



AGENDA

Extraordinary Meeting of the Buller District Council

**Commencing at 4:30pm
Wednesday 21 October 2022**

*To be held at the
Clocktower Chambers
Palmerston Street
Westport*

Council

Chairperson: Mayor

Membership: The Mayor and all Councillors

Meeting Frequency: Monthly – or as required

Quorum: A majority of members (including vacancies)

Purpose

The Council is responsible for:

1. Providing leadership to, and advocacy on behalf of, the people of Buller district.
2. Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

Terms of Reference

1. To exercise those powers and responsibilities which cannot legally be delegated by Council:
 - a) The power to set district rates.
 - b) The power to create, adopt and implement a bylaw.
 - c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
 - d) The power to adopt a Long Term Plan or Annual Plan, or Annual Report.
 - e) The power to appoint a Chief Executive Officer.
 - f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan, or developed for the purpose of the Council's governance statement, including the Infrastructure Strategy.
 - g) The power to adopt a remuneration and employment policy for Chief Executive Officer.
 - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
 - i) The power to approve or amend the Council's Standing Orders.
 - j) The power to approve or amend the Code of Conduct for Elected Members.
 - k) The power to appoint and discharge members of committees.
 - l) The power to establish a joint committee with another local authority or other public body.
 - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
 - n) Health & Safety obligations and legislative requirements are met.

2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
 - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
 - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
 - c) Adoption of governance level strategies, plans and policies which advance Council's vision and strategic goals.
 - d) Approval of the Triennial Agreement.
 - e) Approval of the local governance statement required under the Local Government Act 2002.
 - f) Approval of a proposal to the Remuneration Authority for the remuneration of Members.
 - g) Approval of any changes to the nature and delegations of the Committees.

Common Delegations

The following delegations from Council are common to the Risk and Audit Committee, the Community, Environment and Services Committee and the Regulatory, Hearings and Planning Committee within their respective areas of responsibility.

General Principal

1. The work of these Committees will be in accordance with the priorities and work programme agreed by the Council.
2. These Committees have the powers necessary to perform the Committee's responsibilities, in accordance with the approved Long Term Plan and Annual Plan budgets. Subject to confirmation of compliance with the financial strategy.

These Committees will:

Strategy, plans and policy

1. Develop and agree to strategies, plans and policies for the purposes of consultation and/or engagement with community.
2. Recommend to Council for adoption.
3. Monitor and review as and when required.

Bylaws

1. Develop and agree to the statement of proposal for new or amended bylaws for consultation.
2. Recommend to Council new or amended bylaws for adoption.

Consultation and engagement

1. Ensure appropriate, effective and transparent engagement with the community, tangata whenua and other stakeholders.
2. Conduct any public engagement required on issues before the Committee, in accordance with Council's Significance and Engagement Policy.
3. Conduct hearings, where appropriate, to consider submissions from members of the public and external organisations, making determinations on such matters unless they are reserved for Council to decide.

Submissions and legislation

1. Approve submissions to external bodies/organisations on legislation and proposals, related to the Committee's areas of responsibility, that impact governance policy or matters.
2. Monitor and oversee strategic projects and programmes.
3. Monitor Council's Asset Management Plans/Strategic Infrastructure Plan.

Contracts

1. Approve and monitor contracts and other legally binding arrangements provided that such contracts/arrangements:
 - a) Do not require the approval of the whole of Council; and
 - b) Fall within the budget approved under the Long Term Plan or Annual Plan and have a value exceeding the Chief Executive's financial delegation.

Other

1. Consider and make decisions which are within the Chief Executive Officer's delegations, and which the Chief Executive Officer has referred to the Committee for recommendation to Council.
2. Consider and make decisions on operational matters that fall within a Committee's area of responsibility that are outside of delegations to the Chief Executive Officer or other Council officers.
3. Commission new Committee reports and work required to respond to significant or compliance issues, or to complete the agreed programme of Council.
4. Monitor Audit recommendations and ensure completion.

Buller District Council Extraordinary Meeting

Venue: Clocktower Chambers, Westport. Livestreamed on BDC YouTube Channel



21 December 2022 04:30 PM - 05:30 PM

Agenda Topic	Page
1. Apologies	7
2. Members Interests	8
3. BDC Annual Report Adoption	9
3.1 Attachment 1: Annual Report 2021/2022	13

BULLER DISTRICT COUNCIL

EXTRAORDINARY MEETING

21 DECEMBER 2022

AGENDA ITEM 1

Prepared by Rachel Townrow
Acting Chief Executive

APOLOGIES

1. REPORT SUMMARY

That Buller District Council receive any apologies or requests for leave of absence from elected members.

2. DRAFT RECOMMENDATION

That there are no apologies to be received and no requests for leave of absence.

OR

That Buller District Council receives apologies from (insert councillor name) and accepts councillor (insert name) request for leave of absence.

BULLER DISTRICT COUNCIL

EXTRAORDINARY MEETING

21 DECEMBER 2022

AGENDA ITEM 2

Prepared by Rachel Townrow
Acting Chief Executive

MEMBERS INTEREST

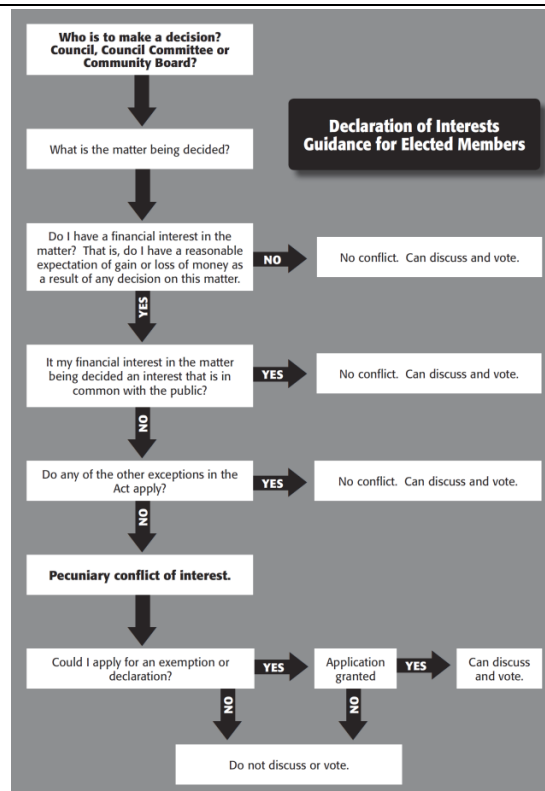
Members are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.

Councillors are encouraged to advise the Governance Assistant, of any changes required to their declared Members Interest Register.

The attached flowchart may assist members in making that determination (Appendix A from Code of Conduct).

DRAFT RECOMMENDATION:

That Members disclose any financial or non-financial interest in any of the agenda items.



BULLER DISTRICT COUNCIL

21 DECEMBER 2022

AGENDA ITEM 3

Prepared by Douglas Marshall
Chief Financial Officer

Reviewed by Rachel Townrow
Chief Executive Officer

Attachments Attachment 1 – Annual Report Buller District Council

ADOPT 2021/2022 ANNUAL REPORT– BULLER DISTRICT COUNCIL AND GROUP

1. REPORT SUMMARY

Each year Council must adopt the Annual Report for the Buller District Council as required by section 98 of the Local Government Act 2002. The purpose of this report is to present the Annual Report for the year ended 30 June 2022 and to seek Councillor approval to adopt the Annual Report.

As at the date of creating this agenda and presenting this report to Council, the audit of the 2021/2022 Annual Report for the Buller District Council has not been completed and Council has not yet received its unmodified Audit Opinion.

The audit opinion will arrive at the latest by mid-day on Wednesday 21st December 2022 and we will circulate this by email at this date or earlier when received.

The recommendation below authorises the Mayor and the Chief Executive Officer to make minor amendments to the 2021/2022 Annual Report in order to receive the unmodified Audit Opinion.

2. DRAFT RECOMMENDATION

That Council with regard to the 2021/2022 Annual Report:

- a) Adopts the annual report with the Auditor's Report;
- b) Delegates to the Chief Executive the authority to make alterations of minor effect or to correct any minor errors to the approved Annual Report ;

- c) Authorises the Mayor and Chief Executive and Chief Financial Officer to sign the statement of compliance and responsibility; and
- d) Authorises the Mayor and Chief Executive to sign the representation letter to Ernst Young.

3. ISSUES & DISCUSSION

3.1 Highlights from the Annual Report

Buller District Council Group reported before tax surplus of \$8.29m for the year ended 30 June 2022, a decrease of \$1.48m compared to last year. This includes a non-cash loss of \$0.50m for the write-off of New Zealand Whitebait Limited shares.

Total revenue for the Group was \$63.24m, \$8.26m more than the prior year, and total expenses were \$54.94m, \$9.75m more than the prior year. Results are significantly affected by the flooding events of July 2021 and February 2022 which saw additional grants and associated flood response and recovery expenditure flowing through the group financial statements.

Net debt for the Group is \$12.55m, \$1.29m more than the prior year, the movement includes debt draw down for Reefton Whole of Supply water infrastructure upgrade \$1.44m. The remainder of the movement is loan repayments made.

Council results show Total Comprehensive Revenue and Expense was \$61.58m, \$48.84m more than the conservative budget of \$12.74m. The major contributor to the increase is the non-cash recognition of \$54.78m for the infrastructure assets revaluation. The revaluation restates roading and transport assets as well as 3 waters assets to current market rate carrying values and is a process that is completed every three years.

Other variances are mainly attributable to the significant flood events throughout the year. Council has included a new, separate section called "Flood Recovery" in the financial statements to explain the financial impacts and to explain the activity in greater detail.

4. CONSIDERATIONS

4.1 Strategic Impact

Appropriate reporting provides valuable information to enable decisions to be made on the future operations of the entities.

4.2 Significance Assessment

This matter is not deemed significant under the Council's Significance and Engagement Policy. It is a factual report on the Council's prior year activities and adoption will not affect the current year finances of Council, nor impact on the wellbeing of the district or any individual.

4.3 Risk Analysis

If reports are not provided, a number of legislative requirements would be breached. Analysis of financial reports enables adjustment to future operations to be made contributing to better efficiency and effectiveness.

4.4 Values

Reports provide accountability to Council and the community, and assurance that ratepayer funds are being utilised in an effective manner.

The Buller District Values are: Integrity, Future Focussed, Community Driven, One Team and We Care.

4.5 Policy / Legal Considerations

A local authority must adopt an Annual Report within the statutory timeframe under section 98 of the Local Government Act 2002 as follows:

Section 98 of the Local Government Act

Annual report

- (1) A local authority must prepare and adopt in respect of each financial year an annual report containing in respect of that year the information required by Part 3 of Schedule 10.
- (2) The purposes of an annual report are—
 - (a) to compare the actual activities and the actual performance of the local authority in the year with the intended activities and the intended level of performance as set out in respect of the year in the long-term plan and the annual plan; and
 - (b) to promote the local authority's accountability to the community for the decisions made throughout the year by the local authority.
- (3) Each annual report must be completed and adopted, by resolution, within 4 months after the end of the financial year to which it relates.
- (4) A local authority must, within 1 month after the adoption of its annual report, make publicly available—
 - (a) its annual report; and
 - (b) summary of the information contained in its annual report.
- (5) The summary must represent, fairly and consistently, the information regarding the major matters dealt with in the annual report.

- (6) A local authority must, within 1 month after the adoption of its annual report, send copies of that report and of the summary prepared under subsection (4)(b) to—
- (a) the Secretary; and
 - (b) the Auditor-General; and
 - (c) the Parliamentary Library

The above legislation was amended by the Annual Report and Audit Time Frames Extensions Legislation Act 2021. This Act gives special arrangements to Local Government allowing both the June 2021 and 2022 Annual Reports to be adopted no later than 31 December in each year, this was due to impacts of Covid-19. These special provisions are set to be repealed in the new year, during early 2023, therefore only apply for this year.

4.6 Tangata Whenua Considerations

There is no requirement to consult with iwi.

4.7 Views of Those Affected

There is no requirement to consult or seek the views of other parties with respect to this report.

4.8 Costs

The cost of providing an Annual report including audit costs is included in Annual Plan budgets.

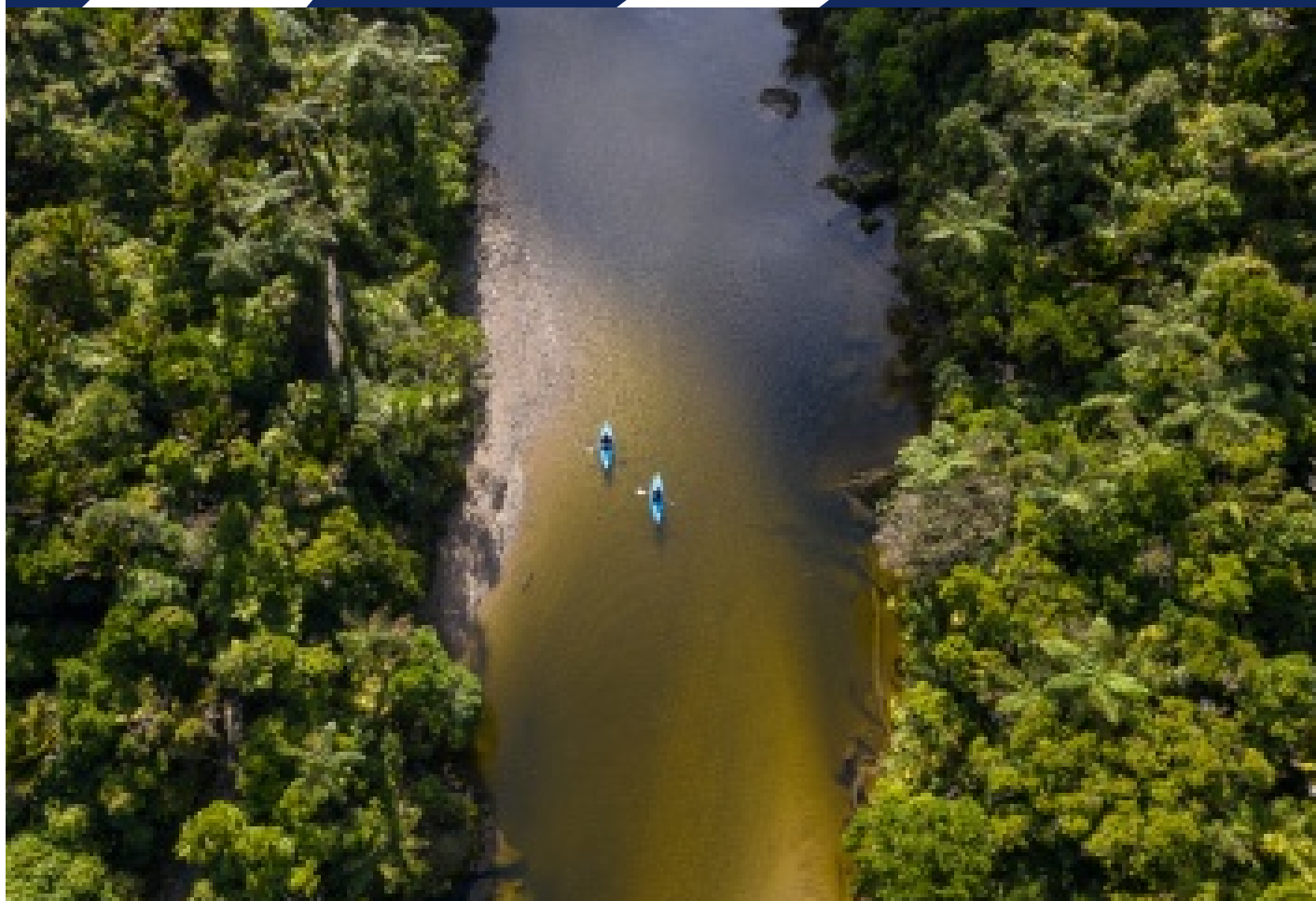
4.9 Benefits

Provision of an annual report provides accountability to Council, ratepayers, the community and stakeholders. It enables future decisions to be made on the provision of services.

4.10 Media / Publicity

A media release will be prepared and will be released to the Westport News.

BULLER
COUNCIL
Whānau o Kawatiri



Annual Report

2022



Contents

A message from our Mayor and Chief Executive Officer	4
Our Council Members	7
Key Financial Information	9
Our Financial Performance at a Glance	13
Council Vision and Mission Statements	18
Community Outcomes and Well-being	19
Working with Iwi	21
The Role of the Annual Report and Financial Statements	23
Statement of Compliance and Responsibility	24
How the Annual Report fits into Council's Overall Planning Framework	25
Our Work in Detail	27
Financial Statements	109
Notes to Financial Statements	116
Statement of Accounting Policies	175
Auditor's Report	183

A message from our Mayor and Chief Executive Officer

**Me mahi tahi tatou, kia whai
Orangatanga mo te Katoa.**

**We need to work together to have
prosperity for all.**

Introduction from the Mayor and Chief Executive Officer

Welcome to the Buller District Council's Annual Report for 2021/2022 which details our performance for the second year of the Long-Term Plan (LTP) 2021-2031 "Shaping our District". Despite two significant flood events and a further COVID-19 lockdown we have done our best to keep our focus on our planned work and incorporated significant flood recovery activities and infrastructure repairs.

This included delivering the infrastructure works programme above 90% for the fourth year in a row, completion of key Kānoa (previously Provincial Growth Fund) and Ministry Business Innovation Environment (MBIE) funded projects such as the Tidal Creek No2 Bridge, Rough Creek Bridge, the Reefton water supply upgrade, the Punakaiki water trunk main upgrade, the Toki Bridge and commencing the Temporary Village at Alma Road.

Partnership with Mana whenua

Under the Crown's obligations arising from Te Tiriti o Waitangi, Te Runanga o Ngāti Waewae as mana whenua are engaged in the future direction setting for the West Coast and specifically the Buller District. Our partnership has continued to mature and develop over time and this year the Buller community was privileged to receive E Toru Ngā Mea, a significant pounamu gift from Te Runanga o Ngāti Waewae at the Toki Poutangata Bridge official opening.

Significant flood events

The past 12 months have seen the district feeling the impacts of climate change through two extreme weather events. Two significant floods have rattled our district, resulting in significant damage to Council's infrastructure, damaged assets like the port and airport, and displaced community members from their homes.

Buller District Council has worked in partnership with central government agencies to address the enormous financial impact created through the floods, recognising the unaffordability for the small rate payer base in our district.



The partnership resulted in Council receiving a total of \$24 million from Cabinet through National Emergency Management Agency (NEMA) and the Department of Internal Affairs (DIA). The funding request sat outside of normal government policy and reflects the uniqueness of Buller's ongoing flood recovery.

The establishment of the Community Hub as a focal point to support flood affected community members has been crucial. Our partner agencies, Homebuilders West Coast Trust, Buller REAP, Poutini Waiora, Residential Accommodation Services and Temporary Accommodation Services teams have worked tirelessly over the past 12 months, we are appreciative of their endeavours.

In addition, Council is working with the West Coast Regional Council (WCRC) and central government agencies to develop a multi tool approach to improve Westport's resilience to future flooding. These are significant and complex projects over a multi-year period that will require considerable input from all parties involved to achieve the outcome we all desire.

The flood events have sharpened our focus on aging Council infrastructure, roading networks, climate change challenges, environmental degradation, and limitations in housing. Buller District Council's agreed funding package with Waka Kotahi has enabled the continuation of increased levels of investment into local roading and transport (footpath maintenance, replacement, taxis). Post flood negotiations for an emergency road works package will see significant parts of the roading network repaired and stabilised.

Stormwater assets have received initial repair and stabilisation improvements post flood and we have secured a significant funding package for repair of storm effected networks. This programme will be implemented in the 2022-2023 financial year. In the meantime, increased levels of stormwater hydro cleaning have taken place. The placement of pumps during periods of high volumes of rainfall has assisted in alleviating pockets of flooding in areas around Westport which are prone to flooding.

Climate change adaptation

Council's focus will remain to prepare the district to adapt to climate change. The flood events have highlighted the need for some difficult conversations with the community around climate change and adaptation as the effects are being felt here and now. Council adopted a staged approach to developing a climate change adaptation strategy spreading the cost of the allocated \$315,000. The first stage during 2021- 2022 has been to formulate a project plan and hold workshops with key community stakeholders.

Property Rationalisation and Infrastructure Acceleration Fund

Over the past year Council endorsed a strategy to better use our property assets. The project aims to identify

underutilised land and property owned by Council and divest it if there is no strategic value. The property rationalisation project ties into Council understanding that housing stock is a key challenge for the district, particularly rental accommodation, pensioner housing and properties for local first-time home buyers. Buller District Council submitted an application in June 2021 in response to the central government Infrastructure Acceleration Fund (IAF). Throughout 2021-2022 Council has successfully moved through the different phases of the process and has now entered into the negotiation phase of the IAF process.

At a high-level Council's application is to provide key infrastructure (three waters and roading) from State Highway 67 through to the top end of Alma Road, the total budget applied for (and capped at) is \$13,502,372. By accessing the fund, Council will be able to enable the build of up to 400 new houses over a twenty-year period.

Growth and development

Council continues to have a strong focus on economic development opportunities through the Environmental Improvement and Prosperity Strategy adopted in November 2020. Over the past 12-months, over \$2.3 million of external funding has been secured to deliver



environmental improvement projects within the district.

