000) to councillors.

There were no directors' fees paid by Westroads Ltd in this financial year (2019: \$23,833) to councillors.

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

Council employee remuneration by band	2020	2019
Annual remuneration by band for employees as at 30 June:		
< \$60,000	17	19
\$60,000 - \$79,999	17	13
\$80,000 - \$99,999	9	13
\$100,000 - \$139,000	6	-
\$100,000 - \$159,999	-	6
\$140,000 - \$259,999	3	-
\$160,000- \$259,999	-	1
Total employees	52	52

Council employee staffing levels	2020	2019
Number of Full-time Staff	41.00	42.00
Number of Part-time FTE's	5.5	5.19
Total FTE's	46.5	47.19

Total remuneration includes any non-financial benefits provided to employees.

A full-time employee is determined on the basis of a 40-hour working week.

Severance Payments
There have been no severance payments in either the 2019-2020 financial year (2019: Nil)

NOTE 5: FINANCE COSTS

Accounting policy

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

FINANCE COSTS	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Interest on other	38	-	57	38	57
Interest on secured loans	428	437	491	856	975
Interest rate swaps	235	303	218	235	218
Total finance costs	702	740	766	1,130	1,250

NOTE 6: OTHER EXPENSES

OTHER EXPENSES					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Fees to principal auditor					
Audit Fees for financial statement audit	142	156	140	265	248
Audit fees for other services	4	-	3	4	3
Audit fees for Long Term Plan Audit	-	-	-	-	-
Total fees to principal auditor	146	156	143	269	251
Other operating expenses (excl Fees to principal auditor)					
Consultants and legal fees	282	296	418	282	418
Contractors	1,591	1,208	1,753	1,591	1,753
Donations and grants	927	600	630	954	633
Fair value (gains)/losses on valuation of investment property	-	-	-	25	7
Impairment of receivables	(12)	-	(136)	(2)	(134)
Insurance premiums	327	266	268	327	268
Loss on held for trading interest rate swaps	582	183	530	582	530
Minimum lease payments under operating leases	49	54	49	50	217
Property, plant and equipment: loss on disposal	161	-	594	314	618
Other operating expenses	9,467	9,108	10,930	20,021	16,921
Total other operating expenses (excl Fees to principal auditor)	13,373	11,715	15,036	24,143	21,231
Total other operating Expenses	13,519	11,871	15,179	24,412	21,482

Material variances are explained in Note 24.

Accounting policy

Grant expenditure

The Council's grants awarded have no substantive conditions attached.

Discretionary grants are those grants where the Council has no obligation to award on the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant.

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. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Operating leases as lessee

OPERATING LEASES AS A LESSEE				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Not later than one year	123	170	318	315
Later than one year and not later than five years	9	173	492	592
Later than five years	-	-	417	3
Total non-cancellable operating leases	132	343	1,227	910

Leases generally have a non-cancellable term of 1 – 36 months, with rents set by reference to current market rates for items of equivalent age and condition. The council does have the option of purchase the asset at the end of the lease term. There are no restrictions placed on the Council by any of the leasing arrangements.

NOTE 7: INCOME TAX

Accounting policy

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax. Current tax is the amount of revenue tax payable based on the taxable profit for the current year, plus any adjustments to revenue tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date. Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit. Deferred tax is measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities. Current tax and deferred tax is recognised against the surplus or deficit, except when it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

INCOME TAX				
	Council Actual 2020 \$000	Council Actual 2019 \$000	Group Actual 2020 \$000	Group Actual 2019 \$000
Components of tax expense				
Current tax expense	-	-	562	330
Adjustments to current tax in prior years	-	-	-	(16)
Deferred tax expense	-	-	(84)	74
Tax expense	-	-	478	388

Relationship between tax expense and accounting profit				
Net surplus before tax	3,428	1,084	4,567	1,736
Tax at 28%	960	303	1,279	486
Plus (less) tax effect of:				
Permanent differences	(1,016)	(371)	(801)	(194)
Tax loss not previously recognised	-	-	-	-
Tax loss not recognised	-	-	-	-
Prior year adjustment	-	-	-	96
Group loss offset [subvention payments]	56	67	-	-
Deferred tax adjustment	-	-	-	-
Tax expense	-	-	478	388

Deferred tax asset (liability) Council				
	Property, plant and equipment	Other provisions	Tax losses	Total
Balance at 30 June 2018	(43)	-	11	(32)
Charged to surplus or deficit	-	-	-	-
Charged to other comprehensive income	-	-	-	-
Balance at 30 June 2019	(43)	-	11	(32)
Charged to surplus or deficit	-	-	-	-
Charged to other comprehensive income	-	-	-	-
Balance at 30 June 2020	(43)	-	11	(32)

Deferred tax asset (liability) Group				
	Property, plant and equipment	Other provisions	Tax losses	Total
Balance at 30 June 2018	(376)	131	37	(208)
Charged to surplus or deficit	(37)	(32)	(9)	(78)
Charged to other comprehensive income	-	-	-	-
Balance at 30 June 2019	(413)	99	28	(286)
Charged to surplus or deficit	108	(18)	(6)	84
Charged to other comprehensive income	-	-	-	-
Balance at 30 June 2020	(305)	81	22	(202)

Council has tax losses of \$71,273 available to carry forward into the 2021 income year.

NOTE 8: CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

CASH AND CASH EQUIVALENTS					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Cash at bank and in hand	2,623	2,570	1,853	3,483	2,296
Term deposits with maturities less than three months at acquisition	2,500	-	736	2,500	736
Bank overdrafts	-	-	-	-	-
Total cash and cash equivalents for the purpose of the statement of cash flows	5,123	2,570	2,589	5,983	3,032

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

NOTE 9: RECEIVABLES

Accounting policy

Receivables are recorded at the amount due, less any provision for un-collectability.

A receivable is considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

RECEIVABLES					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Gross debtors and other receivables					
Rates receivables	1,289	1,919	1,317	1,289	1,317
Related party receivables	60	-	217	-	-
NZ Transport Agency receivables	680	-	1,885	680	1,885
Subvention receivable	200	-	240	-	-
Other receivables	2,040	0	1,088	6,566	4,510
Total gross debtors and other receivables	4,269	1,919	4,747	8,535	7,712
Current portion debtors and other receivables					
Less provision for impairment of receivables	(57)	-	(71)	(73)	(78)
Total current portion debtors and other receivables	(57)	-	(71)	(73)	(78)
Total gross debtors and other receivables	4,211	1,919	4,675	8,462	7,634

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

	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Opening Balance	71	-	228	78	232
Additional provisions made during this year	-	-	-	10	2
provisions reversed during the year	-14	-	-156	-14	-156
Receivables written-off during the period	-	-	-	0	-
Closing Balance	57	-	71	73	78

Fair Value: Receivables are generally short-term and non-interest bearing therefore the carrying value of receivables approximates their fair value.

Provision for impairment of receivables includes a rates component covering debts aged up to six years, unoccupied Māori land rates and abandoned land rates. Council has various powers under the Local Government (Rating) Act 2002 to recover other outstanding rates. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place debts are discounted to the present value of future repayments if the effect of discounting is material. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within 3 months of the Court's judgement, 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. The impairment provision has been calculated based on a review of specific overdue receivables.

	2020 Gross \$000	2020 Impairment \$000	2020 Net \$000	2019 Gross \$000	2019 Impairment \$000	2019 Net \$000
Council						
0 to 3 months	3,786		3,786	4,240		4,240
4 to 6 months	197		197	133		133
7 to 9 months	112		112	143		143
10 to 12 months	37		37	47		46
> 12 months	137	(57)	80	184	(71)	113
Total	4,269	(57)	4,211	4,747	(71)	4,675
Group						
0 to 3 months	8,045	(3)	8,042	7,286	(1)	7,285
4 to 6 months	159	-	159	111	-	111
7 to 9 months	112	-	112	89	-	89
10 to 12 months	69	(11)	58	101	(5)	96
> 12 months	149	(59)	90	124	(72)	52
Total	8,535	(73)	8,462	7,711	(78)	7,633

Note: Time bands used relate to rates instalments, as these are the material receivables and impairments.

NOTE 10: INVENTORIES

Accounting policy

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. 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. In the case of metal inventories and work in progress, cost includes an appropriate share of productions overheads based on normal operating capacity. Metal inventory cost is calculated on a discounted sale value basis, as an approximation of weighted average cost. When land held for development and future resale is transferred from investment property/property, plant, and equipment to assets held for sale, 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. Net realisable value is the estimated selling prices in the ordinary course of business, less the estimated costs of completion and selling expenses.

INVENTORY				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Metal stocks	-	-	591	833
Other supplies	-	-	75	270
Total inventory	-	-	666	1,103
Development land	-	-	298	353
Total term inventory	-	-	298	353

NOTE 11: ACCOUNTING FOR DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Accounting policy

The Council and group use derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. The Council does not hold or issue derivative financial instruments for trading purposes.

DERIVATIVE FINANCIAL INSTRUMENTS				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Current asset portion				
Interest rate swaps - cash flow hedges	-	-	-	-
Total current asset position	-	-	-	-
Non-current asset portion				
Interest rate swaps - cash flow hedges	-	-	-	-
Total non-current asset portion	-	-	-	-
Total derivative financial instrument assets	-	-	-	-
Current liability portion				
Interest rate swaps - cash flow hedges	34	20	34	20
Total current liability portion	34	20	34	20
Non-current liability portion				
Interest rate swaps - cash flow hedges	1,097	882	1,097	882
Total non-current liability portion	1,097	882	1,097	882
Total derivative financial instrument liabilities	1,131	902	1,132	902

The interest rate swaps have been included at fair value. The basis for valuation are observable inputs (Level 2 - see Note 23 for Fair Value Hierarchy). Details of the outstanding interest rate swap contracts as at 30 June are shown in the table below:

Start Date	Maturity date	Fixed interest rate	Amount 2020	Amount 2019
17/11/2020	17/11/2026	0.67%	2,500,000	
2/10/2023	2/10/2025	3.67%	5,000,000	5,000,000
1/10/2021	2/10/2023	3.34%	5,000,000	5,000,000
17/09/2019	17/03/2023	2.98%	2,500,000	2,500,000
3/08/2015	1/10/2021	4.10%	5,000,000	5,000,000
18/09/2017	20/09/2021	3.01%	2,500,000	2,500,000
17/10/2012	17/11/2020	3.55%	2,500,000	2,500,000
17/12/2013	17/09/2019	4.77%		2,500,000
			25,000,000	25,000,000

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. The method of recognising the resulting gain or loss depends on

whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The movement in the fair value of the derivative contracts that are not hedge accounted is recognised in the surplus or deficit.

Council has no designated hedging instruments.

NOTE 12: OTHER FINANCIAL ASSETS

Accounting policy

The Council and Group classify its financial assets into the following four categories for the purpose of measurement: financial assets at fair value through the surplus or deficit, held-to-maturity investments, loans and receivables, and fair value through other comprehensive revenue and expense. 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 the surplus or deficit in which case the transaction costs are recognised therein. Purchases or sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

OTHER FINANCIAL ASSETS					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Current portion					
Loans and receivables:					
LGFA – Floating rate securities	48	-	-	48	-
Total loans and receivables	48	-	-	48	-
Total current portion	48	-	-	48	-
Non-current portion					
Investment in CCO's					
Westland Holdings Limited	8,695	8,695	8,695	-	-
Total investment in CCO's and similar entities	8,695	8,695	8,695	-	-
Other					
Civic Assurance shares	26	44	46	26	46
Forestry	-	-	-	-	-
Community loan	22	25	25	22	25
LGFA - Floating rate securities	266	-	298	266	298
Total other	314	69	368	314	368
Total non-current portion	9,009	8,764	9,063	314	368
Total other financial assets	9,057	8,764	9,063	362	368

Investments in subsidiaries are recorded at cost. Since their shares are not traded any attempt to assess their market value would be arbitrary.

	2020	2019
Westland Holdings Limited	8,695	8,695

Assets Available for Sale:

Assets available for resale are valued at fair value, based on the published price of the assets.

Fixed Interest Portfolio –Bonds:

Bonds are disclosed at quoted market price (Level 1).

Council’s investment policy stipulates that financial investments held in the form of bonds should have a minimum credit rating of A.

The four categories of financial assets are:

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into a hedge accounting relationship for which hedge accounting is applied. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. After initial recognition they are measured at their fair values.

Gains or losses on re-measurement are recognised in the surplus or deficit where hedge accounting is not applied. Financial assets in this category include derivative financial instruments.

Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. 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 or 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 non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets. After initial recognition they are measured at amortised cost using the effective interest method, less impairment.

Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit. The Council currently holds Local Government Funding Agency Floating Rate Securities Notes that have been classified as held to maturity investments.

Fair value through comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. The Council and group includes in this category:

- Investments held for the long-term but which may be realised before maturity;
- Shareholdings held for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. 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 sheet date, the Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

Loans and receivables, and held-to-maturity investments

Impairment is established when there is evidence that the Council and group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

Financial assets at fair value through other comprehensive revenue and expense

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit. Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit. If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of:

Operational assets

These include land, buildings, museum artefacts, Jackson Bay Wharf, library books, plant and equipment, and motor vehicles. Land, buildings, and Jackson Bay Wharf are revalued and are measured at fair value less accumulated depreciation, all other assets are measured at cost less accumulated depreciation and impairment losses.

Restricted assets

Restricted assets are parks and reserves owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions. These include land vested under the Reserves Act 1977 and endowments or other property held in trust for specific purposes. Reserve land is revalued but was not revalued in 2017/18 as reserve land is difficult to dispose of and any revaluation amount would likely be cancelled out by the cost of sale.

Council will determine whether revaluation is required at the next revaluation date, which will be in 2022.

Infrastructure assets

Infrastructural assets are the fixed utility systems owned by the Council. Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses. Each asset class includes all items that are required for the network to function. Infrastructural assets (except land under roads and landfills) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost 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 the Council and Group and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

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

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 the Council and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised as an operating expense in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and museum artefacts, 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:

CATEGORY	DEPRECIATION RATES		DEPRECIABLE LIFE (YEARS)	
	Minimum	Maximum	Minimum	Maximum
Infrastructural				
Buildings	2%	10%	10	50
Land	0%	0%	N/A	N/A
Refuse				
Landfill Sites	1%	33%	3	75
Landfill Provision	1%	1%	70	70
Roading				
Bridges	1%	1%	70	100
Culverts	1%	2%	50	80
Edge Mark Post	33%	33%	3	3
Footpaths	2%	3%	34	67
Formation	0%	0%	N/A	N/A
Pave Marking	4%	17%	6	25
Railings	4%	31%	3	24
Raised Reflective Pavement Markers	50%	50%	2	2
Roundabouts	3%	3%	31	31
Sealed Surface	12%	20%	5	20
Signs	19%	34%	3	5
Streetlights	6%	11%	9	17
Structure Base Course	1%	2%	41	91
Structure Sub-Base	0%	0%	N/A	N/A
Unseal Structure Wearing Course	20%	33%	3	5
Unsealed Structure	0%	0%	N/A	N/A
Drainage	2%	3%	37	67
Sewerage				
Line	1%	2%	50	100
Plant	1%	10%	10	88
Point	1%	2%	50	80
Stormwater				
Earth	0%	0%	N/A	N/A
Line	1%	2%	50	100
Plant	1%	5%	20	85
Point	1%	2%	50	80
Rock	0%	1%	165	N/A
Water				
Line	1%	5%	20	100
Plant	1%	20%	5	69
Point	1%	10%	10	100

	Minimum	Maximum	Minimum	Maximum
Operational				
Buildings	2%	20%	5	63
Furniture & Fittings	2%	25%	4	60
Jackson Bay Wharf	20%	20%	5	5
Land	0%	0%	N/A	N/A
Library Collection	13%	13%	8	8
Motor Vehicles	20%	20%	5	5
Museum Artefacts	0%	0%	N/A	N/A
Office and Computer Equipment	1%	25%	4	120
Plant Equipment	10%	20%	5	10
Restricted				
Buildings	1%	14%	7	199
Land	0%	0%	N/A	N/A
Pools	1%	13%	8	80
Recreation Improvement	1%	72%	1	80

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

DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITY		
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000
Directly attributable depreciation and amortisation expense by group of activity		
Leisure and Culture	980	851
Community Services	245	213
Planning and Regulatory Services	48	31
Transportation	3,279	3,188
Water Supply	1,226	1,059
Wastewater	555	386
Stormwater	457	229
Solid Waste	109	117
Democracy Services	231	240
Total depreciation and amortisation expense	7,131	6,313

Revaluation

All valuations are carried out on a three to five-yearly cycle by independent qualified valuers or in-house peer reviewers, unless there is a significant change in carrying value, in which case they will be revalued as required. All other asset classes are carried at depreciated historical cost.

Land and buildings (operational and restricted), library books, and infrastructural assets (except land under roads and landfills) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. Land and Buildings were revalued effective 30 June 2018. The fair value was tested as at 30 June 2020 and fair value does not differ materially to carrying values.

Transportation, 3 Waters and Reserve Improvement assets were all revalued as at 30 June 2019. Transportation Assets were valued by Beca mainly from Assetfinda and the RAMM system. All other assets were valued by Westland District Council staff using Assetfinda and peer reviewed by Beca. The fair value was tested as at 30 June 2020 and fair value does not differ materially to carrying values.

Estimated replacement cost is determined at Council's most recent formal valuations as described above.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Impairment of property, plant & equipment.

Assets that have a finite useful life are carried at cost and 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 entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

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 or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

Value in use for non-cash-generating assets:

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets:

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

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

Critical accounting estimates and assumptions

Infrastructural assets

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

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes which 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 affected 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 or deficit. To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience.
 - Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates. Experienced independent valuers perform Council's infrastructural asset revaluations.

PROPERTY, PLANT, AND EQUIPMENT

	Cost/valuation		Accumulated depreciation & impairment charges		Carrying amount	Cost/revaluation	Revaluation	Disposals	Reclassification	Impairment	Depreciation	Disposals	Reclassification	Impairment	Accumulated	Carrying amount
	1 July 2019	1 July 2020	1 July 2019	1 July 2020												
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
COUNCIL 2020																
Operational assets																
Land (leased)	4,323	4,323	-	4,323	-	-	-	-	-	-	-	-	-	-	4,323	4,323
Land (leased airport)	4,278	4,278	-	4,278	-	-	-	-	-	-	-	-	-	-	4,278	4,278
Land (operational)	6,392	6,392	-	6,392	1,200	-	-	-	-	-	-	-	-	-	7,592	7,592
Buildings	8,126	7,872	(254)	8,126	383	(35)	-	-	-	-	(287)	5	-	-	8,474	7,938
Furniture & fittings	1,600	586	(1,014)	586	50	-	-	-	-	-	(65)	-	-	-	1,650	571
Library books	698	261	(437)	261	57	(48)	-	-	-	-	(56)	48	-	-	707	262
Museum artefacts	165	165	-	165	-	-	-	-	-	-	-	-	-	-	165	165
Computer equipment	579	187	(392)	187	79	-	-	-	-	-	(89)	-	-	-	659	178
Office equipment	517	45	(471)	45	4	-	-	-	-	-	(8)	-	-	-	521	(480)
Motor Vehicles	422	141	(281)	141	-	-	-	-	-	-	(39)	-	-	-	422	102
Operational Plant and Equipment	162	118	(44)	118	225	-	-	-	-	-	(38)	-	-	-	387	305
Jackson's Bay wharf	160	128	(32)	128	-	-	-	-	-	-	(32)	-	-	-	160	96
Total operational assets	27,421	24,496	(2,925)	24,496	1,999	(83)	-	(615)	53	-	(615)	53	-	-	29,337	25,849
Infrastructural assets																
Land	2,249	2,249	-	2,249	-	-	-	-	-	-	-	-	-	-	2,249	2,249
Buildings	940	815	(125)	815	-	-	-	-	-	-	(35)	-	-	-	940	780
Roading network	180,302	180,302	-	180,302	1,846	(29)	-	-	-	-	(2,357)	-	-	-	182,119	179,762
Land under roads	55,365	55,365	-	55,365	-	-	-	-	-	-	-	-	-	-	55,365	55,365
Bridges	42,070	42,070	-	42,070	-	-	-	-	-	-	(922)	-	-	-	42,070	41,149
Water supply reticulation	20,340	20,340	-	20,340	792	-	-	-	-	-	(440)	-	-	-	21,132	20,692
Water supply treatment	11,049	11,049	-	11,049	1,271	-	-	-	-	-	(786)	-	-	-	12,320	11,534
Drainage/stormwater	16,827	16,827	-	16,827	11	-	-	-	-	-	(457)	-	-	-	16,838	(457)
Refuse sites (ex Butlers)	2,298	2,146	(152)	2,146	-	-	-	-	-	-	(50)	-	-	-	2,298	2,096
Butlers refuse site	2,862	2,748	(114)	2,748	21	(55)	-	-	-	-	(39)	-	-	-	2,828	2,675
Sewerage system reticulation	10,125	10,125	-	10,125	34	-	-	-	-	-	(345)	-	-	-	10,158	9,814
Sewerage system treatment	5,233	5,233	-	5,233	3,998	-	-	-	-	-	(195)	-	-	-	9,231	9,036
Total infrastructural assets	349,660	349,269	(991)	349,269	7,973	(84)	-	(5,625)	-	-	(5,625)	-	-	-	357,549	351,593
Restricted assets																
Land	1,192	1,192	-	1,192	-	-	-	-	-	-	-	-	-	-	1,192	1,192
Public buildings	3,350	3,244	(107)	3,244	1,687	(130)	-	-	-	-	(119)	4	-	-	4,907	4,685
Cemetery buildings	56	42	(15)	42	-	-	-	-	-	-	(4)	-	-	-	56	37
Cemetery land	1,088	1,088	-	1,088	-	-	-	-	-	-	-	-	-	-	1,088	1,088
Reserve/recreation land	7,003	7,003	-	7,003	-	-	-	-	-	-	-	-	-	-	7,003	7,003
Reserve/recreation buildings	2,115	2,011	(104)	2,011	-	-	-	-	-	-	(95)	-	-	-	2,115	(199)
Reserve/improvements	10,682	10,682	-	10,682	22	(5)	-	-	-	-	(537)	0	-	-	10,700	10,164
Swimming pools	2,423	2,234	(190)	2,234	61	-	-	-	-	-	(97)	-	-	-	2,485	2,197
Total restricted assets	27,911	27,496	(415)	27,496	1,770	(135)	-	(853)	4	-	(853)	4	-	-	29,546	28,283
Total Council	404,992	401,260	(3,732)	401,260	11,742	(302)	-	(7,093)	57	-	(7,093)	57	-	-	416,432	405,665
Subsidiaries property, plant and equipment																
Land & Buildings	5,122	4,172	(950)	4,172	139	-	-	-	-	(130)	(174)	-	-	-	5,261	4,007
Plant and machinery	23,952	11,320	(12,632)	11,320	3,538	(2,039)	-	-	-	-	(2,233)	1,550	-	-	25,451	12,136
Office equipment	577	86	(491)	86	48	(7)	-	-	-	-	(40)	13	-	-	618	(518)
Hokitika Airport	2,437	1,878	(559)	1,878	72	-	-	-	-	-	(40)	-	-	-	2,509	1,910
Total subsidiaries	32,088	17,457	(14,631)	17,457	3,797	(2,046)	(130)	(2,487)	1,563	(130)	(2,487)	1,563	-	-	33,839	18,153
Total Group assets	437,080	418,717	(18,363)	418,717	15,539	(2,348)	(130)	(9,580)	1,620	(130)	(9,580)	1,620	-	-	450,271	423,819

PROPERTY, PLANT, AND EQUIPMENT

	Cost/valuation 1 July 2018 \$'000	Accumulated depreciation & impairment charges 1 July 2018 \$'000	Carrying amount 1 July 2018 \$'000	Additions \$'000	Disposals \$'000	Impairment charges \$'000	Depreciation \$'000	Reclassification cost surplus/(deficit) \$'000	Revaluation cost surplus/(deficit) \$'000	Cost/revaluation 30 June 2019 \$'000	Accumulated depreciation and impairment charges 30 June 2019 \$'000	Carrying amount 30 June 2019 \$'000
COUNCIL 2019												
Operational assets												
Land (leased)	4,323	-	4,323	-	-	-	-	-	-	4,323	-	4,323
Land (leased airport)	4,278	-	4,278	-	-	-	-	-	-	4,278	-	4,278
Land (operational)	6,390	-	6,390	2	-	-	-	-	-	6,392	-	6,392
Buildings	8,103	(8)	8,100	23	-	-	(251)	-	-	8,126	(254)	7,872
Furniture & fittings	1,565	(939)	626	35	-	-	(75)	-	-	1,600	(1,014)	586
Library books	674	(410)	264	54	(30)	-	(57)	30	-	698	(437)	261
Museum artefacts	165	-	165	-	-	-	-	-	-	165	-	165
Computer equipment	506	(354)	152	129	(55)	-	(81)	42	-	579	(392)	187
Office equipment	497	(464)	33	23	(3)	-	(10)	3	-	517	(471)	45
Motor Vehicles	346	(229)	117	76	-	-	(52)	-	-	422	(281)	141
Operational Plant and Equipment	74	(28)	45	88	-	-	(16)	-	-	162	(44)	118
Jackson's Bay wharf	160	-	160	-	-	-	(32)	-	-	160	(32)	128
Total operational assets	27,079	(2,426)	24,653	430	(88)	-	(574)	75	-	27,421	(2,925)	24,496
Infrastructural assets												
Land	1,964	-	1,964	285	-	-	-	-	-	2,249	-	2,249
Buildings	940	(91)	849	-	-	-	(35)	-	-	940	(125)	815
Roading network	212,814	(4,682)	208,132	4,212	(599)	-	(2,667)	21	(32)	180,302	-	180,302
Land under roads	55,365	-	55,365	-	-	-	-	-	-	55,365	-	55,365
Bridges	46,692	(991)	45,700	241	-	-	(498)	-	(3,373)	42,070	-	42,070
Water supply reticulation	21,054	(754)	20,300	831	-	-	(382)	-	(410)	20,340	-	20,340
Water supply treatment	13,361	(1,338)	12,023	312	-	-	(676)	-	(609)	11,049	-	11,049
Drainage/stormwater	10,163	(459)	9,703	107	-	-	(254)	-	7,270	16,827	-	16,827
Refuse sites (ex Butlers)	2,298	(101)	2,197	-	-	-	(53)	-	-	2,298	(152)	2,146
Butlers refuse site	2,576	(77)	2,499	286	-	-	(35)	-	-	2,862	(114)	2,748
Sewerage system reticulation	10,582	(509)	10,072	121	-	-	(257)	-	188	10,125	-	10,125
Sewerage system treatment	6,614	(224)	6,390	11	-	-	(113)	-	(1,055)	5,233	-	5,233
Total infrastructural assets	384,423	(9,228)	375,196	6,406	(599)	-	(4,969)	21	(32)	349,660	(991)	349,269
Restricted assets												
Land	1,244	-	1,244	-	(52)	-	-	-	-	1,192	-	1,192
Public buildings	3,161	(1)	3,160	189	-	-	(106)	-	-	3,350	(107)	3,244
Community buildings	56	(10)	46	-	-	-	(4)	-	-	56	(15)	42
Cemetery land	1,088	-	1,088	-	-	-	-	-	-	1,088	-	1,088
Reserve/recreation land	7,003	-	7,003	-	-	-	-	-	-	7,003	-	7,003
Reserve/recreation buildings	2,140	(18)	2,122	-	-	-	(94)	-	(16)	2,115	(104)	2,011
Reserve/improvements	12,915	(789)	12,126	944	-	-	(428)	-	48	10,682	-	10,682
Swimming pools	2,403	(94)	2,309	20	-	-	(96)	-	-	2,423	(190)	2,234
Total restricted assets	30,011	(912)	29,099	1,153	(52)	-	(729)	32	(2,007)	27,911	(415)	27,496
Total Council	441,513	(12,566)	428,947	7,989	(738)	-	(6,272)	96	(28,760)	404,992	(3,732)	401,260
Subsidiaries property, plant and equipment												
Land & buildings	4,422	(806)	3,616	685	(26)	-	(144)	41	-	5,122	(950)	4,172
Plant and machinery	22,819	(11,549)	11,270	2,251	(1,118)	-	(2,073)	990	-	23,952	(12,632)	11,320
Office equipment	550	(434)	116	27	-	-	(57)	-	-	577	(491)	86
Hokitika Airport	2,437	(515)	1,922	-	-	-	(44)	-	-	2,437	(659)	1,878
Total subsidiaries	30,228	(13,304)	16,924	2,963	(1,144)	-	(2,318)	41	-	32,088	(14,631)	17,457
Total Group assets	471,741	(25,870)	445,871	10,952	(1,882)	-	(8,590)	41	(28,760)	437,080	(18,363)	418,717

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

	Closing book value \$000	Additions constructed by Council \$000	Additions transferred to Council \$000	Most recent replacement estimate for revalued assets \$000
COUNCIL 2020				
Water Supply				
- reticulation and other	20,692	792	-	31,665
- treatment plants and facilities	11,534	1,271	-	22,395
	32,225	2,063	-	54,060
Sewerage				
- other assets (such as reticulation systems)	9,814	34	-	23,471
- treatment plants and facilities	9,814	3,998	-	11,453
	19,628	4,032	-	34,924
Stormwater drainage	16,381	11	-	34,146
Roads and Footpaths	220,910	1,846	-	321,574
	289,144	7,952	-	444,704
COUNCIL 2019				
Water Supply				
- reticulation and other	20,340	831	-	30,873
- treatment plants and facilities	11,049	312	-	21,124
	31,388	1,143	-	51,996
Sewerage				
- other assets (such as reticulation systems)	10,125	121	-	23,438
- treatment plants and facilities	5,233	11	-	7,455
	15,357	132	-	30,892
Stormwater drainage	16,827	107	-	34,135
Roads and Footpaths	225,514	4,453	-	319,728
	289,087	5,834	-	436,752

Assets are recorded at their most recent estimate of depreciated replacement cost. All valuations are carried out on a cyclical basis. A full valuation of the Infrastructure assets at 30 June 2019 was conducted by WDC staff and Beca. No formal valuations were undertaken of land and buildings in 2019/2020 however, Fair Value assessments have been carried out by Coast Valuations Limited on the land and buildings and there were no significant changes to the carrying values.