The projects range from landscape wide weed control, creating nature connections and science programmes for our tamariki, wasp biocontrol, to exploring ways to recycle and divert waste away from landfill from construction and demolition. As well as environmental benefits, the funding has created six full-time equivalent Buller-based jobs with further employment opportunities likely to be created in the future.

We are working in partnership with Iwi and public private commercial opportunities to enhance and increase population growth in Buller. This includes a commercial lease agreement to utilise Westport's port with West Coast Bulk Logistics. This will enable a new extractive industry on the West Coast to flourish. A strategic operational relationship with the Alliance Shipping group will enable the establishment of coastal shipping routes around New Zealand.

External funding from Kānoa of approximately 18 million dollars, has led to the successful completion of many wide and varied projects in the district, creating jobs and supporting businesses through COVID-19.

These include the district wide upgrade of many community halls and war memorials, improvements at the Westport port, upgrade of the Westport water trunk main, renewal of the Punakaiki trunk main, and replacement of the Tidal Creek No 2 bridge.

Buller Districts GDP grew 15% in the year to March 2022, although the inflationary and economic challenges from COVID-19 were felt in the final quarter ending June 2022. Buller's performance remained strong on an annual basis, this includes tourism expenditure increasing by 9.8%. This growth driven by domestic tourism has more than counterweighted the loss of international visitors.

Focus on youth and Mayor Taskforce for Jobs

Mayors for Jobs taskforce (MTFJ) remains a key element in our district's effort to attract and retain young people in the area. Buller has had another very successful year, exceeding all expectations. Despite the headwinds, our business community and job seekers continued to be positive, seeking opportunity to grow and develop.

Almost all our MTFJ recipients continue to be in meaningful employment or training which for some has sent them in a new career direction. The huge number of apprenticeships supported, and the training and upskilling provided will create capacity for years to come in various trades in Buller.

The program importantly equips young people with a lifelong "asset" as they get qualified and upskilled. A key feature of the MTFJ programme in Buller has been that it enabled our district to grow our own talent when it has been difficult to recruit skilled staff.

Council in partnership with Buller REAP has connected the MTFJ programme to Councils economic development strategies. The programme has moved the dial on many employment and well-being outcomes and will continue to evolve to fit what works best for Buller and its residents. Some highlights from the last financial year 2021/22 were:

- MTFJ supported 107 clients throughout Buller
- Employers and employees were supported with a total of \$550,012.80

Recipients of this long-term empowering support were youth under 25, job-seekers and employees, new businesses, Covid affected residents and apprentices.

In summary

Buller District Council has had a strong year in terms of the Mayor and Councillors working in partnership with the Chief Executive Officer to build on the strong foundations put in place from the previous year. This has been evidenced by the resilience shown through two significant flood events and COVID-19 lockdowns.

Many of our projects take a collaborative approach and aim to help our community thrive. This is based on proactive working relationships with iwi, government agencies, neighbouring councils, public/private partnerships, local businesses and non-government agencies. The strength of these relationships is a taonga for our district and reflects our commitment to the Long-Term Plan 2021-2031.

Finally, we would like to thank the community, councillors, reserve and hall subcommittee members, community board members, council staff, iwi, volunteers and contractors for their contribution throughout the year to support the success of the Buller district.

Our Council Members

As at 30 June 2022

Mayor, Councillors and Inangahua Community Board

MAYOR



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COUNCILLOR REPRESENTATIVES

Councillor John Bougen
Councillor Dave Hawes

Part one: Overview



Key Financial Information

Overall Result

Council's financial results were significantly affected due to two significant weather events during the financial year. The July 2021 and February 2022 floods resulted in less planned business-as-usual projects being undertaken for some activities. Council received unbudgeted income and expenditure for flood recovery which in some areas of Council replaced planned works. Council was well supported by government agencies through additional external grant funding to meet the costs caused by the floods.

Overall, Council has a surplus of \$61.58 million compared to a predicted surplus of \$12.74 million in the 2021 – 2031 LTP.

Flood Recovery impact on the financial results

Council did not create a contingency fund for severe weather events when preparing the 2021 – 2031 LTP. The LTP was adopted in June 2021, and the flood event occurred a few weeks later in July 2021. Consequently, there is no budget for the extra external grant revenue and the related costs for these severe weather events.

Council has received \$10.65 million additional grant funding and subsidies from central government; along with administering receipts of \$1.01m Mayoral Relief Fund donations and making payment of \$841,000 in Mayoral Relief grants up to 30 June 2022.

Council has spent \$10.74 million on flood recovery expenditure which is included in the Other Expenses category in the Statement of Comprehensive Revenue and Expenses.

\$285,000 has been spent on flood recovery capital expenditure including \$51,000 on property plant and equipment. Completed infrastructure return to service capital expenditure includes \$100,000 for Westport drinking water, \$28,000 for Westport wastewater and \$106,000 for local roads. In addition to these completed capital projects \$2.90 million of work in progress for capital flood recovery projects are included in total Work in Progress.

All additional flood recovery income, whether it be from donations, grants or subsidies, along with flood expenses and capital costs were not budgeted for in the 2021-2022 LTP. This means that significant variances due to flood recovery are reported in this Annual Report.

The total reported surplus includes the three-yearly non-cash revaluation for infrastructure assets. This surplus increased by \$54.78 million. The revaluation is \$42.05 m larger than the conservative budget estimate of \$12.73m.

BULLER DISTRICT FINANCIAL HIGHLIGHTS

Surplus

\$61.58m

Additional grant funding for flooding

\$10.65m

Revaluation of Infrastructure Assets

\$54.78m

Operating Revenue

\$52.63m

Operating Expenditure

\$45.82m

This reflects the inflationary increased cost for building Council's roading and transport assets as well as Three Waters assets. The last valuation was completed three years ago.

Total operating revenue was \$52.63 million, which was \$20.55 million more than the anticipated budget of \$32.07 million. The main contributor is an additional \$16.58 million of subsidies and grants income, which was more than anticipated. This income is made up of several unbudgeted central government grants including flood recovery projects.

Non-cash items included in the financial results.

Council recorded total non-cash income of \$58.53 million including \$2.72 million as a consequence of a revaluation gain on derivatives, revaluation of investment land of \$1.03 million, and \$54.78 million relating to revaluation of infrastructure assets. Council also records a non-cash write-off of investments. This is the write-off of Whitebait New Zealand Limited shares of 10.50 million.

Total operating expenditure was \$45.82 million, which exceeded the budget of \$32.06 million by \$13.74 million. The main contributor was additional expenses included in the Other Expenses category. These expenses related to central government funded operational expenses for flood recovery.

Statement of Comprehensive Revenue and Expense

Subsidies and grants income is \$16.58 million greater than budgeted as a result of several unbudgeted central government grants received for projects including flood recovery. Central government grants include:

- Flood response and recovery projects \$11.50 million
- The Buller Precinct Port Package and Fishing Assets Renewal projects \$2.68 million
- 3 Waters Trunk Main Projects for both Punakaiki and Westport water supplies \$2.55 million and \$206,000 for the replacement of the Waimangaroa trunk main.
- Ministry of Transport for airport lighting reinstatement post-flood \$130,000
- Old Hector Landfill Seawall \$102,000
- Westport Waterfront Redevelopment project \$1.36 million
- Coastal planting (Worker Redeployment) \$600,000
- Community Halls & War Memorials upgrades \$346,000
- Airport seawall protection rock wall \$378,000
- Public toilets upgrade \$121,000
- Library Secondment \$222,000
- Whitebait Farm administration grant \$87,000.

Mayor's Taskforce for Jobs revenue was \$537,000 greater than budget. \$2.8m of Waka Kotahi subsidies for roading works has not been received due to the two serious weather events. Work on the transport network is re-programmed to the next financial year. \$300,000 additional receipts from Development West Coast for the final three payments of a long-term sponsorship for the Pulse Energy Centre were received.

Investment income is \$145,000 more than budget. This higher investment income relates to interest received on Councils' term investments because the rise in interest rates was greater than anticipated in the Long Term Plan.

Fees and Charges income is \$299,000 more than the budgeted \$5.20 million. Council collected \$3.86 million income from fees and charges, which is \$1.34 million less than budgeted. The variance is due to the harbour which anticipated external revenue of \$1m to meet the slipping needs of the dredge. This did not occur in this financial year because of the timing of the port projects. The Dredge Kawatiri will be slipped in the next financial year (September 2022). Higher than budgeted grant funded gravel dredging income partially offsets this loss by \$585,000.

Regulatory fees and charges income was \$172,000 higher than expected, which was caused by increased construction in the district. Unbudgeted insurance proceeds relating to flood recovery of \$378,000 also contributed to the difference. Other small variances in a number of activities explain the remaining variance. These smaller items include the shortfall in fees from the Orowaiti Cemetery, Punakaiki Campground, less leasehold land income and reduced pensioner housing income as a result of flood displacement.

General rates, targeted rates, metered water charges and rate penalties. The total budget for rates collection was \$16.44 million, actual collected were \$16.36 million. The variance was caused by less rate penalties charged and slightly less general rates collected. This was offset by higher water meter charges than budgeted.

Gain on derivative contracts. Council recorded a non-cash gain on revaluation of its interest rate swaps of \$2.72 million at balance date.

Vested assets

There were no assets vested in Council during the 2020/2021 financial year.

Gain on revaluations of investment property. Gains in the property market resulted in non-cash gains of \$1.03 m.

Operating Expenditure

Other Expenses category was \$28.45 million against a budget of \$17.29 million. This is a difference of \$11.16 million. This extra expenditure was incurred as part of central government funded projects including:

- Buller Port Precinct Package and Fishing Assets Renewal projects totaling \$3.97 million
- Community Halls & War Memorials upgrade projects of \$652,000
- Mayors Taskforce for Jobs \$536,000
- Whitebait Farm administration grant \$104,000
- Flood recovery expenses \$8.95 million.

This additional expenditure is partially offset by less roading and transport expenses. The gap between the budgeted and actual amount was \$2.80 million. Funding for the unspent \$2.80 million on roading and transport works in this financial year is not foregone. This work will carry over into the next two financial years and the new schedule aims for maximum efficiency. This workplan re-organisation was necessary to take into account the severe weather events. These major interruptions were followed by unseasonal continued wet weather when most reseal work was scheduled to be completed.

Employment costs were \$8.09 million compared to a budget of \$6.73 million. The reason for the \$1.36 million variance is unbudgeted wages. These extra costs were paid from external central government funding. \$1.09 million funding was spent on the initial emergency response and subsequent flood recovery. The library was awarded a secondment grant of \$222,000.

Depreciation and amortisation expense was budgeted to be \$6.74 million. The actual result is \$6.39 million. The \$352,000 variance is because of the timing of projects. The weather events have delayed projects with property, plant & equipment and infrastructure assets recording \$11.50 million of incomplete projects (works in progress) at year end. More details can be found in the property, plant, and equipment notes in the financial statements.

Operating expenses were also impacted by a \$500,000 non-cash entry for the write-off of investments relating to the Whitebait New Zealand Limited shares. This write-off was not budgeted for.

Further details about operating expense variances are provided in the section 'Our Work in Detail' and in the notes to the financial statements.

BULLER DISTRICT MAJOR PROJECTS HIGHLIGHTS

Payment of Mayoral Relief Grants due to Flooding

\$0.84m

Flood Recovery Expenditure

\$10.74m

Employment Costs met by External Grants

\$1.36m

Non cash write off of NZ Whitebait Ltd Shares

\$0.50m

Statement of Position

Council's net debt position

Net debt (debt less term deposits) was \$16.64 million at balance date. The 2021/2022 Long Term Plan budget assumed that net debt would be \$21.39 million for the 2021/2022 period. The lower net debt levels are due to projects funded by external debt that have not yet been completed. Also, debt that has not been drawn down on some projects that were included in the LTP at balance date added to this.

Debt funded projects that were not completed include the Waimangaroa water supply upgrade worth \$145 million. Also included is the delayed upgrade of Brougham House (\$1.93 million). Term deposits of \$1m more than budgeted at year end contributing too.

Capital expenditure

Council continued to maintain assets and upgrade them when required. Council budgeted to spend \$9.27 million on capital expenditure in the 2021/2022 Long Term Plan. \$8.42 million was capitalised during the year and in addition, \$11.02 million of work in progress was underway at year end.

This work in progress reflects unbudgeted flood recovery projects as well as business as usual projects including roading and transport works, which were not yet complete because of the impact of the severe weather events during the year.

Major projects that have been completed this year include:

- Reefton water supply upgrade \$1.57 million
- District Revitalisation and Toki Poutangata Bridge \$2.83 million
- Harbour structures and ablution block \$210,000
- Airport lighting replacement \$94,000 (half share)
- Flood recovery property plant and equipment and infrastructure reinstatement \$481,000
- Sealed road resurfacing \$1.07 million
- Westport cemetery road reseal \$54,000
- Various community led revitalisation projects \$163,000
- Punakaiki trunk main (Department of Internal Affairs funded) \$590,000.

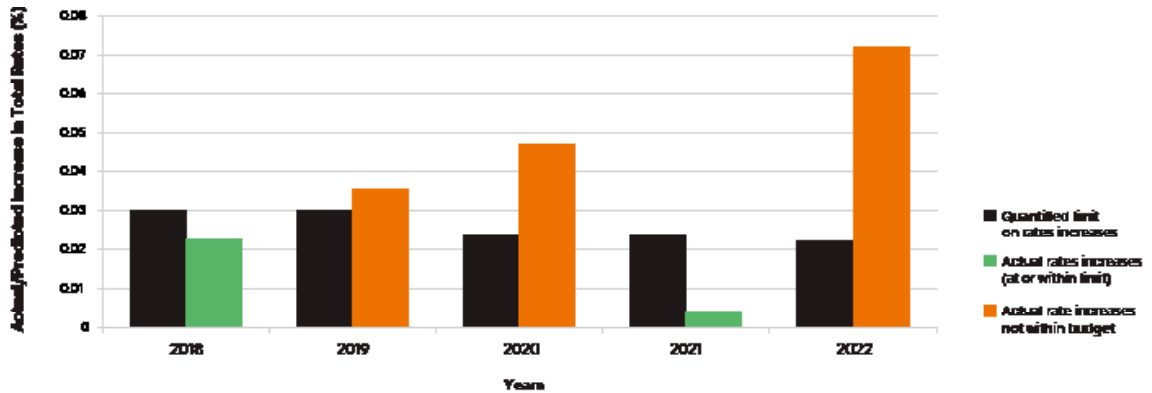
Roading capital expenditure totaled \$1.31 million for 2021/2022 compared to the budgeted spend of \$3.22 million. The reason for the \$1.93 million variance is the severe weather events. The outstanding work is re-programmed for the next financial year and the funding is secured.



Mayor Taskforce for Jobs

Our Financial Performance at a Glance

Rates Increases Affordability Benchmark



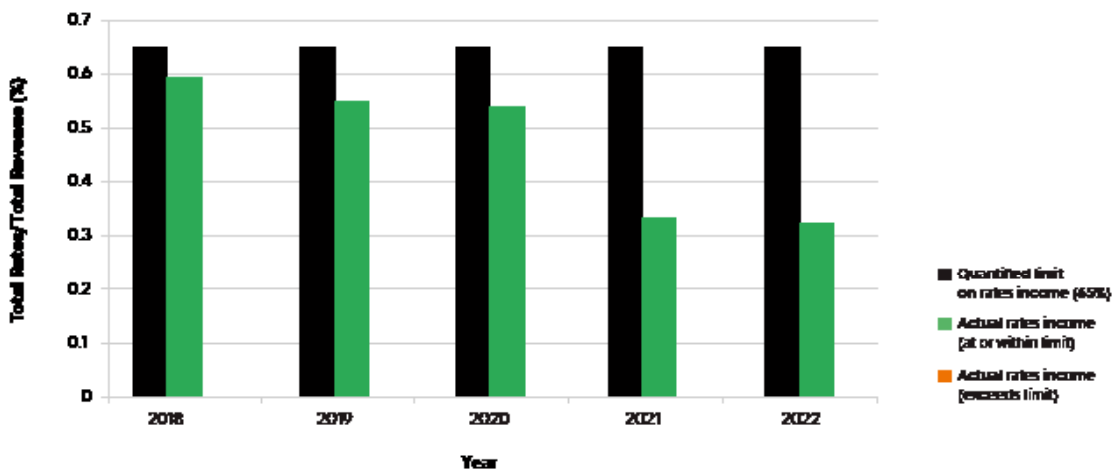
2018/2019

Council did not meet its rates increases affordability benchmark. This was anticipated in the LTP. Council reorganised its management structure in 2018/2019 to better deliver services to the district and ratepayer which contributed to the rates increase.

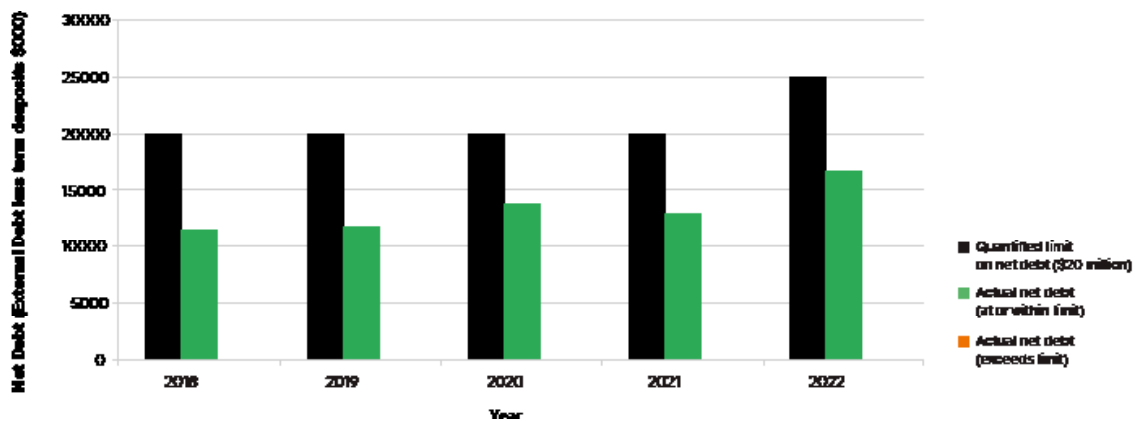
2019/2020

The bench mark was not met in 2019/2020 and this was also signaled in the LTP. Rates collected in 2019/2020 also included unbudgeted rates from abandoned land which increases the measure. The actual amount of rates set in the 2019/2020 Annual Plan was 3.3%.

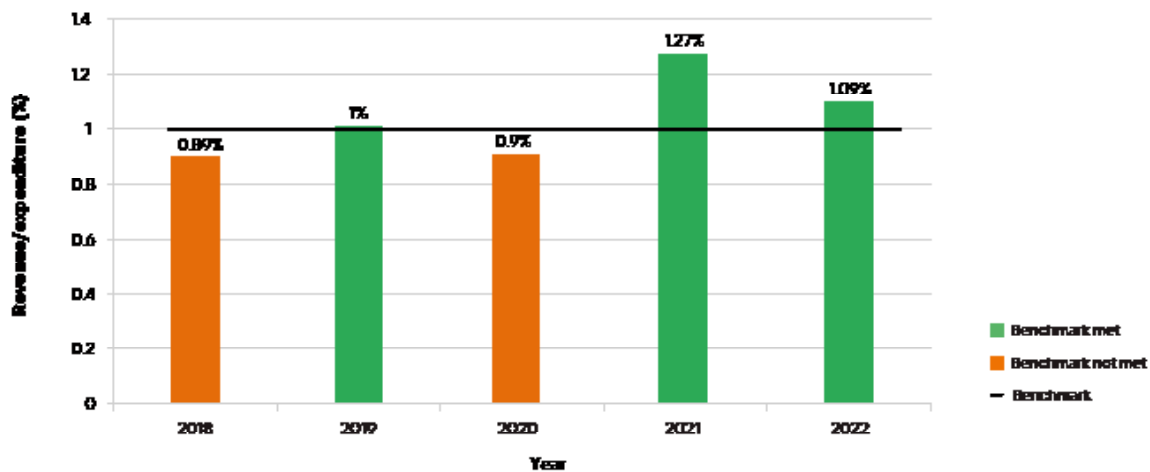
Rates Income Affordability Benchmark



Debt Affordability Benchmark



Balanced Budget Benchmark



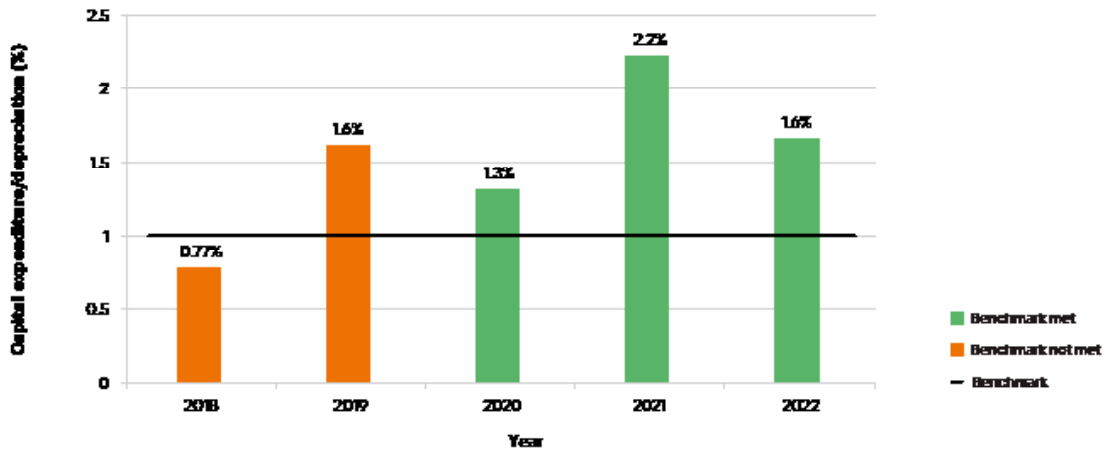
2017/2018

This is due to increases in depreciation that were not anticipated from the infrastructure revaluation as well as additional cost that were not anticipated including costs for storm events, repairs and maintenance and additional operations such as harbour

2019/2020

The balanced budget benchmark was not met mainly due to the asset writeoff that were carried out over the period.

Essential Services Benchmark



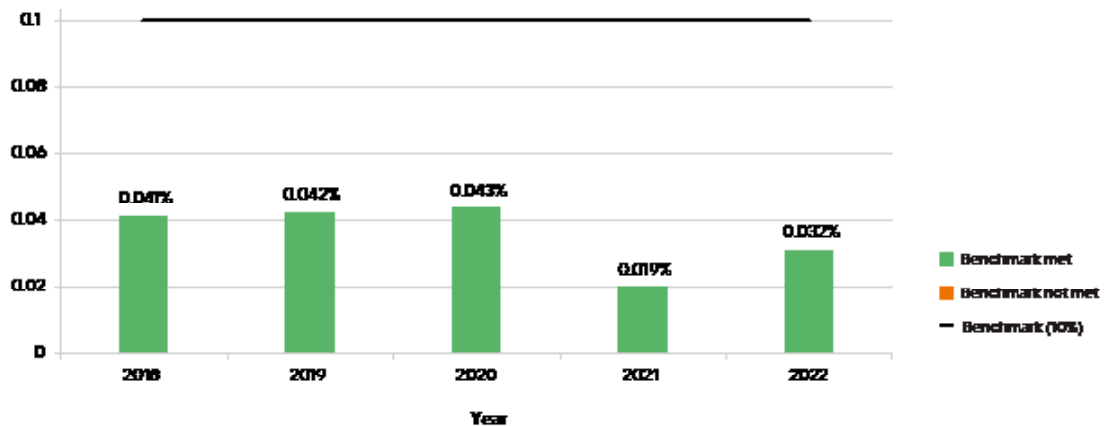
2016/2017

A number of roading capital project were not completed due to poor weather over the reseal period. This flowed over to a lesser extent into other infrastructure projects

2017/2018

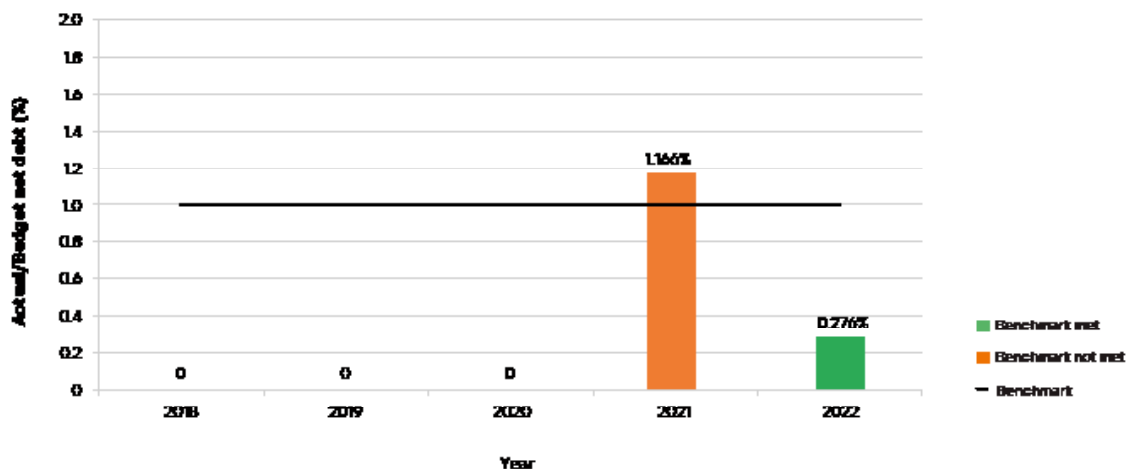
Depreciation has increased due to revaluation of infrastructure assets. The capital program has not been adjusted to match. This will occur in 2018/2019. Council actually spent \$650,000 more in infrastructure capex compared to 2016/2017.

Debt Servicing Benchmark

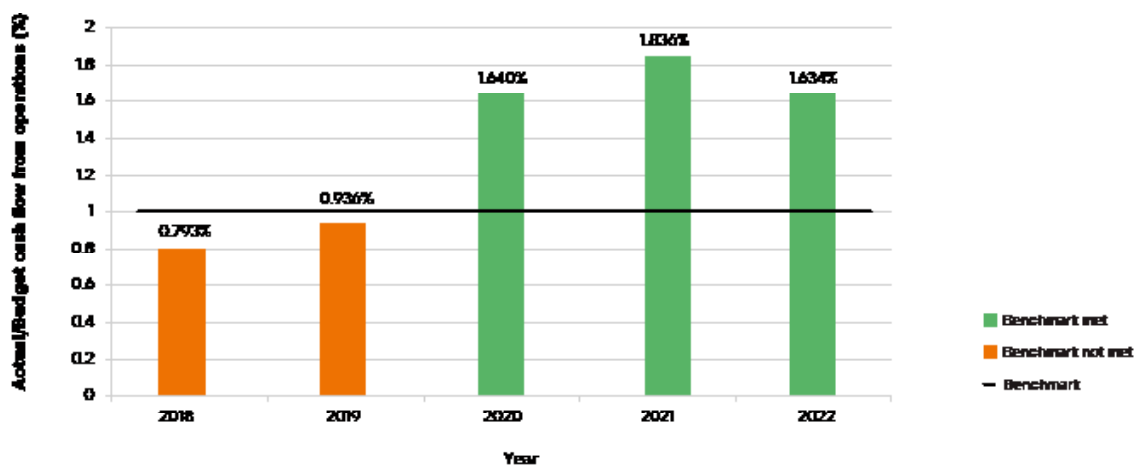


Council has continued to operate well within the low-growth Council benchmark of 10%.

Debt Control Benchmark



Operations Control Benchmark



2017/2018

The operating cash flow benchmark budgeted in the LTP had higher income predicted for rates and investment income which was partially offset by greater subsidies and grants received than budgeted. Unbudgeted costs were incurred in relation to Westport water alternate supply, storm damage and civil defence costs from the two cyclone events and the transfer of Westport Harbour operations to Council.

2018/2019

The minor difference in operation cashflow is primarily due to the Waimangaroa drinking water subsidy of around \$400,000 which was not received in 2018/2019.

Part two:

Vision and Community Outcomes



Council Vision and Mission Statements

Our Vision

Our vision is for the Buller district to grow and for the district to become a thriving community where families enjoy a great quality of life and the distinctive nature, cultural and historical environment are treasured.

Our Mission

To serve the residents of the Buller district, conscious of their needs, by providing facilities and services and creating an appropriate environment for progress and development while preserving the distinctive natural environment, as well as the cultural and historical environments.

Our Principles

Community driven

We are committed to making a difference in the community we call home.

One team

Shared direction, shared effort.

Future Focused

We seek solutions that are fit for the future.

Integrity

Open and honest in decisions and action.

We Care

About people and place.

Community Outcomes and Well-being

Community outcomes and well-beings describe how Council aims to achieve meeting the current and future needs of our communities. This includes providing good-quality infrastructure, public services as well as performing regulatory functions.

Community Outcomes set the direction for the Long Term Plan (LTP) and Annual Plan (AP). All activities included in the LTP or AP that Council undertakes contribute toward achieving Community Outcomes and Well-beings.

A shared inspiration

Council developed its Community Outcomes in exchange with the community as part of the 2021 – 2031 LTP consultation.

Council invited small groups of community representatives across the district to come together to help prioritise their community's goals in the four areas of well-being. An online survey enabled the wider community to also contribute their thoughts.

Councillors, council's senior leadership team, and Ngāti Waewae also participated in workshops to discuss aspirations for the district and review the community's visions. The result was a set of five goals which are the Community Outcomes.

A detailed description of our Community Outcomes is available in the 2021 – 2031 LTP.

Our measure of success

The Local Government Act (2002) requires Council to identify the Community Outcomes to which a group of Council activities primarily contribute to, and to report the progress during the year towards the achievement of the outcomes.

Council must also describe any effect that Council activity had on the social, economic, environmental or cultural well-being of the community.

The results are collated and a more detailed assessment is included in each activity statement. Each of Council's activities contribute to two or more of the Well-beings.

The following table identifies for each activity the Well-beings that it makes a positive contribution towards. It is not believed that any activity makes a negative contribution to any of the well-beings.

A shared path

Council believes that achieving our Community Outcomes relies on working in partnership with the whole community, including individuals, businesses, government agencies and community organisations.

Community outcomes and well-beings

Council Activities	Community Outcomes				Well beings				
	Well-being	Learning	Who We Are	Sustainable Environment	Prosperity	Social	Economic	Environmental	Cultural
Regulatory Services	✓	✓	✓	✓		✓	✓	✓	
Roading and Transport		✓		✓	✓	✓	✓	✓	
Water Supplies	✓	✓		✓	✓	✓	✓	✓	
Wastewater/Sewerage	✓	✓		✓	✓	✓	✓	✓	
Stormwater	✓			✓		✓	✓	✓	
Solid Waste	✓	✓		✓	✓	✓	✓	✓	
In-house Professional Services	✓			✓	✓		✓	✓	
Community Services	✓	✓	✓	✓	✓	✓			✓
Governance and Representation	✓	✓	✓	✓	✓	✓	✓	✓	✓
Customer Services and Support Services	✓	✓	✓	✓	✓	✓	✓	✓	✓
Property	✓	✓	✓	✓	✓	✓	✓		✓



The four well-beings

The four well-beings are set out in the Local Government Act (2002) and include social, economic, environmental and cultural.

The four well-beings can be described as:

SOCIAL



Includes individuals, families, whanau, hapu, iwi, and a range of communities setting and achieving goals such as education, community networks, health, personal and financial security, and having equity of opportunity and rights and freedoms.

AFFORDABILITY



Considers if the local economy can generate employment and wealth needed to provide many of the requirements for social well-being such as financial security, health and community networks.

ENVIRONMENT



Looks at the natural environment and if it can sustainably support the activities that are needed for healthy communities, such as fresh air, fresh water, unpolluted land and environmental controls.

CULTURE



includes the beliefs, customs, values, identities and behaviours shown through arts, language, stories, ceremonies and heritage of our community.

Working with Iwi

An opportunity for Māori to contribute to the decision-making processes of Buller District Council.

The Buller District Council governance structure formally recognises the importance of the crucial relationship with Te Rūnanga o Ngāti Waewae.

In May 2021 Councillors resolved that the Council Ngāti Waewae representative has voting rights at governance committees outside of Council. The maturity of the relationship has progressed significantly over the past three years.

Te Rūnanga o Ngāti Waewae are already legally recognised as mana whenua by Council in regard to its existing obligations under legislation around consenting. The appointment further strengthens, develops and extends the Council relationship with Te Rūnanga o Ngāti Waewae especially across Council's wider cultural, social, economic, environmental and legal interests.

Under the Crown's obligations arising from Te Tiriti o Waitangi, Te Rūnanga o Ngāti Waewae as mana whenua are always going to be heavily engaged in future direction setting for the West Coast Te Tai o Poutini in general, and specifically, for the Buller district. For Council a strong and positive relationship with Te Rūnanga Ngāti Waewae is important on every level.

Notwithstanding the relationship with Ngāti Waewae, Council will also consult with Ngāti Apa ki Te Rā Tō on matters regarding the Buller district. The input of Māori not associated with Ngāti Waewae may from time to time be received for consideration by Council.

Under Section 81 of the Local Government Act 2002, Council must establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes of the local authority. Council is also required to look at ways to foster the development of Māori capacity to have input into these processes.



Part three: Roles and Compliance



The Role of the Annual Report and Financial Statements

We are required to produce an Annual Report each year to account for the money provided by ratepayers, financial institutions and government agencies.

The Annual Report is also an important tool for showing how our community outcomes are being achieved. This document, therefore, represents an opportunity to provide interested parties with a range of additional information to give a more complete picture of the district's affairs.

The contents of this Annual Report will refer to the district's strategies and plans, including the Long-Term Plan (LTP) 2021 – 2031.

The LTP 2021 – 2031 was adopted by Council on 30 June 2021, after considerable consultation with ratepayers and interested others.

This is the second Annual Report prepared under the LTP 2021 – 2031. Many of the ways in which this information

is presented are governed by legislation and standard accounting practices. However, we recognise that the readers of this report are from diverse backgrounds, so we have taken steps to present the information in an accessible and understandable form.

The message from the Mayor and Chief Executive Officer provides commentary on some of the year's key strategies, objectives, highlights and challenges.

The Financial Statements and Statements of Service Performance look at the district's affairs in greater detail.

We thank you for your interest in our activities and our leadership role in developing the Buller District.





Statement of Compliance and Responsibility

Compliance

The Council and Management staff of the Buller District Council confirm that all the statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.

Responsibility

The Council and Management staff of the Buller District Council accept responsibility for the preparation of the Annual Financial Statements and the judgments used in them. The Financial Statements are unable to be amended following issue.

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

In the opinion of the Council and management of the Buller District Council, the Annual Financial Statements for the year ended 30 June 2022 fairly reflect the financial position and operations of the Buller District Council and Group.

**S Mason****J Cleine**

How the Annual Report fits into Council's Overall Planning Framework

He Kupu Whakataki i te Kaiwhakahaere i te Kaihautu Buller District ratepayers and residents *Waiho i te toipoto, kua i te toiroa* – let us keep close together, not wide apart.

This whakatauki speaks to the importance of keeping connected, of maintaining relationships and dialogue so that we can keep moving forward together.

Plan Reviews

Council will review and evaluate its LTP every three years. As

part of this process, input from the community will be sought through engagement activities.

Annual Plans

Between the three-yearly reviews, Council produces an Annual Plan. This outlines what activities and services Council will undertake in the following year and any changes to the LTP.

Annual Reports

At the end of each financial year, Council produces an Annual Report which details what Council did during the financial year compared to what it planned to do in the LTP or Annual Plan.



Part four: A Year in Review

Council's work in 2021/22



Our Work in Detail

The following pages set out in detail the results for each of Council's activities, which have been grouped as follows:

Council activities:



Environmental and Planning

- Flood Recovery
- Regulatory Services



Engineering Services

- Roading and Transport
- Water Supplies
- Wastewater/Sewerage
- Stormwater
- Solid Waste
- Infrastructure Delivery



Community Services

- Community Services



Governance and Support Services

- Governance and Representation
- Customer Services and Support Services



Council Enterprises and Property

- Property



Council Controlled Organisations

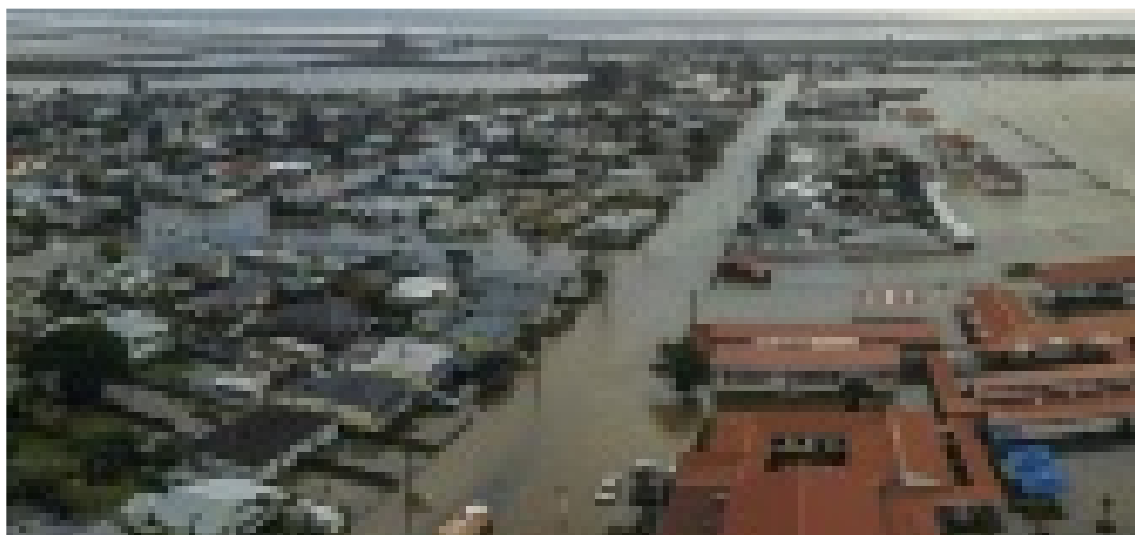
- Westport Airport
- Buller Holdings Limited
- WestReef Services Limited
- Buller Recreation Limited

This section of the Annual Report outlines what activities Council has undertaken to support the Community Outcomes, strategic goals and legislative requirements that Council aims towards and operates under.

Please note both Council's targets and significant projects/

issues form part of the performance management framework against which actual levels of service performance have been assessed.

Targets represent the levels of service to be met annually unless stated otherwise.



Flood Recovery

What do we do?

Flood Recovery

The past 24 months has seen the district feeling the impacts of climate change through two extreme weather events. Two significant floods affected our district, resulting in significant damage to Council's infrastructure, assets like the port and airport, and displaced community members from their homes.

Council has worked in partnership with central government agencies to address the enormous financial impact created through the floods, recognising the unaffordability for the small rate payer base in our district.

This partnership resulted in Council receiving \$8 million in financial support from Cabinet through the National Emergency Management Agency (NEMA) and the Department of Internal Affairs (DIA). This funding has supported the initial flood recovery efforts following the July 2021 event.

Combined, the July 2021 and February 2022 floods resulted in an extensive programme of work to repair essential Council infrastructure to pre-flood levels. The price tag is significant and cannot be funded by Council alone. A business case requesting assistance with these costs was submitted to NEMA in April 2022. Cabinet considered this proposal in June 2022, and approved \$17.14m of additional funding to assist with the repair works in July 2022.

The funding request sat outside normal government policy and reflects the uniqueness of Buller's socio-economic composition. Cabinet endorsed the business case and funding request and committed an additional \$10 million

(outside of normal government policy) to fund infrastructure repairs to support Buller's ongoing flood recovery. In addition, Council is working with the West Coast Regional Council (WCRC) and central government agencies to develop a multi tool approach to improve Westport's resilience to future flooding.

These are significant and complex projects over a multiyear period that will require considerable input from all parties involved to achieve the outcome we all desire.

Why are we involved in this activity?

Council's involvement in flood recovery was and is critical to promote recovery, community resilience and reinstate critical infrastructure that was damaged in the severe weather events.

When Council prepared the 2021-2031 Long Term Plan and the Annual Plan for the year 2021-2022, Council did not know that these two severe weather events would rattle our district. Due to this Council did not consider the extra revenue from central government and the significant expenditure caused by the two flood events. To ensure the Annual Report displays clearly the full impact these two weather events had, this Annual Report includes an additional section covering flood recovery. This has not been part of previous Annual Reports.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

Council did not create a contingency fund for severe weather events when preparing the 2021 – 2031 LTP. Consequently, there is no budget for the extra external grant revenue and the related costs for both severe weather events.

Council has received \$10.65m additional grant funding and subsidies from central government agencies.

Council has collected \$1.01m Mayoral Relief Fund donations and issued payment of \$841,000 Mayoral Relief Grants to date.

Council has spent \$10.74m on flood recovery expenditure which is included in Other Expenses category in the Statement of Comprehensive Revenue and Expenses.

Council has spent \$285,000 on capital for flood recovery capital expenditure including \$51,000 on property plant and equipment. Completed infrastructure return to service capital expenditure includes \$100,000 for Westport drinking water, \$28,000 for Westport wastewater and \$106,000 for local roads.

In addition to the completed projects there is a significant amount of capital work for flood recovery return to service which is included in Work in Progress or has been expensed as noted above.

Statement of Service Performance

Recovery

Recovery typically is an effort that takes several months, sometimes years, assisting the impacted community to get back on their feet after an event and adjusting to changes

Council has created a Recovery Action Plan (RAP), which includes four key areas, to achieve this goal:

- Reconnecting our community
- Restoring the natural and rural environment
- Rebuilding the built environment
- Regenerating the economic environment

These are the key pieces of work and milestones that the Recovery Team set out to coordinate or lead. Working with iwi and closely partnering with the various agencies who delivered key actions in each area or contributed their expertise, was key to support our community on the path of recovery.

The RAP Milestones and Outcomes Report outlines the milestones and outcomes that were achieved. Further details on the work done by the flood recovery team are displayed on the pages that follow.