Additional Disclosure: Local Government Amendment (No3) Act) Clause 31A - Insurance of assets:

The total value of assets covered by commercial insurance contracts was \$54,472,226, with \$47,295,606 insured at replacement value and the \$7,176,620 at indemnity value. There is an excess of \$10,000 for all claims except residential dwellings (\$5,000) or weather perils (\$25,000) for any single event.

Westland District Council participates in the Local Authority Protection Programme (LAPP), which provides cover to \$300 million (including \$60 million from central government). This means that all of Council underground infrastructural

assets (\$67.5 million) are fully covered at replacement cost. Council's excess is \$250,000. With a total asset base of \$406,261,000 as at 30 June 2020, the above arrangements leave \$338,804,000 self-insured by Council.

Of this \$262,852,000 relate to land and roads. Roads are covered by subsidies that are available from NZTA and the government. This leaves an exposure of \$75,952,000.. As at 30 June 2020 asset renewal funds total \$7,537,000.

Assets under construction

ASSETS UNDER CONSTRUCTION				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Capital projects				
Buildings	222	589	222	589
Water	510	1,095	510	1,095
Sewerage	564	2,253	564	2,253
West Coast Wilderness Trail	263	108	263	108
Stormwater	252	38	252	38
Museum Development	181	91	181	91
Hokitika Waterfront Development	139	168	139	168
Sunset Point	357	-	357	-
Information Management	-	37	-	37
Responsible Camping	-	78	-	78
Other	467	-	533	59
Balance as on 30 June 2020	2,955	4,458	3,021	4,517

The \$509,648 Water Services relates to the Haast Water reservoir project, Fox Glacier Plant upgrade, Hokitika water meter replacements and various mains upgrade in progress as of the 30 June 2020.

The \$564,168 Sewerage relates to the upgrade of the Fox Glacier and Hokitika Wastewater Treatment Plant upgrade projects and Franz Josef mains line size increase projects.

The \$263,174 West Coast Wilderness Trail relates to Waimea water race section of the trail and Lake Kaniere Stage 1.

Capital commitments

Capital commitments represent capital expenditure contracted at balance date but not yet incurred.

There are capital commitments for the Council of \$1,803,434 (2019: \$502,233) and Group of \$1,522,400 as of 30 June 2020 (2019: \$89,020).

CAPITAL COMMITMENTS				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Capital commitments approved and contracted transfers from general funds	1,803	502	1,552	89
Total capital commitments	1,803	502	1,552	89

NOTE 13A: 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, all investment property is measured at fair value at each reporting date. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

INVESTMENT PROPERTY				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Balance at 1 July	-	-	1,035	1,382
Transferred from PPE	-	-	-	-
Adjustments	-	-	-	(340)
Fair value gains/(losses) on valuation (note 7)	-	-	(25)	(7)
Balance at 30 June	-	-	1,010	1,035

Investment properties are valued annually effective at 30 June 2020 to fair value by David Shaw (MNZIV, MP, NZ Registered Valuer) from Quotable Value. Quotable Value is an experienced valuer with extensive market knowledge in the types and location of property owned by the Group.

NOTE 14: INTANGIBLE ASSETS

Accounting policy

Software

Software licences and similar assets that are acquired by the Council, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The useful lives and associated amortisation rates of the assets class are estimated as follows:

CATEGORY	DEPRECIATION RATES		DEPRECIABLE LIFE (YEARS)	
	Minimum	Maximum	Minimum	Maximum
OPERATIONAL				
Computer Software	10%	25%	4	10

Carbon credits

Purchased Carbon credits are recognised at cost on acquisition. They are not amortised, but instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

The provision has been estimated taking into account existing technology and using discount rates of between 0.83% and 0.97% based on Treasury Risk-free discount rates, and inflation rates using Treasury CPI forecasts. As at 30 June 2020 this was 0.83%.

The gross provision before discounting is \$2,331,722 (2019: \$3,004,103).

Reconciliation of movement in landfill provision

	Council Actual 2020 \$000	Council Actual 2019 \$000
Opening Balance	2,480	2,179
Additional provisions made during this year	(382)	61
Amount Used	(96)	(46)
provisions reversed during the year	-	-
Discount unwind	38	286
Closing Balance	2,040	2,480

NOTE 17: EMPLOYEE BENEFITS

Accounting policy

Short-term benefits

Employee benefits that the Council expects to be settled within 12 months after the end of the period in which the employee renders the related service are measured 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 and sick leave, retiring and long service leave entitlements expected to be settled within 12 months. A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences. The Council recognise a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long service leave and retirement leave

Entitlements that are payable beyond 12 months, after the end of the period in which the employee renders the related service, such as long service leave and retiring leave; are 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.

Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave entitlements are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

EMPLOYMENT BENEFIT LIABILITIES					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Employee benefit liabilities current					
Accrued pay	190	-	151	696	202
Annual leave	286	205	217	1,147	1,000
Retirement and long service	-	-	-	55	88
Total employee benefit liabilities current	476	205	368	1,898	1,290
Employee benefit liabilities non-current					
Retirement and long service	42	35	36	148	128
Total employee benefit liabilities non-current	42	35	36	148	128
Total employee benefit liabilities	518	240	404	2,046	1,418

Critical accounting estimates and assumptions

Estimating retirement and long service leave obligations

A discount rate of 0.3%, and an inflation factor of 1.8% 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. The discount rate is the 90 bank bill rate as at the 30th of June 2020 and the inflation factor is from BERL forecasts.

NOTE 18: BORROWINGS

Accounting policy

Borrowings are initially recognised at their fair value, plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

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, the Council and Group 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 finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

A debenture exists over the assets of Westroads Limited Group.

Council had no internal borrowing processes operating in 2019/20. Council has no finance leases.

Interest terms for secured loans

The Council's secured loans are mostly issued at floating rate of interest. For floating rate debt, the interest rate is reset quarterly based on the 90-day bank bill rate plus a margin for credit risk.

Other liabilities

OTHER LIABILITIES				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Current				
Rates and other revenue received in advance	425	395	450	415
Total other liabilities	425	395	450	415

There are no non-current other liabilities

NOTE 19: EQUITY

Accounting policy

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserve funds. The components of equity are:

- Retained earnings
- Restricted Reserves (Trusts and Bequests)
- Asset revaluation reserves
- Fair value through other comprehensive revenue and expense

Restricted Reserves

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

Asset revaluation reserve

This reserve relates to the revaluation of property, plant, and equipment to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

EQUITY				
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Retained earnings				
Balance at 1 July	147,535	147,994	152,190	152,383
Transfers to restricted reserves	(5,154)	(4,337)	(5,154)	(4,337)
Transfers from restricted reserves	5,280	2,795	5,280	2,795
Transfer from 'Revaluation reserve	-	-	-	-
Surplus/(deficit) for the year	3,428	1,084	4,597	1,348
Balance at 30 June	151,088	147,535	156,912	152,190
Restricted reserves				
Balance at 1 July	9,164	7,622	9,164	7,622
Transfers to retained earnings	(5,280)	(2,795)	(5,280)	(2,795)
Transfers from retained earnings	5,154	4,337	5,154	4,337
Balance at 30 June	9,038	9,164	9,038	9,164
Assets revaluation reserve				
Restated balance at 1 July	239,721	268,483	239,721	268,483
Revaluation gains of property, plant and equipment	-	(28,761)	-	(28,761)
Balance at 30 June	239,721	239,721	239,721	239,721
Fair value through other comprehensive revenue and expense reserve				
Balance 1 July	64	64	64	64
Tax on revaluations	-	-	-	-
Balance at 30 June	64	64	64	64
Total equity	399,911	396,484	405,735	401,138

NOTE 20: RELATED PARTY TRANSACTIONS

Westland District Council did not have any transactions with Tourism West Coast (2019: \$100,000) as this entity was incorporated into Development West Coast and Council has no ongoing financial obligations in respect of this entity.

There were no transactions with the Westland Wilderness Trust.

The following table depicts the transactions and closing balances for the year ended 30 June between Westland District Council and its trading CCOs:

RELATED PARTY TRANSACTIONS		
	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000
Westroads Limited		
Revenue earned	31	47
Expenditure charged	8,454	10,595
Accounts payable by the Council	1,169	1,156
Accounts receivable to the Council	3	3
Group tax loss offset	-	-
Subvention payment	200	240
Destination Westland		
Revenue earned	244	332
Expenditure charged	1,215	1,108
Purchase of Land	-	285
Accounts payable by the Council	2	99
Accounts receivable to the Council	57	212
Westland Holdings Limited		
Revenue earned	-	-
Expenditure charged	4	6
Accounts payable by the Council	-	-
Accounts receivable to the Council	-	-
Dividends received	200	300

Transactions with key management personnel:

During the year, Councillors and senior management, as part of a normal customer relationship, were involved in minor transactions with the Council.

	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000
<i>Councillors:</i>		
Remuneration	302	267
<i>Senior Management team including Chief Executive:</i>		
Remuneration	770	795
Total key management personnel compensation	1,071	1,062
Total full-time equivalent personnel	14	14

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

The claim is denied and will be defended by Council with the backing of its public liability insurer

At balance date Council, along with the 28 other territorial authorities, is subject to a lawsuit brought by Carter Holt Harvey (CHH) for contribution to the class action lawsuit against CHH in respect of allegedly defective products installed in homes throughout New Zealand. This claim has not been quantified or estimates of relevant remedial work provided.

The uncertainty existed at the end of the current and preceding period and the notice of discontinuance signed on 3 September 2020 has now removed the uncertainty and the Council is no longer subject to this legal proceeding and is not involved or aware of any settlement at this stage. (2019: Nil).

Group

At balance date Destination Westland Ltd is involved in litigation of an employment related matter arising from events prior to 30 June.

After balance date Destination Westland settled the employment related matter and is no longer subject to this legal proceeding. (2019: Nil)

Contingent Assets:

Council

Council has no contingent assets at 30 June 2020 (2019: Nil).

Group

The Group has no contingent assets at 30 June 2020 (2019: Nil).

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, Council could be responsible for any deficit of the Scheme. Similarly, if a number of employers cease to have employees participating in the Scheme; Council could be responsible for an increased share of any deficit. Insufficient information is available to use defined benefit accounting, as it is not possible to determine, from the terms of the Scheme, the extent to which the deficit will affect future contributions by employers, as there is no prescribed basis for allocation.

As at 31 March 2020, the Scheme had a past service deficit of \$2.8 million (2019: \$1.8 million deficit) and 4.1% (2019: 1.9%) of liabilities. This amount is exclusive of Employer Superannuation Contribution Tax. This deficit was calculated by the actuary to the Scheme using a discount rate equal to the expected return on the assets, but otherwise the assumptions and methodology were consistent with the requirements of PBE IPSAS 25. The actuary to the Scheme has recommended previously that the employer contributions were suspended with effect from 1 April 2011. In the latest report the Actuary recommended employer contributions remain suspended.

Fair Value Hierarchy Disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

Level 1 Quoted market price - Financial instruments with quoted prices for identical instruments in active markets.

Level 2 Valuation technique using observable inputs - Financial instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are not observable.

There were no transfers between the different levels of the fair value hierarchy.

Credit risk

Credit risk is the risk that a third party will default on its obligations to the Council and Group, causing it to incur a loss. Do to the timing of its cash inflows and outflows, surplus cash is invested into term deposits and bonds, which gives credit risk.

FINANCIAL INSTRUMENT RISKS				
Credit Risk	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Bonds	-	-	-	-
Cash at bank and term deposits	5,123	2,589	5,983	3,032
Trade and other receivables	3,700	3,890	7,915	7,381
Maximum Exposure	8,823	6,479	13,897	10,413

Credit Quality	Council Actual 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Cash at bank and term deposits				
AA-	5,123	2,589	5,983	3,032

Liquidity Risk

Liquidity risk is the risk that the Council and Group 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. The Group aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, the Council maintains a liquid portfolio of investments that can be liquidated on short notice as required.

Council borrowings guidelines are defined in its Revenue and Financing Policy and its Liability Management Policy.

The maturity profiles of the Council and Group's interest bearing investments and borrowings are disclosed in notes 12 and 18.

Credit Quality of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

Council's investment policy prescribes a minimum credit rating of A for investments of this type. The group invests funds only in deposits with registered banks and local authority stock.

Contractual Maturity Analysis of Financial Liabilities

The table below analyses the Council and Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

Contract Maturities - Liabilities	Carrying amount	Contractual cash flows	Less than 1 year	1-5 years	More than 5 years
Council 2020					
Trade and other payables	3,407	3,407	3,407	-	-
Term debt	19,618	19,618	3,000	11,318	5,300
Total	23,025	23,025	6,407	11,318	5,300
Group 2020					
Trade and other payables	5,863	5,863	5,863	-	-
Term debt	25,882	25,882	3,887	14,043	7,952
Bank overdraft	4	4	4	-	-
Total	31,750	31,750	9,754	14,043	7,952
Council 2019					
Trade and other payables	2,845	2,845	2,845	-	-
Term debt	18,618	18,618	-	12,018	6,600
Total	21,463	21,463	2,845	12,018	6,600
Group 2019					
Trade and other payables	5,126	5,126	5,126	-	-
Term debt	25,280	25,280	1,000	17,680	6,600
Bank overdraft	20	20	20	-	-
Total	30,426	30,426	6,146	17,680	6,600

Interest rate risk	-2% 2020 \$000	+2% 2020 \$000	-2% 2019 \$000	+2% 2019 \$000
Council				
Financial liabilities				
Term debt	392	(392)	372	(372)
Interest rate swaps - held for trading	1,074	(948)	836	(922)
Total	1,466	(1,341)	1,208	(1,294)
Total sensitivity				
Group				
Financial liabilities				
Term debt	515	(515)	506	(506)
Interest rate swaps - held for trading	1,074	(948)	836	(922)
Total	1,589	(1,464)	1,342	(1,428)
Total sensitivity	1,589	(1,464)	1,342	(1,428)

NOTE 24: EXPLANATION OF VARIANCES

EXPLANATIONS FOR MAJOR VARIATIONS FROM THE COUNCIL'S BUDGET FIGURES IN THE ANNUAL PLAN FOR 2019/2020 ARE AS FOLLOWS:

Statement of comprehensive revenue and expenses

1 Rates

Actual rates income was lower than budgeted. This was mainly due to an unbudgeted rates remission granted during the year because of a change in ownership structure of a large rate payer.

2 Grants and subsidies

Grants and subsidies are \$3.1 million higher than budgeted. Council received unbudgeted grants during the year for the following projects:

- \$1.1 million for public toilets works in Haast, Ross, Whataroa and Kumara.
- \$0.5 million for Carnegie Building strengthening project (\$0.319 million carried over to 2021 financial year).
- \$0.409 million for West Coast Wilderness Trail Milltown March flood repairs and cycleway maintenance.
- \$1.1 million Tourism Infrastructure Fund (TIF) funding for Franz Josef waste water treatment plant project.
- \$0.243 million for the Kumara Water Supply project.
- \$0.357 million TIF funding for the Sunset Point project.

The favourable variance of \$3.4 million from the unbudgeted grants noted above is partially offset by lower than budgeted income received from NZTA (\$0.3 million). This is because of lower spending on roading projects. Some of these grants offset the capital expenditure incurred during the year.

3 Interest revenue

Interest revenue was \$0.04 million lower than planned due to declining interest rates in the market.

4 Fees and charges

Fees and charges were \$0.4 million lower than budgeted, mainly due to lower refuse fees collected. This was a result of low tourism activities stemming from Covid 19 restrictions and fewer flood and weather events which produces less refuse. Trade waste charges are also lower than planned for the same reasons.

5 Other revenue

Other revenue was \$2.3 million higher than budget, mainly due to the following:

- Vested assets income was \$1.5million higher than budgeted due to assets transferred by Westland Racing Club to Council.
- Sundry income was \$0.250 million higher than the budget due to funding received from Westland Racing Club as part of their asset transfer to the Council.
- Recoveries income was \$0.138 million higher than the budget. This is almost offset by the increase in recoverable expenditure under other expenditure.
- There was an \$0.130 million unbudgeted gain on swaps due to market factors. This is offset by the unbudgeted loss on swaps included under other expenses.
- Unbudgeted funds of \$0.050 million were received from National Emergency Management Agency following the December 2019 flood event for Mayoral Relief Fund.
- Dog registration income was higher than budget by \$0.025 million due to an increase in dog registrations.

6 Employee benefit expenses

Employee costs were \$0.029 million lower than the budget due to staff vacancies.

7 Finance costs

Finance costs were \$0.038 million lower than budget due to lower than forecasted interest rates and efficient liquidity management.

8 Depreciation and amortisation

Depreciation and amortization cost was \$0.816 million higher than the budget because current year actual depreciation was calculated using last year's revalued assets, values which were not available when depreciation budgets were set up for the 2019/2020 Annual Plan.

9 Other expenses

Other expenses were higher than budgeted mainly due to following reasons;

- Emergency repair and maintenance expenditure was higher than planned by \$0.592 million due to roading repair work after the December flood event. Some of this expenditure is offset by grants received from NZTA.
- \$0.582 million unbudgeted loss on swaps due to market factors, which is partially offset by an unbudgeted gain on swaps which is included in other income.
- Other repairs and maintenance expenditure was also higher than planned by \$0.480 million. This is mainly due to roading repairs and maintenance required following storm events.

- An unbudgeted \$0.150 million grant payment from the Three Mile Reserves was made to Hokitika Lions to upgrade Lazar Park.
- Recoverable expenditure was higher than budgeted by \$0.133 million. This was fully offset by the increase in recoveries income as stated in Other income.
- Contractor costs were also \$0.348 million higher than planned due to unbudgeted work on following projects:
 - Asset management plan.
 - Civil defence work due to December flood event.

The higher than planned variances were partially offset by cost savings from various other expenditure across the Council.

Current Assets

- Cash and cash equivalents are higher than the budget by \$2.6 million mainly due to lower capital spending because of rescoping of capital projects and better asset knowledge.
- Debtors and Other receivables are \$2.3 million higher than planned mainly due to timing differences with claims for subsidised expenditure and grants.

Non-Current Assets

Non-current assets are \$55 million lower than the budget, mainly because spending in property plant and equipment was \$57 million less than budget. Significant capital projects were either delayed or incomplete due to many factors such as rescoping of capital projects and better asset knowledge and delays in finding external funds. This is partially offset by the increase (\$2 million) in assets under construction.

Current Liabilities

Creditors and other payables are higher than the budget by \$1 million primarily due to timing differences. Borrowing is also higher than the budget by \$3 million and is explained under non-current liabilities

Non-Current Liabilities

Non-current liabilities are lower than the budget by \$6.9 million mainly due to lower than planned debt. Total debt is collectively lower than the budget by \$4.7m for both current and non-current liabilities. This is due to loan-funded capital expenditure either being deferred or re-scoped through the Annual Plan process to the following financial year.

Value of derivative financial instruments are higher than the budget by \$0.3 million due to movement in market forces which is difficult to forecast.

NOTE 25. CAPITAL MANAGEMENT

The 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 the 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. Ratepayers' 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 the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit residents in future generations. Additionally, the 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 the Council to make adequate and effective provisions in its Long Term Plan and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act sets out the factors that the 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 Revenue and Financing Policy.

Council also maintains specific purpose reserves funds. These are reported in the next section.

NOTE 26: POST BALANCE DATE EVENT DISCLOSURE

Council received approval after the balance sheet date of grant money for the following items:

Approved in Principle Before balance date:	\$000
Jackson Bay Wharf	500
Approved in Principle After balance date:	\$000
Jackson Bay Wharf	500
Hokitika Swimming pool	3,000
Upgrades of Franz Josef's Cron St and Hokitika's Old Christchurch Rd	4,700
Butlers Landfill	3,300
Carnegie Building Earthquake Strengthening project	794
	12,794

NOTE 27: 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 Hokitika Swimming Pool was closed from 23 March 2020 until 30 June 2020, which included the annual maintenance period.
- Westland 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 and playgrounds were closed during Alert Levels 4 and 3, in accordance with the Government's Alert levels. These facilities reopened under Alert level 2.
- Environmental health were unable to complete a small number of annual visits to licenced premises and food outlets within the period.

- The i-SITE was closed during Alert Levels 4 and 3. Due to the reduced demand for services the i-SITE reopened with shorter operating hours.

Council activities in 3 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 conjunction with the Emergency Coordination Centre in Greymouth. The EOC provided welfare support to the district, including a 24/7 household goods and services helpline. Communications was focussed on providing accurate and factual information to the community through the Westland Matters email newsletter, Council Facebook page and website.

For full details of impact on activity performance and the work Council refer to the statement of service provision on pages 81 – 142.

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 this was not the case; probably due to the government support available in terms of wage subsidy and short term loan facilities for the small businesses. This was evidenced by the Council's rates receivable balance as at 30 June 2020 which is almost similar to that of previous financial year.

While the impact on Council itself is minimal, Destination Westland Limited's tourism based activities have been significantly impacted and this will likely to continue to next financial year. As a result, the company has reviewed all its activities to ensure its future operations and the board considers that the company will be able to continue to operate for at least one year after 30 June 2020. During Alert Level 4, the operations were limited to essential services and all the business activities were resumed when the country moved to Alert Level 2. However, due to the slow-down in tourism activities around the region, the company's operational revenue and expenditure are low in comparison with the previous financial year.

Westroads Limited's operations were restricted only to essential services during Alert Level 4 and all business activities resumed during Alert Level 3 with the required health and safety protocols in place. Although this limited the impact of Covid-19 to a shorter period of time, it resulted in a reduction in operation and therefore operations revenue in 2019/2020 financial year.

Reserve Funds Report

Summary

Reserves are divided into two categories:

Restricted Reserves: These reserves can only be used for the purpose as set out in either legislation or by the funder.

Council Created Reserves: These reserves exist solely at the discretion of Council, as a matter of good business practice.

Financial Management Principles for Reserve Funds

- There are no reserves that are required to be represented by specific cash funds. Council therefore takes a portfolio approach to treasury management.
- Reserves are funded by interest income from investments and available borrowing capacity.
- Reserve balances will grow by interest calculated at the weighted average 90 day bill rate, transferred quarterly into the reserve.
- During 2019/20 new depreciation reserves will grow quarterly. Interest will be earned on those reserves calculated based on the average 90 day bill rate. This will be funded from external interest revenue (or deficit reserves – internal borrowing) for 2019/20.
- Interest will be charged on any reserve in deficit at Council's weighted average cost of asset term debt.

In the 2019/2020 Financial year

All community township funding has been claimed during the year. This will be distributed to the community group on their becoming a registered group.

The renewal reserves funds (depreciated funded reserves), have been used for replacement of existing assets with revenues received from funded depreciation.

Marks Road Reserve fund was created last year for the proceeds of sale after costs, of Marks Road. This fund will be split between civil defence requirements in Haast, and the Haast community to use towards community projects.

The reserve development fund has been used to fund \$60,443 for the Sunset Point redevelopment and \$122,415 was used to fund the Lake Kaniere Stage 1 of the West Coast Wilderness Trail.