Flood Recovery Team Achievements

Reconnecting our community

Coordinate and deliver community activities and events. A community events and activity programme is developed that enlivens flood-affected communities, enhances community connections, and builds community resilience.	<ul style="list-style-type: none"> Events programme severely impacted by Covid-19 restrictions and budgetary uncertainty. Revised budget agreed with NEMA from July-December 2022. Events programme to be developed and delivered through Non-Government Organisations (NGO) and external organisers.
Community connection, engagement and information sharing sources are maintained.	<p>Communications engagement programme continuing through to March 2023 including:</p> <ul style="list-style-type: none"> Buller Flood Recovery website Facebook page information sharing articles in local newspapers and broadsheets recovery roundup (website and Facebook) information boards to be installed at the Community Hub sharing resilience options and river science work local radio
The Community Hub and navigators are maintained. Coordinate agencies and provide a single point of assistance and wrap-around services for all recovery needs: <ul style="list-style-type: none"> building rental insurance wellness financial business community information 	<ul style="list-style-type: none"> Community Hub and navigators in place until 30 September 2022. Community needs assessment will be carried out to determine what services will be required from October 2022 to March 2023 with the remaining funding available.
Understand the essential needs of urban and rural flood affected individuals and whanau.	<ul style="list-style-type: none"> Rural needs assessed by Ministry of Primary Industries (MPI) and Taskforce Green post floods. Final reports from the Outreach Survey and Wellbeing Survey will determine future requirements.
Families are back in their homes or provided safe and healthy accommodation to live in.	<ul style="list-style-type: none"> After a slow rebuild, many families are back in their homes. Approx. 40 families are still in temporary accommodation through the Temporary Accommodation Service Agency (TAS). Target date for 20-homes at Alma Road is October 2022.
Support and coordinate volunteers. Engage with volunteers and coordinators to understand their needs.	<ul style="list-style-type: none"> The recovery team worked closely with volunteers e.g., Rotary, Lions and NGOs to facilitate their work in the community. Community House No.37 has successfully run a community kitchen providing hot meals to the flood affected community once a week. This service is run independently and depends on volunteers. Funding has been secured until February 2023.
Iwi engagement and recovery plans are developed with the support of the recovery team. Engagement with iwi to understand their needs.	<ul style="list-style-type: none"> A representative from Ngāti Waewae has been part of the recovery team. Through a partnership with Poutini Waiora support was provided to the community. A note of thank you has been sent to Ngāti Waewae.

Essential needs of individuals and whanau are met and community health and wellbeing is supported.	<ul style="list-style-type: none"> • Essential needs around housing, financial support and psychosocial support have been met through the Community Hub and navigators. • This support will continue through to the end of September at which time an assessment of needs will be carried out. • TAS has supported accommodation requirements of displaced residents. • Shop Zero and Rotary supported the community by distributing clothing, furniture and household goods. • The Mayoral Relief Fund assists with financial support. • The Community kitchen provides displaced residents with one hot meal a week.
Community spirit, pride and resilience is strengthened through community events and projects.	<ul style="list-style-type: none"> • A limited number of events have been held due to Covid-19. • An event programme can be developed now that restrictions are lifted, and the community needs are ascertained. • Funding has been secured from the NEMA recovery fund.
Families/whanau have healthy homes to move into.	<ul style="list-style-type: none"> • Community Energy Action subsidised insulation in housing for lower socio-economic households. • MBIE partnered with Council to deliver eight homes for flood affected families. These homes were occupied in April 2022. • MBIE has provided funding for 20 homes at Alma Road with a target date of October 2022. • Rotary assisted with repairs of damaged uninsured homes through volunteers and donated building supplies.
Numbers of the community accessing support services provided through the Community Hub and navigators.	<ul style="list-style-type: none"> • Numbers are reducing, but there is still the ongoing need in the community for help with eight new referrals in July. • A Wellbeing Survey funded by DIA Lotteries is being carried out to assess further needs. • An Outreach operation took place in July/August 2022 to ascertain the status of red and yellow homes. • Results of both surveys will be available in September to further assess the need of the community.

Restoring the natural and rural environment

Refuse from the old Reefton Landfill that was deposited in the Inangahua River is collected.	<ul style="list-style-type: none"> • NEMA has provided funding for the clean-up which took until August 2022 to complete due to harsh weather.
The Reefton Landfill is repaired.	<ul style="list-style-type: none"> • A plan to repair the damage has been developed in line with the NEMA Tranche 2 funding for "like for like" repair of the site.
A geological assessment of the Granity slips is undertaken with management recommendations provided.	<ul style="list-style-type: none"> • An assessment was completed and delivered to Council. • Affected landowners have been informed and engagement is underway.
Rural and community land is cleaned up	<ul style="list-style-type: none"> • Land that was affected was identified. The owners were connected to the Enhanced Taskforce Green project. • MPI and Rural Mayoral Support funding were accessed through the Community Hub.

Rebuilding the built environment

Temporary and long-term accommodation is established for residents and trades people.	<ul style="list-style-type: none"> • Trades people – temporary village concept terminated November 2021 – lack of funding and support. Tradespeople responsible for own accommodation. • Queen Street and Stafford Street (eight houses) occupied in March/April 2022 (TAS managed) • Alma Road village in progress. Target to occupy October 2022 (TAS managed).
Owners and occupiers of red and yellow placarded houses are directed to appropriate Support Agencies.	<ul style="list-style-type: none"> • An outreach survey was completed in July 2022. The recommendations from this will identify any further needs in the community and which agencies are required.
Collect, store, and relocate flood affected domestic waste. Waste is transported to a suitable landfill for disposal.	<ul style="list-style-type: none"> • All July and February domestic waste has been removed from the district. • Clean-up of the Inangahua River ongoing until August 2022 due to weather conditions.
To repair our homes and restore our communities.	<ul style="list-style-type: none"> • Repairs to homes underway in the community, slowed by Covid-19 and supply chain issues. • Timeline controlled by homeowners and insurance status. • 40 households still in temporary accommodation as of August 2022.
To promote opportunities that regenerate and enhance the community, building resilience and preparedness, to minimise the adverse consequences of future severe weather events.	<ul style="list-style-type: none"> • Joint business case on future resilience of Westport by WCRC, BDC and Ngāti Waewae submitted to DIA 30 June 2022.
To maintain a planned, future focused, coordinated, and flexible recovery, based on regular reassessments of community needs, relevant legislation and the necessary funding and resources.	<ul style="list-style-type: none"> • Alma Road village will provide accommodation options for the community. • Wellbeing survey and Operation Outreach designed to assess needs of the community (August 2022).
Westport's water supply is restored, and security of supply issues are addressed.	<ul style="list-style-type: none"> • Funding secured from NEMA to complete emergency works to Westport and Carters Beach water supply – scheduled to be completed in August 2022. • Business Case for funding to enhance the future resilience of the Westport and Carters Beach water supply developed by specialist consultants. External funding being sought.
Three waters infrastructure is operational: <ul style="list-style-type: none"> • wastewater • water supply • stormwater 	<ul style="list-style-type: none"> • The funding request for "Tranche 2" infrastructure works was approved by Cabinet in June 2022. • All three waters infrastructure repairs are scheduled in the Tranche 2 programme to be completed by March 2023.
Roading infrastructure is operational.	<ul style="list-style-type: none"> • July programme of works in hand. • February programme of works awaiting Waka Kotahi final assessment.
Westport flood defences are identified.	<ul style="list-style-type: none"> • Outside scope of RAP • Joint business case on future resilience of Westport by WCRC, BDC and Ngāti Waewae submitted to DIA 30 June 2022. Includes options on flood defense. • Ongoing community engagement on resilience and adaptation plans.

Regenerating the economic environment

Assess business needs	<ul style="list-style-type: none"> Development West Coast (DWC) assessed the needs of the business community through a survey and meetings.
A Westport and Buller District Economic Growth Strategy is developed. The business community is engaged in the development of this strategy.	<ul style="list-style-type: none"> DWC has launched a regional economic growth study. This is part of the usual work carried out.
Westport is open campaign created.	<ul style="list-style-type: none"> Due to lack of motel accommodation through tradies, and Covid-19 restrictions this campaign is now in the planning stages with DWC, BDC and Buller's tourism promotion group Advanced Northern West Coast (ANWC).

Significant capital expenditure

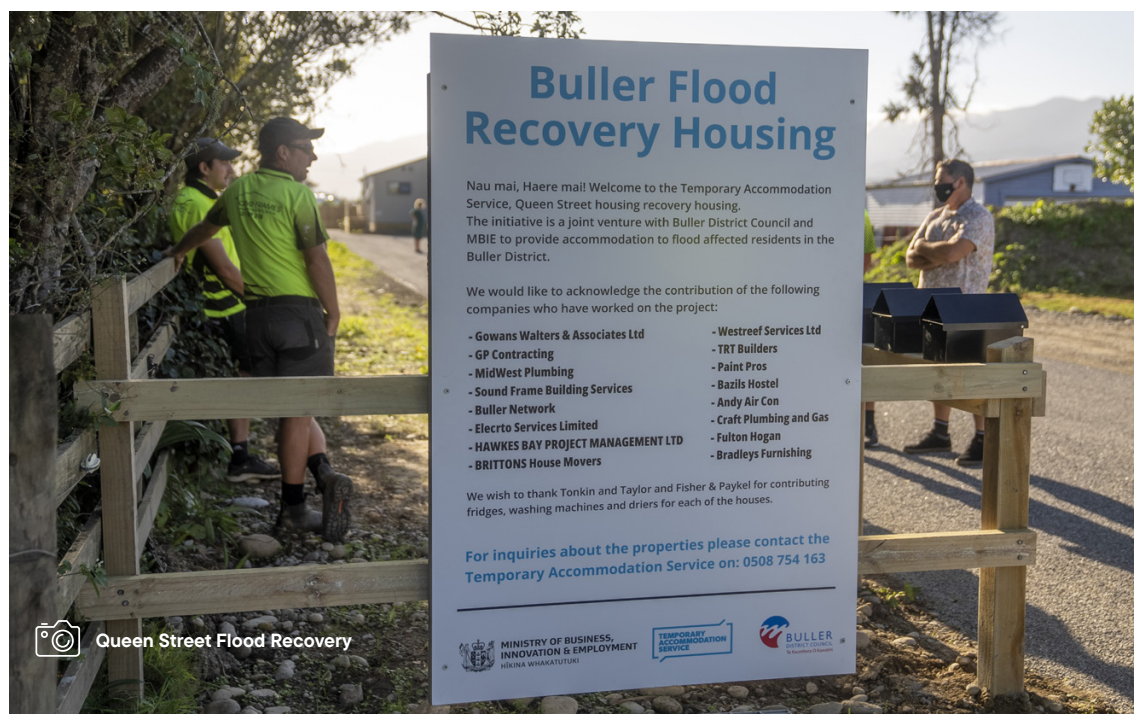
Much of the capital expenditure is included in work in progress at year end due to the timing of funding being received for the rebuild of damaged assets being received later in the financial year.

Another contributing factor was the impact of a second severe weather event in February 2022, along with ongoing wet weather which delayed the start of projects that required dry conditions to be carried out.

Significant capital expenditure for flood recovery includes office equipment, furniture and fittings for flood recovery office and Community Hub (funded by external grants) \$51,000.

Key Performance Indicators

There are no key performance indicators for Flood Recovery in the 2021-2031 Long Term Plan to report against.



Funding Impact Statement for Flood Recovery Services

for the year ended 30 June 2022

	2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	8,408
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	467
Total operating funding A	0	0	8,875
Applications of operating funding			
Payments to staff and suppliers	0	0	9,901
Finance costs	0	0	0
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	841
Total applications of operating funding B	0	0	10,742
Surplus/ (deficit) of operating funding A-B	0	0	-1,867
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	3,112
Development and financial contributions	0	0	0
Increase/(decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding C	0	0	3,112
Application of capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	1,048
- to replace existing assets	0	0	2,209
Increase/ (decrease) in reserves	0	0	-2,012
Increase/ (decrease) in investments	0	0	0
Total applications of capital funding D	0	0	1,245
Surplus/ (deficit) of capital funding C-D	0	0	1,867
Funding balance ((A-B)+(C-D))	(0)	0	0



Regulatory Services

What we do

- Animal management
- Plans, policies and guidance documents
- Provision of consents
- Building control
- Compliance and enforcement management
- Alcohol licensing
- Emergency management and civil defence
- Environmental health

Why we do it

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

- The animal management service aims to provide a safer district by reducing dog-related offences through the registration of dogs, educate dog owners, and investigate complaints.
- The planning service ensures the district promotes development to support a prosperous community without compromising residents' rights and the district's physical and natural resources. This is achieved by the appropriate application of the Resource Management Act, through the review and implementation of the District Plan and its resource consent and monitoring guidelines.
- Council's building control services ensure that the district's buildings and other structures such as swimming pools, are safe, habitable, and meet national legislative requirements. Of particular importance is Council's role in advising on and, where necessary, enforcing the statutory provisions relating to earthquake prone buildings.
- Compliance and enforcement management focus on working with the community to assure the district remains a peaceful and attractive place to live and work. Through bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping, and respond to noise nuisances, as well as encouraging residents to maintain tidy sections.
- Alcohol licensing's role is to safeguard the statutory requirements and objectives of the Sale and Supply of Alcohol Act 2012. If these are met, the sale and supply of alcohol should be undertaken safely and responsibly, and any harm caused by excessive or inappropriate consumption of alcohol should be minimised.
- Under the Civil Defence Emergency Management Act 2002, Council must be ready, able to respond and assist with the recovery in the event of an emergency. Council staff and resources help in the event of a Civil Defence emergency. The Buller District has an Emergency Management Officer based in Westport through a west-coast wide shared services arrangement with Grey District Council, Westland District Council, and West Coast Regional Council.
- Environmental health ensures that operators meet public health standards in particular for the safe preparation and service of food.



Links to community outcomes

SOCIAL



- ✓ Provide essential services to residents and businesses to support a healthy environment.
- ✓ Ensure environmental health standards are met, so food offered for sale is prepared appropriately and safe for consumption.
- ✓ Provide and develop safe public places.
- ✓ Emergency management is a key function in ensuring that injury to people and damage to property is minimised in the event of natural disasters.
- ✓ Council is ready to respond in an emergency and empowers residents to be better prepared physically and psychologically for a Civil Defence event.

AFFORDABILITY



- ✓ By applying bylaws and other legal mechanisms to ensure facilities and services are fit for purpose.
- ✓ Ensure quality assurance requirements for building consent authorities are met.

PROSPERITY



- ✓ Make information easily available about Council, its functions and services.
- ✓ Recognise and support education excellence and opportunity in the district.
- ✓ Provide essential services to residents and businesses to support a healthy environment.
- ✓ Develop policies and implement practices that enhance our environmental sustainability and natural diversity.
- ✓ Ensure appropriate management and promotion of the district's natural and physical resources.

ENVIRONMENT



- ✓ By providing essential services to residents and businesses to support a healthy environment.
- ✓ Develop policies and implement practices that enhance our environmental sustainability and natural diversity.
- ✓ Ensure appropriate management and promotion of the district's natural and physical resources.

Statement of service performance

Alcohol licensing

Council receives applications for new licences or a renewal of an existing licence, as well as applications for new or the renewal of managers certificates. The applications are processed, and a report is provided to the District Licensing Committee which assesses the applications. Any application for which objections have been received, and all temporary authority applications, must be approved by the full committee. All other unopposed applications will be approved by the chairperson.

District Plan review

Every district in New Zealand must have an operational district plan. Rather than each of the West Coast councils preparing a plan, Te Tai o Poutini Plan Committee is now responsible for preparing and approving a new combined plan for the West Coast. The joint committee comprises members from the Buller, Grey, and Westland District Council, West Coast Regional Council, Te Runanga o Ngati Waewae, and Te Runanga o Makaawhio. Work has progressed at pace with both technical and strategic input from the district's community and Council.

Civil Defence

The recent flood events have resulted in more council staff gaining experience working in the Buller Emergency Operations Centre. Council staff was well supported by regional stakeholders and central government agencies through these testing times.

Westport has become a test case for how similar emergencies can be better managed and resilience improved, as the effects of climate change impact our district. The Emergency Management Officer provides plans, education, and resources for our community to be prepared if an event occurs.

Building Consent Authority (BCA) accreditation

Council passed its two-yearly building consent authority accreditation assessment carried out by International Accreditation New Zealand (IANZ) in December 2021. Despite a challenging year with high consenting numbers and flooding events, that required significant input from the building team, the audit result was above the national average. The team is making good use of modern systems and technology to gain better efficiencies for onsite inspections.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

Total operating funding

Income was \$444,000 greater than budget as a result of increased building activities in the region.

There has been a restatement of LTP budget categories.

Payments to staff and suppliers


These were \$371,000 higher than budgeted due to the increased building activity in the district.

Significant capital expenditure

To replace existing assets

This was \$98,000 less than budgeted in the 2021 – 2031 LTP due to ordering delays. Expenditure is now scheduled for 2022-2023.



 Construction site

Key Performance Indicators

What we plan to do and our levels of service

Building consent authority

Activity contribution Ensure quality assurance requirements for building consent authorities are met, as required by Regulation 17 of the Building Consent Authorities Regulation 2006.

Community outcomes Social and economic.

Level of service	Performance measures 2021-2024	Performance outcomes
Process building consent applications within the statutory timeframes.	100% of building consents are technically correct and granted within statutory timeframes.	2021-22 98.91% of building consents were technically correct and granted within statutory timeframes. ●
		2020-21 100% achieved within statutory timeframes. ●
	Continue to retain accreditation by passing the biennial IANZ Audits.	2021-22 Accreditation Audit Passed 28 July 2022. ●
		2020-21 Achieved. ●

Resource consent planning

Activity contribution Ensure appropriate management and promotion of the district's natural and physical resources.

Community outcomes Social and economic.

Level of service	Performance measures 2021-2024	Performance outcomes
Process non-notified resource consents within statutory timelines.	Process 100% of non-notified resource consents within statutory timeframes.	2021-22 Not achieved because the number of consents exceeded planned delivery capacity. ●
		2020-21 100% achieved within statutory timeframes. ●

Food premises | Public health and safety

Activity contribution Ensure environmental health standards are met, so food offered for sale is prepared appropriately and safe for consumption.

Community outcomes Social and economic.

Level of service	Performance measures 2021-2024	Performance outcomes
Inspect all food premises, hairdressers, funeral homes, camping grounds and offensive traders, ensuring they meet the Food Hygiene Regulations 1974 and the Food Act 2014.	All food premises are inspected according to their status of 9, 12 or 18-month frequency.	2021-22 Inspections take place biennially. ●
		2020-21 Inspection target of 12 months last year, was not met. ●
	Inspect 100% of all hairdressers, funeral homes, camping grounds and offensive traders once annually for compliance.	2021-22 Currently 27 premises due for inspection. ●
		2020-21 Covid-19 caused operational constraints and 8 premises were overdue. ●

KPI met ● KPI not met ●

Funding Impact Statement for Regulatory Services

for the year ended 30 June 2022

	2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,039	1,419	1,419
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	1,207
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	916	932	169
Total operating funding	A 1,955	2,351	2,795
Applications of operating funding			
Payments to staff and suppliers	1,448	1,670	2,041
Finance costs	2	1	1
Internal charges and overheads applied	459	653	659
Other operating funding applications	0	0	0
Total applications of operating funding	B 1,908	2,324	2,701
Surplus/ (deficit) of operating funding	A-B 47	27	94
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	52	52	74
Increase/(decrease) in debt	(8)	(9)	-9
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	C 44	43	65
Application of capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	31	131	33
Increase/ (decrease) in reserves	60	(61)	126
Increase/ (decrease) in investments	0	0	0
Total applications of capital funding	D 91	70	159
Surplus/ (deficit) of capital funding	C-D (47)	(27)	(94)
Funding balance	((A-B)+(C-D)) (0)	0	0



Roading and Transport

ROADING

What do we do?

The roading team is responsible for the planning, operations, maintenance, development and improvements of Buller's roads to establish an affordable, integrated, safe, responsive and sustainable roading network.

Council provides, maintains and renews sealed and unsealed roads, bridges and culverts to enable people to move around for employment, recreation, shopping, social activities and business purposes. The roading team also arranges road signs, markings and street lighting to ensure that travel is safe and convenient.

Council reviews the road network in response to changing needs and develops plans to ensure the road network is able to cater for future growth.

Why are we involved in this activity?

The roading team ensures people have access to employment, services, education and recreation, as well as ensuring that goods and services can easily move around to support the local economy. The road corridor also creates access for critical services such as electricity, telecommunications, water supply and waste disposal.

Statement of Service Performance

Roading funding

Buller is a large district with numerous settlements and small towns along its coastline and in the hinterland. It is only able to function economically and socially because of its

vital wide-spread roading network maintained by Council. 615km of Council managed roads link into the main State Highways. 50% of those local roads are sealed, the other half are unsealed. Local roads incorporate 153 bridges and large culverts.

The local roads financial assistance rate sits at 72% for 2021/2022 by Waka Kotahi - New Zealand Transport Agency (Waka Kotahi).

A 100% financial assistance rate is guaranteed for special purpose roads (SPRs) until 30 June 2024. Waka Kotahi has determined that SPRs should transfer over to local councils as local roads by the end of the 2021-24 National Land Transport Plan period. A transition plan is being negotiated for this re-classification to determine if these roads should be managed as State Highways or be managed as local roads.