There was a payment of \$50,000 (GST inclusive) made to the Mayoral Fund during the year by National Emergency Management Agency to provide relief for the people who were affected by December 2019 Heavy Rainfall event. Grant payments of \$111,044.21 were paid in the 2019-2020 financial year by using money in this fund.

Restricted Reserve Funds

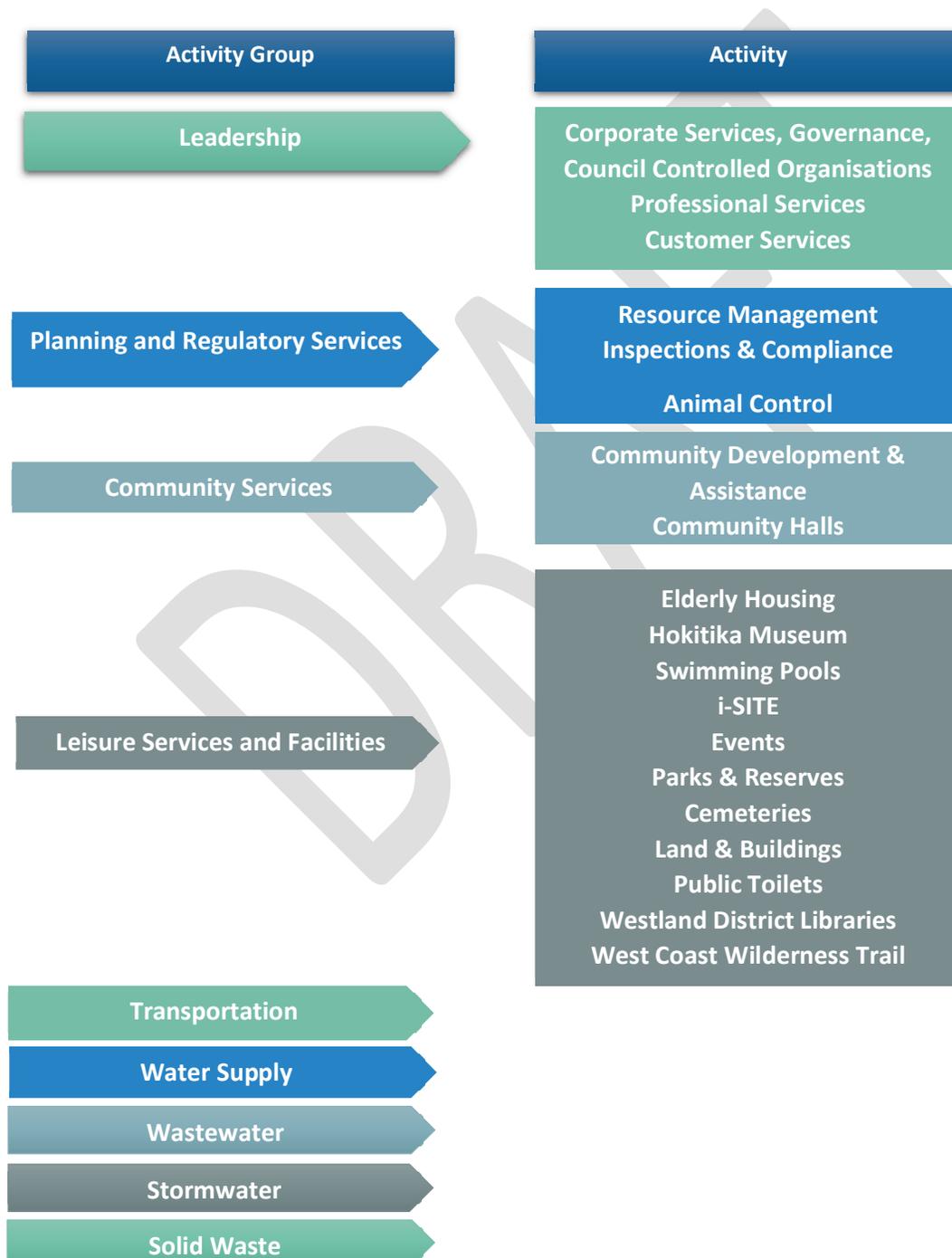
Restricted Reserve Funds		Balance 1 July 2019	Transfers into fund	Transfers out of fund	Balance 30 June 2020
Reserve	Purpose of each reserve fund	\$000	\$000	\$000	\$000
Offstreet Parking	Collected from developments in town to pay for off-street parking. Imposed by RMA/District Plan	33			33
Reserve Development	Monies collected from developments. Imposed by RMA/District Plan	434	66	(183)	317
Museum Assistance Fund	Originally the Museum Bequest Fund	21			21
Kumara Endowment Fund	Proceeds from sale of Endowment land. Our brief research has not identified the specific terms of the endowment.	353	3		356
Euphemia Brown Bequest	Interest earned on funds administered by Public Trust Offices for the estates of Euphemia & William E Brown.	24			24
Mayoral Relief Funds	Contributions from James & Margaret Isdell Trust; Coulston Herbert Trust;	95	44	(111)	28
Three Mile Domain	To fund three mile domain costs.	208	16	(150)	74
Ross Endowment Land	Various endowment land parcels in Ross sold over time.	67	1		68
Graffiti	Grant funding Received	4			4
Big Brothers Big Sisters	Grant funding Received	(1)			(1)
Community Patrol	Grant funding Received				
Taxi Chits	Grant funding Received	(2)	1	(2)	(3)
Total Restricted Reserves		1,237	131	(446)	922
Total Reserves		9,164	5,152	(5,280)	9,036

STATEMENTS OF SERVICE PROVISION

COUNCIL'S PERFORMANCE IN EACH ACTIVITY

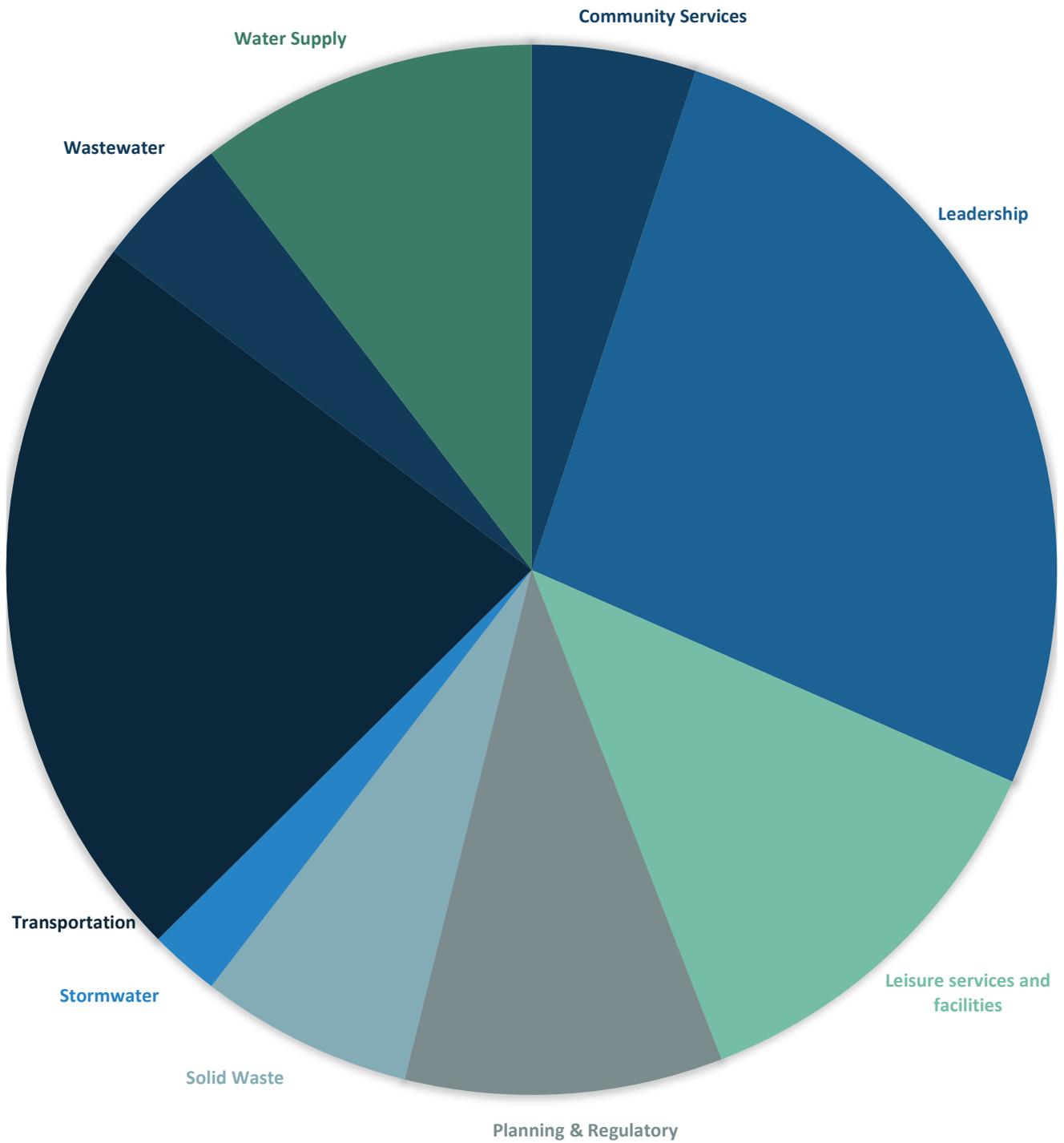
This section of the report identifies progress during 2019/2020 towards the achievement of the Council's vision and describes the work and performance of the Council's Groups of Activities, including:

- A summary of key achievements and projects during the year.
- A summary of how the Council performed against performance measures for each activity.
- A summary of significant variances in the achievement of work projects or tasks planned during the year.
- Key financial information for each group of activities, compared to budgets, including the prescribed Funding Impact Statement.



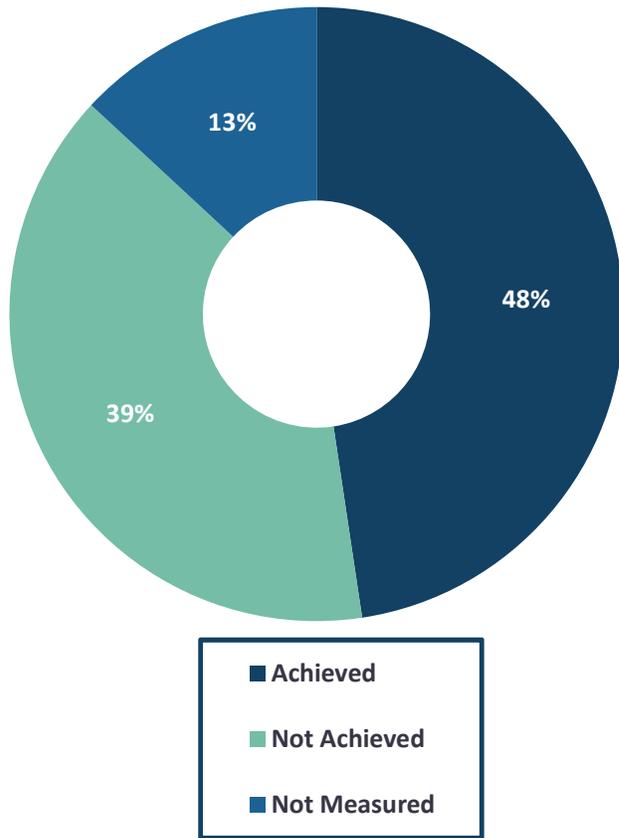
HOW COUNCIL ACTIVITIES CONTRIBUTE TOWARDS MEETING ITS VISION

This graph represents the operational expenditure for each group.



AN OVERVIEW OF COUNCIL PERFORMANCE

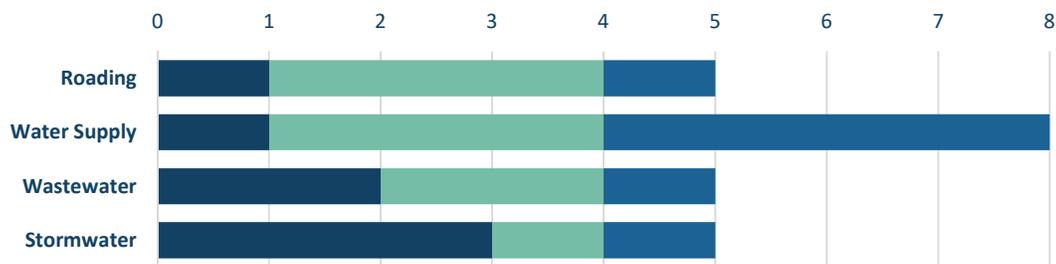
The following Statements of Service provision measure how Council has performed against the performance targets set in the 2018 – 28 Long Term Plan for each set of activities.



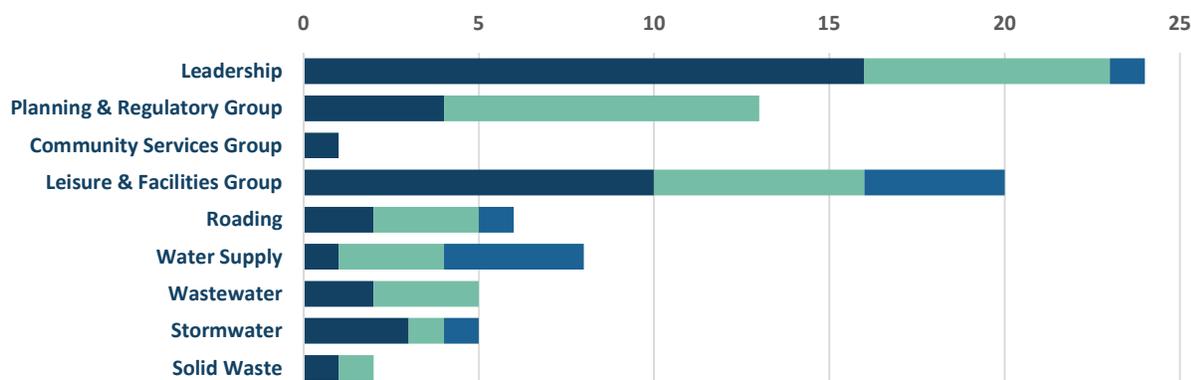
Council has 9 groups of activities. Performance is measured against a number of different indicators. Some of these are mandatory measures set by central government and others are measures that Council set itself. There are 84 measures in total.

- We achieved 48% of the measures (40 out of 84). This includes 30% of the mandatory measures (7 out of 23)
- We did not achieve 39% of the measures (33 out of 84).
- In the 2019/2020 year Council conducted a Bi-Annual Resident Satisfaction survey of non-mandatory satisfaction measures. Some activities do their own survey, or are reviewing how they measure satisfaction indicators. 22% of the satisfaction indicators were not measured (4 out of 18).

Mandatory Measures



All Performance Measures



Leadership Group

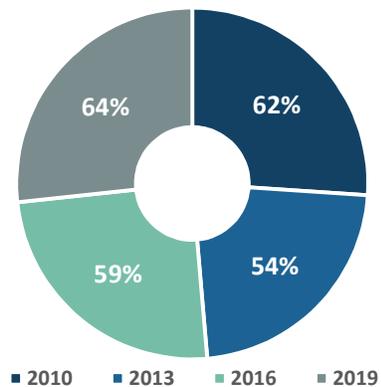
Democracy

Elections

In October a new Council was elected. Four members of the previous Council returned to the Council table, and five new Councillors were elected. A Committee structure was adopted, with inaugural meetings in the third quarter. A new Committees' Secretary was recruited to support the Democracy group.

In general, Westland District voters are highly engaged with the local government election process. This year over 60 per cent of eligible voters took the opportunity to vote, compared to 41.7 per cent nationally. This was also a five per cent increase on the 2016 elections.

Westland District Voter Turnout



Council and Committee Meetings

Council and Committee meetings are publicly notified under the Local Government Official Information and Meetings Act 1987 (LGOIMA), which provides the public with an opportunity to attend. Only matters where there are specific grounds under section 48(1) of the LGOIMA are excluded from the public section of the meetings.

Five standing Committees, and a Chief Executive Review Committee, were implemented in November 2019:

- Audit and Risk
- Capital Projects and Tenders
- Economic Development
- Planning and Regulatory Services; and
- Community Development.

The Audit and Risk Committee appointed an independent chair in February 2020.

Two of the Committees also appointed Subcommittees to deal with specific areas of business:

- Parks, Reserves and Environment Subcommittee (sits under the Community Development Committee); and
- West Coast Wilderness Trail Subcommittee (sits under the Capital Projects and Tenders Committee).

Corporate Services

Finance

There were some staffing changes during the year with the vacant Accounts Officer role filled and the resignation and replacement of the Finance Manager. There is still a vacancy for a Management Accountant role which will hopefully be filled in the next few months.

Thanks to the Information Services team, Finance was fully functional during the Covid-19 level 4 lockdown, this enabled staff to continue to seamlessly process payments to businesses carrying out essential services during the lockdown period.

The finance team have been particularly busy with the Annual Plan 2020-2021 which was adopted on time. Council changed direction several times because of the changing situation of Covid-19 during the preparation of the plan, and finance was able to respond quickly using the IBIS Breeze reporting tool.

Strategy and Communications

This has been a busy and productive year for Strategy and Communications. Covid-19 resulted in an increased workload in communications over the lockdown period. Providing clear and factual information to the community was essential.

Strategy

All legislative reporting and planning requirements were met during the year. The 2018/19 Annual Report was adopted on 31 October 2019. Development of the Annual Plan was affected by the Covid-19 pandemic, with Council making several amendments to reach the final draft document. However, this did not affect the consultation period or delay adoption. The Annual Plan 2020/21 adopted on 30 June 2020.

Background work for the Long Term Plan 2021 – 31 (LTP) has also progressed with the Strategy and Communications Advisor (SCA) producing an Environmental Scan and Summary, reviewing the state of the district from a statistical viewpoint. With the assistance of the Community Development Advisor, the community was involved in an engagement exercise to develop a Community Outcomes strategy focussed on the four well-beings. This was an initial step in the work on the LTP and will guide Council over the period of the plan. Council has attended a series of workshops run by the SCA and the Long Term Plan Steering Group. Work on the plan is progressing well.

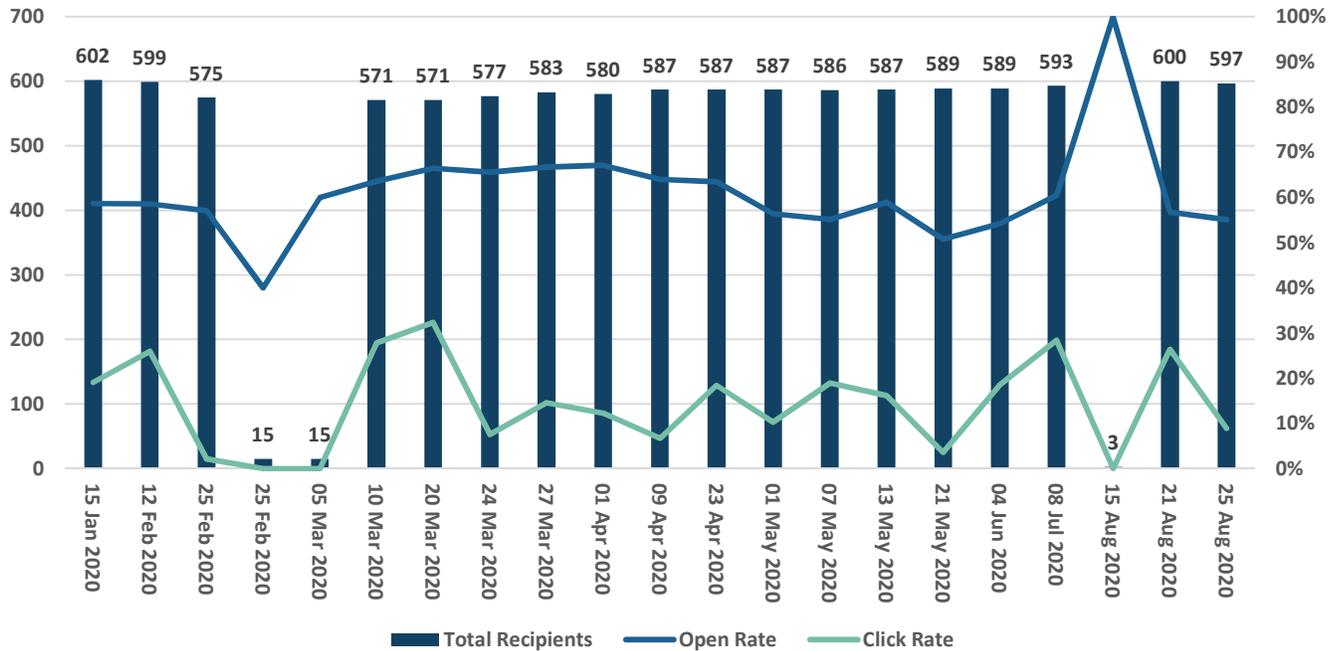
Communications

Three main tools are used for providing information to the community: Council's website, which contains static information and is updated with public notices; Westland Matters online newsletter that is sent once per month or as need arises; Council's Facebook page, which is regularly updated with information relevant to the community.

Buzzit, the platform that hosts the Westland Matters newsletter, changed their system during the reporting period. This gives the SCA and staff greater control and the ability to send messages to specific geographical areas, such as water shutdown notices, when required.

The data below provides information on the campaigns sent since the system changed. Generally, over 50 per cent of subscribers open the email (open rate) and 14 per cent open the newsletter (click rate). This is very good in comparison to similar organisations that have an open rate of just over 30 per cent and a click rate of just under 3 per cent.

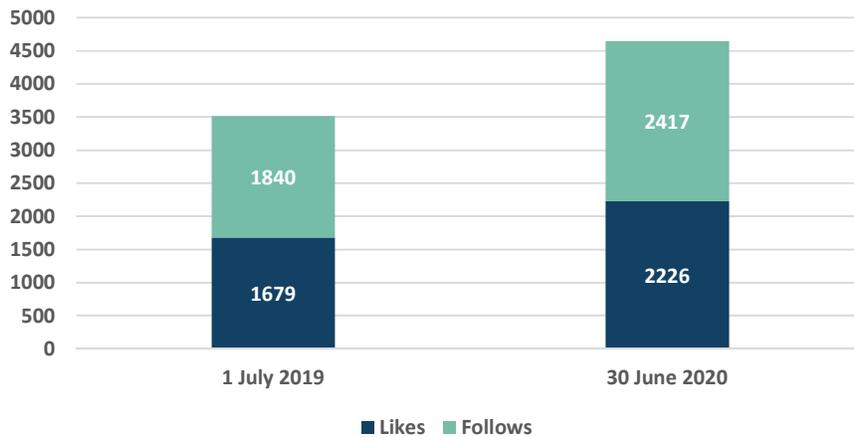
Westland Matters Statistics



*The click rate is zero when a campaign does not contain a link to follow, for example information about a boil water notice.

During the year Council’s Facebook reach has grown significantly. Between 1 July 2019 and 30 June 2020. Page ‘likes’ increased by 547 people, with 97 ‘liking’ the page on a single day during the Covid-19 shutdown. There has also been an increase of 577 people ‘following’ the page.

Facebook Insights 2019/2020



The increase in interest in Council’s Facebook page can be attributed to efforts made to improve the content posted to ensure it is timely and relevant. However, Westland residents are less likely than residents in other districts to engage with Council posts, which reduces the potential for messages to spread. Posts about ‘hot topics’ such as recycling generate some engagement.

This photo from 21 February 2020, provided by the Group Manager: Corporate Services, was the most popular and shared post during the reporting period.

Post Details

Westland District Council
Published by Emma Mary Rae · 21 February ·

Hokitika stormwater, 21 February 2020, 12.30pm
40mm of rain has fallen in the last hour. Contractors are currently checking stormwater infrastructure.
Police have blocked off Sewell Street between Stafford and Hampden Streets outside the school, please use alternative routes.... [See more](#)



Get more likes, comments and shares
When you boost this post, you'll show it to more people.

40,420 People reached	11,172 Engagements	Boost post
--------------------------	-----------------------	----------------------------

👍👎👏 Rozenn le Goaziou, David J Avei and 168 others · 92 Comments · 214 shares

👍 Like 💬 Comment ➦ Share

Performance for your post

40,420 People Reached

2,001 Reactions, comments & shares

456 Like	73 On post	383 On shares
7 Love	0 On post	7 On shares
17 Haha	3 On post	14 On shares
690 Wow	94 On post	596 On shares
75 Sad	7 On post	68 On shares
3 Angry	1 On post	2 On shares
531 Comments	131 On Post	400 On Shares
223 Shares	214 On Post	9 On Shares

9,171 Post Clicks

1,608 Photo views	2 Link clicks	7,561 Other Clicks
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NEGATIVE FEEDBACK

20 Hide post	2 Hide all posts
0 Report as spam	0 Unlike Page

Reported stats may be delayed from what appears on posts

Business Analysis

Archived Records Pilot

The bulk digitisation of property files is being scoped to understand how this might work for the organisation. A cost / benefit analysis, comparing this with the alternatives will help define next steps.

Electronic Files

Small scale testing of the new electronic Document & Records Management System has begun however this was impacted by the Covid-19 lockdown. A pilot project focusing on the migration of "Important Documents" & Contracts, with alerting and reporting features was initiated and is undergoing a "soft launch" to internal users.

Forms & Workflows

Additional benefits of the eDRMS are being achieved both in document management, forms processing and automated workflows. This technology will eventually be used to make all public council application forms available for completion on our website.

Policies

Supporting this work, updated Information Management and other policies have been drafted for internal use as competency in this area is increased. This is very important for the strategy for digital document processing and online working.

Staff

A new Records Officer joined the staff after the Covid-19 lockdown and is already proving to be a great addition to the team. Time is currently split between electronic files in the new eDRMS (Electronic Document & Records Management System) platform “Laserfiche”, and the physical paper-based archive files currently stored on site.

Information Services

As with all parts of the organisation, Information Services was impacted by the advent of Covid-19. The main challenge was to get all staff ready for working from home before the Alert Level 4 lockdown. The team started preparing for this as soon as it became clear that New Zealand would go into lockdown. Setting up and training staff in preparation for when it happened started about two weeks out, so when the call was made, all staff that needed to work from home could just grab everything and go.

Information Services (IS) took this as an opportunity to identify improvements for any further business disruptions. The Team is now in the process of making all staff much more mobile – including laptops for all staff and investigating a phone system which will give all staff access to their work phones from wherever they are located.