Council has undertaken a classification of all roads in the network in accordance with the One Network Framework guidelines developed by Waka Kotahi. The classification of the roading network will lead to determining the expected standard for each road matching the amount of use. This network classification will inform future maintenance and investment spending.

Major projects

This year a significant focus of the roading programme was to manage the response and recovery of two damaging

ROADING

storm events across the district. The July 2021 flood event impacted roads across the district with lots of damage in and around Westport. The February 2022 floods ruined district-wide roads, caused slips on the Karamea Highway and impacted several significant structures and bridges.

Another focus was to continue the footpath maintenance and renewal program for Westport to improve safety for pedestrians.

Resealing roads throughout the district has also progressed through the year.

Significant capital expenditure

Capital expenditure for service level improvements was \$606,000 lower than budgeted. The capital expenditure to replace existing assets were \$2,516,000 lower than budgeted because of the impacts of the severe weather events.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

Storm event emergency works following the July 2021 and the February 2022 floods resulted in significant variances in comparison to the 2021-2031 LTP.

Subsidies and grants for operating purposes and capital expenditure

Subsidies and grants for operating purposes were \$713,000 less than budgeted in the 2021 – 2031 LTP. Subsidies and grants for capital expenditure were \$2,552,000 less than allocated in the 2021 – 2031 LTP. The roading subsidies are received on a reimbursement basis after expenditure is incurred by Council. The planned work was delayed due to the significant weather events causing the planned expenditure not to be incurred and the corresponding subsidies not to be due.

The three-year roading budget is available for the next two financial years.

Payments to staff and suppliers

Payments to staff and suppliers were \$345,000 less than budget as planned works were delayed due to the significant weather events.



Links to community outcomes

SOCIAL



- ✓ By providing a safe roading system.

AFFORDABILITY



- ✓ By providing everyone easy access to the roading network.
- ✓ By providing links to sustain rural communities.

ENVIRONMENT



- ✓ By helping reduce energy consumption in our community.



TRANSPORT

What do we do?

The transport activity provides for planning, operations, maintenance, development and improvements to the transport network so that it is affordable, integrated, safe, responsive and sustainable. Although having strong links with roading, transport offers newly established programs of work and budgets. These programs include public transport services, cycle and walkways, signs and wayfinding, parking infrastructure, footpaths and pedestrian access mobility plans.

Council provides, maintains and renews footpaths, seats and shelters to enable people to move around for employment, recreation, shopping, social activities and business purposes. Council reviews the transport network in response to changing needs and develops plans to ensure that a transport network can support future growth. Council also supports the continued operation of the Westport taxi services to provide public transport.

Urban development is undertaken to create a more pleasant environment for our communities through plantings, street treatment and decorative measures. This includes the beautification of main streets through street flags and hanging floral baskets.

Why are we involved in this activity?

The transport activity allows the community to travel to employment, services, education and recreation activities. Benefits include a more active and healthy community, encouraging residents and visitors alike to explore and experience our amazing district and generally improved well-being and sense of community.

Statement of Service Performance

Council is maintaining 85.444 km of footpaths for the community. Waka Kotahi funding assistance for footpath maintenance and renewals is 72% for 2021/2022. Strategic investment in footpath maintenance and renewals is guided by a Pedestrian Access Mobility Plan.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

No variance



Links to community outcomes

SOCIAL



- ✓ By providing a safe footpath system.
- ✓ By promoting cycleways and walkways, signs and wayfinding and parking infrastructure.

ENVIRONMENT



- ✓ By helping reduce energy consumption in our community.
- ✓ By creating relationships within the community that contribute to the overall beautification of our transport spaces and ensure that mobility issues are addressed for all stakeholders.

PROSPERITY



- ✓ By providing everyone easy access to the greater roading network by providing links to sustain rural communities.
- ✓ By providing assistance with public transport.

Significant capital expenditure

- \$229,000 (lighting and street development are progressively renewed and improved over the 10-years of the LTP)







Key Performance Indicators

What we plan to do and our levels of service

» Roads and transport

Activity contribution Roads, footpaths, and transport links help to achieve an integrated, safe, responsive, and sustainable land transport system.

Community outcomes Social, affordability and prosperity

Level of service	Performance measures 2021-2024	Performance outcomes
No change or reduction in the safety quality of the road network from the previous financial year in the number of fatalities and serious crashes.	Mandatory Performance Measure 1: No change or reduction in the safety quality of the roading network from the previous financial year.	<p>2021-22 </p> <p>The number of fatalities on district roads in the previous year and in this reporting year was zero. The number of serious injury crashes on district roads in the previous year was three and in this reporting year was one. The target of no change or reduction has been met (0 fatal and 1 serious accident)</p> <hr/> <p>2020-21 </p> <p>The target of no change or reduction has not been met (0 fatal and 3 serious accident)</p>
The sealed and unsealed roads are fit-for-purpose and provide for comfortable, efficient, and safe travel.	Mandatory Performance Measure 2: STE is greater than 90 STE performance per km of road roughness.	<p>2021-22 </p> <ul style="list-style-type: none"> STE was 89% per km of road roughness. The ten-year average for sealed local road that is resurfaced was 4.6% per annum based on network length. Unsealed network surfacing renewal annual quantity was 968 cubic metres. <p>STE is measured every two years so this years value duplicates the last recorded results. Current result would be expected to be lower given substantial level of damage caused by successive extreme weather events.</p>
Smooth Travel Exposure (STE) - system scoring count) is measured on our sealed road network.	The ten-year average for sealed local road that is resurfaced is greater than 5.8% per annum based on network length.	<p>2021-22 </p> <p>Reseal program for the three years funding cycle were combined into two years of delivery.</p>
Sealed and unsealed roading network is being maintained.	Unsealed network surfacing renewal annual target of greater than 2,500m3.	<p>2021-22 </p> <p>6.8% of the roading network was worked on this year. Previous low years reduce the average down. Network surfacing of unsealed roads was reduced as contractor faced issues with supply of crushing plant.</p> <hr/> <p>2020-21 </p> <p>The target was not measured due to the road survey not being completed. Maintenance of the sealed road network achieved 3.1% with the 10-year average being 4.5%.</p>

KPI met  KPI not met 

Level of service	Performance measures 2021-2024	Performance outcomes
Footpaths are fit-for-purpose and provide for comfortable and efficient travel.	Mandatory Performance Measure 3: Continue to achieve 75% of district footpaths ranked as grade 1 and 2 (satisfactory).	<p>2021-22 64% of district footpaths were ranked as grade 1 and 2 (satisfactory). ●</p> <p>2020-21 +64% of the footpaths are ranked as grade 1 and 2 (satisfactory) by independent reviewer BECA. ●</p>
Footpaths are maintained within the level of service standard for the condition of footpath.	Continue to achieve 95% of district footpaths ranked as grade 1 through to 3 (satisfactory – fair).	<p>2021-22 89% of district footpaths were ranked as grade 1 through to 3 (satisfactory – fair). Change in measuring team and methodology resulted in a step change in results compared to last year. ●</p> <p>2020-21 +64% of the footpaths are ranked as grade 1 and 2 (satisfactory) by independent reviewer BECA. ●</p>
Responsive to, and focus on, the customer. Ensure that customers' service requests relating to road and footpaths are acknowledged and placed into the forward works programme (as appropriate in relation to priority).	Mandatory Performance Measure 4: Service requests are managed through the service request systems and 85% of requests are planned for action, in line with level of service criticality, within 15 working days.	<p>2021-22 55% of requests were planned for action, in line with level of service criticality, within 15 working days. Significant increase in request numbers. Roading and transport activity impacted significantly by extreme weather events. ●</p> <p>2020-21 Estimated 65% actioned within the timeframe. ●</p>

Funding Impact Statement for Roading and Transport

for the year ended 30 June 2022

	2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	2,017	2,197	2,197
Targeted rates	0	0	0
Subsidies and grants for operating purposes	2,326	2,849	2,223
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	157	157	122
Total operating funding	A 4,500	5,203	4,542
Applications of operating funding			
Payments to staff and suppliers	2,886	3,301	2,956
Finance costs	58	3	3
Internal charges and overheads applied	881	1,068	1,060
Other operating funding applications	0	0	0
Total applications of operating funding	B 3,824	4,372	4,019
Surplus/ (deficit) of operating funding	A-B 675	831	523
Sources of capital funding			
Subsidies and grants for capital expenditure	1,138	4,974	2,422
Development and financial contributions	0	0	0
Increase/(decrease) in debt	(21)	254	255
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	C 1,117	5,228	2,677
Application of capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	257	2,180	1,574
- to replace existing assets	1,502	3,879	1,363
Increase/ (decrease) in reserves	33	0	263
Increase/ (decrease) in investments	0	0	0
Total applications of capital funding	D 1,792	6,059	3,200
Surplus/ (deficit) of capital funding	C-D (675)	(831)	(523)
Funding balance	((A-B)+(C-D)) 0	0	0

	2021				2022			
Core Asset Disclosures	Closing Book Value \$000	Assets Constructed \$000	Assets Vested \$000	Replacement Cost \$000	Closing Book Value \$000	Assets Constructed \$000	Assets Vested \$000	Replacement Cost \$000
Roads and Footpaths	255,112	6,728	0	367,483	286,543	1,418	0	421,073
Total	255,112	6,728	0	367,483	286,543	1,418	0	421,073



Water Supplies

What do we do?

Council manages water supplies to support the health and well-being of the community.

Why are we involved in this activity?

Water is an essential need for individuals and commercial operations. Council provides sufficient quantities of potable water for domestic and commercial needs and public amenities. Council water management is required under a number of legal statutes.

Assumptions

There will be no significant change to current water demand from any of the Council water supplies. Any significant increase in water consumption due to additional subdivision, housing or industry will be addressed as part of the development (e.g. through a financial contribution).

There will be no major infrastructure failures. The Water Services Bill will bring in Taumata Arowai as the new regulator for drinking water. Further capital funding assistance will be available through Taumata Arowai for those water supplies where treatment upgrades have been provided for.

However, it should be noted that there is no certainty of continued financial support from Taumata Arowai. If there is no financial support, there would need to be consultation with the community and the decision to upgrade or not would be based on affordability.

Statement of service performance

Westport water supply

Council has resolved to replace the 14" trunk main due to ongoing leakage issues. This will provide a renewed trunk main from the Westport water treatment plant to Westport. This project is partially complete with the remaining lengths of trunk main scheduled for completion in the 2022/2023 financial year.

Waimangaroa drinking water supply

Council has resolved to invest in an upgrade of the Waimangaroa water supply, focusing on resilience work only. Contracted works to achieve this have started and are scheduled for completion in the 2022/2023 financial year.

Reefton water supply

Reefton is currently on a precautionary boil water notice following advice from the Canterbury District Health Board (CDHB). In 2021/2022 work began on the Reefton water upgrade with the rising main being laid from the water treatment plant on The Strand to the base of the reservoir hill at Donovan Street. This upgrade includes treatment improvements, construction of a dedicated rising main from the treatment plant to the reservoir, reservoir upgrades, renewal of the existing rising/falling main and construction of a new full pressure water main and associated pressure reduction infrastructure. Reefton water supply will have a backflow prevention and mains replacement programme undertaken.

Punakaiki water supply

The replacement of the Punakaiki trunk main was completed within the 2021/2022 financial year. Upgrades to the Punakaiki Klip tanks have been installed to effectively manage water in Punakaiki. Through the Greater Punakaiki Master Plan currently underway, various long-term water supply alternatives will be identified and evaluated. Once the business case and funding models are developed and approved, the scoping, planning and consultation phases will commence. The cost impacts will be pitched in a business case to central government.

Levels of service

The overall corporate goals and legislative requirements have been translated into several more specific target performance standards. These are summarised below:

- To ensure that all supplies have sufficient water at the source, and within the system, to meet the reasonable needs of the consumers.
- To ensure that connections are provided with adequate water pressure under normal use.
- To ensure that fire hydrants provide an adequate firefighting supply.
- To ensure the quality of the water supplies meet the expectations of each community and all legal requirements.
- To maintain the service to the consumer with a minimum of disruption and inconvenience.
- To minimize the quantity of unaccounted water.
- To ensure that supplies are managed in a cost-effective manner.
- To ensure that supplies are managed in an environmentally sensitive manner.
- The corresponding levels of service established as a means of achieving the performance standards, as set out above.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

Payments to staff and suppliers

These exceeded the budgeted amount in the 2021 – 2031 LTP by \$114,000, which was mitigated by lower finance costs and overhead charges.

Subsidies and grants for capital expenditure

Council received \$2,848,000 from DIA Three Waters Stimulus package for the Westport trunk main and Punakaiki trunk main.

Increase/(decrease) in debt

These were \$1,588,000 higher than budgeted in the 2021 – 2031 LTP, due to loans raised to fund the Reefton Water Supply upgrade originally planned for 2020-2021.

Significant capital expenditure

Council spent \$4,351,000 more than budgeted to improve the level of service for water supplies and expended \$504,000 less on replacing existing assets. The additional expenditure related to externally funded water supply upgrades. These were not budgeted in the 2021 – 2031 LTP and included work on the Waimangaroa trunk main, Westport trunk main and Punakaiki trunk main.



Links to community outcomes

SOCIAL	
	✓ By providing reticulated water supply to support a healthy community.
	✓ By providing water for sanitary services.
	✓ By maintaining sufficient water for firefighting purposes.
AFFORDABILITY	
	✓ By meeting commercial and community needs at an affordable cost with equal access to water.
ENVIRONMENT	
	✓ By conserving water and encouraging others to do the same.

Key Performance Indicators

What we plan to do and our levels of service

Provide an adequate quality of water

Activity contribution Safe drinking water supports the health of our community.

Community outcomes Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Council water supplies conform to part 4 and part 5 of the Drinking Water Standards.	Mandatory Performance Measure 1: Full compliance (100%) with part 4 (bacteria compliance criteria).	2021-22 Not met for all supplies. Refer to Table 2 for each Water Supply on page 51.
		2020-21 Not met for all supplies.
	Full compliance (100%) with part 5 (protozoa compliance criteria).	2021-22 Not met for any supplies. Refer to Table 1 for each Water Supply on page 51.
		2020-21 Not met for any supply.

Provide a reliable supply of water

Activity contribution A reliable supply of water is provided through a maintained network.

Community outcomes Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
No more than a 30% real water loss from the networked reticulation system.	Mandatory Performance Measure 2: No more than 30% water loss from the reticulation system.	2021-22 Not met for all supplies. Refer to Table 3 for each Water Supply on page 52.
		2020-21 Not met for any supply.

Provide a reliable supply of water – demand management

Activity contribution Demand on the water supply is managed through a maintained network.



Community outcomes Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Meet the average consumption of drinking water per day per resident within the Buller District.	Mandatory Performance Measure 3: 700 litres per resident per day.	2021-22 The average consumption per day per resident across all water supplies is not able to be measured. Refer to Table 4 which shows the consumption for each individual supply if it was able to be measured.
		2020-21 Not met.

KPI met ● KPI not met ●

Provide an acceptable supply of water – customer satisfaction

Activity contribution	An acceptable supply of water is provided through a maintained network to communities
Community outcomes	Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Stated performance delivery of the supply does not exceed the total complaints received target on the following aspects of the drinking water: <ul style="list-style-type: none"> • Clarity • Taste • Odour • Pressure or flow • Continuity of supply 	Mandatory Performance Measure 4: Less than 5 valid complaints per 1,000 connections for these measures.	2021-22  Clarity: 9 complains. 2.35 complains per 1,000 connections. Taste: 5 complains. 1.31 complains per 1,000 connections. Odour: 1 complained. 0.26 complains per 1,000 connections. Pressure: 21 complains. 5.50 complains per 1,000 connections. Continuity of supply: 34 complains. 8.91 complains per 1,000 connections. Council response to any of these issues: 0 complains. 0 complains per 1,000 connections.
		2020-21  Clarity: 9 complaints, 2.24 complaints per 1,000 connections Taste: 5 complaints, 1.24 complaints per 1,000 connections Odour: 0 complaints, 0 complaints per 1,000 connections Water pressure: 31 complaints, 7.72 complaints per 1,000 connections Continuity of supply: 32 complaints, 7.97 complaints per 1,000 connections Council response to any of these issues 100% complaints were resolved, 0 complaints per 1,000 connections

Provide a reliable supply of water – fault response times

Activity contribution A reliable supply of water is provided through a maintained network.

Community outcomes Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Response to network outages, faults and unplanned interruptions are measured.	Mandatory Performance Measure 5: Attendance for urgent call-outs: from the time Council receives notification to the time that service personnel reach the site is to be two hours at the most. Resolution of urgent call-outs: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be eight hours at the most.	2021-22 There were 37 urgent requests, 29 were attended to within two hours, and eight were attended to late. The median attendance time was 50 minutes. There were 37 urgent requests, 30 were resolved to within two hours, and seven were resolved late. The median attendance time was 86 minutes. <ul style="list-style-type: none"> • There were 610 non-urgent requests • 188 were attended to within one day • 72 were attended to within one – two days • 72 were attended to within two – four days • 22 were attended to within four – five days • 256 were attended to in more than five+ days
	Attendance for non-urgent call-outs: from the time Council receives notification to the time that service personnel reach the site is to be one working day at the most. Resolution of non-urgent call-outs: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be five working days at the most.	2020-21 <ul style="list-style-type: none"> • There were 32 urgent requests, 24 were attended within two hours and eight were attended late. • There were 32 urgent requests, 25 were resolved within five hours and seven were resolved late. • 523 callouts were received in total of these 405 were attended within the set timeframe, 110 were attended outside the timeframe and eight were incomplete. • 523 callouts were received in total. Of these 394 were attended within the set timeframe, 121 were attended outside of the timeframe and either were incomplete.

Table 1: Drinking Water Standard NZ Compliance

WATER SUPPLY (PLANT COMPLIANCE)	Population (WINZ)	Bacterial Compliance			Protozoal Compliance (%)			Comments on Performance Outcome
		2020/21 Performance	Performance Outcome (2021-22) Bacterial Compliance	Target	2020/21 Performance	Performance Outcome (2021-22) Protozoa Compliance	Target	
South Granity Tank Supply (administered by Council)	30	No *	No	No	No *	No	No	No treatment (non-BDC managed)
Hector/Ngakawau (administered by Council)	219	No *	No	No	No *	No	No	No treatment (non-BDC managed)
Inangahua Junction	70	Yes	No	Yes	No***	No	Yes	Some UV non-compliances
Little Wanganui	150	No *	No	No	No *	No	No	No treatment
Mokihinui	100	No *	No	No	No *	No	No	No treatment
Punakaiki	230	No****	No	Yes	No****	No	Yes	Several UV non-compliances during year
Reefton	951	No ****	Yes	Yes	No ****	No	Yes	Bacterial Compliant, Cartridge Filters not working as required to obtain required 4 log credit.
Waimangaroa	300	No *	No	No	No *	No	No	No treatment
Westport (including Carters Beach)	4,974	No ****	Yes	Yes	No ***	Yes	Yes	UV compliant

* No treatment plant to enable compliance

** E Coli detection in supply

*** Data collection and reporting errors

**** Insufficient sampling, non-compliance of certain parameters

Table 2: Drinking Water Standard NZ Compliance

WATER SUPPLY (PLANT COMPLIANCE)	Population (WINZ)	Bacterial Compliance			Comments on Performance Outcome
		2020/21 Performance	Performance Outcome (2021-22) Bacterial Compliance	Target	
South Granity Tank Supply (administered by Council)	30	No *	No	No	No treatment in place, not attempting compliance
Hector/Ngakawau (administered by Council)	219	No *	No	No	No treatment in place, not attempting compliance
Inangahua Junction	70	Yes	Yes	Yes	Complied
Little Wanganui	150	No *	No	No	No treatment in place, not attempting compliance
Mokihinui	100	No *	No	No	No treatment in place, not attempting compliance
Punakaiki	230	Yes	Yes	Yes	Complied
Reefton	951	Yes**	Yes*	Yes	Had one period which exceeded maximum allowed days, but this was due to Buller Flooding closing all roads from Westport
Waimangaroa	300	No *	No	No	No treatment in place, not attempting compliance
Westport	4,617	Yes	Yes	Yes	Complied
Carters Beach	357	Yes	Yes	Yes	Complied

* No treatment plant to enable compliance

** E Coli detection in supply

Table 3: Water Leakage

WATER SUPPLY (PLANT COMPLIANCE)	Connections	2020/21 Performance	Performance Outcome (2021-22)	Target	Method	Comments on Performance Outcome
South Granity Tank Supply (administered by Council)	23	2019/2020 : not measured (2018/2019: not measured).	N/A	30%	MNF	No Flow Meter
Hector/Ngakawau	176	2019/2020 : not measured (2018/2019: not measured).	N/A	30%	MNF	No Flow Meter
Inangahua Junction	33	2019/2020 : not measured (2018/2019: 32%)	N/A	30%	MNF	High flows, but no understanding of normal water usage patterns.
Little Wanganui	78	2019/2020 : not measured (2018/2019: not measured).	N/A	30%	MNF	No Flow Meter
Mokihinui	50	2019/2020 : not measured (2018/2019: not measured).	N/A	30%	MNF	No Flow Meter
Punakaiki	93	2019/2020 : not measured (2018/2019: 41%)	N/A	30%	MNF	No Flow Meter on Klip Tanks
Reefton	663	2019/2020 : not measured (2018/2019: 39 %)	N/A	30%	MNF	High flows, but no understanding of normal water usage patterns.
Waimangaroa	137	2019/2020 : not measured (2018/2019: not measured).	N/A	30%	MNF	No Flow Meter
Westport	2,694	2019/2020 : not measured (2018/2019: 58%)	N/A	30%	MNF	High flows, but no understanding of normal water usage patterns.

MNF means Minimum Night Flow

Water leakage is not measured in some supplies as those supplies have no treatment plant therefore there is not way of determining leakage

Table 4: Water Use

WATER SUPPLY (PLANT COMPLIANCE)	Connections	Previous Actual Performance (2020/21)	Performance Outcome (2021-22)	Target
South Granity Tank Supply (administered by Council)	23	NA	UTM - no flow meter.	less than 700l/p/day
Hector/Ngakawau	176	NA	UTM - no flow meter.	less than 700l/p/day
Inangahua Junction	33	NA	340 L/person/day	less than 700l/p/day
Little Wanganui	78	NA	UTM - no flow meter.	less than 700l/p/day
Mokihinui	50	NA	UTM - no flow meter.	less than 700l/p/day
Punakaiki	93	NA	UTM - no flow meter.	less than 700l/p/day
Reefton	663	NA	1090 L/person/day	less than 700l/p/day
Waimangaroa	137	NA	UTM - no flow meter.	less than 700l/p/day
Westport	2,694	NA	UTM - no flow meter.	less than 700l/p/day

UTM means unable to measure

Water consumption is not measured in some supplies as those supplies have no treatment plant therefore there is not way of determining water use.

Funding Impact Statement for Water Supplies

for the year ended 30 June 2022

	2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of Operating Funding			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	2,879	3,137	3,147
Subsidies and grants for operating purposes	0	0	0
Fees and charges	214	232	202
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	0	0	0
Total operating funding A	3,093	3,369	3,349
Applications of operating funding			
Payments to staff and suppliers	1,066	1,429	1,582
Finance costs	368	353	281
Internal charges and overheads applied	440	489	444
Other operating funding applications	0	0	0
Total applications of operating funding B	1,875	2,271	2,307
Surplus/ (deficit) of operating funding A-B	1,218	1,098	1,042
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	2,848
Development and financial contributions	0	0	0
Increase/(decrease) in debt	(245)	(108)	1,480
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding C	(245)	(108)	4,328
Application of capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	221	275	4,626
- to replace existing assets	684	823	319
Increase/ (decrease) in reserves	67	(108)	425
Increase/ (decrease) in investments	0	0	0
Total applications of capital funding D	972	990	5,370
Surplus/ (deficit) of capital funding C-D	(1,218)	(1,098)	(1,042)
Funding balance ((A-B)+(C-D))	0	0	0

	2021				2022			
Core Asset Disclosures	Closing Book Value \$000	Assets Constructed \$000	Assets Vested \$000	Replacement Cost \$000	Closing Book Value \$000	Assets Constructed \$000	Assets Vested \$000	Replacement Cost \$000
Treatment Plant and Facilities	9,277	177	0	14,575	11,052	594	0	17,487
Other Assets	23,644	1,019	0	59,151	30,102	2,163	0	54,079
Total	32,921	1,197	0	73,726	41,155	2,758	0	71,566



Wastewater/Sewerage

What do we do?

Council provides these activities to support the health and well-being of the community and the environment.

Council currently is responsible for the collection and transportation of wastewater from residential and commercial properties in Westport, Little Wanganui and Reefton through the underground piping infrastructure and treatment facilities. The rest of the district is serviced by on-site disposal systems that property owners maintain.

Statement of Service Performance

Monitoring and reporting of the wastewater treatment plants have been undertaken in accordance with the resource consents.

Disposal of product generated at the wastewater treatment plant is being appropriately managed.

The sewer and stormwater system modelling, and separation are continuing. This work assesses the level of stormwater infiltration into the network and allows for planning to reduce the amount of stormwater entering it, therefore improving capacity across the network.

Wastewater and sewerage service performance has not been achieved in times of significant flood events during 2021/22 financial year. Flood damage assessment and fault repair has commenced in partnership with NEMA.

Levels of service

The overall corporate goals and legislative requirements have been translated into several more specific target performance standards:

- To maintain the systems so that there are no significant blockages.
- To maintain the service to the consumer with a minimum of disruption and inconvenience to the public.
- To ensure that services are managed in a cost-effective manner.
- To ensure that supplies are managed in an environmentally sensitive manner.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

- There were no significant variances in comparison to the 2021-2031 LTP.

Significant capital expenditure

To replace existing assets

There were less mains and other replacements completed than budgeted in the 2021 – 2031 LTP due to the serious flood events during the year.



Links to community outcomes

ENVIRONMENT



- ✓ By protecting the environment through the treatment of wastewater.
- ✓ By providing water conservation programmes.

SOCIAL



- ✓ By providing a sanitary wastewater collection and treatment service.

AFFORDABILITY



- ✓ By meeting commercial wastewater needs and meeting community needs at an affordable cost.

Key Performance Indicators

What we plan to do and our levels of service

Provide adequate wastewater and sewerage systems

Activity contribution Wastewater and sewerage systems contribute to maintaining public health.
Community outcomes Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Wastewater and sewerage systems provide adequate capacity in relation to dry weather overflows.	Mandatory performance measure 1: Less than five sewerage overflows per 1,000 connections.	2021-22 <ul style="list-style-type: none"> The number of dry weather overflows per 1,000 connections was 0.62 Total overflows was 2 Total connections was 3,182 2020-21 0.4 per 1000 connections.

Wastewater and sewerage discharge compliance

Activity contribution Provision of wastewater and sewerage collection and disposal systems that contribute to ensuring minimal environmental impact.
Community outcomes Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Wastewater and sewerage systems are managed within resource consent parameters, with less than five abatement notices and no infringement notices, enforcement orders and convictions in relations to those resource consents.	Mandatory performance measure 2: <ul style="list-style-type: none"> Less than five abatement notices 0 infringement notices 0 enforcement orders No convictions received 	2021-22 <ul style="list-style-type: none"> 0 abatement notices 0 infringement notices 0 enforcement orders 0 convictions received 2020-21 <ul style="list-style-type: none"> 0 abatement notices 0 infringement notices 0 enforcement orders 0 convictions received

KPI met ● KPI not met ●

» Provide reliable wastewater and sewerage systems – fault response time

Activity contribution	Fault response provides a reliable wastewater and sewerage collection and disposal systems
Community outcomes	Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Response to network overflows resulting from a blockage or other fault in the system.	Mandatory performance measure 3: Attendance time: from the time Council receives notification to the time that service personnel reach the site is to be two hours at the most. Resolution time: from the time Council receives notification to the time that service personnel confirm resolution of the blockage or other fault is to be one working day at the most.	2021-22 Average attendance time was less than 2 hours. Average resolution time was less than one working day. • Total number of overflows were 14 • Wet weather overflows was 10 • Overflows during flood events was 2 • Dry weather overflow was 2 There were likely to have been multiple unrecorded overflow events during the two floods.
		2020-21 Five overflows were attended to, four were within two hours. Median attendance was one hour. All five overflows were resolved within the timeframe of one day.

» Provide acceptable wastewater and sewerage systems – customer satisfaction

Activity contribution	An acceptable wastewater and sewerage collection and disposal system is maintained.
Community outcomes	Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Stated performance delivery of the system does not exceed the total complaints received target on the following aspects of the sewerage and wastewater system: • Odour • System faults • System blockages • Council response to any of these issues	Mandatory performance measure 4: Less than five complaints per 1,000 connections for each of these measures.	2021-22 Achieved 2 of 4 a) sewerage odour 5 complaints - not achieved b) sewerage system faults 0 - achieved c) sewerage system blockages 3.14 not achieved d) Council's response to issues with it's sewerage system expressed per 1,000 properties connected to Council's sewerage system 0 - achieved
		2020-21 Not achieved a) sewerage odour 4 complaints - achieved b) sewerage system faults 3 - achieved c) sewerage system blockages 13 not achieved d) Council's response to issues with it's sewerage system expressed per 1,000 properties connected to Council's sewerage system 3.5 - achieved

Funding Impact Statement for Wastewater/Sewerage

for the year ended 30 June 2022

	2019/2020 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	2,720	2,717	2,703
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	5	5	9
Total operating funding A	2,725	2,722	2,712
Applications of operating funding			
Payments to staff and suppliers	930	1,107	1,024
Finance costs	198	84	84
Internal charges and overheads applied	352	381	399
Other operating funding applications	0	0	0
Total applications of operating funding B	1,479	1,572	1,507
Surplus/ (deficit) of operating funding A-B	1,246	1,150	1,205
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(decrease) in debt	(336)	(393)	(393)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding C	(336)	(393)	(393)
Application of capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	21	0	53
- to replace existing assets	873	932	470
Increase/ (decrease) in reserves	16	(175)	289
Increase/ (decrease) in investments	0	0	0
Total applications of capital funding D	910	757	812
Surplus/ (deficit) of capital funding C-D	(1,246)	(1,150)	(1,205)
Funding balance ((A-B)+(C-D))	0	0	0

	2021				2022			
Core Asset Disclosures	Closing Book Value \$000	Assets Constructed \$000	Assets Vested \$000	Replacement Cost \$000	Closing Book Value \$000	Assets Constructed \$000	Assets Vested \$000	Replacement Cost \$000
Treatment Plant and Facilities	12,904	296	0	22,472	13,577	428	0	24,471
Other Assets	14,371	266	0	31,041	16,597	63	0	34,555
Total	27,276	562	0	53,513	30,174	491	0	59,026



Stormwater

What do we do?

Council's stormwater management involves overseeing certain procedures and maintaining infrastructure that are designed to manage the disposal of surface water from rainfall.

Council manages open drain stormwater systems in Hector, Ngakawau, Seddonville, Granity, Waimangaroa, Westport, Carters Beach and Reefton. In addition, Westport and Waimangaroa have piped stormwater systems.

Sections of the Westport wastewater system and the entire Reefton wastewater system also accept stormwater.

In Punakaiki, the only public stormwater drain is maintained by Waka Kotahi – New Zealand Transport Agency as part of their roading network. In other townships, such as Mokitini and Little Wanganui, there are no formal stormwater systems and all stormwater simply soaks to the ground naturally.

Why are we involved in this activity?

Council provides stormwater systems to manage surface water runoff in a way that achieves a balance between the level of protection from localised flooding and the cost to the community.

How do we contribute to strategic goals and community outcomes

The most significant outcome supported by a working stormwater system is a healthy community. Uncontrolled stormwater runoff can be destructive and represent an immediate risk to life. A fit for purpose stormwater system minimises stormwater damage and protects the



Links to community outcomes

SOCIAL



- ✓ By providing stormwater systems reduces the risk of death or injury resulting from flooding on private property.

AFFORDABILITY



- ✓ The service is deemed to provide a public benefit, through the protection of property.

ENVIRONMENT



- ✓ The adverse environmental effects of stormwater runoff and disposal can be addressed with appropriate management.

environment. This contributes to the prosperity and sustainability of communities in Buller.

Statement of service performance

The primary stormwater system was overwhelmed by the magnitude of the storm events during the major floods in 2021/2022 and secondary system were not able to cope.

Flood damage assessment and fault repair has commenced in partnership with NEMA.

Modelling of the stormwater system will determine areas of the town where additional stormwater separation will be required. This project has started and will inform future planning and replacements.

District wide management of stormwater includes scheduled maintenance for the open drains and other rural networks.

Levels of service

The overall corporate goals and legislative requirements have been translated into several more specific target performance standards:

- Ensure that all stormwater systems have sufficient capacity to meet the reasonable needs of the consumers.
- Ensure that stormwater within urbanized areas does not contribute to cross boundary flooding for events up to 10% Annual Exceedance Probability (1 in 10-year event).
- Ensure that stormwater within urbanized areas does not enter dwellings for events up to 2% Annual Exceedance Probability (1 in 50-year event).
- Ensure that secondary flow paths are identified for events exceeding the capacity of the primary systems.
- Ensure that stormwater systems are maintained at or beyond the minimum capacity required.

- Ensure that stormwater systems are managed in a cost-effective manner.
- Ensure that stormwater discharges are managed in an environmentally sensitive manner.

It can be costly to undertake the necessary investigations to quantify what the capacity of an existing system is. There can be significant costs associated with upgrading that capacity. Therefore, while it is appropriate to apply these performance standards to all new stormwater systems, a more pragmatic approach is taken towards the management of existing stormwater systems.

This means that the existing stormwater systems are maintained to their original capacity.

Site specific investigations are undertaken when the existing capacity is not considered acceptable to the individual community. Any upgrade options are considered based on risk and benefit/cost considerations.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

No significant variances occurred in comparison to the 2021-2031 LTP.

Significant capital expenditure

No significant variances.



Key Performance Indicators

What we plan to do and our levels of service

» Provide adequate stormwater drainage capacity

Activity contribution Stormwater systems contribute to maintaining public safety

Community Outcomes Social, affordability, prosperity and environment

Level of service	Performance measures 2021-2024	Performance Outcomes and Comments
The number of flooding events in the stormwater systems are managed to a target level of service set in the performance measure	Mandatory Performance Measure 1: No target has been set for the number of flooding events as it is deemed that flooding events are outside of Council control. For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected Councils stormwater system) is not more than five houses flooded for each event.	2021-22 The number of flood events where one or more habitable floors were affected was 484. The July 2021 flooding event was significant and it was not possible to meet the measure due to the nature of the flood. July 2021 Flooding Event <ul style="list-style-type: none"> Red stickered properties: 71 homes Yellow stickered properties: 388 homes Total properties affected: 459 homes Feb 2022 Flooding Event <ul style="list-style-type: none"> Red stickered properties: 4 homes Yellow stickered properties: 21 homes Total properties affected : 25 homes For each event the number of habitable floors affected per 1000 properties was as follows: <ul style="list-style-type: none"> July 2021: 144.24 February 2022: 7.85 There was one service request for floods outside July and February events The flood events the magnitudes were: <ul style="list-style-type: none"> July 2021: 1 in 60-years (1.67% Annual Exceedance Probability (AEP)) February 2022 (two events): 1 in 14.5 years (6.9% AEP) for the worst event. July 2021 event - maximum flow in Buller River was 8,900 cubic metres per second.
		2020-21 Met. There were no stormwater flooding events recorded.

KPI met ● KPI not met ●

» Stormwater environmental discharge compliance

Activity contribution Provision of stormwater collection and disposal systems that contribute to ensuring minimal environmental impact through its discharge.

Community Outcomes Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance Outcomes and Comments
Stormwater systems are managed within resource consent parameters, with no abatement notices, infringement notices, enforcement orders, or convictions in relation to those resource consents.	Mandatory Performance Measure 2: <ul style="list-style-type: none"> 0 abatement notices. 0 infringement notices. 0 enforcement orders. No convictions received 	2021-22 <ul style="list-style-type: none"> 0 abatement notices. 0 infringement notices. 0 enforcement orders. 0 No convictions received.
		2020-21 0 notices, orders and convictions.

» Provide reliable storm water systems – fault response time

Activity contribution Fault response provides a reliable stormwater collection and disposal systems.

Community Outcomes Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance Outcomes and Comments
Response to flooding overflows resulting from a blockage or other fault in the system.	Mandatory Performance Measure 3: The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site is to be one hour at the most.	2021-22 There was one flooding instance outside the July 2021 and February 2022 floods. The median response time for this instance was one hour. There is no data for the median time for the houses flooded during the July 2021 and February 2022 floods.
		2020-21 Met. There were no service requests for flooding events recorded.

» Provide acceptable stormwater systems – customer satisfaction

Activity contribution An acceptable stormwater system is maintained for communities.

Community Outcomes Social, affordability, prosperity and environment.

Level of service	Performance measures 2021-2024	Performance Outcomes and Comments
Stated performance delivery of the system does not exceed the total complaints received about the performance of the stormwater system.	Mandatory Performance Measure 4: Less than 10 complaints per 1,000 connections.	2021-22 The number of complaints per 1,000 connections for the year was 2.51. Total number of complaints was eight.
		2020-21 Met. 3.3 complaints per 1000 connections.

Funding Impact Statement for Stormwater

for the year ended 30 June 2022

		2019/2020 LTP Budget \$000	2021/2022 LTP Budget \$000	2023/2024 Actual \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties		531	612	612
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		5	5	23
Total operating funding	A	536	617	635
Applications of operating funding				
Payments to staff and suppliers		155	190	198
Finance costs		26	10	7
Internal charges and overheads applied		104	175	214
Other operating funding applications		0	0	0
Total applications of operating funding	B	286	375	419
Surplus/ (deficit) of operating funding	A-B	250	242	216
Sources of capital funding				
Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		0	0	0
Increase/(decrease) in debt		(34)	(42)	(36)
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	(34)	(42)	(36)
Application of capital expenditure				
- to meet additional demand		0	0	0
- to improve the level of service		0	5	0
- to replace existing assets		216	195	183
Increase/ (decrease) in reserves		0	0	(3)
Increase/ (decrease) in investments		0	0	0
Total applications of capital funding	D	216	200	180
Surplus/ (deficit) of capital funding	C-D	(250)	(242)	(216)
Funding balance	((A-B)+(C-D))	0	0	0

	2021				2022			
Core Asset Disclosures	Closing Book Value \$000	Assets Constructed \$000	Assets Vested \$000	Replacement Cost \$000	Closing Book Value \$000	Assets Constructed \$000	Assets Vested \$000	Replacement Cost \$000
Stormwater Drainage	10,099	38	0	24,285	13,328	17	0	29,473
Total	10,099	38	0	24,285	13,328	17	0	29,473



Solid Waste

What do we do?

The solid waste team organises and oversees the collection, transfer and final disposal of waste generated by households and businesses within the district.

Council contracts out the solid waste collection and recycling services to an environmentally sustainable contractor.

Council signed a 10-year contract with Smart Environmental Ltd to provide this service until 1 February 2024. This includes the collection and disposal of residual refuse and recycling, the management of the transfer stations and the transportation of waste to a landfill. The kerbside collection service contract will be re-tendered for the period 2024–2034. As part of this procurement process, further investigation will be undertaken around in-district landfill management in a regional context.

Council also operates two active landfills at Karamea and Maruia. Central government policy is moving away from a reliance on landfilling for waste management, and towards making New Zealand a more carbon neutral, circular economy.

Council oversees the aftercare of Council's closed landfill sites (Birchfield, Westport, Charleston, Inangahua, Reefton, Springs Junction and Ikamatua) and monitors groundwater quality at these sites as required under resource consent conditions.

Council also has a role to play in fostering residents' waste minimisation behaviours. This is taken care of through providing resources for education programmes in schools about sustainability and waste minimisation. Support is also provided to businesses to develop more sustainable practices.

Why are we involved in this activity?

Ensuring residents have access to kerbside collection for their household refuse and recycling, providing waste disposal options for rural communities and offering ways to divert materials from landfill, helps to maintain the quality of life in the district. These services combined with Council's waste education encourage waste minimisation through re-use, recycling and recovery. It also minimises illegal dumping of refuse.

Statement of Service Performance

Contracted approach to solid waste

There has been an increase of 27% from last year in solid waste transported to York Valley landfill in Nelson. This is mainly due to the impact of the floods that damaged a large number of the district's homes and caused an influx in construction as part of the rebuild. On top of the 3,122 tonnes of solid waste material transported to York Valley throughout last year, 1,600 tonnes of one-off flood related household waste was collected by council and civil defense and transported to York Valley.

Council has continued with education campaigns around recycling, reminding residents what can be recycled, as well as encouraging people to reduce and reuse waste through a district-wide campaign focusing on the messages of reduce reuse recycle.

Karamea and Maruia landfills

The Karamea and Maruia landfills continue to operate within budgets.

There is a very active solid waste community group in Karamea who work in conjunction with Council staff to optimize the use of the landfill and explore recycling opportunities.

Karamea and Maruia landfills are operating in compliance with resource consent conditions and national regulations. A renewed resource consent for Maruia has been submitted to West Coast Regional Council and is in process.

Central government grants

Council was successful in securing several central government grants, these included:

- \$100,000 for a weighbridge in Karamea.
- \$900,000 for a construction and demolition waste project business case for the West Coast.
- \$35,000 of waste levy funding cash-back on the flood waste recovery project.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

Subsidies and grants for capital expenditure.

The final payment for the completion of the Old Hector Landfill Seawall was received.

Significant capital expenditure

Capital expenditure was \$119,000 less than budgeted. The planned Westport and Reefton Transfer Station Assets Maintenance projects were started in 2021-2022 but will be completed later than planned. The Karamea Landfill upgrade, that will be carried out in conjunction with the Ministry of Environment, also will be finished later than expected in 2023.



Links to community outcomes

PROSPERITY



- ✓ Commercial needs for dealing with waste are met.

AFFORDABILITY



- ✓ The District has a means of safely disposing of its refuse.