Zoom meetings and Microsoft Teams proved invaluable during the lockdown allowing staff to communicate and collaborate easily with fellow staff members and others outside of the organisation. This method of communication is now becoming normal rather than exceptional. The Information Services Team set up a Zoom room for Council meetings and this has now been enhanced with live streaming of all Council Meetings on YouTube.

This year the IS team moved to Information Technology Infrastructure Library compliant service desk software. Council staff now use JIRA as a service desk to report any IT issues or request assistance from the IS team. It has excellent reporting and a built-in knowledge base which we are building on to be specific for council use.

Library

The library services are now part of the Corporate Services group. They will continue to report under the leisure services and facilities.

Council Controlled Organisations

Statements of service for Westland Holdings Ltd, Destination Westland and Westroads are provided below.

Westland Wilderness Trust:

The Westland Wilderness Trust has not met in the past year and there are no audit requirements as per 24 November 2015 resolution. The Capital Projects and Tenders Committee resolved for the Chief Executive to investigate dissolving the Trust at the 11 February 2020 meeting. The Trust was replaced by the West Coast Wilderness Trail Subcommittee.

Tourism West Coast

Tourism West Coast was disestablished on 1 April 2019 and replaced with the Tourism Strategy Group under Destination West Coast. Council does not have a role in the new group.

Support requests created and resolved in JIRA



Funding Impact Statement (for the Leadership group)

For the year ended 30 June 2020

Group Level Funding Impact Statement			
	Long Term Plan 2019 \$000	Long Term Plan 2020 \$000	Actual 2020 \$000
Leadership			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	956	1,113	536
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	70	77	1
Interest and dividends from investments	-	-	234
Local authorities fuel tax, fines, infringement fees, and other receipts	753	669	2,466
Internal charges and overheads recovered	3,543	3,720	5,423
Total Operating Funding (A)	5,322	5,578	8,659
Applications of Operating Funding			
Payments to staff and suppliers	3,006	3,150	5,279
Finance Costs	557	479	664
Internal charges and overheads applied	1,754	1,850	2,004
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	5,318	5,479	7,947
Surplus/(Deficit) of Operating Funding (A - B)	4	98	712
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(17)	(17)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	(17)	(17)	-
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	45	-	-
- to replace existing assets	197	223	288
Increase (decrease) in reserves	(254)	(142)	424
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	(13)	81	712
Surplus/(Deficit) of Capital Funding (C - D)	(4)	(98)	(712)
Funding Balance ((A - B) + (C - D))	-	-	-

Democracy

Level of Service	Measure / Targets	Progress
Responsible leadership	65% of residents satisfied with Council's leadership.	2019/2020: 41% residents contacted in the Bi-annual resident survey were satisfied with Council's leadership. <i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i>
The community understands what Council does	50% of residents understand how Council makes decisions.	2019/2020: 77% of residents contacted in the Bi-annual resident survey understood in general how Council makes decisions. <i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i>

Corporate Services

Level of Service	Measure / Targets	Progress
Provide accountability about Council activities	Legally compliant financial plans and reports adopted on time .	2019/2020: The Annual Plan was adopted by Council on 30 June 202. The Annual Report was adopted on 31 October 2019. Both met the statutory deadline. <i>(2018/19: Annual Plan was adopted by Council on 27 June 2019 which met the statutory deadline.)</i>
A comprehensive Customer Service Centre	75% of residents satisfied with the service they receive.	2019/2020: 74% of residents contacted in the Bi-annual resident survey were satisfied with service received. <i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i>
Effective engagement of the community during public decision-making opportunities	55% of residents that believe they have been consulted appropriately.	2019/2020: 36% of residents contacted in the bi-annual resident survey are very satisfied / satisfied with the way Council engages the community in consultation. <i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i>



Directors:

Joanne Conroy – Chair – appointed 28 June 2018, appointed Chair 27 June 2019

Chris Rea – appointed 28 June 2018

Chris Gourley – appointed 26 July 2018

Established July 2002.

Westland Holdings Limited (WHL) is the governance link between Council and its trading entities. The Company is responsible for ensuring the trading organisations meet their statutory, commercial and public obligations as defined in their Annual Statements of Intent. These are reviewed by WHL on behalf of Council, with reference to the objectives determined in the Long Term Plan 2018-2028, along with each company’s individual strategy. This report concentrates on the performance objectives contained in the Long Term Plan. The performance of the companies is extensively examined in their own Annual Reports.

Key Objective:

‘To achieve the objectives of the shareholder, Westland District Council, both commercially and non-commercially as specified in the Statement of Intent in a manner that recognises sound business practice, good employer obligations and social and environmental responsibility.’

Level of Service	Measure / Target:	Progress
To comply with its Statement of Intent.	Targeted ratio of Shareholders funds to total assets shall not be less than 50% for the period covered by the Statement of Intent.	2019/2020: Achieved: 52.61% <i>(2018/19: Achieved: 52.73%)</i>
	Subsidiary companies shall return a minimum acceptable dividend.	2019/2020: Achieved: \$120,000 subvention from Westroads payable to WHL and \$200,000 subvention paid to Westland District Council in December 2019. <i>(2018/19: Not Achieved: WHL paid a dividend of \$300,000 in December 2018 after receiving a dividend from Westroads of \$270,000 and subvention payments of \$50,000.)</i>
	Ensure that the financial targets and strategic direction of WHL are in line with the WDC requirements.	2019/2020: Achieved: Final Statement of Intent submitted to Council on 25 June 2020. <i>(2018/19: Achieved: Final Statement of Intent submitted to Council on 27 June 2019.)</i>

On 29 June 2018, Westland District Property Limited amalgamated with Hokitika Airport and changed the entity name to Destination Westland.

A review was carried out to consider the streamlining of the two companies and cost reduction if the two companies were amalgamated. The decision was that there would be some cost savings and efficiencies through amalgamation.

Directors

Joanne Conroy – Chair appointed 25 May 2020

Christopher Gourley – appointed 2 June 2020

Christopher Rea – appointed 22 May 2020

Richard Benton – Retired 28 June 2020

Bruce Gemmell – Retired 21 May 2020

Ian Hustwick – Retired 22 May 2020

Councillor Latham Martin - Director Retired 30 June 2020

Level of Service	Measures / Target	Progress
	Financial Measures	
To comply with its Statement of Intent.	The ratio of net profit before taxation and revaluations (before extraordinary items) to average shareholder funds within a range of 1% and 6% for the year commencing 2018/2019	2019/2020: Not Achieved: -0.2% (2018/19: Not Achieved: -4.7%)
	The ratio of net profit before taxation and revaluations to average total assets of 1% .	2019/2020: Not Achieved: -0.1% (2018/19: Not Achieved: -3.1%)
	Compliance with statutory and regulatory requirements enabling Destination Westland and the relevant council's to comply with the Local Government Act 2002.	2019/2020: Achieved: The Annual Report was completed on 23 October 2020. Council Controlled Organisations were required to adopt their Annual Report before 30 November 2020 under the COVID-19 Response (Further Management Measures) Legislation Act (No 2) 2020. (2018/19: Achieved: The Annual Report was completed on 27 September 2019.)
	Non-Financial Measures	
	Aged Care: Annual percentage occupancy to be no less than 95% .	2019/2020: Achieved: 99.58%. (2018/19: Achieved: 99.6% Four flats were completely refurbished during this year and were unoccupied during that time.)
	Swimming pool: Annual total admissions to be within 5% those of the previous year.	2019/2020: Not Achieved: 15,340 admissions. The swimming pool was closed from 23 March 2020– 30 June 2020 due to Covid-19 lockdown and annual maintenance.

		<i>(2018/19: Achieved: 20,306 includes 4,506 free swims.)</i>
Baches on Road Reserve: Annual number of licenses to occupy to be greater than 70.	2019/2020: Achieved: 85 Signed agreements to occupy (2018/19: 86) 11 Signed agreements – season sites (2018/19: 14) 19 Signed agreements – other occupations (2018/19: 20) 0 Applications in process (2018/19: 0)	
Jacksons Bay Wharf: Annual percentage of commercial fishing vessels who use the wharf with licenses = 90%	2019/2020: Achieved: 100% of the major fishing vessels. This excludes casual users. <i>(2018/19: 100% - this excludes casual users)</i>	
Leasehold properties: Annual percentage of leasehold properties available for lease = 80%	2019/2020: Achieved: 18 WDC properties are managed: 15 are leased - 83% <i>(2018/19: Achieved: 18 WDC properties are managed: 15 are leased - 83%)</i>	
Tenant satisfaction Tenant satisfaction with the provision of the company's aged care rental housing greater than or equal to 90%.	2019/2020: Not Measured: Tenant satisfaction survey was conducted in August 2020, which is outside the period, as it was delayed by Covid-19. <i>(2018/19: Achieved: 98%)</i>	
Time loss through injury Loss Time Injuries will be 0	2019/2020: Achieved: 0 loss time <i>(2018/19: 0)</i>	
Annual CAA audit findings Nil findings	2019/2020: Achieved No findings reported. <i>(2018/19: Achieved: No findings reported.)</i>	
Aircraft Movement statistics Within 5% of previous year	2019/2020: Not Achieved: 3553 aircraft movements. Fewer movements in April, May and June due to Covid-19. <i>(2018/19: Achieved: 4,177 aircraft movements)</i>	
Passenger numbers through terminal Within 5% of previous year	2019/2020: Achieved: 44,772 passengers through terminal <i>(2018/19: Achieved: 45,577)</i>	



Directors

Peter Cuff – Chair appointed 18 January 1995

Bryce Thomson – Deputy Chair appointed 26 November 1998

Ross Pickworth – Director appointed 1 November 2017

Mark Rogers – Director appointed 15 October 2019

Established January 1995.

Westroads Limited is a general contractor in the infrastructure sector, based in Hokitika and Greymouth and operating depots throughout Westland.

Key Objective:

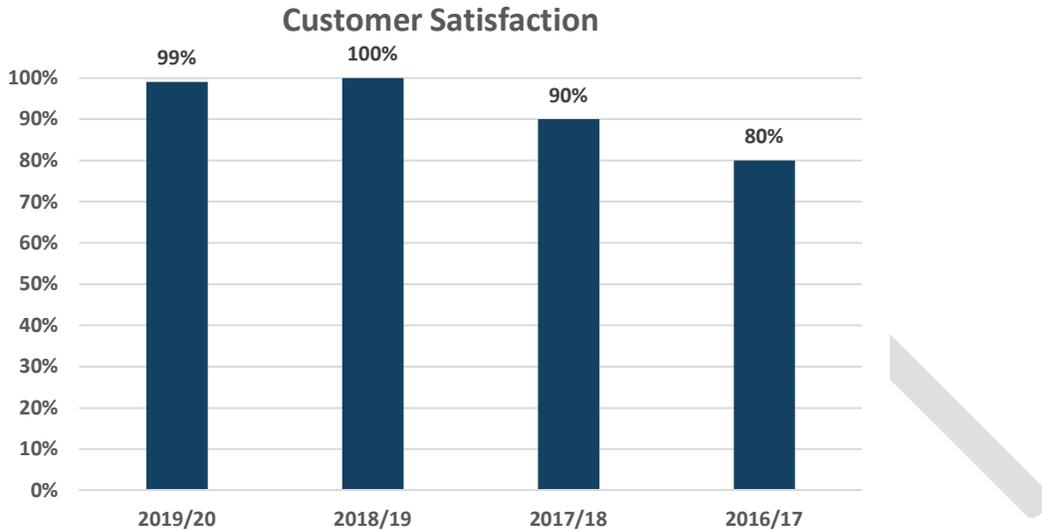
‘Operates a successful business by meeting market requirements in terms of quality, excellence in service and pricing on a commercially competitive basis and ensure a reasonable rate of return to the ratepayers of Westland in accordance with the Statement of Intent.’

Level of Service	Measure / Target	Progress
To comply with its Statement of Intent	The ratio of net profit before taxation and revaluations shall be at least 10%	Achieved 20.6% <i>(2018/19: Achieved: 16.1%)</i>
	A return of an annual dividend to the shareholder within a range of between 40-70% of the company’s net profit after tax.	Achieved 45.6% <i>(2018/19: Achieved: 75.2%)</i>
	Compliance with statutory and regulatory requirements enabling Westroads Ltd, and the relevant Council’s to comply with the Local Government Act 2002.	Achieved: The Annual Report was completed on 29 October 2020. Council Controlled Organisations were required to adopt their Annual Report before 30 November 2020 under the COVID-19 Response (Further Management Measures) Legislation Act (No 2) 2020. <i>(2018/19: Achieved: The Annual Report was completed on 27 September 2019)</i>

Planning and Regulatory Group

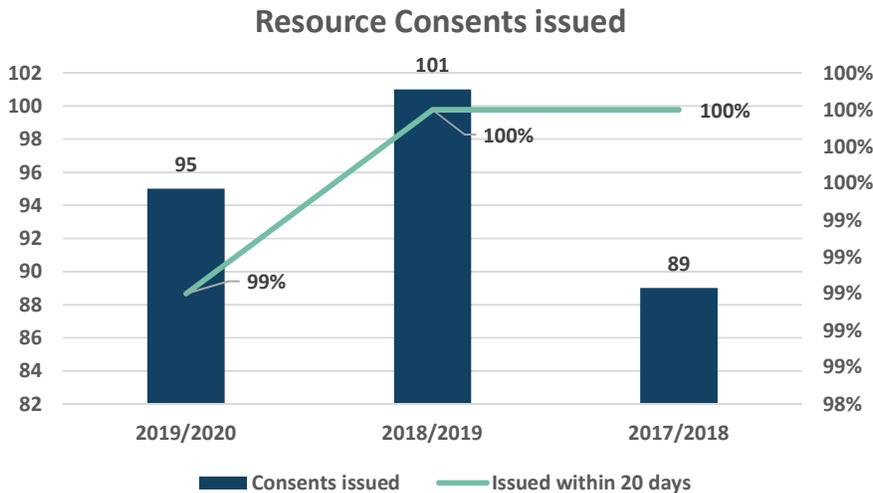
Resource Management

Customer feedback for the department remains positive with a small decrease in satisfaction this year by 1% from last year's 100% satisfaction rating. By ensuring timely processing of consents and participating in national initiatives the Planning Department contributes to the social, economic and environmental wellbeing of the district.



Resource Consents

The resource management and planning team managed to achieve 99% compliance with statutory timeframes (processing all non-notified resource consents within the 20 working day timeframe set under the RMA 1991) for the financial year with one application process exceeding the timeframe by one day. This is down from 100% last financial year but still an achievement compared to the unfavourable 77.06% compliance achieved in the 2016/17 year.



Appeals and Hearings

No Environment Court Appeals nor Commissioner Hearings were instigated or defended in this financial year. Progress was made with streamlining the Land Information Memoranda (LIM) process and ensuring high quality recording of internal information to feed in to LIM's.

Planning

The Planning and Customer Services Manager represents Westland District Council on the Technical Advisory Team for Te Tai o Poutini Plan (Combined District Plan, working with Buller and Grey District Council's and authored by West Coast Regional Council). The Project Manager and Senior Policy Planners are managed and paid for by West Coast Regional Council.

Efforts by the Planning Team to recruit a Senior Policy Planner to focus on identifying land rezoning opportunities adequately reflecting current and projected activities were unsuccessful. Council instead contracted a Planning Consultant using existing budget. The Consultant's role is to support Natural Hazard Management and potential options for Franz Josef to undertake a Strategy for Franz Josef including zone consideration. The Planning and Customer Services Manager is undertaking exercises for Hokitika Town Centre and Hokitika Racecourse to determine the community's needs and set reasonable guidance around activities and design to ensure cohesive development in future. Both of these activities will feed directly to the Te Tai o Poutini Plan through zone rules.

The Planning and Customer Services Manager was involved in a feedback group for the Proposed National Policy Statement (NPS) for Biodiversity. Government has put this legislation on hold at present.

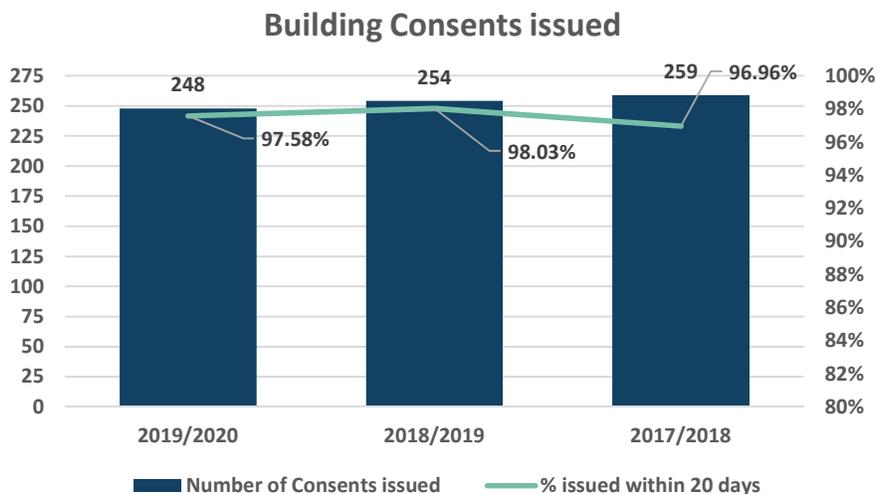
Inspections and Compliance

Building

Overall consent numbers have remained consistent this last financial year, even with the interruption of Covid-19 which caused a slight downturn in numbers in April and May.

Inspections have remained consistent to date.

The team have also been busy following up on work undertaken without consent, with a record number of Notices to Fix being issued for the year.

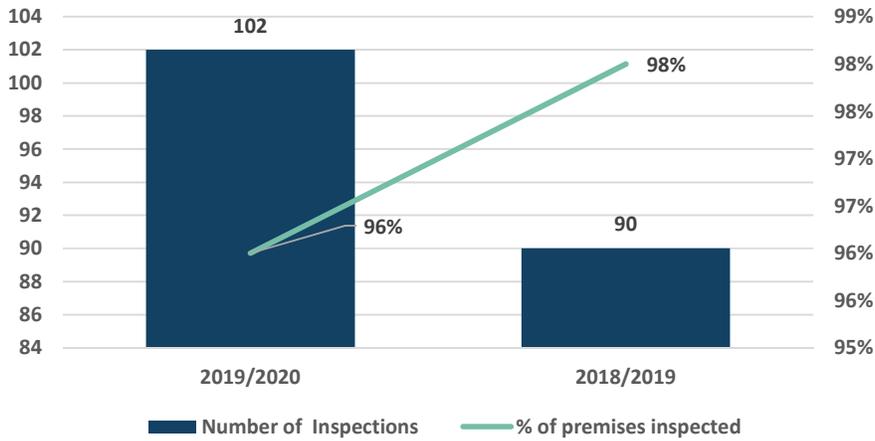


Food Premises

Inspections were completed on 102 out of 106 operational premises during the year.

The period between 23 March and 11 May 2020 was significantly disrupted by the Covid-19 pandemic. Scheduled visits to five premises during this time were abandoned because the premises closed and did not open after the return to level 1. One of those has closed permanently, with the other four choosing to remain closed for the foreseeable future.

Food Premises Inspections



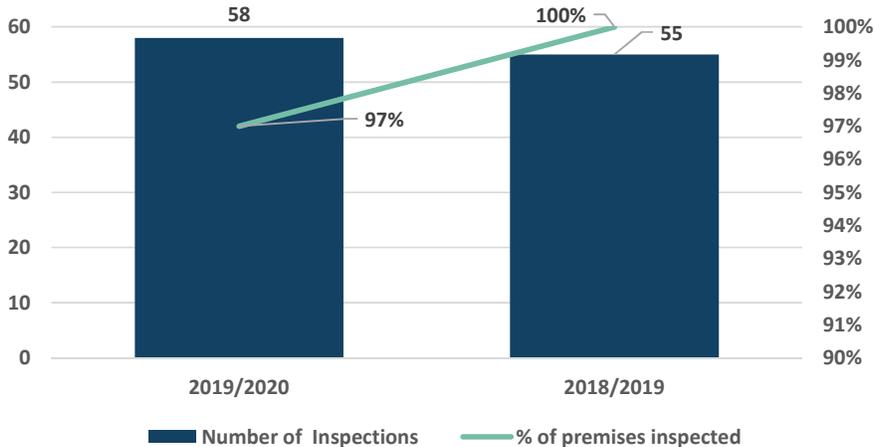
Alcohol

"Straightforward process carried out satisfactorily." Biannual Resident Satisfaction Survey

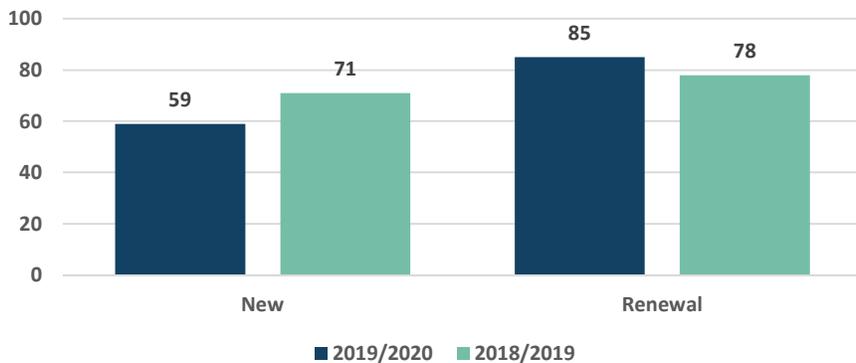
During the year one West Coast Regional Liquor Liaison meeting was held. This meeting was attended by the Police, the Medical Officer of Health, the Licensing Inspector and the Liquor Administration Officer. As well as the regional meeting, the Police, the Medical Officer of Health, the Licensing Inspector and the Liquor Administration Officer attended monthly Local Licensing meetings to discuss local liquor licensing issues.

Inspections were completed on 58 out of 60 operational premises during the year. Three licensed premises could not be visited because they shut down due to the Covid-19 pandemic and have yet to reopen. One of the premises has closed permanently.

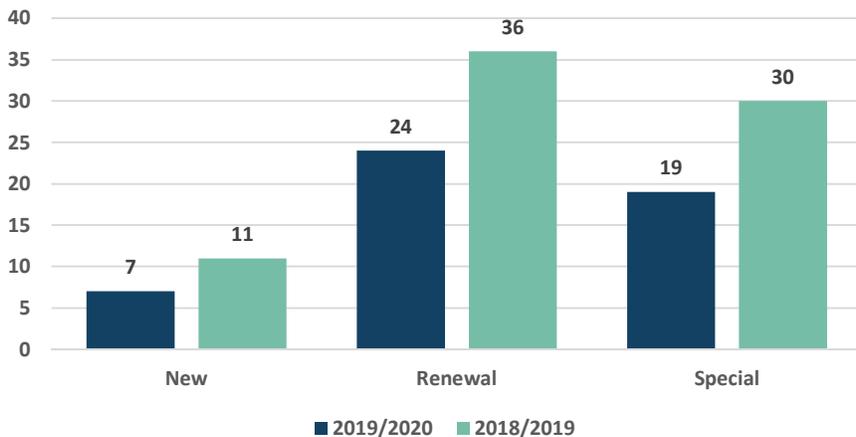
Licensed Premises Inspections



Manager's Licences Issued



Liquor Licences Issued

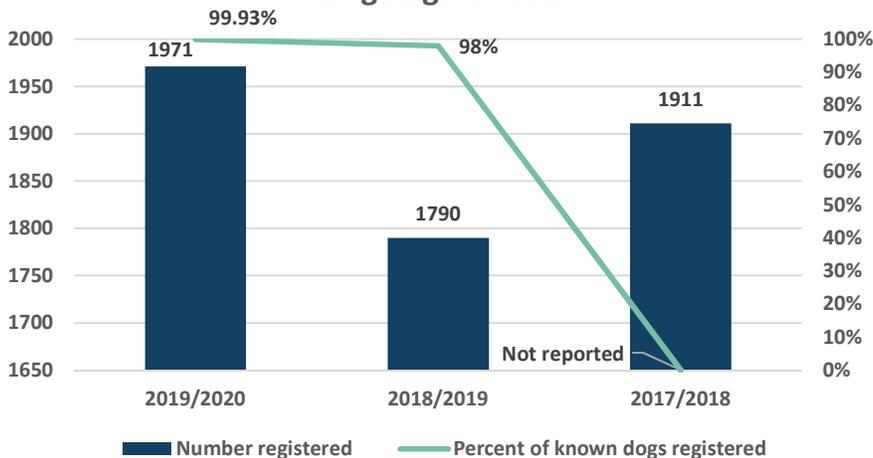


Animal Control

"Dog ranger came. All sorted, neighbour's dog no problem." Biannual Resident Satisfaction Survey

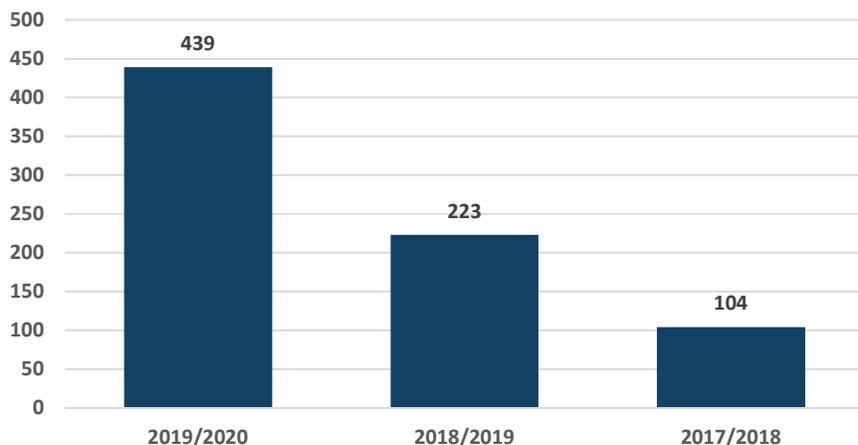
During the reporting period the Dog Control Officer has been undertaking typical management of the pound facility and dog control vehicle, and responding to dog control related matters. Routine patrols have been carried out north of Franz Josef and planned patrols carried out for Franz Josef and further South.

Dog Registration

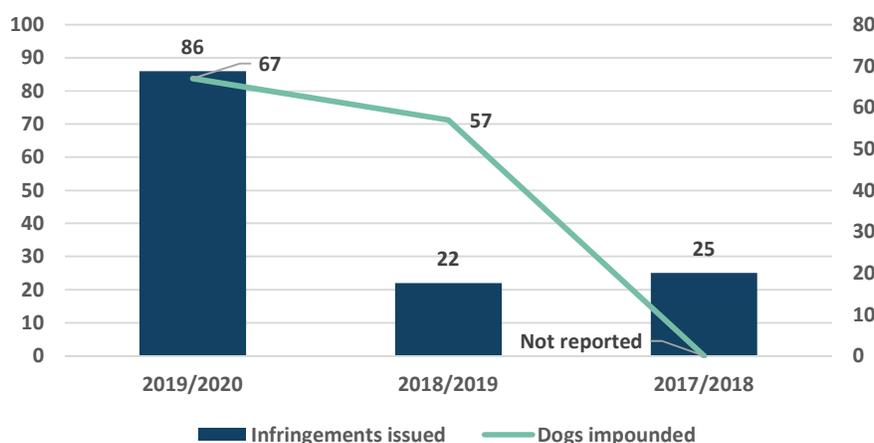


There were fewer reports or complaints of wandering dogs during the Covid-19 lockdown period, compared to the rest of the reporting period.

Complaints Received



Infringements and impounding



Emergency Management/ Civil Defence (CD)

Staff

The Emergency Management Officer Westland (EMO) resigned during the reporting period. A replacement EMO was appointed to begin in the next financial year. The EMO is employed by the West Coast Regional Council.

Mt Hercules severe weather event - December 2019

The Westland District Council (WDC) Emergency Operations Centre (EOC) was activated in early December 2019 in response to a significant rainfall event. A large slip on Mt Hercules caused a road closure on SH6 from Hokitika to Haast, although essential vehicles were able to travel between Hokitika and Hari Hari.

Other slips, damage to bridges, debris and high rivers impacted district roads. Power supplies were disrupted from Fox Glacier township to Bruce Bay, and residents in Franz and Fox Glacier were advised to conserve water on public supply lines, due to communications and power outages. Civil Defence Information Centres were set up at the Franz Medical Centre and Fox Glacier Community Centre and a number of residents were isolated due to flooding.

A convoy was organised in conjunction with Department of Conservation, Police and West Coast Emergency Management to ensure safe passage out of Franz Josef and Fox Glacier for stranded tourists.

This response was supported by partner agencies across the region including Councils, Police, FENZ, USAR, Hydrology, West Coast DHB, lifeline utility groups, welfare groups, aerial assets, and community response groups.

NZTA and their contractors did a fantastic job clearing the slip from Mt Hercules ensuring SH6 was able to open in time for the upcoming Christmas period.

Severe weather event - February 2020

West Coast Emergency Management staff were prepositioned in Franz Josef and Fox Glacier following the issuing of a Heavy Weather warning in February 2020 and the Westland EOC activated. The Hokitika and Waiho rivers reached their 3rd alarms and minor damage to some district roads, trees over power lines, and surface flooding was reported. There was no further impact to the Fox River landfill.

COVID-19 – March 2020

Civil Defence Emergency Management (CDEM) Groups have a responsibility under the 'NZ Influenza Pandemic Action Plan' to manage the non-health consequences of a pandemic.

In March CDEM Groups were directed to:

- Activate their Emergency Coordination Centres
- Ensure ability to fully activate to Coordinated Incident Management System structure at short notice
- Plan ahead in the event activation is needed 7 days a week, and including out of office hours

CDEM Group and DHBs were asked to establish an effective coordination framework to reflect what was happening through the National Emergency Management Agency (NEMA) and the Ministry of Health at a national level.

Emphasis on Welfare support:

- Establish and maintain 0800 household goods and services helpline
- Ensure a strong 'Network of Networks'
- Caring for communities – not a traditional welfare response

Council supported this response and worked closely with the Emergency Coordination Centre in Greymouth to deliver welfare support to Westland communities.

Training and capability building

Training sessions continued to be held across the district. Quick Capture training was provided to community response teams in Haast, Teams & CIMS training offered to WDC staff, and radio communications training provided to other community groups. Public Information Management training was delivered to Public Information Managers across the region and EOC short sessions and the Takatu training platform were well supported by Council staff. Emergency events continue to provide opportunities for staff to put their training into practise.

Community Engagement/ Public Education

Community engagement has continued across the district over the past 12 months, further strengthening individuals, communities, and organisations ability to prepare and respond to emergency events.

A large number of individuals, families, schools and businesses in Westland signed up to participate in Shakeout, the national earthquake and tsunami drill.

Funding Impact Statement (for the Planning and Regulatory group)

For the year ended 30 June 2020

Group Level Funding Impact Statement			
	Long Term Plan 2019 \$000	Long Term Plan 2020 \$000	Actual 2020 \$000
Planning & Regulatory			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	1,233	1,310	1,682
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	-	-	635
Fees and charges	908	925	782
Local authorities fuel tax, fines, infringement fees, and other receipts	125	128	243
Internal charges and overheads recovered	122	124	-
Total Operating Funding (A)	2,388	2,487	3,343
Applications of Operating Funding			
Payments to staff and suppliers	1,700	1,760	2,075
Finance Costs	-	-	-
Internal charges and overheads applied	672	697	888
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	2,372	2,458	2,963
Surplus/(Deficit) of Operating Funding (A - B)	15	29	380
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	200	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	-	200	-
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	14
- to replace existing assets	-	-	-
Increase (decrease) in reserves	15	229	366
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	15	229	380
Surplus/(Deficit) of Capital Funding (C - D)	(15)	(29)	(380)
Funding Balance ((A - B) + (C - D))	-	-	-

Resource Management

Level of Service	Measure / Target	Progress
Resource consents processed in accordance with the Resource Management Act	100% of resource consents processed within statutory timeframes:	2019/2020: 99% within statutory timeframes. One consent was over by one day. <i>(2018/19: 100%. All statutory timeframes met.)</i>
Provide appropriate advice to customers	85% of users satisfied with the quality of the advice provided on resource management matters.	2019/2020: 99% satisfaction with the quality of advice provided by Planning Staff, based on customer feedback throughout the year. A formal satisfaction survey was not carried out due to time-constraints in the team following the Covid-19 lockdown period. <i>(2018/19: 100% satisfaction with the quality of advice provided by Planning staff, 2019 Resource Management Satisfaction Survey.)</i>

Inspections and Compliance

Level of Service	Measure / Target	Progress
Timely processing of Building Consents	100% of building consents processed within 20 working days as per the requirements of the Building Act.	2019/2020: Consents issued = 248 97.58% issued within 20 day statutory timeframe. <i>(2018/19: Consents issued = 254 98.03% issued within 20 day statutory timeframe.)</i>
Provide appropriate advice to customers	85% of users satisfied with the quality of the advice provided on building consent, environmental health and Liquor Licensing matters.	<p>Building Consents</p> <p>2019/2020: 80% 2019/2020 Building Consent Authority Satisfaction Survey.</p> <p>Respondents this year were less satisfied with the advice received around compliance than in the previous year.</p> <p><i>(2018/19: 94% 2018/2019 Building Consent Authority Satisfaction Survey.)</i></p> <p>Environmental Health</p> <p>2019/2020: 54% residents contacted in the bi-annual resident survey were satisfied with the quality of advice from Environmental Health.</p> <p>Note: a small base of 33 residents.</p> <p><i>(2018/19: A Planning and Regulatory Satisfaction Survey was not conducted as the departments were restructured therefore there are no results for comparison with previous year.)</i></p> <p>Liquor Licensing</p> <p>2019/2020: 85% residents contacted in the bi-annual resident survey were satisfied with the quality of advice from Liquor Licensing.</p>

Level of Service	Measure / Target	Progress
		<p>Note: a very small base of 9 residents.</p> <p>(2018/19: A Planning and Regulatory Satisfaction Survey was not conducted as the departments were restructured therefore there are no results for comparison with previous year.)</p>
Encourage compliance with health standards by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation	100% licensed and registered premises are inspected at least annually:	<p>Food Premises</p> <p>2019/2020: 96% inspected, 102/106 due to premises closing during the Covid-19 pandemic. (2018/19: 98% inspected.)</p> <p>Liquor Premises</p> <p>2019/2020: 97% inspected, 58/60 due to premises closing during the Covid-19 pandemic. (2018/19: 100% inspected)</p>

Animal Control

Level of Service	Measures / Target	Progress
Keep the public safe from dogs and wandering stock	90% of residents satisfied with the protection provided.	<p>2019/2020: 64% residents contacted in the bi-annual resident survey were satisfied with the quality of protection from dogs and wandering stock.</p> <p>Note: a small base of 33 residents.</p> <p>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</p>
	98% of known dogs registered by 30 June each year.	<p>2019/2020: 99.93% of known dogs registered.</p> <p>One dog remaining unregistered at end June 2020 was impounded and unclaimed by owner.</p> <p>(2018/19: 98% of known dogs registered.)</p>
	Response times to Priority 1 callouts is 30 minutes or less (excluding travel time)	<p>2019/2020: 100% of response times to Priority callouts in 30 minutes or less.</p> <p>(2018/19: 100% of response times to Priority calls in 30 minutes or less.)</p>

Emergency Management

Level of Service	Measures / Targets	Progress
Effective natural hazard readiness	<p>100% of suitable emergency response training has occurred</p> <ul style="list-style-type: none"> - Emergency Management personnel meet CIMs 4 and EOC standards - Volunteers are offered at least 2 training opportunities per annum - Number of trained volunteers increases by 10% 	<p>2019/2020: While formal training of 100% was not achieved, personnel applied and improved their skills during emergency responses outlined in the commentary.</p> <p>14% Council staff completed emergency management training.</p> <p>8 staff completed course on Takatu.</p> <p>Volunteer Training occurred in:</p>

Level of Service	Measures / Targets	Progress
		<ul style="list-style-type: none"> • Franz Josef: CIMS foundation / refresher course, October 2019. • Haast community response workshop, October 2019. <p>Community training was not held due to Covid-19 from March 2020 – 30 June 2020.</p> <p>(2018/19: 100%)</p> <ul style="list-style-type: none"> • 16 WDC staff registered on Takatu • 14 WDC staff attended Exercise Seaview in October • 3 WDC staff attended ITF course in March • BCO staff attended rapid impact assessment training • EOC Short sessions open to volunteers • WMP and DOC engaged for March 2019 event • Franz CIMS foundation/refresher course– October 2018 • Haast community response workshop – October 2018 <p>At the two community trainings a number of new volunteers joined resulting in a 10% increase in trained volunteers.)</p>
Suitable response systems are in place	90 – 100% of community emergency response plans are in place for all Westland townships.	<p>2019/2020: 69% of community response plans in place (complete / in place and operational drafts).</p> <p>Community Responses Plans (CRP):</p> <ul style="list-style-type: none"> • Haast, Franz CRP complete • Kumara, Ross, Hari Hari, Whataroa, Fox CRPs currently in draft but operational. • Engagement and planning required for Otira, Kokatahi, and Waitaha Valley. <p>(CRPs: 2 complete, 5 in draft and 3 to be established)</p> <p>Other Key Response Plans:</p> <ul style="list-style-type: none"> • Hokitika Flood Response Plan in place. • Waiho Flood Response Plan in draft. • Mills Creek and Callery Landslide Dam Response Plans in draft) <p>Community response plan engagements were not undertaken due to Covid -19 from March 2020 – 30 June 2020.</p> <p>(2018/19: 60%)</p> <p>Community Responses Plans (CRP):</p> <ul style="list-style-type: none"> • Haast CRP complete with PIM plan draft. • Kumara, Ross, Hari Hari, Whataroa, Franz, Bruce Bay and Fox CRPs currently in draft but operational. • Engagement and planning required for Otira and Waitaha Valley.

Level of Service	Measures / Targets	Progress
		<p>(CRPs: 1 complete, 8 in draft and 2 to be established)</p> <p>Other Key Response Plans:</p> <ul style="list-style-type: none"> • Hokitika Flood Response Plan in place. • Waiho Flood Response Plan in draft. • Mills Creek and Callery Landslide Dam Response Plans in draft.)

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Community Services Group

Community Development and Assistance

Westland Communities Contact & Liaison

Two major events impacted Westland Communities this year: December 2019 weather event and the Covid-19 pandemic in March 2020 both had a severe effect on tourism and the district. Communities quickly and quietly identified vulnerable members and worked with agencies and within their communities to check on and support members in need.

Assistance and support have been given to community groups applying for funding, ensuring they meet criteria and have adequate support letters where needed. There has been considerable work in Westland with groups working through Major District Initiative funded projects with the completion of the Denis Road Track in Haast, and opening of the Westland Sports Hub at Westland High School.

The Community Development Advisor (CDA) worked with Reserve Bank NZ representative Peter Northcote organising connections and venues for the Reserve Bank public consultation with Westland during November 2019 regarding 'The Future of Cash'. This was a unique opportunity for Westland residents to have input and voice their concerns on the future of cash in our Westland communities.

Westland was particularly active in participating in the West Coast Roding Survey, the CDA worked with communities to take up this opportunity for comment on Council owned roads and footpaths in all Westland townships and communities. Westland residents' response was double that of other districts, this should provide Council with some clear indication of residents' satisfaction and concerns.

Township Development Funding

The CDA had excellent support from council staff to attend community meetings, public meetings and consultations, and provide requested information to keep our communities updated. Council's kaupapa 'Mahi Ngatahi – Working Together' has strengthened lines of communication with communities. The CDA has presented reports to Council from Community Groups to enable access to Reserve and Endowment Funds.

All Communities that receive Township Development Funding are represented by Incorporated Societies and have received the 2019-2020 funding. All Accountability Reports 2018-2019 were received and signed Funding Agreements 2019-2020 are in place.

Events

Waitangi Day Commemoration 6 February 2020

The CDA worked with Runanga representatives on a funding submission to Manatū Taonga – Ministry for Culture and Heritage Commemorating Waitangi Day Fund 2020 (the Fund) and Council received \$3000.00 funding towards the day. Waitangi Day Celebrations, cementing the Mahi Ngātahi – Working Together approach, were enjoyed by over 300 people at Arahura Marae. A General Report and Budget has been provided to the Fund.

Hokitika Tohu Whenua Launch 14 February 2020

The Tohu Whenua Pou siting and installation was an initiative supported and presented to Council by Hokitika Reserves and Environ Community Group. The CDA liaised with Tohu Whenua, Heritage Hokitika, and Department of Conservation Staff. The Tohu Whenua Pou, was unveiled on 14 February in the Hokitika Port and Commercial Area at the Tancred Street Viewing Platform, Gibson Quay, to a large and appreciative audience.

Funding

Funding from	Granted to
Creative Communities Round 1	Driftwood & Sand Beach Art Festival
Creative Communities Round 1	Hokitika Dramatic Society - Spontaneity
Creative Communities Round 1	Lions Club of Hokitika Inc – Children’s Day
Creative Communities Round 1	Te Runanga o Ngāti Waewae – Poutini Kai Tahu Kapa Haka Workshops
Creative Communities Round 1	Kapa Haka Organising Committee
Creative Communities Round 1	LMJ Campbell – Rarangi Workshops
Creative Communities Round 1	Helene Hindman – Park Beautification Project
Creative Communities Round 1	Jade Country Quilters – Quilt West Symposium
Creative Communities Round 1	Tahora Beats – Cultural Performing Arts
Creative Communities Round 1	South Westland Area School – Guy Menzies Memorial Park Project
Creative Communities Round 2	New Coasters – Westland Migration Stories
Creative Communities Round 2	Hokitika Lantern Parade
Creative Communities Round 2	WestREAP – Art4me
Creative Communities Round 2	WestREAP – Ta Moko Presentation
Creative Communities Round 2	Tahora Beats – Cultural Performing Arts
Ethnic Communities Development Fund 2019	Westland Culture Feast
Ministry of Culture and Heritage - Commemorating Waitangi Day Fund 2020	Waitangi Day Commemorations
Sport New Zealand Rural Travel Fund	South Westland Netball Association
Sport New Zealand Rural Travel Fund	Westland United Football Club
Sport New Zealand Rural Travel Fund	South Westland Rugby Football Club
Sport New Zealand Rural Travel Fund	Hokitika Hockey Club
Sport New Zealand Rural Travel Fund	West's Rugby Football Club
Sport New Zealand Rural Travel Fund	Kokatahi-Kowhitirangi Pony Club

Creative Communities Scheme

A new Creative Communities Committee of nine members was appointed on 8 June 2020. There are two application rounds per year, March/April and August/September. Creative New Zealand sets the criteria, and provide the standard application form and guide.

Creative Communities Funding Round 1 closed in September 2019. The Committee considered 11 applications and distributed \$10,167.00 in funding to 10 groups in October. This is a considerable increase in funding for the Westland area and a result of the Review of the Creative Communities Scheme.

The March / April 2020 allocation meeting in April 2020 was postponed because of COVID-19. A meeting was held on 16 June 2020 and awarded \$9,790.50 to five projects.

Sport NZ Rural Travel Fund

The Sport New Zealand Rural Travel Fund Committee allocated \$9,500 between six sporting groups throughout Westland in the 2019 - 2020 funding round.

Safe Community Coalition – Safer Westland

The CDA is the coordinator for the Westland Safe Community Coalition. Westland Safe Community received a very positive report from Safe Communities Foundation NZ. At the January Meeting of the Governance Group the branding

'Safer Westland' was adopted for the Westland Safe Community Coalition. The Governance Group participated in the annual NZ Safe Community Survey evaluating the effectiveness of the Westland Safe Community Coalition.

Current projects under the WSCC Strategic Plan include:

- Hokitika Half Price Taxi Chits,
- Community Champions, Community Patrol, CACTUS,
- Big Brothers Big Sisters and
- DriveWEST a Learner Licencing Programme
- Clued Up Kids
- Driver Mentor Programme.

In addition to our Safer Westland Projects, Westland Safe Community coalition have been promoting:

- Free Smoke Alarms and Installation through Fire & Emergency NZ and Age Concern
- Car Seat Restraint Correct Installation Campaign
- Motorbike Awareness Month
- ACC Live Stronger For Longer Activities
- Suicide Awareness – Myths and Facts
- Summer Road Safety Campaigns
- Community Champions at White Ribbon Riders event
- 'Pretty Smart' presented by Angela Barnett sponsored by West Coast Te Rito
- 'It is OK to ask for Help' Community Champions summer campaign

Funding Impact Statement (for the Community Services group)

For the year ended 30 June 2020

Group Level Funding Impact Statement			
	Long Term Plan 2019 \$000	Long Term Plan 2020 \$000	Actual 2020 \$000
Community Services			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	313	327	471
Targeted Rates	891	795	789
Subsidies and grants for operating purposes	41	25	221
Fees and charges	-	-	-
Interest and Dividend	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	3	20	17
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	1,248	1,167	1,498
Applications of Operating Funding			
Payments to staff and suppliers	1,004	809	1,055
Finance Costs	-	-	-
Internal charges and overheads applied	208	212	259
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	1,212	1,021	1,314
Surplus/(Deficit) of Operating Funding (A - B)	35	146	184
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	-	-	-
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	15
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	35	146	170
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	35	146	184
Surplus/(Deficit) of Capital Funding (C - D)	(35)	(146)	(184)
Funding Balance ((A - B) + (C - D))	-	-	-

Community Halls

Level of Service	Measure / Target	Progress
Provide safe and useful community halls	80% of residents satisfied with the standard of their community hall.	2019/2020: 93% residents contacted in the Bi-annual resident survey were satisfied with the standard of their community hall. <i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i>

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Leisure Services and Facilities Group

Elderly Housing

This information has been supplied by Destination Westland.

On behalf of Westland District Council, Destination Westland manages 42 elderly housing units in Hokitika and four in Ross, as well as independently owning and managing nine units in Hokitika. The annual satisfaction survey will be conducted in August 2020. Twenty percent of residents have lived in their flat for over 10 years. During 2019/2020, seven new residents moved into the units.

Two of the units were re-carpeted, while another had a complete bathroom renovation. New ovens were fitted into two other units. Overall, 30 ovens have been replaced over the last five years. Prior to a new resident moving in, a unit is generally inspected to ascertain whether it requires a repaint or any other additional work.

This activity supports the social and economic wellbeing of the district by providing safe, secure, and affordable accommodation to elderly residents in the district.

Hokitika Museum

This information has been supplied by Destination Westland.

General/Staff

A casual employee focused on collection reorganisation, cataloguing, and general research enquiries.

The old audio-visual room off Store 4 was cleaned out and painted to accommodate a photograph studio. This will allow for proper photography of objects for the collection and database.

Research

Museum staff handled 353 enquiries during the year online and in person, the bulk of which were over 150 genealogy investigations, the provision of 36 (digital and printed) images for 60 photograph enquiries, over 60 collection assessments, and various other enquiries. The Past Perfect database includes an online capacity and catalogue checks for items to go online.

Collections

The Carnegie Building was cleared of Museum exhibitions in September 2019, in anticipation of the seismic strengthening project proceeding. This required careful planning to remove all large collection items from the Carnegie Building and store them in Drummond Hall. The Whitebait Exhibition was taken down and loaned to the i-SITE as part of their display area. Judith Taylor from National Services Te Paerangi facilitated the relocation project with a few days' assistance from a museum removal specialist from Canterbury Museum. Museum staff also received in-person museum standard packaging training and an online digitising workshop was held with staff from Project Ark (Southland District Councils).

Staff cleared an area in Store 2 and installed 12 new shelving bays. Collection objects were carefully reorganised and relocated onto these shelves, while vastly improving their storage.

Two additional containers, bringing the total to four, were filled with items for display, exhibition, and retail. No collection items are held in containers.

When museum staff were not relocating and / or packaging collection objects, they concentrated on cataloguing collection objects, improving Past Perfect (museum collection database) entries, identifying items of significance and

taking in additional objects of interest to the museum. This included Deer Capture devices, an escritoire (traveling writing desk) and shoes from the Seddon Family and items within the collection that were not previously catalogued.

Prior to the building strengthening project going ahead, and with the Museum collection in storage, the Carnegie Building was used for unstaffed, temporary exhibitions. When the Covid-19 lockdown began in March the strengthening project had not started and the building was closed.

	2019/2020	2018/19
Number of items catalogued	551	416
Updated records	3716	204

Income

\$3,797.43 from all sources (donations, retail, research, photography sales, and the Meccano gold dredger).

Public programmes (exhibitions and events)

Month	Event
July/August	Prospects Fearful
September - March	Carnegie Exhibitions in Carnegie Gallery:
October	Seddon 'Ted' Talk – Franz Josef
December	Heritage Hokitika Newsletter
February	Tohu Whenua Pou unveiling Colonial Threads Exhibition
March	Library Noticeboard update
March - May	Closed for quarantine lockdown
June	Gallery not reopened post-lockdown
June	Weekly contribution of photos and stories to the Hokitika Guardian (ongoing)

Hokitika Wildfoods Festival

This information has been supplied by Destination Westland.

Wildfoods Festival 2020 marked the 31st year of the festival and Destination Westland's second year managing the event. The festival ran on the first weekend of March, as the second weekend coincided with the first anniversary of the Christchurch mosque terror attacks. The event will return to the second weekend of March in 2021. The event ran from 10am to 8:30pm with no breaks or after party.

The festival was coordinated by the Destination Westland (DW) Events Assistant, Digital Marketing Manager, and the team at DW, led by the Operations Manager and Chief Executive.

Ticket price structure included the continuation of the successful Coasters Discount, which was initiated in 2019. An ultra-early bird special followed by an early bird special of \$25 and \$30 respectively resulted in a spike in ticket sales. All Westland primary and intermediate level pupils received free tickets, and school staff had the opportunity to purchase discounted tickets for \$25. A total of 5385 tickets were sold, including 781 local tickets and 579 tickets gate sales. An optimistic number, given the uncertainty the event faced due to Covid-19 and pre-pandemic lockdown. The VIP tent was also well received, with tickets selling out prior to the day of the event.

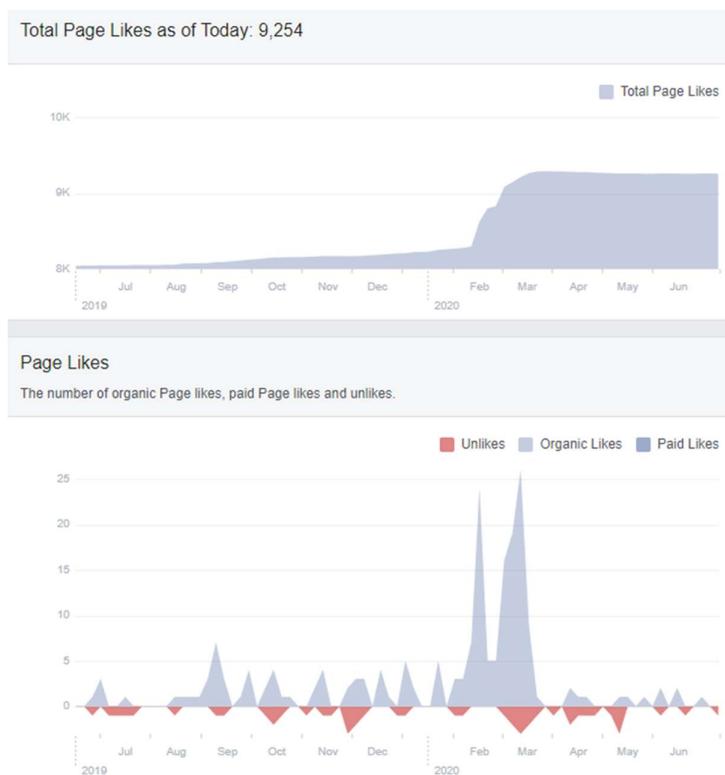
Major sponsorship was received from Air Rescue and Community Services, Air New Zealand, Monteith's and Westland Milk Products. The event also received a number of product sponsorships. Additional support was received from Development West Coast in the form of advertising.

The Feral Fashion competition remains to be a vital component of the festival. This year's categories included Feral Beauty, Feral Beast, Wild Child, and Feral Flock. The supreme winner received a prize package valued at over \$2,000.

This year, the festival promoted local musicians with guest entertainers including Jason Kerrison and My Baby. The New Zealand Army Band returned to entertain the crowd during the day and again at the conclusion of the event. There was also a 'Home grown' stage, which featured local acts such as the Kokatahi Band and Tohora Beats.

Social media was a vital component for promoting the festival, with the Facebook page receiving 375,582 hits and gaining 1,246 followers between 1 July 2019 and 1 June 2020.