CULTURE

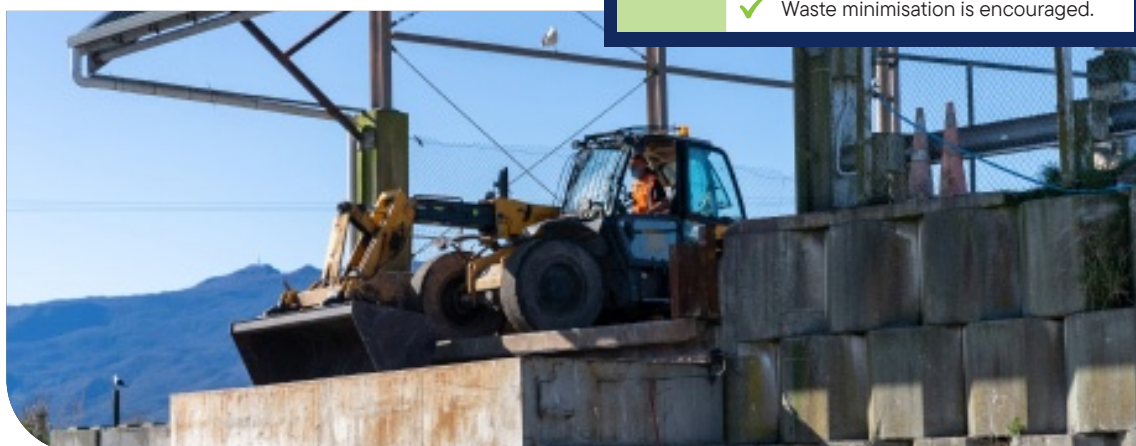


- ✓ Programmes are provided to schools and the community on waste care and reduction.
- ✓ There is continued public education around composting, food waste reduction strategies and recycling opportunities.

ENVIRONMENT



- ✓ Refuse is collected and disposed of in a safe, efficient and sustainable manner, minimising the risk of waste being inappropriately or dangerously disposed of.
- ✓ Waste minimisation is encouraged.



Key Performance Indicators

What we plan to do and our levels of service

» Solid waste

Activity contribution

Council provides ethical, economical, and efficient waste management services, where the concepts of sustainability and social responsibility are equally valued alongside cost. Change behaviours regarding solid waste, leading to a decrease in the quantity of waste generated per person and divert solid waste from landfills.

Community outcomes

Social, affordability, prosperity, environment and culture.

Level of service	Performance measures 2021-2024	Performance outcomes
Provide landfill operations in Karamea, Maruia, and Springs Junction. Offer recycling services at Karamea landfill. Provide transfer station services in Westport and Reefton, as well material recovery facilities at Westport Transfer Station. Education activities to encourage waste reduction, reduce contamination in recycling material, and compliance regarding recycling rules.	<p>100% compliance with regulations set in the Resource Management Act, resource consents and national environmental regulations.</p> <p>Undertake two community engagement events, and two community education events to encourage the reduction of waste generated and increase of diversion from landfill.</p>	<p>2021-22</p> <p>There were no abatement notices, infringement notices, or enforcement orders and no convictions received. However, the resource consent conditions for the closed Westport and Birchfield landfills are not complying with the parameter established. Further investigation with views to remediate will be undertaken (scheduled for August 2022).</p> <p>With the e-waste collection programme 565 kg of e-waste has been collected and recycled so far.</p> <p>With the fridge degassing programme over 100 fridges have been degassed and disposed of safely.</p> <p>40 residents have participated in the composting workshops completed so far.</p> <p>After the implementation of the Recycling Bins Audit Programme, the recycling contamination in kerbside collection has decreased from 32% to 30%.</p> <p>2020-21</p> <p>Not measured as was not a KPI in the Long Term Plan.</p>

KPI met ● KPI not met ●

Funding Impact Statement for Solid Waste

for the year ended 30 June 2022

	2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	268	350	350
Targeted rates	654	739	744
Subsidies and grants for operating purposes	44	44	65
Fees and charges	0	0	32
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	99	99	80
Total operating funding	A 1,064	1,232	1,271
Applications of operating funding			
Payments to staff and suppliers	815	940	931
Finance costs	53	24	22
Internal charges and overheads applied	123	184	240
Other operating funding applications	0	0	0
Total applications of operating funding	B 991	1,148	1,193
Surplus/ (deficit) of operating funding	A-B 73	84	78
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	115
Development and financial contributions	0	0	0
Increase/(decrease) in debt	(74)	(39)	(89)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	C (74)	(39)	26
Application of capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	90	44
- to replace existing assets	8	80	7
Increase/ (decrease) in reserves	(9)	(125)	53
Increase/ (decrease) in investments	0	0	0
Total applications of capital funding	D (1)	45	104
Surplus/ (deficit) of capital funding	C-D (73)	(84)	(78)
Funding balance	((A-B)+(C-D)) 0	0	0



Infrastructure Delivery

What do we do?

The Professional Services Business Unit (PSBU) provides engineering services to support the maintenance, development and construction of Council's infrastructure.

This includes the preparation of contracts for roading, water, wastewater, solid waste and property, amenities and reserves. The PSBU monitors the performance of contractors and issues instructions for work in response to requests for service and comments from the community.

Why are we involved in this activity?

An in-house professional services business unit allows Council to access engineering services on a cost-effective basis. In-house expertise assists the efficient management of Council roading and other infrastructure assets including water, wastewater and solid waste.

Statement of service performance

The PSBU provides regular governance project updates on contracts under their jurisdiction in a timely manner.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

Internal charges and overheads recovered

The internal charges and overheads recovered were \$67,000 higher than budgeted in the 2021-2031 LTP due to time charged to unbudgeted externally funded projects.

Payments to staff and suppliers

These expenses were \$123,000 higher than budgeted in the 2021-2031 LTP due to unanticipated costs relating to

the delivery of key projects. Additional overhead recoveries partially offsets this overrun.

Significant capital expenditure

The PSBU procured a planned vehicle replacement in line with Council's Vehicle Replacement Policy.

The PSBU procured one additional motor vehicle replacement due to insurance losses in the July 2021 flood response. Total capital expenditure was \$77,000 for two vehicles against a budget of \$35,000 for one motor vehicle.



Links to community outcomes

SOCIAL



✓ By managing capital asset renewal programmes.

AFFORDABILITY



✓ By monitoring the conditions of Council assets and issuing requests for maintenance.

ENVIRONMENT



✓ By monitoring landfills and wastewater treatment plants.

Key Performance Indicators

What we plan to do and our levels of service

» Provide engineering advice to Council and administer contracts

Activity contribution Roads, transport, solid waste, and three waters service delivery is effectively managed.

Community Outcomes Social, affordability, prosperity, and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Provide engineering services to support the maintenance and development of Council infrastructure.	Quarterly programme reports provided to the Chief Executive Officer.	2021-22 Quarterly programme reports provided to the Chief Executive Officer. ●
		2020-21 Met. Quarterly reports provided. ●



KPI met ● KPI not met ●

Funding Impact Statement for Infrastructure Delivery

for the year ended 30 June 2022

		2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties		0	0	0
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		949	1,022	1,089
Local authorities fuel tax, fines, infringements fees and other receipts		0	0	0
Total operating funding	A	949	1,022	1,089
Applications of operating funding				
Payments to staff and suppliers		762	749	872
Finance costs		0	0	0
Internal charges and overheads applied		159	202	195
Other operating funding applications		0	0	0
Total applications of operating funding	B	921	951	1,067
Surplus/ (deficit) of operating funding	A-B	27	71	22
Sources of capital funding				
Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		0	0	0
Increase/(decrease) in debt		0	0	0
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	0	0	0
Application of capital expenditure				
- to meet additional demand		0	0	0
- to improve the level of service		0	0	0
- to replace existing assets		5	35	77
Increase/ (decrease) in reserves		22	36	(55)
Increase/ (decrease) in investments		0	0	0
Total applications of capital funding	D	27	71	22
Surplus/ (deficit) of capital funding	C-D	(27)	(71)	(22)
Funding balance	((A-B)+(C-D))	(0)	0	0



Community Services

Activities and services delivered

- Funding – community grants, museum support, community-led revitalisation projects, arts funding, facilities hire, rural travel fund
- Libraries
- NBS Theatre
- Reefton cinema
- Communications – website, Connect newsletter, news releases, social media, advertising.
- Customer services – over the counter and by phone and email through offices in Westport and Reefton
- Economic development
- Community engagement and consultation - Council works alongside our communities to support them to identify and implement solutions to the complex social issues in our society. The team works strategically and practically to ensure issues are identified, prioritised and addressed through a collaborative approach.

Funding

Council provides and/or administers a range of funding to community organisations and groups throughout the Buller District. Some are Council's own grants others are administered on behalf of central government organisations such as Creative New Zealand. All funds have criteria and applications are assessed by a committee or subcommittee.

Council provides support and advice to the community to access and leverage external funding opportunities.

Libraries

The two district libraries in Westport and Reefton provide a diverse up-to-date range of services to the community. The facilities and services meet information, learning, recreational and cultural needs of residents of all ages and backgrounds. Access to information will continue to be available in a variety of formats including books, media, and online apps. Free internet access is provided through Aotearoa People's Network. The two district libraries and their offerings enhance the community's well-being.

NBS Theatre

Buller's premiere entertainment venue features a live theatre auditorium and two cinemas. The venue offers multiple movie screenings each week and the auditorium is used regularly for live performances, meetings, weddings, cabaret, and funerals. The outdoor stage is well used over the summer months.

Reefton Cinema

The Reefton Cinema provides movie screenings, and the venue is also used for conferences, live performances, meetings, and community events.

Communications

Council communicates in a pro-active and reactive way to inform the community. By releasing information of public interest, Council aims to keep its community updated about relevant local and national subjects. Council collects and distributes stories about initiatives and activities in the district sharing and celebrating them on different media and community platforms.

Council's quarterly newsletter 'Connect' is delivered to all letterboxes in the district, is available at multiple outlets, and is sent in digital format to subscribers. This ensures the newsletter reaches also those who do not use digital platforms.

Social media is used in a creative, engaging way to target certain audiences. Council is undertaking staff training and widening staff expertise to increase and improve the reach, use, and quality of its digital channels.

Council's website is regularly updated. A new website is being developed and set to be launched by December 2022.

Strong systems oversee Council's responsibilities in relation to the Local Government Official Information and Meetings Act (LGOIMA). Staff undergo training to respond in an acceptable manner. Council began live streaming council meetings to its YouTube channels and publishes these in an easy to find and visually appealing way. This increase participation in local government and transparency for the community.

Council staff engage with and support national and local campaigns as appropriate.

Customer services

Council has offices in Westport and Reefton, where staff are available to assist over the counter, by phone and by email with customer enquiries. An after-hours telephone service is provided via a call centre.

Responses to service requests are increasingly becoming streamlined however, response time targets have been increased to seven working days to better match the ability of staff to respond.

Council will further promote use of the service request system and is looking at ways to improve its user-friendliness and functionality.

Economic development

As projects come to fruition, economic development plans and initiatives are created to respond to the changing environment. The district has led the national GDP rate post Covid-19 for two quarters in a row and is in a strong economic position after the pandemic.

Council engages with local key stakeholders such as the Kawatiri Coastal Trail Trust, Advanced Northern West Coast, Development West Coast and ensures strong relationships are formed and maintained.

Council seeks input and liaises with local communities about



Links to community outcomes

SOCIAL



- ✓ Recreation facilities allow people to connect socially, play sport, and achieve their fitness and recreational goals. Developing community cohesion which supports mental and social well-being.

PROSPERITY



- ✓ Economic development strategies, along with a focus on building partnerships of trust and collaboration, along with advocating on behalf of the district will achieve economic development through specific projects.

CULTURE



- ✓ Libraries assist with the development of lifelong learning and literacy. Theatres provide performance space for artistic and cultural performances all of which facilitate social and cultural connections.

AFFORDABILITY



- ✓ The range of services and facilities provided are managed with the aim of being efficient and fit-for-purpose, with an eye on the current and future needs of our community, and are funded through a mix of rates and user-pays to keep them as affordable as possible.

ENVIRONMENT



- ✓ Building a strong relationship with the Ministry for the Environment and creating jobs for nature through Council's Environmental Improvement and Prosperity Strategy (EIPS) will create jobs and improve our waterways and natural environment.

major projects that impact the future look, feel, shape and growth of the district creating opportunities for participation.

Over the next few years, Council will focus on activating its Environmental Improvement and Prosperity Strategy (EIPS) as tranche two of Council's economic development plan.

Community engagement and consultation

To shape our district Council creates multi-media campaigns and engagement activities to encourage the community to have their say.

Opportunities to do so will be promoted and implemented during the consultation phase of Council's Annual Plan and LTP processes, for policy and bylaw reviews and other changes that have significant impact on the community.

Council has a Significance and Engagement Policy that guides Council when deciding which issues to engage and/or consult the community on.

Council will foster the understanding of the community in how to participate in local government as part of its multi-media campaigns and engagement efforts.

Council will continue to engage with key stakeholders and groups in the community.

Statement of service performance

Communications

Media releases were distributed to media and the community as required. Media releases were uploaded on Council's website and promoted on Council's social media profiles. Council proactively released information about its major projects through this multi-channel distribution process. Council proactively releases LGOIMA requests on its website. Information and public notices were frequently and timely shared through radio, digital and print channels. Direct engagement through email or mail, to targeted community groups, was also used to disseminate information when appropriate.

Council's Connect newsletter was distributed quarterly to all letterboxes in the district and circulated to outlets such as libraries.

Significant work has been undertaken to develop Council's new website that will be launched in December 2022.

Council started live-streaming Council meetings to its YouTube channels and published these in an easy to find and visually appealing way.

Customer Services

In the 2021-2031 Long Term Plan, Council consulted with the community regarding the potential co-location of the Reefton Service Centre and the Reefton Visitors Centre in the Reefton Visitor Centre building. This would align with Council taking over the operation of the Visitor Centre. This proposal aimed to create a Service Hub that could provide the same level of service and incorporate all functions held by Council, including NZ Post, Waka Kotahi and Inangahua County Library.

The amalgamation is not anticipated to increase the cost of providing these services. Through sharing resources and increasing efficiencies the merger over time could lead to a decrease in cost while achieving an increase in the level of service. The council has progressed the amalgamation and undertook staff consultation. The opening date is confirmed for Monday 21 November 2022.

Grants

Council supported the Buller community through a total of \$188,872.61 from Council's own or administered grants in the 2021/2022 financial year. \$25,872.61 was distributed from the Creative Communities Scheme, \$9,500 from the Sports New Zealand Rural Travel Fund. \$100,000 was granted through Council's Community Grants Fund, \$50,000 through the Community-Lead Revitalisation Fund, and \$1,000 through Council's Representation Grant. Facilities Hire Grants were distributed to the value of \$2,500.

Community and economic development

Council staff engaged with key local economic development partners through meetings, networking events and one-on-one support. Council staff set up meetings and facilitated connections, partnerships and supported relationship building between local and regional stakeholders.

For the third year, the Mayor Tasks Force for Jobs (MTFJ) programme contract was secured, and Council staff regularly liaised with and assisted the MTFJ programme coordinator.

Reefton's socio-economic development officer supported community groups, clubs, and businesses in Reefton, who needed support with planning fundraising, required funding for a community project or event, or wanted to start or expand their business.

Over the last year, Council has continued to work closely with successful applicants to the Provincial Development

Unit (PDU) and worked with these parties to bring multiple projects funded by the Provincial Growth Fund (PGF) to completion.

Community engagement and consultation

Through a community engagement process between November 2021 and March 2022, Council assisted the Charleston community to surface, and consolidate their views regarding what they want the Charleston community to look like in 10 years. These suggestions were summarized and remained with local community reference groups for action. This community engagement followed a submission made to Council's 2021 – 2031 Long Term Plan.

The community was encouraged to submit to the 2022–2023 Annual Plan process through a multi-channel promotion campaign. Drop-in sessions were held in each part of the district. Primarily, work has been undertaken to prepare for community engagement around Council's climate change adaptation strategy.

As part of the Vote22 campaign Council staff raised the profile, educated, and motivated residents to stand for Council in the 2022 Local Government Elections. Residents were encouraged to vote during the election as the second part of the campaign.

Council supported the consultation process for the different stages of the Te Tai o Poutini Proposed Plan inspiring the community to have their say.



Council actively aids youth development in the district through being a member of the Kawatiri Youth Voice Advisory Group in partnership with Homebuilders West Coast Trust, Buller REAP and Sport Tasman to advocate for and support Kawatiri Youth Voice Group with their vision, purpose and values.

NBS Theatre

The NBS Theatre is a vibrant, safe and welcoming theatre/ cinema environment that contributes to a community that is vibrant and inclusive. It provides a wide range of shows, movies and events that meet the cultural interest of our community. The NBS Theatre continues to be the venue of choice for many local, national and international shows/ events and meetings. Several local groups, schools and the community use the venue for entertainment of all genres such as film and live events.

Long term annual users continue to support the NBS Theatre. Groups such as Gravity Dance Studio and Westport Performing Arts Society are regular guests. They hold their annual competition at the theatre which draws many visitors to the district.

A local theatre group, Onstage Productions, calls the NBS Theatre its home. The group regularly rehearses at the theatre and stores their costumes there. Anyone from the community is warmly invited at any time. This ensures that both young and old have an opportunity to experience theatre etiquette and what a theatre can offer.

The NBS Theatre continues to attract overseas acts, through its membership with the Events Venues Association of New Zealand (EVANZ). With Covid-19 restrictions easing, new bookings are coming in from overseas productions with bookings out as far as 2024.

The Fred Gregory Screen Room is very popular with private hires and birthday parties. This highlights the value the cinema brings to the community as a versatile all-round venue.

The front offices are hired weekly by three medical professionals, emphasizing the versatility of the theatre.

Reefton Cinema

The Reefton Cinema offers the Reefton community the enjoyment of a mix of old and new blockbuster and arthouse movies. The venue is also hired for meetings and shows. The Reefton Operatic and Repertory Society annually takes over the Reefton Cinema stage. Reefton has had more national live acts in 2022 than in other years.



Buller District Libraries

Libraries and Aotearoa Peoples Network (APNK)

The library continues to be a well-used resource and community hub in Reefton and Westport. APNK hardware is extremely popular. The seating outside the libraries has continued to allow customers to use comfortably the free Wi-Fi outside of business hours.

Libraries in Partnership Funding ended

Three full-time seconded library positions ended in June 2022. These were funded through the New Zealand Libraries in Partnership Programme (NZLPP) in response to the Covid-19 recovery. The library was able to employ two full-time community engagement librarians and one full-time archives and digital collections librarian.

The extra staffing allowed minimal disruptions to opening hours through Covid-19 restrictions. The extra staff were instrumental in helping 754 members of the Buller community to obtain their Covid-19 Vaccine Passes.

A year of constant change

The community engagement team now consists of one full-time position and our existing library team who is assisting with the on-going digital archives requests. The library continues to deliver programmes that improve the wellbeing, inclusion, and literacy of our community.

These include Tuesday Kids Club, School Holiday events, a preschool story-time, adult book club, Saturday Scrabble,

digital literacy device-advice one-on-one sessions, a knitting group in Reefton and a Reefton Lego Club. During Covid-19 restrictions the team tested more 'passive-programs' including take-home options for children. The ever-popular Summer Reading Programme was another great success with over 150 Buller children taking part. The library hosted on-line book clubs and reading challenges for children and adults.

The library had a decrease in active library members of 1.14%. Data shows a decrease after the July 2021 floods with some long-term members leaving town. The library was limited for a long time due to Covid-19 restrictions which changed the use of the library. The team was unable to host events, groups or classes and library users were restricted for several months.

Physical in-person visits were down but virtual visits to the library increased. Combined both libraries recorded 100,217 total visits this financial year compared to 89,032 combined visits in the previous year. Virtual visits include log-ins, hits or reach to our Library App, Instagram page, Facebook page, Library BDC Website page.

Heart of the community

Once the restrictions started to lift for events, the attendance of events indicated that the library and its services were still at the heart of the community.

Our libraries have continued to partner with community groups, examples of these are Dementia Canterbury and our Next Chapter initiative. Pub Charities Limited again funded

the extremely popular summer reading programme which saw an enthusiastic crowd of 150 students taking part. For Better Digital Futures Pathways, Skinny Jump and Stepping Up classes the library worked with Digital Inclusion Alliance Aotearoa (DIAA), and Who Cares House in Reefton before restrictions were implemented in August 2021.

Through DIAA the team provided low-cost Skinny Jump modems to our eligible customers, even during lockdown periods. This creates inclusion and enables those living in locations with access to the Skinny network to actively participate in the digital world.

The library has been trialing a Karamea to Westport book return service. This was created to reduce barriers to issuing books and reducing fines. This service recorded a steady uptake with 60 people using it over five months.

In October 2021, the Buller District Libraries launched the Buller History Community Collection. The Archives and Digital Collections Librarian borrowed items from the community, digitised them, uploaded the files, and catalogued them in eHive. This web-based system is home to the 3,607 records that were migrated from the inactive Kete West Coast site.

In an ongoing effort to improve access to local history resources, the Archives and Digital Collections Librarian rehoused over 5,500 issues of the Westport News (from 1968 onwards) into high-quality preservation boxes. This valuable collection is now safely stored in the library's archive room and is available to the public. Council archives are also more accessible and can be searched via the libraries' online catalogue. Newspapers, Council archives, and other local history items may be viewed in the new local history room at the Buller District Libraries' Westport branch.