Wildfoods Festival Facebook Page Insights

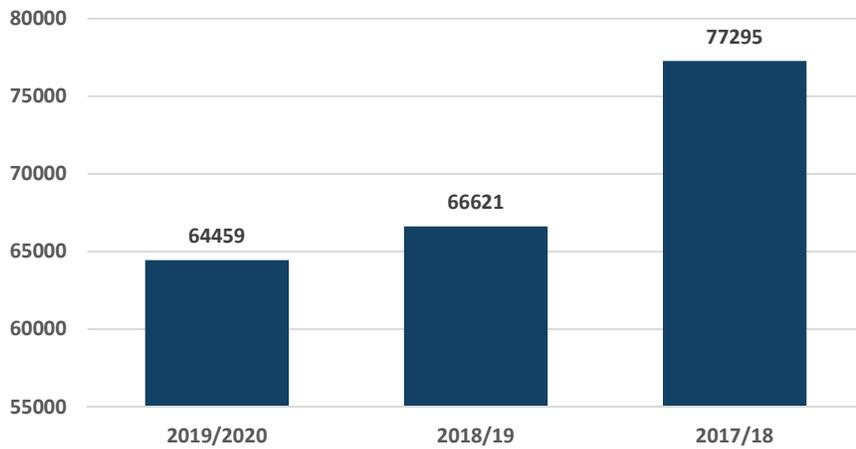


i-SITE

This information has been supplied by Destination Westland.

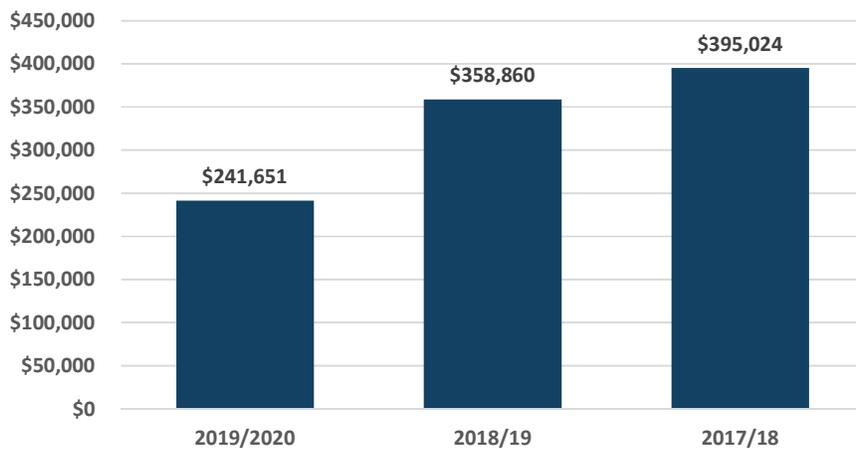
Visitors to the i-SITE follow global trends and are using the i-SITE as a place for information, rather than to make bookings. While the i-SITE was tracking an average annual increase prior to the Covid-19 pandemic, closure during the Level 4 lockdown meant that there were no visitors counted during April, resulting in a three year low in visitor numbers.

i-SITE Door Count



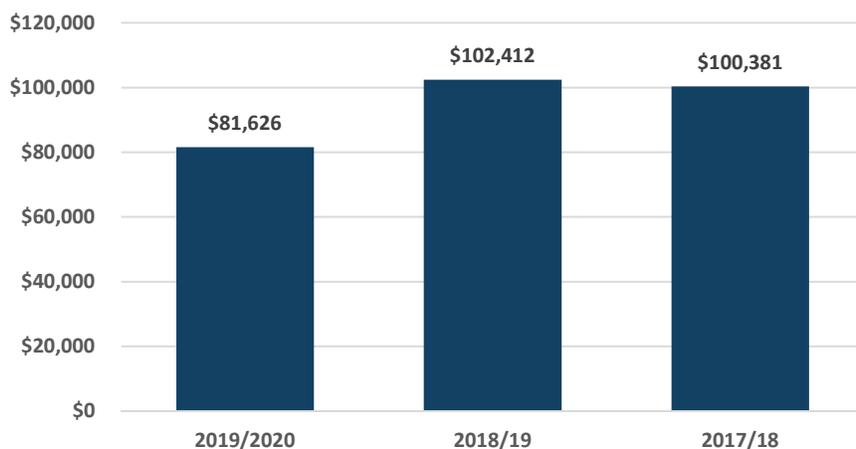
A new booking website was completed in March 2020 with most of the Hokitika/Westland Operators coming on board through the book-it system.

i-SITE Bookings turnover



Itinerary information and bookings for the West Coast Wilderness Trail continue to grow with enquiries daily. The i-SITE continues to provide services for NZTA, this is a valuable service for the community.

i-SITE Retail sales



Land and Buildings

WDC office refurbishment has been progressing but stalled at the request of Council. Council requested an updated Earthquake Report for the Headquarters building. The report and implications will be known and considered in the 20-21 financial year.

Council buildings were closed to the public during Covid-19 Alert Levels 3 and 4, as mandated by central government. Visitors to Council headquarters are now required to make an appointment to meet with a staff member, and physical distancing and hygiene measures (such as increased hand sanitiser stations) have been implemented.

Parks and Reserves

"Just well maintained and good people doing the job, Cass Square." Biannual Resident Satisfaction Survey

Council's parks and reserves contribute to the well-being of the district by providing outdoor recreation areas for sport and leisure activities and spaces to hold events.

Progress on the Sunset Point project continued, with work expected to finish early in the next financial year.

Parks and playgrounds were closed during the Covid-19 Alert Level 3 and 4, as mandated by central government.

Playground audits were conducted on the playground equipment at Cass Square, Whataroa and Ross. A number of defects to the equipment were identified under new playground standards NZS 5828:2015. Work to remediate these will take place in the next financial year.

Cemeteries

Increased vandalism continues to be a problem in Council managed cemeteries, which creates unforeseen costs for clean-up and remediation.

Council approved the development of a Muslim Burial area in the Hokitika Cemetery at the June Council meeting and further consultation is required with the local Muslim community to complete the development.

As cemeteries are an essential service, Council continued operations during the Covid-19 lockdown. There was one burial conducted during this time.

Public toilets

"They are clean and tidy. The people who look after them do a great job." Biannual Resident Satisfaction Survey

New toilet blocks were installed in Kumara, Ross, Haast and Whataroa using the Tourism Infrastructure Funding from central government. Increases in funding were budgeted through the Annual Plan to keep up with the increased pans, providing the community with appropriate funding for cleaning.



The outbreak of Covid 19 slowed the usage of toilets to a minimum during the lockdown period. Most council owned toilets remained open during the lock down period as WDC facilities are located within close proximity to the State Highway Network. Cleaners reduced the number of toilets available for use during and after lock down to suit the demand. Low numbers of tourists during the last quarter meant there was plenty of capacity.

Swimming Pools

Installation of the new electric water heating system for the Ross pool was completed.

The following information has been supplied by Destination Westland.

The swimming pool underwent a full repaint during the maintenance break in June/July 2019. New floodlights were then fitted in August 2019. Additionally, the changing rooms were reroofed, and glass and aluminium windows were fitted during this time period. In March 2020, the men's changing rooms were equipped with a new shower screen.

Pool staff trialled the 'Chip, Dip, & Flick' initiative throughout the school holidays, which was a huge success and a great source of support for local businesses. Gold coin donations were also accepted for admittance over the Christmas holiday period, which saw over 2000 children at the pool.

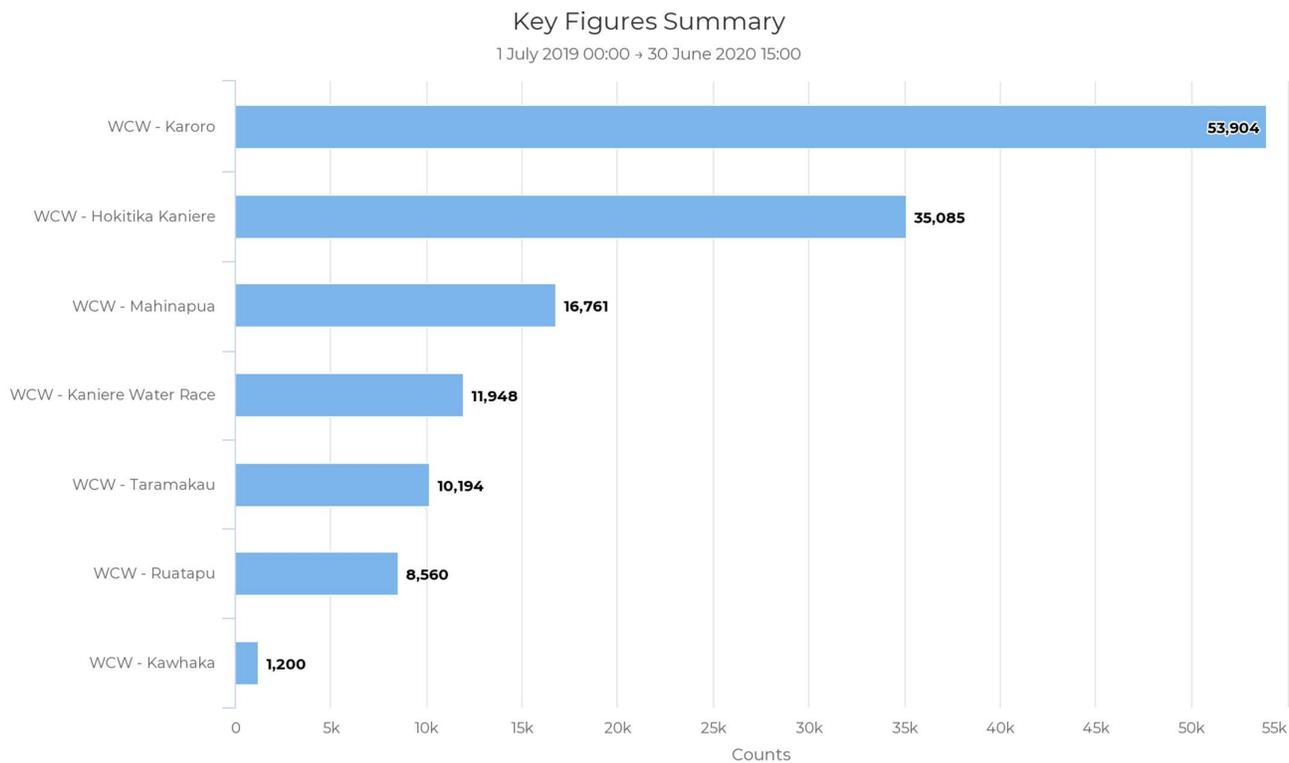
The swimming pool was closed during Covid-19 Alert Levels 2 – 4, as mandated by central government. This impacted on visitor numbers but also allowed some pool maintenance to begin ahead of schedule.

Aqua classes continue to be well attended, with 2,431 pool patrons participating. The total number attending swimming lessons was 1,298.

The pool was awarded the PoolSafe accreditation once again. The swimming pool was not included in the biannual resident survey. A more regular method of measuring satisfaction is being considered

West Coast Wilderness Trail

User numbers on the trail rose from 124,568 in the previous year to 137,652 in this period. The graphs show a steady rise in users across all trail sections.

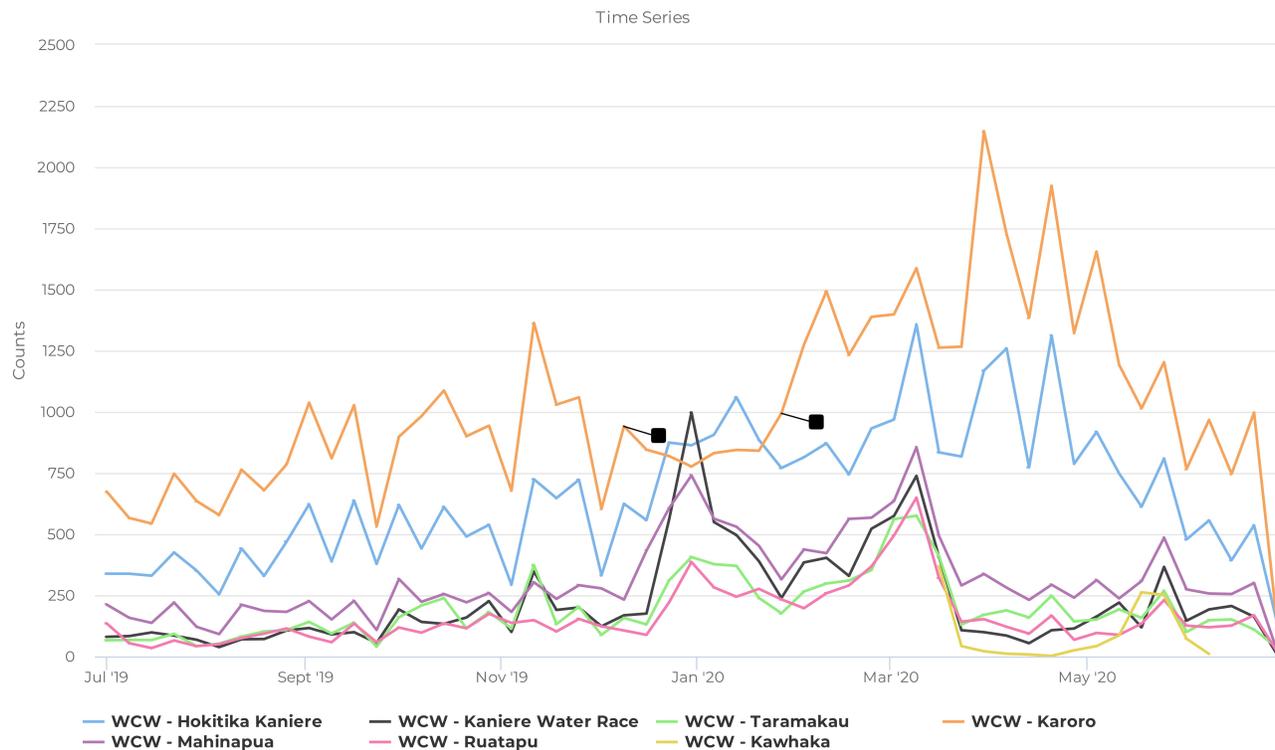


Final major repairs were undertaken in the Milltown and Kawhaka areas due to storm damage and the trail is now operational to a high standard. Safety improvements were also undertaken in the causeway into Cowboys paradise to prevent washouts and the potential rider injury via a fall hazard.

The Lake Kaniere Stage 1 off-road sections have progressed to construction in 2 sections and alignment is being confirmed in the 3rd section. Once this trail is open it will be another exciting and notable riding experience in close proximity to Hokitika.

Unfortunately, COVID 19 impacted on the trail operators' commercial activities in the later part of the reporting year.

Trail counters show an increase in regular usage on the more urban trails of Karoro and Hokitika – Kaniere. This is evidence that these trails were well utilised during the Covid-19 lockdown stages and have a true value in the health of the community.



MBIE continues to supply financial support in the development of the West Coast Wilderness Trail throughout the region. The on-going development of the cycle trails will be a major draw card when re-establishing local and international tourism within the Westland District.

Westland District Library

"Their events are well run and publicised." - "Also, very good at inviting the community in with community events." - "Good activities for family, the community needs this facility." Customer Feedback Comment

Westland District Library continues to contribute to the wellbeing of Westland communities. It provides a free, comfortable family friendly space in which to enjoy the extensive library collections and to participate in a comprehensive range of programmes and events that support the cultural, economic, environmental and social wellbeing of Westland residents and visitors.

During the Covid-19 Lockdown, digital library services were fully available to patrons. Library staff, working from home, answered phone and email enquiries, and continued to support access to the library's digital services. Staff continued promoting and facilitating access to the internet with Skinny Jump, the subsidised broadband scheme, helping connect residents to family, friends, work, school and online services from home. Staff increased engagement through social media, and signposted reliable information to the residents of Westland. Loans periods were automatically extended and fine-free until the end of the financial year. In response to a customer telephone survey, a 'Click or Call and Collect' service was introduced as soon as staff had access to the collection. The library re-opened in stages during Level 2 and full services resumed immediately when the country moved to Level 1.

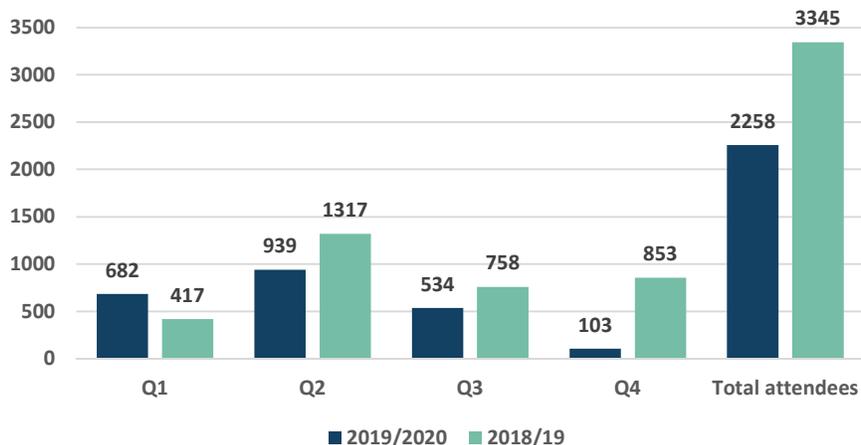
The phased re-opening enabled staff to re-think the layout of library spaces. Parts of the collection were relocated to improve access and to highlight special sub-collections and furniture was re-arranged, creating more focused seating areas to encourage relaxation and social interaction. The first Art-At-The Library exhibition was installed, a collaboration with local artists' group Westland Arts Incorporated to provide a small exhibition space in the library.

The library continues to support both residents and visitors by providing free internet access via APNK Chrome-stations or Wi-Fi and a printing service. This year there have been 5,279 logins and 2,292 hours of use on the Chrome-stations

and a further 26,326 unique logins on the Wi-Fi. For many, this service provides the only affordable access to the internet. In addition to Stepping-Up classes, the new Book-A-Librarian service has helped 28 people (12 hours) learn new digital skills on their own devices.

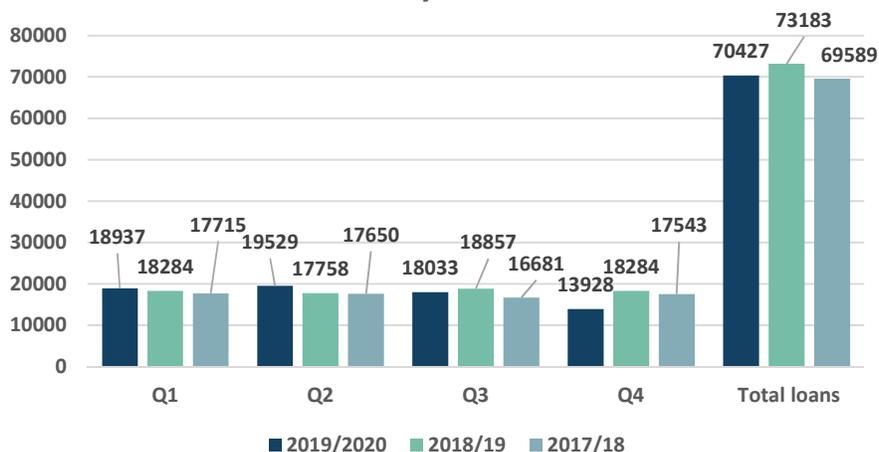
Despite lockdown and social distancing effectively cancelling over three months of programmes and activities, several successful and diverse events have been held in collaboration with local residents, Community Groups and Organisations. Author talks and events exploring culture, sustainable living and climate change are proving popular. The Library was recognised as an Innovative Provider of Community Learning & Engagement at the Festival of Adult Learning. A new dementia friendly Reading Group got off to a good start. This project has been supported by the Library and Information Association of New Zealand and is part of work to foster a more inclusive environment.

Number of event attendees



Loans in the second quarter of the year were the highest in two years but with lockdown restricting access to the physical collections the total annual loan figure is less than expected.

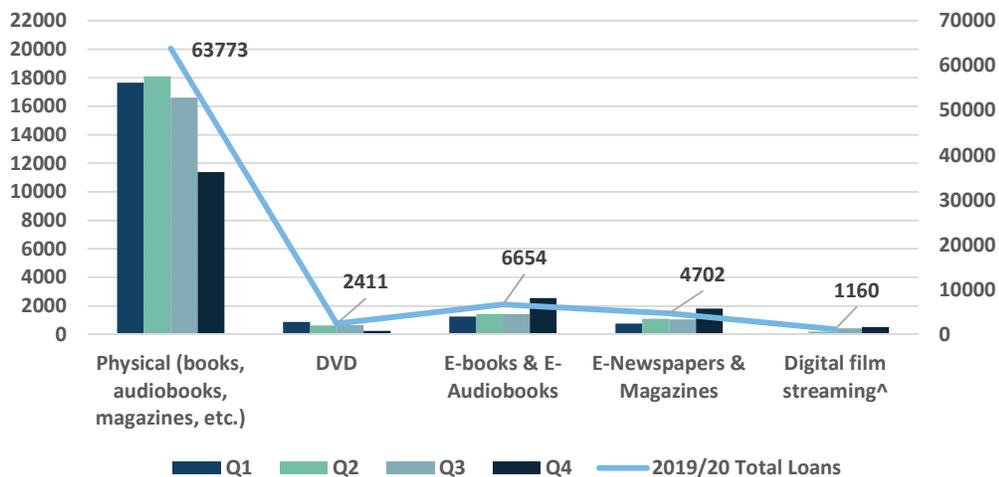
Loans by Quarter*



*Excluding renewals and newer services, e-newspapers, e-magazines and film streaming.

In contrast, digital resources have seen a considerable increase, with loans doubling between the first and last quarter of the year. In anticipation of increased demand, both e-book consortia for Overdrive and Borrowbox responded quickly to increase the supply of titles over the lockdown period. The new film streaming service Kanopy has seen over 1000 films or series played since November, and the 'Great Courses' are proving to be popular.

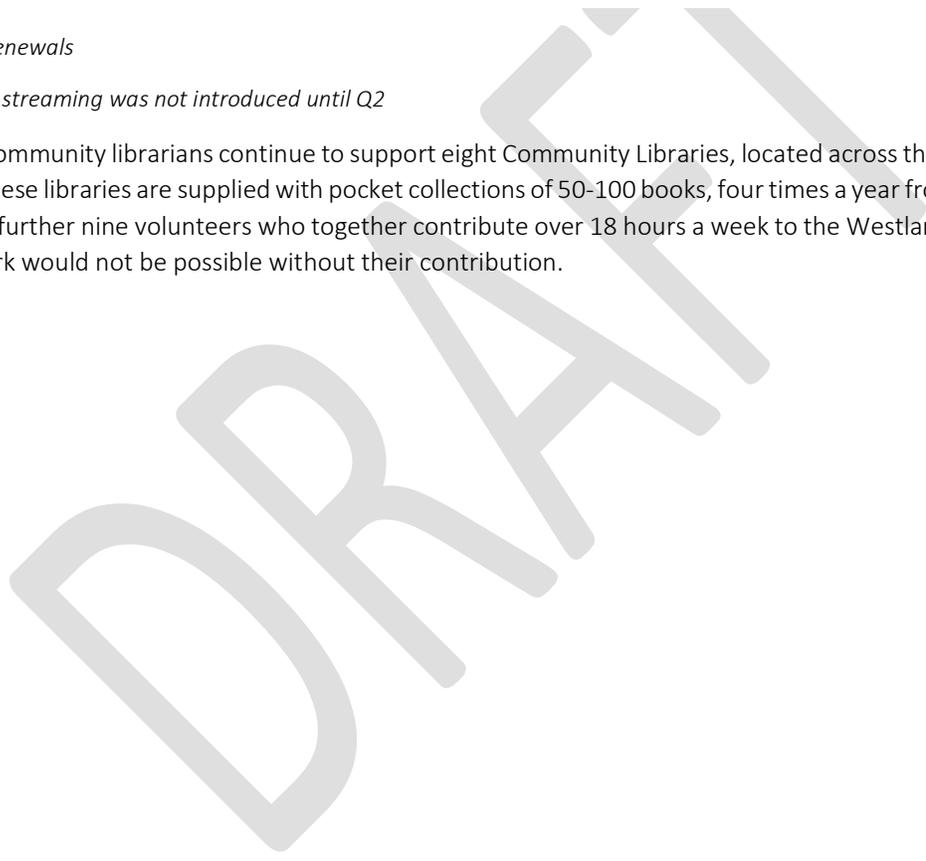
Loans by Resource*



*Excluding Renewals

^Kanopy film streaming was not introduced until Q2

Volunteer community librarians continue to support eight Community Libraries, located across the district from Kumara to Haast. These libraries are supplied with pocket collections of 50-100 books, four times a year from the District Library. There are a further nine volunteers who together contribute over 18 hours a week to the Westland District Library. The library's work would not be possible without their contribution.



Funding Impact Statement (for the Leisure Services and Facilities group)

For the year ended 30 June 2020

Group Level Funding Impact Statement			
	Long Term Plan 2019 \$000	Long Term Plan 2020 \$000	Actual 2020 \$000
Leisure Services & Facilities			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	1,484	1,493	1,736
Targeted Rates	973	986	1,178
Subsidies and grants for operating purposes	6	6	314
Fees and charges	57	58	74
Local authorities fuel tax, fines, infringement fees, and other receipts	76	78	321
Internal charges and overheads recovered	183	184	-
Total Operating Funding (A)	2,780	2,805	3,623
Applications of Operating Funding			
Payments to staff and suppliers	2,082	2,099	2,391
Finance Costs	-	-	-
Internal charges and overheads applied	325	332	324
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	2,406	2,431	2,715
Surplus/(Deficit) of Operating Funding (A - B)	373	374	908
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	1,601
Development and financial contributions	93	95	-
Increase (decrease) in debt	(42)	14	955
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	52	109	2,555
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	29	20	-
- to improve the level of service	174	390	2,548
- to replace existing assets	150	241	569
Increase (decrease) in reserves	72	(168)	346
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	425	483	3,463
Surplus/(Deficit) of Capital Funding (C - D)	(373)	(374)	(908)
Funding Balance ((A - B) + (C - D))	-	-	-

Elderly Housing

Level of Service	Measure / Target	Progress
A safe and efficient service	Occupancy is maximised to 100%	2019/2020: 99.58 occupancy, due to renovations described in the commentary above. <i>(2018/19: 99.6% occupancy. Four flats were completely refurbished during this year and were unoccupied during that time.)</i>
	> 95% of tenants satisfied with the service.	2019/2020: Annual Satisfaction Survey was not carried out in the 2019/2020 year. This was delayed by Covid-19 and will be carried out in August 2020. <i>(2018/19: 98% Annual Satisfaction Survey)</i>
	100% of units are safe to live in.	2019/2020: 100% <i>(2018/19: 100%)</i>
	100% responsiveness to complaints and requests for maintenance.	2019/2020: 100% <i>(2018/19: 100%)</i>

Hokitika Museum

Level of Service	Measure / Target	Progress
A quality museum experience	Visitor numbers are showing an upward trend - 5% increase year on year	2019/2020: The Museum was closed most of the period, so visitor numbers did not increase. <i>(2018/19: Visitor numbers recorded 15,188.)</i>
	85% of residents satisfied with their museum experience.	2019/2020: A survey by Destination Westland was not carried out as the Museum was closed most of the period. <i>(2018/19: 85% of visitors surveyed in the Museums Aotearoa survey ranked the museum 8 or 9 / 10.)</i>

Hokitika Wildfoods Festival

Level of Service	Measure / Target	Progress
A quality attendee experience	85% of residents satisfied (post event satisfaction survey).	2019/2020: A satisfaction survey was not carried out following the event this year as the Covid-19 Level 4 lockdown began one week after the festival and the department were made redundant during the company restructure. <i>(2018/19: 87% surveyed were happy with the new format of the festival and satisfied with the festival.)</i>
	7000 (festival), 1500 (after party) growth is experienced annually (to a limit of 10,000).	2019/2020: 7965 attendees from 10.00am to 8.30pm. There is no longer a separate after party. This is an excellent result given the Covid-19 uncertainties at the time. <i>(2018/19: 7877 attended the festival. Due to a format change, there was no after party)</i>

i-SITE

Level of Service	Measure / Target	Progress
A quality customer experience	i-SITE NZ and Qualmark standards are met. Achieved	2019/2020: Qualmark achieved and endorsed. i-SITE standards met <i>(2018/19: Qualmark achieved and endorsed. i-SITE standards met)</i>
Increase resident population knowledge about what the i-SITE has to offer locals	Maintain or increase bookings made by local population.	2019/2020: Door count decreased by 1.04% (Bookings 32% decrease largely impacted by Covid-19. <i>(2018/19: Door Count decreased 1.4% (Kaikoura Road opening and weather events)</i> <i>Bookings continue to decrease slightly in line with national trends, this will be mitigated by the launch of a new website which will be available to Wifi users.)</i>

Parks and Reserves

Level of Service	Measure / Target	Progress
Reserves are pleasant, enjoyable and safe places	90% of residents satisfied with parks and reserves.	2019/2020: 90% residents contacted in the Bi-annual resident survey were satisfied with parks and reserves. <i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i>

Cemeteries

Level of Service	Measure / Target	Progress
Cemeteries have sufficient capacity	Each cemetery has at least 12 months capacity ahead: Target Hokitika 100% Kumara 100% Ross 80%	2019/2020: Hokitika 100%, Kumara 100%, Ross 80%. Council is aware that the Ross cemetery is nearing capacity and continues to consider alternative sites. <i>(2018/19: Hokitika 100%, Kumara 100%, Ross 80%. Council is aware that the Ross cemetery is nearing capacity and is considering alternative sites.)</i>
Burials adhere to the relevant legislation	Standards for burial adhere to Cemeteries and Cremations Act 1964: Target 100%	2019/2020: 100% <i>(2018/19: 100%)</i>

Public Toilets

Level of Service	Measure / Target	Progress
Provide public toilets throughout the district	100% of residents satisfied with the service.	2019/2020: 80% residents contacted in the Bi-annual resident survey were satisfied with public toilets. <i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i>
	100% of facilities are available for use during the day.	2019/2020: Facilities were available 85% of the time during this period. The toilets at Kapitea were shut over Covid-19 Level 4 as they were not on a major route and not considered essential services. <i>(2018/19: Facilities are available for use during the day on average 98% of the time. Closures are localised.)</i>

Swimming Pools

Level of Service	Measure / Target	Progress
A quality swimming or exercise experience at the Hokitika Pool	85% of pool users satisfied	2019/2020: The swimming pool was not included in the Bi-annual resident survey. A more regular method of measuring satisfaction is being considered. <i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i>
	Maintain PoolSafe Accreditation Achieved	2019/2020: Achieved <i>(2018/19: Achieved)</i>

West Coast Wilderness Trail

Level of Service	Measure / Target	Progress
The cycle trail is well used	Numbers using the trail as measured by trail counters: 10,000 per annum	2019/2020: Total users on the trail 137,652, an increase of 10.5%. <i>(2018/19: The total number of users on the trail continues to increase and is now monitored accurately at six sites. Five of the six sites exceed the target on their own.</i> <i>The new Mahinapua trail had a total of 12,647 cyclists and 3,168 pedestrians which is a true off-road single track statistic.</i> <i>Total users on the trail was 124,568)</i>

Westland District Library

Level of Service	Measure / Target	Progress
Provide quality library services in the District	90% of residents satisfied with library services	<p>2019/2020: 99% residents contacted in the Bi-annual resident survey were satisfied with library services.</p> <p><i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i></p>
	44% of residents who are library members	<p>2019/20: 28%.</p> <p>This is the average for libraries of a similar size and population in New Zealand. It is 22% lower than the June 2019 reported figure because the definition of a member has been changed, adopting the definition of an 'active user' that the Public Libraries of New Zealand recommend. This enables comparison across NZ Public Libraries. The increase in population between the 2013 and 2018 census data contributes a 3% decrease</p> <p><i>(2018/19: 48% based on the number of residents as per the 2018 census.)</i></p>

DRAFT

Transportation Group

"Because the standard of road that the western county can provide is superb for the amount of money they have to spend on it. Fine by me." Biannual Resident Satisfaction Survey

The combined West Coast Transportation Activity Management Plan revision has been progressing well and is on target for delivery during the fourth quarter of the 2020 calendar year.

The second season of the of the three season term reseal contract was completed. Unfortunately, due to the Covid-19 lockdown the reseal target was not met. The roads missed as a result of the lockdown have been added to the 2020/2021 sealing season.

During December 2019 Westland experienced a series of weather events that resulted in further emergency works. While one event had minor broad spread damage the other event caused the loss of 120m of Milltown Road with a repair cost of approximately \$190,000. The damage cut off access to the Upper Arahura Valley (Milltown) for a short period of time. Final reinstatement works were completed in February 2020 on this road.

DRAFT

Funding Impact Statement (for the Transportation group)

For the year ended 30 June 2020

Group Level Funding Impact Statement			
	Long Term Plan 2019 \$000	Long Term Plan 2020 \$000	Actual 2020 \$000
Transportation			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	2,082	2,153	2,099
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	1,891	1,942	2,023
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	130	133	(1)
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	4,104	4,228	4,121
Applications of Operating Funding			
Payments to staff and suppliers	2,555	2,611	3,213
Finance Costs	21	20	-
Internal charges and overheads applied	488	497	418
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	3,064	3,128	3,631
Surplus/(Deficit) of Operating Funding (A - B)	1,040	1,101	490
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	1,769	1,798	1,204
Development and financial contributions	-	-	-
Increase (decrease) in debt	(27)	(27)	(40)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	1,742	1,772	1,164
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	2,764	2,757	1,846
Increase (decrease) in reserves	19	115	(191)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	2,782	2,872	1,654
Surplus/(Deficit) of Capital Funding (C - D)	(1,040)	(1,101)	(490)
Funding Balance ((A - B) + (C - D))	-	-	-
Level of Service	Measure / Targets	Progress	

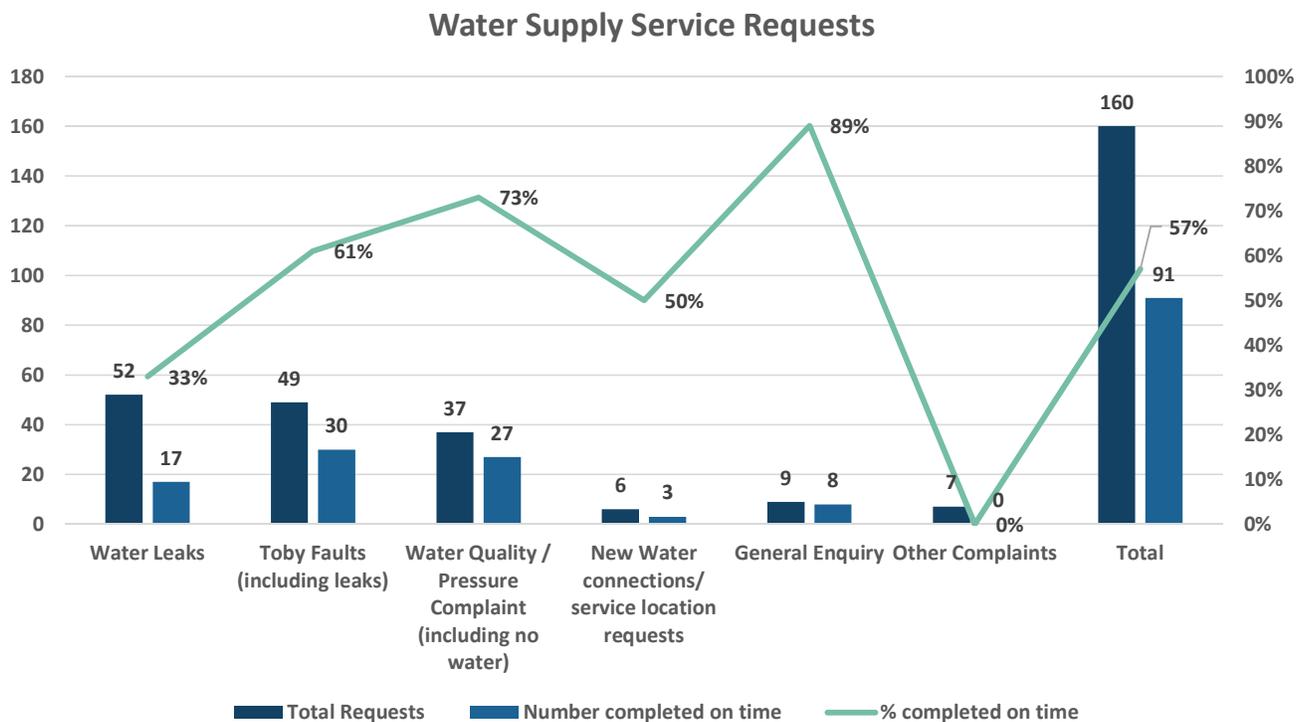
The transportation network is safe for all users in Westland District	Road safety: The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number is less than the previous year	2019/2020: 2 There was 1 recorded fatal crash just prior to the end of the financial year. There was 1 recorded serious injury crash. <i>(2018/19: 0)</i> <i>There were no fatal or serious injury crashes on the WDC network for this period as shown in the RAMM data with latest CAS update.)</i>
The surface condition of roads in Westland is of good quality	Road condition: The average quality of ride on a sealed local road network, measured by smooth travel exposure is > 90%	2019/2020: End of year data from recent roughness surveys carried out prior to Covid-19 lockdown shows STE of 94%. This variance is within the expected deviation range for this quality of ride surface roughness survey. <i>(2018/19: Year to date data from NAASRA index shows STE of 96%. No change from the previous year.)</i>
	50% of residents are satisfied with the standard and safety of Council's unsealed roads	2019/2020: 76% residents contacted in the bi-annual resident survey were satisfied with the standard and safety of Council's unsealed roads. <i>(2018/19: Formal Residents Satisfaction survey is only carried out on a two-year cycle therefore no results for comparison with previous year.)</i>
The surface condition of roads in Westland is maintained to a high standard	Road maintenance: The percentage of the sealed local road network that is resurfaced >7%	2019/2020: 6.2%, 22.9km, by length of the sealed network was resurfaced. This is lower than the targeted 7% due to the Covid-19 lockdown prior to the completion of the works. <i>(2018/19: 7%, 25.9km of the sealed road network was resurfaced.)</i>
Footpaths are maintained in good condition and are fit for purpose	Footpaths: 90% of footpaths within a territorial authority district that fall within the level of service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long term plan).	2019/2020: This data metric is still being developed to be able to measure performance <i>(2018/19: This data metric is still being developed to be able to measure performance)</i>
Response to service requests are dealt with promptly	Customer service requests: 100% of customer service requests relating to roads and footpaths responded to within the time frame specified in the Long Term Plan.	2019/2020: 54% of Transportation related service requests were responded to within 2 days. 66% of Transport related service requests resolved within the informal target timeframe. <i>(2018/19: 53% of Transportation related service requests were responded to within 2 working days. More revision is needed on this metric to ensure achievability.)</i>

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Water Supply

Council supplies reticulated water to 2755 connections (2019: 2640) in the district.

Council's customer service request system records show 160 water related service requests logged between 1 July 2019 and 30 June 2020 (2019:236). 91 were completed in the required timeframe (2019: 66). A breakdown of service requests is shown below*:



*Issues with user operation of the Service Request system affected the delivery and processing of requests resulting in poorer statistical outcomes than actual outcomes, for example, work completed within the required timeframes was not signed off as complete until after the end of the timeframe.

The Kumara and Whataroa water treatment plant upgrades were completed in this reporting period. Minor landscaping works surrounding the facilities will be completed during 2020/2021. A new bore is also being investigated for the Whataroa water treatment plant.

The Arahura water treatment plant upgrade project received tenders for the project and tender evaluation began in the reporting period. The project is delayed due to issues around the easement and lease.

Fox Glacier water treatment plant upgrade project received tenders for the project and tender evaluation began in the reporting period. Due to the complex nature of this water treatment plant evaluation of the tenders is taking longer than anticipated.

Funding Impact Statement (for the Water Supply group)

For the year ended 30 June 2020

Group Level Funding Impact Statement			
	Long Term Plan 2019 \$000	Long Term Plan 2020 \$000	Actual 2020 \$000
Water Supply			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	63	65	70
Targeted Rates	4,118	4,229	4,347
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Interest and dividends from investments	-	-	1
Local authorities fuel tax, fines, infringement fees, and other receipts	3	3	9
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	4,183	4,296	4,427
Applications of Operating Funding			
Payments to staff and suppliers	1,081	1,063	1,156
Finance Costs	196	192	-
Internal charges and overheads applied	898	914	829
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	2,175	2,169	1,985
Surplus/(Deficit) of Operating Funding (A - B)	2,008	2,126	2,442
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	243
Development and financial contributions	-	-	-
Increase (decrease) in debt	(107)	(1,026)	(1,130)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	(107)	(1,026)	(887)
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	1,120	215	755
- to replace existing assets	787	798	1,831
Increase (decrease) in reserves	(6)	87	(1,032)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	1,901	1,100	1,554
Surplus/(Deficit) of Capital Funding (C - D)	(2,008)	(2,126)	(2,442)
Funding Balance ((A - B) + (C - D))	-	-	-

Level of Service	Measure / Target	Progress
<p>Council supplied potable water is safe to drink</p>	<p>Safety of drinking water:</p> <p>The extent to which the local authority's drinking water supply complies with both:</p> <p>(a) part 4 of the drinking-water standards (bacteria compliance criteria), and</p> <p>(b) part 5 of the drinking-water standards (protozoal compliance criteria),</p> <p>These drinking water schemes will comply with parts (a) and (b) of the key performance measure:</p> <p>Years 1-3</p> <p>Hokitika, Ross, Harihari, Franz Josef, Haast</p> <p>Year 2</p> <p>Fox Glacier, the Arahura scheme if it is continued as a Council service</p> <p>Years 2-3</p> <p>Kumara, Whataroa</p>	<p>2019/2020:</p> <p>(a) To date 6 out of the 9 supplies are fully compliant with bacterial compliance criteria at both the water treatment plant and in the distribution zone (Hokitika, Franz Josef, Harihari, Kumara, Ross and Whataroa).</p> <p>8 out the 9 supplies comply with bacterial compliance in the distribution zone only.</p> <p>Fox Glacier was issued 4 boil water notices over the 2019-2020 year.</p> <p>Fox Glacier and Haast had E-coli detected in the After Plant (before consumers). E-Coli was not detected in the Haast distribution zone when the After Plant E-coli's were detected so there was no need to issue a boil water notice in these instances.</p> <p>While Arahura is compliant in the distribution zone, samples cannot be taken at the plant because there is no treatment plant.</p> <p>(b) 0 out of the 9 supplies compliant with protozoal compliance criteria.</p> <p>The data set for the Blue Spur plant in Hokitika was incomplete due to an equipment malfunction. A complete set is required for compliance.</p> <p>Ross failed part of the protozoal criteria due to turbidity being out or range for an extended period of time.</p> <p>Out of the remaining seven, Arahura and Fox Glacier treatment plants await upgrades to comply. Kumara, Whataroa, Harihari, Franz Josef and Haast require UV Pro-forma's to be lodged with the Drinking Water Assessor before compliance can be obtained. UV Pro-forma's relate to disinfections equipment at the water treatment plants.</p> <p>Note: Kumara & Whataroa still require the correct plant data to be recorded & logged for compliance.</p> <p>(2018/19</p> <p>(a) To date 5 out of the 9 supplies are fully compliant with bacterial compliance criteria at both the water treatment plant and in the distribution zone.</p>

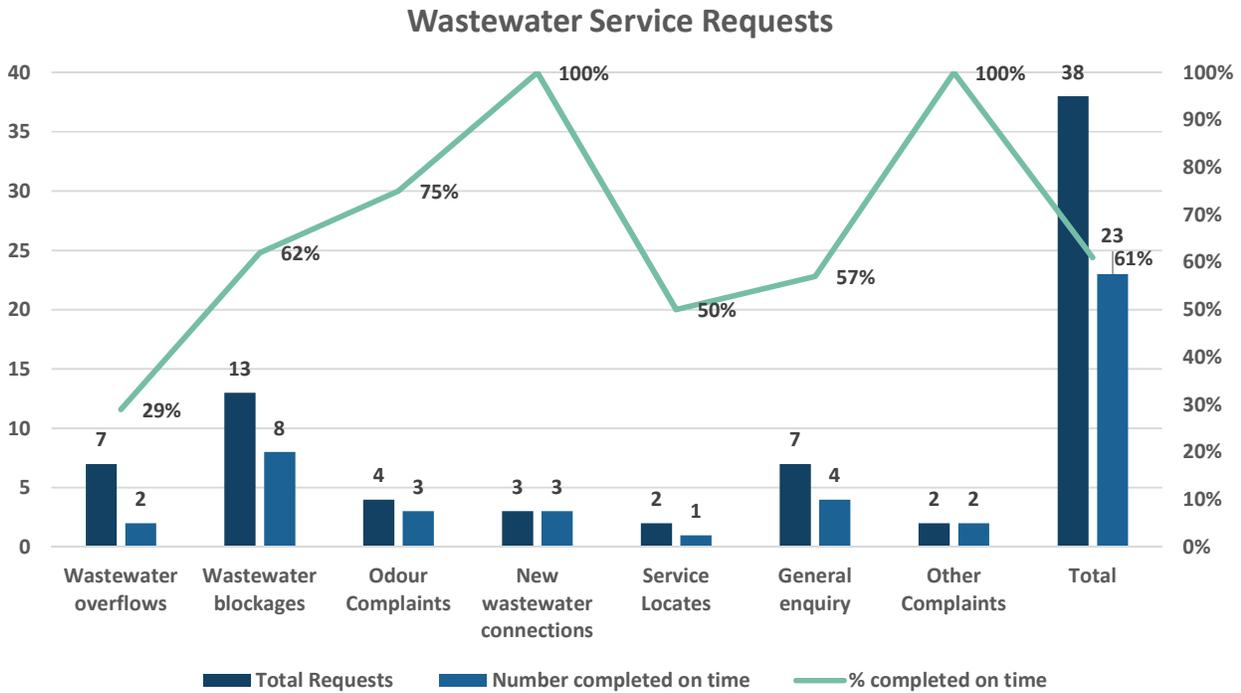
Level of Service	Measure / Target	Progress
		<p><i>Fox Glacier, Haast, Harihari, Kumara and Ross supplies were fully compliant.</i></p> <p><i>Hokitika zone had a sample missed which resulted in non-compliance with time between samples.</i></p> <p><i>Franz Josef had a transgression at the plant, which has resulted in non-compliance.</i></p> <p><i>Whataroa had a boil water notice issued due to a transgression at the plant.</i></p> <p><i>While Arahura is compliant in the distribution zone, samples cannot be taken at the plant because there is no treatment plant.</i></p> <p><i>(b) 0 out of the 9 supplies compliant with protozoal compliance criteria.</i></p> <p><i>Hokitika, Kumara, Ross, Harihari, Franz Josef and Haast had new reporting tools implemented for compliance with the Protozoal criteria. As the compliance period is for 12 months, these supplies will not comply for the 2018/19 year.</i></p> <p><i>The Whataroa Water Treatment Plant has not been completed.</i></p> <p><i>The contract has not yet been awarded for the upgrade of the Fox Glacier Water Treatment Plant.</i></p> <p><i>Arahura is currently under early stage investigation.)</i></p>
Requests for service are dealt with promptly	<p>Fault response times:</p> <p>Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:</p> <p>(a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (2 hours), 100%, and</p> <p>(b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. (12 hours) 100%, and</p> <p>(c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (24 hours) 100%, and</p> <p>(d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (72 hours)100%.</p>	<p>2019/2020:</p> <p>(a) No data for attendance times.</p> <p>(b) 76%</p> <p>(c) No data for attendance times.</p> <p>(d) 50%</p> <p>Council staff continue to work alongside contractors to review the Service Request process and system to ensure it is utilised correctly.</p> <p>(2018/19:</p> <p>(a) No data for attendance times</p> <p>(b) 24%</p> <p>(c) No data for attendance times</p> <p>(d) 26%</p> <p><i>Council staff are working alongside contractors to review the Service Request process and system to ensure it is fit for purpose.)</i></p>

Level of Service	Measure / Target	Progress
Council supplied water is reliable	<p>Maintenance of the reticulation network:</p> <p>The percentage of real water loss from the local authority’s networked reticulation system (including a description of the methodology used to calculate this).</p> <p>Not currently measured, monitored in a number of ways including; Telemetry, water meters, repair program, mains replacements and pressure management. This is in context with the Benchloss NZ Manual.</p>	<p>2019/2020: Not measured</p> <p>(2018/19: Not measured)</p>
	<p>Demand management:</p> <p>The average consumption of drinking water per day per resident within the territorial authority district is < 500l/day</p>	<p>2019/2020: Not measured.</p> <p>Council does not have the equipment to measure average consumption hence a new three yearly measurement was not performed in 2019/20.</p> <p>(2018/19: Not measured. Analysed on a three yearly basis. 2016/17 Winter 253l per head, Summer 480l per head)</p>
Customers are generally satisfied with the Council supplied water	<p>Customer satisfaction:</p> <p>The total number of complaints received by the local authority about any of the following:</p> <p>(a) drinking water clarity (b) drinking water taste (c) drinking water odour (d) drinking water pressure or flow (e) continuity of supply, and (f) the local authority’s response to any of these issues</p> <p>Expressed per 1000 connections to the local authority’s networked reticulation system 25 per 1000 connections (2755 connections)</p>	<p>2019/2020:</p> <p>(a) 5 (b) 3 (c) 0 (d) 15 (e) 15 (f) 7</p> <p>Total number of complaints = 45 Complaints per 1000 connections = 16</p> <p>The reason for the variation of (f) from previous years: following DIA guidance, each request is logged as a new complaint when the customer advises the original issue is unresolved. This is a process change from previous years.</p> <p>(2018/19:</p> <p>(a) 9 (b) 2 (c) 0 (d) 4 (e) 26 (f) 0</p> <p>Total number of complaints = 41 Complaints per 1000 connections = 16 [2640 connections])</p>

Wastewater Group

Council supplies reticulated wastewater to 2197 connections in the district (2019: 2065).

Council's customer service request system records show 38 wastewater related service requests logged between 1 July 2019 and 30 June 2020 (2019: 47). 23 were completed in the required timeframe (2019: 21). A breakdown of service requests is shown below*:



*Issues with user operation of the Service Request system affected the delivery and processing of requests resulting in poorer statistical outcomes than actual outcomes, for example, work completed within the required timeframes was not signed off as complete until after the end of the timeframe.

The Franz Josef wastewater treatment plant has been fully operational since early March 2020. The treatment plant ponds system has noticeably improved due to the extra treatment capacity. There is now a significant reduction in the hydraulic and biological loading on the two existing smaller maturation ponds.



The Rapid Infiltration Basin disposal field is operating exceptionally well with infiltration rates far exceeding the previous problematic single infiltration trench disposal field.

Another noticeable improvement is the reduction of odour due to the increased treatment capacity.

Funding Impact Statement (for the Wastewater group)

For the year ended 30 June 2020

Group Level Funding Impact Statement			
	Long Term Plan 2019 \$000	Long Term Plan 2020 \$000	Actual 2020 \$000
Wastewater			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	30	30	41
Targeted Rates	1,491	1,577	1,274
Subsidies and grants for operating purposes	-	-	-
Fees and charges	63	72	69
Interest and dividends from investments	-	-	7
Local authorities fuel tax, fines, infringement fees, and other receipts	9	-	28
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	1,592	1,679	1,419
Applications of Operating Funding			
Payments to staff and suppliers	458	464	547
Finance Costs	-	27	-
Internal charges and overheads applied	212	216	196
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	670	707	742
Surplus/(Deficit) of Operating Funding (A - B)	922	972	677
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	1,985	-	1,155
Development and financial contributions	-	-	-
Increase (decrease) in debt	609	289	1,095
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	2,594	289	2,250
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	10	10	12
- to improve the level of service	2,675	712	4,499
- to replace existing assets	242	106	86
Increase (decrease) in reserves	589	433	(1,669)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	3,516	1,261	2,928
Surplus/(Deficit) of Capital Funding (C - D)	(922)	(972)	(677)
Funding Balance ((A - B) + (C - D))	-	-	-

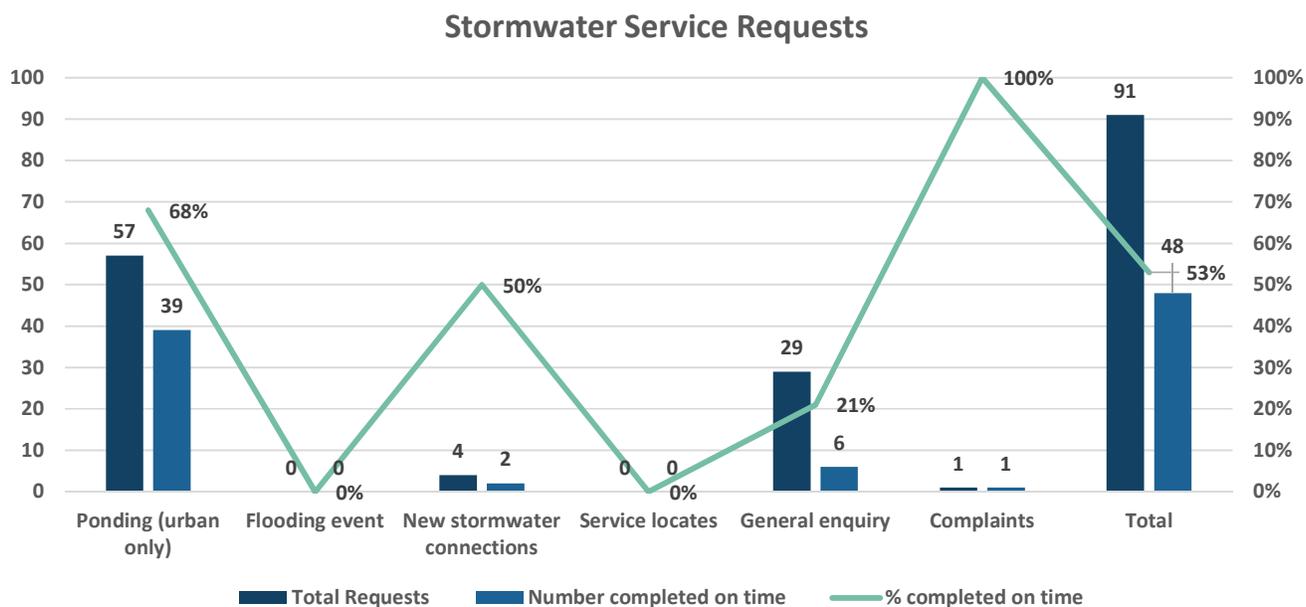
Level of Service	Measure / Target	Progress
<p>Council wastewater systems are managed without risk to public health</p>	<p>System and adequacy:</p> <p>The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system. 10 per 1000 connections (2197 connections)</p>	<p>2019/2020:</p> <p>4 – 1 dry weather + 3 unknown rainfall sewerage overflows reported.</p> <p>Reported overflows includes all dry weather overflows as well as overflows where the amount of rainfall is unknown. An overflow is considered to be 'dry weather' in the absence of information to the contrary. This is because due to the variation in weather across the district on any given day, an overflow event is considered to be in fine weather unless specifically noted. It is considered good practice to record all wastewater overflow to indicate if there are ongoing issues with a particular line or if there is excessive stormwater infiltration in a particular part of the wastewater reticulation.</p> <p>Complaints per 1000 connections = 1.8 (2018/19: 12 sewerage overflows reported.</p> <p>Reported overflows includes all overflows during dry and wet weather. This is because due to the variation in weather across the district on any given day, an overflow event is considered to be in fine weather unless specifically noted. It is considered good practice to record all wastewater overflow to indicate if there are ongoing issues with a particular line or if there is excessive stormwater infiltration in a particular part of the wastewater reticulation.</p> <p>Complaints per 1000 connections = 5.8 [2065 connections])</p>
<p>Council wastewater systems are safe and compliant</p>	<p>Discharge compliance:</p> <p>100% Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:</p> <ul style="list-style-type: none"> (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions. 	<p>2019/2020:</p> <ul style="list-style-type: none"> (a) 0 (b) 0 (c) 1 (d) 0 <p>In March 2020 the Franz Josef WWTP met all the conditions outlined in the court enforcement order.</p> <p>(2018/19: (a) 0 (b) 1 (c) 1 (d) 0</p> <p>In August 2018 the Haast WWTP breached consent conditions for discharging wastewater</p>

Level of Service	Measure / Target	Progress
		<p><i>to the river bed. The issued was fixed once Council was aware of the situation.</i></p> <p><i>The enforcement order for Franz Josef Wastewater Treatment Plant was carried forward from the 2017/18 year.)</i></p>
Customers are generally satisfied with the Council wastewater systems	<p>Fault response times:</p> <p>Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:</p> <p>(a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site (2 hours), 100% and</p> <p>(b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (4 hours) 100%.</p>	<p>2019/2020:</p> <p>(a) No data for attendance times.</p> <p>(b) 17% resolved within the required timeframe (1/7)</p> <p>Council staff have reviewed the Service Request process and implemented a procedure where the request will require attendance times completed before the request be signed off as complete. This will be reported on in the 2020/2021 year.</p> <p>(2018/19:</p> <p>(a) No reliable data available</p> <p>(b) 42% resolved within the required timeframe (5/12)</p> <p><i>Council staff are working alongside contractors to review the Service Request process and system to ensure it is fit for purpose.)</i></p>
	<p>Customer satisfaction:</p> <p>The total number of complaints received by the territorial authority about any of the following:</p> <p>(a) sewage odour</p> <p>(b) sewerage system faults</p> <p>(c) sewerage system blockages, and</p> <p>(d) the territorial authority's response to issues with its sewerage system,</p> <p>Expressed per 1000 connections to the territorial authority's sewerage system. 25 per 1000 connections (2197 connections)</p>	<p>2019/2020:</p> <p>(a) 4</p> <p>(b) 7</p> <p>(c) 13</p> <p>(d) 2</p> <p>Total number of complaints = 26 Complaints per 1000 connections = 11.8</p> <p>(2018/19:</p> <p>(a) 6</p> <p>(b) 12</p> <p>(c) 15</p> <p>(d) 0</p> <p>Total number of complaints = 33</p> <p><i>Complaints per 1000 connections = 16 [2065 connections]</i></p>

Stormwater Group

Council supplies reticulated wastewater to 495 connections in the Hokitika area (2019:434). The number of customers charged in their rates for use of Council stormwater services has been determined based on the Council's asset management system.

Council's customer service request system records show that there were 91 stormwater related service requests logged between 1 July 2019 and 30 June 2020 (2019:57). Forty-eight were completed in the required timeframe (2019: 25). A breakdown of service requests is shown below*:



*Issues with user operation of the Service Request system affected the delivery and processing of requests resulting in poorer statistical outcomes than actual outcomes, for example, work completed within the required timeframes was not signed off as complete until after the end of the timeframe.

In February 2020, Hokitika experienced a flash flood event with 40mm of rain falling within an hour. While no habitable floors were affected, there were numerous surface flooding reports.

New higher capacity pumps have been ordered for the Tancred Street pump station and are expected to be installed in September 2020. A large collection sump (Hynds Super pit), has been installed on the corner of Hamilton and Tancred Streets. The major river flap gate has been upgraded for Tancred Street stormwater discharge.

A technical report from Stantec has been received providing recommendations for the Livingstone and Jollie Street catchments. Work will proceed during 2020/2021.

Funding Impact Statement (for the Stormwater group)

For the year ended 30 June 2020

Group Level Funding Impact Statement			
	Long Term Plan 2019 \$000	Long Term Plan 2020 \$000	Actual 2020 \$000
Stormwater			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted Rates	576	693	560
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	5
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	576	693	564
Applications of Operating Funding			
Payments to staff and suppliers	110	112	143
Finance Costs	27	57	-
Internal charges and overheads applied	152	154	173
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	288	324	316
Surplus/(Deficit) of Operating Funding (A - B)	287	369	249
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	763	1,338	120
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	763	1,338	120
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	3
- to improve the level of service	800	1,415	204
- to replace existing assets	25	26	42
Increase (decrease) in reserves	225	267	120
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	1,050	1,707	368
Surplus/(Deficit) of Capital Funding (C - D)	(287)	(369)	(249)
Funding Balance ((A - B) + (C - D))	-	-	-

Level of Service	Measure / Target	Progress
Council Stormwater systems have the capacity to resist major storms and flooding events.	<p>System adequacy:</p> <p>(a) The number of flooding events that occur in a territorial authority district 2 events</p> <p>(b) For each flooding event, the number of habitable floors affected. Expressed per 1000 properties connected to the territorial authority's stormwater system. 10 per 1000 connections (495 connections)</p>	<p>2019/20:</p> <p>(a) 0 –No flooding events affecting habitable floors within the Council reticulated stormwater system.</p> <p>(b) Total habitable floors = 0 Per 1000 connections = 0</p> <p>No habitable floors were reported as flooded to Council. However, media reports for the flash flooding event in February 2020 note that two shops and a couple of sleep-outs may have had stormwater enter the properties.</p> <p>(2018/19: (a) 1 – 26 March storm event (b) Total habitable floors = 3 Per 1000 connections = 6.9 [434 connections]</p> <p><i>Three habitable floors reported flooding within the Hokitika stormwater reticulated system.)</i></p>
Requests for service are dealt with promptly	<p>Response times:</p> <p>The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site. (1 hour) 100%</p>	<p>2019/2020: There were no reported flooding events to attend.</p> <p>(2018/19: No data available for specific response time [1 hour])</p> <p><i>During the March storm event, 5 service requests were received with 4 being completed within required time frame given = 80%.)</i></p>
	<p>Customer satisfaction:</p> <p>The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system. 10 per 1000 connections (495 connections)</p>	<p>2019/2020:</p> <p>Total number of complaints = 58 Complaints per 1000 = 117.2</p> <p>The reason for the variation in number of complaints from previous years: following DIA guidance, each request is logged as a new complaint when the customer advises the original issue is unresolved. This is a process change from previous years.</p> <p>(2018/19: <i>Total number of complaints = 32 Complaints per 1000 = 73.7 [434 connections])</i></p>
Council storm water systems protect the natural environment	<p>Discharge compliance:</p> <p>100% Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p> <p>(a) abatement notices</p> <p>(b) infringement notices</p> <p>(c) enforcement orders, and</p> <p>(d) convictions</p>	<p>2019/2020</p> <p>(a) 0 (b) 0 (c) 0 (d) 0</p> <p>(2018/19: (a) 0 (b) 0 (c) 0 (d) 0)</p>

Solid Waste Management Group

Landfills and transfer stations

"I put the bins out and when I come back they're empty, that's what I'm after." *Biannual Resident Satisfaction Survey*

Landfill	Status	Comment	Expected Capacity
Butlers Landfill	Open	Open for authorised deliveries on a weekly basis. Monitoring is carried out in accordance with the resource consent.	A review of the volume remaining in the cells has revealed a life expectancy of 6.5 to 7.5 years depending on waste to site yearly volumes.
Haast Landfill	Open	Open twice weekly for limited hours. Monitoring requirements have been updated and need to plan for the end of landfill life.	There is an estimated 1.5 - 2 years life remaining as per AMP information.
Kumara	Closed	Monitoring requirements only	
Franz Josef	Closed	Monitoring requirements only	
Hannah's Clearing	Closed	Monitoring requirements only	
Hokitika	Closed	Monitoring requirements only	
Cron Road	Closed	Monitoring requirements only	
Transfer stations			
Hokitika	Open Daily	Contracted to Envirowaste	
Kumara	Open limited hours, twice weekly	Contracted to Envirowaste	
Fox Glacier	Closed	Pending relocation	
Whataroa	Open limited hours, twice weekly	Contracted to South Westland Rubbish Removal	
Hari Hari	Open limited hours, twice weekly	Contracted to Envirowaste	
Ross	Open limited hours, twice weekly	Contracted to Envirowaste	
Franz Josef	Open limited hours, twice weekly	Contracted to South Westland Rubbish Removal	

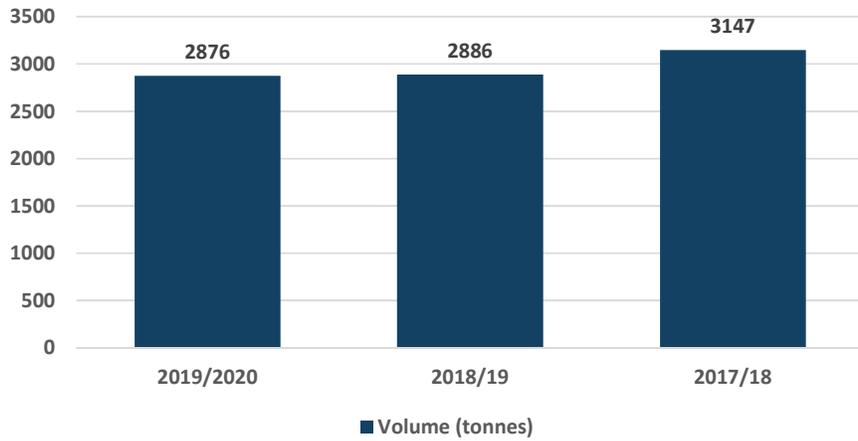
Volumes of Waste

There has been a general reduction in waste deposited in landfills over time. This is in part due to a decrease in tourist numbers following the Covid-19 pandemic and lockdown situation. The transfer stations remained fully operational throughout the alert levels.

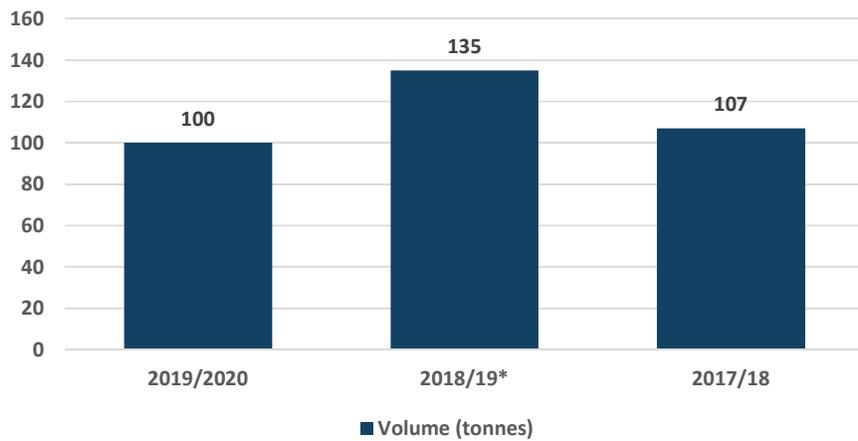
The Covid-19 lockdown caused a spike in the amount of rubbish sent to landfills due to the community undertaking section maintenance and house clearing during lockdown.

576.90 tonnes of waste was accepted for recycling, but residents require further education to ensure that items put into the recycling bins are recyclable.

Waste sent to Butlers Landfill



Waste sent to Haast Refuse Station



* Increased volume due to the March 2019 storm event.

Funding Impact Statement (for the Solid Waste Management group)

For the year ended 30 June 2020

Group Level Funding Impact Statement			
	Long Term Plan 2019 \$000	Long Term Plan 2020 \$000	Actual 2020 \$000
Solid Waste			
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	764	771	851
Targeted Rates	733	751	762
Subsidies and grants for operating purposes	-	-	-
Fees and charges	822	843	737
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	30
Internal charges and overheads recovered	-	-	-
Total Operating Funding (A)	2,319	2,364	2,381
Applications of Operating Funding			
Payments to staff and suppliers	1,710	1,752	1,534
Finance Costs	88	83	38
Internal charges and overheads applied	362	368	334
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	2,159	2,203	1,905
Surplus/(Deficit) of Operating Funding (A - B)	160	161	475
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(135)	93	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	(135)	93	-
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	15	-	409
- to replace existing assets	10	254	150
Increase (decrease) in reserves	-	-	(84)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding (D)	25	254	475
Surplus/(Deficit) of Capital Funding (C - D)	(160)	(161)	(475)
Funding Balance ((A - B) + (C - D))	-	-	-

Level of Service	Measure / Target	Progress
Solid waste is managed appropriately	All necessary consents for solid waste activities and capital projects are applied for, held and monitored accordingly 100%	<p>2019/2020:</p> <p>100% consents in place, all testing requirements for 12 months followed and results provided to West Coast Regional Council.</p> <p><i>(2018/19: 100% consents in place, all testing requirements for 12 months followed and results provided to West Coast Regional Council. Increased focus has been applied in this area.)</i></p>
Education about waste minimisation is provided to the community	<p>Number of visits to schools and community groups:</p> <p>3 schools, 3 x community groups per annum</p>	<p>2019/2020:</p> <p>5 x school inclusion in EnviroSchools education program explored. (resources limited within their organisation)</p> <p>School visit (Kaniere) undertaken to Transfer Station and Butlers Landfill to improve community knowledge & exposure to waste streams.</p> <p>EnviroSchools and Paper4waste manage internal school educational programmes for WDC. Increase in school participation is prepared for the coming year.</p> <p>Staff inclusion continues in the “Green Team” group to provide an outlet for community interaction & involvement.</p> <p><i>(2018/19: 5 x school inclusion; 1 x community group visits. EnviroSchools and Paper4waste manage internal school educational programmes for WDC. Increase in school participation is prepared for the coming year.</i></p> <p><i>Involvement in the “Green Team” group to provide an outlet for community integration has been instigated this year.)</i></p>

INDEPENDENT AUDITOR'S REPORT

[PLACEHOLDER]

DRAFT

OTHER INFORMATION

Council Committees and Subcommittees

Audit and Risk Committee	Rachael Dean (Independent Chair), His Worship the Mayor, Cr Anna Hart, Cr Jane Neale, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio)
Capital Projects and Tenders Committee	Deputy Mayor David Carruthers (Chair), His Worship the Mayor (Chair), Cr Paul Davidson, Cr Anna Hart, Cr Ian Hartshorne, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio)
Community Development Committee	Cr Latham Martin (Chair), His Worship the Mayor, Deputy Mayor David Carruthers, Cr Paul Davidson, Cr Jenny Keogan, Cr Jane Neale, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio)
Economic Development Committee	His Worship the Mayor (Chair), Cr Paul Davidson, Cr Anna Hart, Cr Jenny Keogan, Cr Latham Martin, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio), Joanne Conroy (Chair Westland Holdings Ltd), Peter Cuff (Chair, Westroads), Jo Birnie (Development West Coast)
Planning and Regulatory Services Committee	Cr Latham Martin (Chair), His Worship the Mayor, Cr Paul Davidson, Cr Ryan Kennedy, Cr Ian Hartshorne, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio)
Chief Executive's Review Committee	His Worship the Mayor (Chair), Deputy Mayor David Carruthers, Cr Latham Martin
Parks, Reserves and Environment Subcommittee <i>(Subcommittee of the Community Development Committee)</i>	Cr Latham Martin (Chair), His Worship the Mayor, Cr Jane Neale, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio), Donna Baird, Kate Baird, Riley Burden, Rob Daniel, Sue Davis, Biddy Maera, Pip Meuli, Jo Parsons
West Coast Wilderness Trail Subcommittee <i>(Subcommittee of the Capital Projects and Tenders Committee)</i>	Cr Paul Davidson (Chair), His Worship the Mayor, Francois Tumahai (Chair of Te Rūnanga o Ngāti Waewae), Paul Madgwick (Chair of Te Rūnanga o Makaawhio), Tim Brownlee (Truspower), Geoff Gabites (WCWT Chair), Jackie Gurden (WCWT), Cr Peter Haddock (Grey District Council), Nicole Kunzmann (Operations Manager, Department of Conservation).

Other Council Organisations

Westland Wilderness Trust <i>(This is a Council Organisation and is the governance body for the West Coast Wilderness Trail. As required in the constitution two Council representatives are required).</i>	Deputy Mayor David Carruthers, Cr Paul Davidson, Cr Jane Neale, Paul Madgwick (Chair of Te Rūnanga o Makaawhio)
Hokitika Seawall Joint Committee <i>(This is a Joint Committee with the West Coast Regional Council established to oversee the management of the Hokitika Seawall).</i>	Deputy Mayor David Carruthers, Cr Paul Davidson, Cr Jane Neale, Cr Jenny Keogan
West Coast Regional Transport Committee	Cr Hartshorne.

*(This Joint Committee is a Committee of Council that is required under section 105 of the Land Transport Management Act.
Council is required to appoint one elected member as representative on this Committee.)*

**Membership of Civil Defence Emergency Management Groups -
West Coast Emergency Management Group**

(Section 13 of the Civil Defence and Emergency Management Act 2002 states that "Each local authority that is a member of a Group with other local authorities must be represented on the Group by 1, and only 1, person, being the mayor or chairperson of that local authority or an elected person from that local authority who has delegated authority to act for the mayor or chairperson.")

His Worship the Mayor

Elected Member Liaison Roles with Community Associations

Organisation	Appointment
Destination Hokitika	Cr Jenny Keogan, Cr Latham Martin
Fox Glacier Community Association	Cr Ian Hartshorne, Cr Ryan Kennedy
Franz Inc	Cr Ian Hartshorne, Cr Ryan Kennedy
Franz Josef / Waiau Community Forum	Cr Ian Hartshorne, Cr Ryan Kennedy
Glacier Country Tourism Group	Cr Ian Hartshorne, Cr Ryan Kennedy
Haast Promotions Group	Cr Ian Hartshorne, Cr Ryan Kennedy
Hari Hari Community Association	Cr Ian Hartshorne, Cr Ryan Kennedy
Heritage Hokitika	Deputy Mayor David Carruthers
Heritage West Coast	Deputy Mayor David Carruthers
Kumara Residents Association	Cr Anna Hart, Cr Jenny Keogan
Ōkārito Community Association	Cr Ian Hartshorne, Cr Ryan Kennedy
Ross Community Society	Cr Jenny Keogan and Cr Jane Neale
Safe Community Coalition	Cr Ryan Kennedy, Cr Jane Neale, Cr Paul Davidson
Whataroa Community Association	Cr Ian Hartshorne, Cr Ryan Kennedy

Other Appointments

Group	Appointment
Creative Communities Local Assessment Committee	Cr Martin, Cr Neale
Development West Coast – Appointment Panel	His Worship the Mayor
District Licensing Committee Appointment of Deputy Chair	Deputy Mayor Carruthers
Sport NZ Rural Travel Fund – Allocation Committee	Cr Neale
Future Franz <i>(The purpose of the Working Group is to work in a collaborative manner to plan for the future of the Franz Josef/Waiau area in regards to the challenges it faces.)</i>	His Worship the Mayor (Chair), Cr Ian Hartshorne, Cr Ryan Kennedy

COUNCIL CONTROLLED ORGANISATIONS



Westland Holdings Limited	Joanne Conroy (Chair), Chris Gourley, Chris Rea
Destination Westland	Joanne Conroy – Chair (appointed 25 May 2020), Christopher Gourley (appointed 2 June 2020), Christopher Rea (appointed 22 May 2020) Richard Benton (Retired 28 June 2020), Bruce Gemmell (Retired 21 May 2020), Ian Hustwick (Retired 22 May 2020), Councillor Latham Martin (Retired 30 June 2020)
Westroads Limited	Peter Cuff (Chair), Ross Pickworth, Bryce Thomson, Mark Rogers (appointed 15 October 2019)

GLOSSARY OF TERMS

Activity

Services provided by, or on behalf of, Council, for example the library.

Activity / Asset Management Plan

A plan for managing an activity ensuring that it has capacity to maintain service, there is a future strategy and work and future costs are planned for.

Activity Group

Several activities grouped together. There are nine activity groups at Westland District Council.

Annual Plan

The Annual Plan is produced in years 2 and 3 of the Long Term Plan. It includes the work programme for the year and financial statements and identify any amendments to the Long Term Plan for that year.

Annual Report

An audited end of financial year report on the performance of Council against the objectives, policies, activities, performance measures, indicative costs, and sources of funds outlined in the Annual Plan and Long Term Plan. Any variances are explained.

Asset

Something that the Council owns on behalf of the community, generally infrastructure.

Assumptions

These are the underlying ideas made by Council that affects financial planning for Council activities.

Borrowing

Raising of loans for capital items, such as water treatment.

Capital Expenditure

Expenditure that will increase the value of Council's assets. Generally replacing an existing asset or building a new one.

Capital Value

Value of land including any improvements.

Community

Everyone who lives and works in Westland District.

Consultation

The dialogue held before decision-making. An exchange of information, points of view and options for decisions between affected people and decision makers.

Consultation Document

A document used to consult on issues. It may contain options and preferred options.

Cost of Services

Relate to a specific activity. This includes the direct and indirect costs that have been allocated to the activity. Indirect costs include interest on public debt, cost of support services and depreciation allowances.

Council Controlled Organisation (CCO)

Defined by s 6 of the Local Government Act. An organisation in which one or more local authorities:

- 50 percent or more shareholding

- 50 percent or more voting rights; or
- Right to appoint 50 percent or more of the directors.

Depreciation

The wearing out, consumption or loss of value of an asset over time.

Financial Strategy

Required under s 101A of the Local Government Act. Council's financial direction, including information around revenue, expenditure, rating, debt and investments.

Financial Year

Runs from 1 July to 30 June of the following year.

General Rate

A rate levied across all properties in a district for activities that benefit the whole district.

Income

Includes fees and licences charged for Council services and contributions by outside parties.

Infrastructure

The assets that provide essential services.

Infrastructure Strategy

Under s 101B of the Local Government Act. A 30 year strategy that at minimum covers roading and footpaths, sewer, stormwater, flood control and water supply.

Land Value

Value of land, excluding any improvements.

Levels of Service

The standard to which Council commits to provide services.

Local Government Act 2002

The legislations that defines the powers and responsibilities of local authorities.

Long Term Plan (LTP)

The ten year plan setting out Council's strategic framework, work programme, performance framework, funding approach and budgets for the next ten years.

Operating Expenditure

Day-to-day spending on expenses such as salaries, utilities and rentals.

Operating Revenue

Money received by way of grants or assistance for provision of particular services, and income generated through activities such as permits and fees.

Operating Surplus/(Deficit)

Accounting terms meaning greater income than expenditure, and greater expenditure than income respectively. This is inclusive of non-cash items such as income and expenditure owing but not paid (debtors and creditors) and depreciation.

Performance Measures

Measures used to assessed if the Council is achieving objectives set in the Long Term Plan.

Rates

Funds collected from levies on property. Based on the land value of the property. Can include Uniform Annual General Charges and Targeted Rates.

Revenue and Financing Policy

Describes how the Council's work will be paid for and how funds will be gathered.

Significance

The degree of importance of an issue, proposal, decision or matter, as assessed by the local authority.

Significance and Engagement Policy

A policy adopted by Council that enables Council and communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities. Describes how and when communities can expect to be engaged in decisions that Council is making.

Solid Waste

Waste products that are not liquid or gas, for example, general household rubbish.

Statement of Cash Flows

The cash effect of transactions. Broken down into operating, investing and financial activities.

Statement of Comprehensive Revenue and Expense

Also known as the Profit and Loss Statement, Income Statement or Operating Statement. Shows the financial results of Council activities at the end of each period, either as surplus or deficit. Does not include asset purchases or disposals.

Statement of Financial Position

Also known as the Balance Sheet. The financial state of affairs at a particular time.

Stormwater

Water that is discharged during rain and run-off from hard surfaces.

Subsidies

Amounts received from other agencies for the provision of services.

Targeted Rates

A rate that is for users of a specific service, rather than a general rate. For example, water use.

Transfer to/from Reserves

Transfer of funds to reserves are generally surpluses on operations. Transfers from reserves assist to fund capital expenditure.

Uniform Annual General Charge (UAGC)

A portion of the general rate collected for each property. All properties receive equal benefit for services regardless of the rateable value. For example, libraries.

User Charges

Charges levied for the use of Council services, for example Building Consent fees.

Wastewater

Waste products from homes and businesses.

Working Capital

Net current assets held in cash or readily converted to cash, less liabilities due for payment within a year. This is indicative of Council's abilities to meet its obligations as they become due.