Buller District Libraries continues to network with the wider library profession including Library and Information Association New Zealand Aotearoa (LIANZA) and Public Libraries New Zealand (PLNZ). Our staff attended online workshops and conferences for professional development.

The library is working on implementing new initiatives including meeting the needs of neuro-diverse children.

The customer satisfaction survey in June scored the library at 97%, exceeding the KPI of 80%. This is an outstanding result considering that Covid-19 impacted the ability to open and required the team to reduce services.



Significant variance explanations in comparison to the 2021-2031 Long Term Plan

Local authorities fuel tax, fines, infringement fees and other receipts were larger than budgeted since Council received \$300,000 unbudgeted sponsorship income from Development West Coast.

Subsidies and grants for operating purposes exceeded the budget by an additional \$536,000 through the Mayors Taskforce for Jobs (MTFJ) grants. This extra unbudgeted amount was received.

External interest expense was \$313,000 higher than budgeted due to the 2021 – 2031 LTP interest rate forecasts being lower than actual.

Other operating funding was \$491,000 more than budget due to the additional unbudgeted MTFJ payment of \$536,000. This extra income was offset by the slightly lower than budgeted community grants.

Significant capital expenditure

To replace existing assets


The difference is primarily due to \$50,000 that was budgeted for the upgrade of the Reefton Pool heating system which occurred a year earlier than planned in 2020/21. The planned repairs to the NBS Theatre's ceiling and the replacement of the stage floor worth \$81,000 were not undertaken, adding to the difference in planned and actual capital expenditure.

Key Performance Indicators

What we plan to do and our levels of service






» Provide information about Council services, decisions, and opportunities to engage.

Activity contribution	The community feels informed, included, and empowered to access Council services and resources. The provision of access to a wide range of information relevant to the community's needs.
Community outcomes	Social, prosperity, environment and culture.

Level of service	Performance measures 2021-2024	Performance outcomes
Council's website and social media are kept up to date as a source of information about Council projects, services and resources. Quarterly newsletter is produced. Communications plans are created to support projects considered to be of significant interest.	A biennial customer satisfaction survey will be carried out, and will ask how satisfied the community is with the information they receive from Council and their opportunities to engage with Council.	2021-22 Council biennial Customer Satisfaction Survey (CSS) is planned to be undertaken in 2023. The previous CSS was completed in 2021. 
		2020-21 Not a target in 2020/21. Not measured in the prior financial year. N/A

» Public library services

Activity contribution	A safe and welcoming library environment contributes to a community that is vibrant and inclusive. The library offers quality facilities and services that meet our current and future needs. The provision of access to a wide range of information relevant to the community's recreation and learning needs.
Community outcomes	Social, prosperity, environment and culture.

Level of service	Performance measures 2021-2024	Performance outcomes
The library is a safe social space which community members want to visit.	Total visits to the libraries maintained or increased by 0 - 4% per annum.	2021-22 8.8% increase (includes virtual and physical visits). 
		2020-21 
The library offers quality facilities and services that meet our current and future needs.	97% of respondents were satisfied or very satisfied with the libraries' services.	2021-22 At least 80% respondents satisfied or very satisfied with the libraries' services, as measured through a biennial survey. 
		2020-21 Not a target in 2020/21. Not measured in the prior financial year. N/A
The library's collection reflects the community's learning and recreational interests.	At least 80% of library users satisfied or very satisfied with the public libraries' collection, as measured through a biennial survey.	2021-22 Next survey due and scheduled for the next financial year 
		2020-21 Met. 98.6% of respondents were satisfied or very satisfied. 

KPI met  KPI not met 

» Economic development

Activity contribution	Networks and connections are facilitated to enable economic growth. Economic development plans are created and shared with the community and key stakeholders.
Community outcomes	Social, prosperity, environment and culture.

Level of service	Performance measures 2021-2024	Performance outcomes
Staff actively build networks and connections across the community, with central government, regional partners and stakeholders. Community and/or economic development plans are shared via presentations to the community and/or industry groups.	Four community and/or economic development presentations are delivered within the community each year.	2021-22 Two presentations/workshops were given as part of the Charleston Community Visioning process to the local community. Two Biz Breakfasts organised.
		2020-21 Not a target in 2020/21. Not measured in the prior financial year.

» NBS Theatre and Reefton Cinema

Activity contribution	A vibrant, safe, and welcoming theatre/cinema environment contributes to a community that is vibrant and inclusive. Provide a wide range of shows, movies and events that meet the current cultural interest of our community.
Community outcomes	Social, prosperity, environment and culture.

Level of service	Performance measures 2021-2024	Performance outcomes
The theatre team delivers a high level of service that meets our community's current and future needs.	Total visits to the theatre maintained or increased by 0-4% per annum.	2021-22 Due to Covid-19 closures and flooding events, numbers were down slightly.
		2020-21 Not a target in 2020/21. Not measured in the prior financial year.
The theatres' variety of shows, hires, and films reflects our community's cultural interests.	80% of respondents were satisfied or very satisfied with the theatres' services as measured by the biennial survey.	2021-22 Due to Covid-19 and Council's focus on flood recovery, the survey was not completed and is now due to be done June 2023.
		2020-21 Not a target in 2020/21. Not measured in the prior financial year.
	A biennial survey will be carried out to establish customers' satisfaction in relation to services.	2021-22 Due to Covid-19 and Council's focus on flood recovery, the survey was not completed and is now due to be done June 2023.
		2020-21 Not a target in 2020/21. Not measured in the prior financial year.

Funding Impact Statement for Community Services

for the year ended 30 June 2022

	2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	3,891	3,571	3,571
Targeted rates	0	0	0
Subsidies and grants for operating purposes	21	340	892
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	360	262	624
Total operating funding	A 4,272	4,173	5,087
Applications of operating funding			
Payments to staff and suppliers	2,030	2,172	2,186
Finance costs	828	454	767
Internal charges and overheads applied	543	725	593
Other operating funding applications	585	508	999
Total applications of operating funding	B 3,986	3,859	4,545
Surplus/ (deficit) of operating funding	A-B 286	314	542
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(decrease) in debt	(128)	(138)	(169)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	435	35	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	C 306	(103)	(169)
Application of capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	35	37
- to replace existing assets	226	216	97
Increase/ (decrease) in reserves	367	(40)	239
Increase/ (decrease) in investments	0	0	0
Total applications of capital funding	D 593	211	373
Surplus/ (deficit) of capital funding	C-D (286)	(314)	(542)
Funding balance	((A-B)+(C-D)) 0	0	0



Governance and Representation

What do we do?

Council is an elected body that provides a governance structure for effective leadership, advocacy and accountable stewardship of Council's assets and resources.

Council is made up of 11 elected members including 10 Councillors and one Mayor who are elected to serve a three-year term of office which coincides with the local authority elections. Two Councillors represent Inangahua Ward, two represent Seddon Ward and six represent the Westport Ward. The Mayor chairs the Council. The Inangahua Community Board is comprised of four elected members plus two Inangahua Ward Councillors. Governance is supported by a Chief Executive Officer and staff.

Council functions based on democratic local decision making that has the overall benefit of the community, for current and future generations at heart. Council's decision making and actions are concerned with meeting the current and future needs of Buller's communities. These include good quality infrastructure, local public services and performing regulatory functions in a cost-effective way for businesses and households.

Buller District Mayor and Councillors set the direction, monitor and review Council performance, represent the community as well as inform the community of key decisions made.

Why are we involved in this activity?

The Local Government Act 2002 requires Council and elected members to lead and represent their

community. This Act requires Council to meet current and future needs of the community in terms of good quality infrastructure and services and provide quality regulatory functions in a cost-effective way. Additionally, Council is well placed to advocate and lead on other local matters that are outside of those core functions.

Council and Community Boards provide:

- Advocacy for community issues.
- Monitoring of performance.
- Strategy setting to decide the level of services and activities to be provided to the district's communities.
- A way for our community to have its views heard.
- A way to promote social, economic, environmental and cultural wellbeing for the Buller district.

Statement of Service Performance

Advocating for the district

Council has continued to work proactively with central government and related agencies to get the best results for the district during the year. This includes collaboration on key issues including economic development opportunities to grow our district; and the very important work seeking flood recovery funding to reinstate Council's assets as well as support the community through the rebuild.

Council works with Waka Kotahi and other regional partners to develop and deliver a regional transport infrastructure plan; govern the Te Tai o Poutini Plan (TTPP), and it

participates in a regional leadership group. This group is a collaboration of central government agencies interfacing with local government and Kainga Ora to address housing opportunities and needs in the district.

Council has worked closely with a raft of government agencies since the severe weather events during the financial year including Waka Kotahi, Temporary Accommodation Service, National Emergency Management Agency, Ministry of Building and Innovation, Department of Internal Affairs, Prime Minister and Cabinet, Minister for Local Government, and the Infrastructure Acceleration Fund. This collaboration has seen significant grant funding being brought into the district that benefited all ratepayers.

As local government's Three Waters Reform progresses through parliament, Council has provided the National Transition Unit with data about Three Waters Assets and made an application to use the Better Off Funding.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

There were no significant variances between the 2021-2031 Long Term Plan and the reported results for the year.



Links to community outcomes

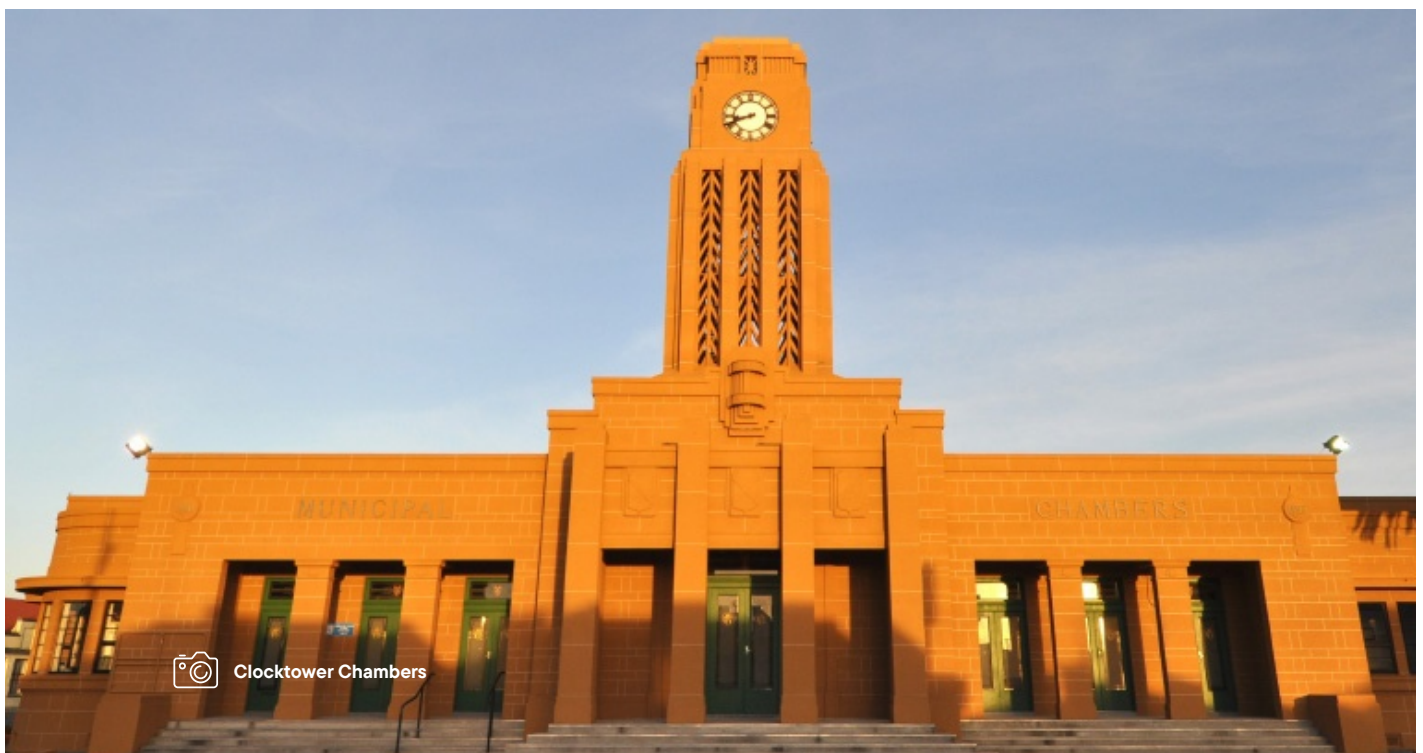
Governance and Representation

activity covers all the Community Outcomes as it provides the oversight and strategy to achieve them.



Significant capital expenditure

No significant capital expenditure was planned and there are no variances to report.



Clocktower Chambers

Key Performance Indicators

What we plan to do and our levels of service

» Governance and representation

Activity contribution Provide annual budgeting and financial planning processes.

Community outcomes Social, affordability, prosperity, culture and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Community engagement occurs across the district with representatives from a broad range of community groups.	Meet statutory deadlines for Councils LTP, AP before 30th June in each respective year	2021-22 The Long Term Plan was adopted on 29 June 2022. ●
		2020-21 The Long Term Plan was adopted on 30 June 2021. ●
Publishing annual plans, annual reports and long term plans so the community is well informed.	Meet statutory obligations for requests for information under LGOIMA, greater than or equal to 90% of the time.	2021-22 96% statutory compliance achieved. 97 LGOIMA's received between 1 July 2021 - 30 June 2022. Four of these breached the statutory time periods. ●
		2020-21 Not measured as was not a KPI in the Long Term Plan. N/A
	To meet legislative requirements for Strategic planning workshops held with Councillors	2021-22 Three strategic planning workshops were held. ●
		2020-21 Not measured as was not a KPI in the Long Term Plan. N/A

» Governance and representation

Activity contribution To maintain transparency, accountability and accessibility to the public.

Community outcomes Social, affordability, prosperity, culture and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Conduct as much as Council business in public forum. Public to be excluded only for commercially sensitive reasons.	Council meetings to be held in Westport and at least one meeting a year in Karamea and Reefton.	2021-22 Covid-19, flooding, weather events and elections have occasionally prohibited the ability to travel to other areas. Council meetings have been carried out via Zoom and in Westport, with all meetings now livestreamed. ●
		2020-21 Not measured as was not a KPI in the Long Term Plan. N/A

» Governance and representation

Activity contribution Advocating for Buller District, forming strong alliances and partnership opportunities.

Community outcomes Social, affordability, prosperity, culture and environment.

Level of service	Performance measures 2021-2024	Performance outcomes
Participate in the mayors, chairs and CEO meetings with the other West Coast Councils.	Continue to attend 100% of mayors, chairs and CEO meetings.	2021-22 Mayor and chief executive officer attend all meetings. Either in person or via Zoom. ●
		2020-21 If the Mayor or CEO are unavailable then Deputy Mayor or Deputy CEO attends. ●

Funding Impact Statement for Governance and Representation

for the year ended 30 June 2022

		2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties		1,364	1,621	1,621
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	0
Fees and charges		0	0	0
Internal charges and overheads recovered		0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts		0	0	0
Total operating funding	A	1,364	1,621	1,621
Applications of operating funding				
Payments to staff and suppliers		585	570	589
Finance costs		0	0	0
Internal charges and overheads applied		779	1,051	1,115
Other operating funding applications		0	0	0
Total applications of operating funding	B	1,364	1,621	1,704
Surplus/ (deficit) of operating funding	A-B	0	0	(83)
Sources of capital funding				
Subsidies and grants for capital expenditure		0	0	0
Development and financial contributions		0	0	0
Increase/(decrease) in debt		0	0	0
Gross proceeds from sale of assets		0	0	0
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	0	0	0
Application of capital expenditure				
- to meet additional demand		0	0	0
- to improve the level of service		0	0	0
- to replace existing assets		0	0	0
Increase/ (decrease) in reserves		0	0	(83)
Increase/ (decrease) in investments		0	0	0
Total applications of capital funding	D	0	0	(83)
Surplus/ (deficit) of capital funding	C-D	0	0	83
Funding balance	((A-B)+(C-D))	0	0	0



Customer Services and Support Services

What do we do?

Support services provide internal support to the different departments within Council. Ensuring a smooth functioning they are integral for Council's customers. They include:

- Corporate planning and support to governance
- Financial and accounting operations
- Production of Annual Plans, Long Term Plans and Annual Reports
- Rating operations
- Human resources management
- Information technology management
- General administration.
- Health and safety compliance
- Monitoring and compliance of all Council Controlled Organisations
- Guidance and monitoring of holding company performance
- Asset management
- Management functions

Why are we involved in this activity?

The support services all Council's departments to function and provide their services to the community.

Statement of Service Performance

Health & Safety

The health and safety reporting system for events has been upgraded and staff training and upskilling has occurred.

Rates Policy Review

Council has continued to work through the rates policy

review during the 2021-2022 year. A review of the rates database was completed during the year. The goal of introducing a proposal for consultation in the 2021-2031 Long Term Plan was not achieved, an agreed timeline has been presented to the incoming Councillors who were elected in October 2022.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

Fees and charges

Fees and charges were \$56,000 higher than defined in the budget caused by staff costs charged to flood recovery projects.



Links to community outcomes

Support services are related to all Community Outcomes as they provide the administrative and operational capacity to achieve them.



Payments to staff and suppliers

Audit fees were \$143,000 higher than budget due to timing, insurance valuation fees costing \$42,000 more than budgeted, and unbudgeted consulting fees relating to flood recovery and wastewater. These higher expenses were mitigated by additional income.

Gross proceeds from sale of assets

\$500,000 worth of Whitebait Farm shares were written off.

Significant capital expenditure**Capital expenditure to improve the level of service**

Improvement costs were \$110,00 higher than in the budget relating to IT improvements. These upgrades included building up Council's remote access and working from home capability.



Key Performance Indicators

What we plan to do and our levels of service

» Health and Safety

Activity contribution

High functioning Health and Safety Committee that empowers employees, contractors, and visitors. Our systems and processes allow staff and contractors to gain the training and development required to comply with HSWA 2015.

Community outcomes

Social and affordability.

Level of service	Performance measures 2021-2024	Performance outcomes
100% compliance with Health and Safety Work Act 2015 (HSWA 2015).	100% compliance with Health and Safety Work Act 2015 (HSWA 2015).	2021-22 ● No breach of Health and Safety at Work Act have occurred. Training and upskilling of workers and contractors has occurred throughout the year with an upgrade to the new reporting system.
		2020-21 ● N/A Not measured as was not a KPI in the Long Term Plan.

KPI met ● KPI not met ●

Funding Impact Statement for Customer Services and Support Services

for the year ended 30 June 2022

	2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	3,891	3,571	3,571
Targeted rates	0	0	0
Subsidies and grants for operating purposes	21	340	892
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	360	262	624
Total operating funding	A 4,272	4,173	5,087
Applications of operating funding			
Payments to staff and suppliers	2,030	2,172	2,186
Finance costs	828	454	767
Internal charges and overheads applied	543	725	593
Other operating funding applications	585	508	999
Total applications of operating funding	B 3,986	3,859	4,545
Surplus/ (deficit) of operating funding	A-B 286	314	542
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase/(decrease) in debt	(128)	(138)	(169)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	435	35	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	C 306	(103)	(169)
Application of capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	35	37
- to replace existing assets	226	216	97
Increase/ (decrease) in reserves	367	(40)	239
Increase/ (decrease) in investments	0	0	0
Total applications of capital funding	D 593	211	373
Surplus/ (deficit) of capital funding	C-D (286)	(314)	(542)
Funding balance	((A-B)+(C-D)) 0	0	0



Property

What do we do?

Amenities, parks, domains, reserves and public spaces

Council provides and maintains active and passive recreational land and facilities in the Buller district to meet community and environmental needs. These areas may be managed by Council, or in conjunction with subcommittees. These green spaces include gardens, sports grounds, playgrounds and parks.

Cultural and community facilities, buildings and structures

A number of facilities, buildings and structures are owned by Council and are made available for a range of cultural and community uses. These community facilities range from community halls, theatres, aquatic centres, sporting facilities to meeting places.

Other property management

Council also owns and manages a number of other properties, land and buildings in the district. These have a range of uses including community groups, private licences and commercial leases.

Managing these properties includes assisting with property transfers and acquisitions, and helping with Council property licences, leases and legal agreements.

Public toilets

Public toilet facilities are provided by Council at Westport, Carters Beach, Tauranga Bay, North Beach, Reefton, Fox

River, Springs Junction and Waimangaroa.

Council assists in providing toilet facilities in Karamea, Granity, Inangahua Junction, and Ikamatua.

Cemeteries

Council provides adequate land and plots to meet the district's burial needs. Council is operating the following cemeteries:

- Orowaiti
- Mokihinui
- Reefton – suburban
- Council assists the Karamea Cemetery Trust
- Council maintains closed cemeteries at Charleston and Boatmans - Reefton

Housing for seniors

Council offers and manages affordable housing for seniors in our community, with 45 housing units across the district:

- 4 in Karamea
- 15 in Reefton (plus one in care and maintenance)
- 26 in Westport

Urban renewals and revitalisation

In conjunction with Council's roading and transport team, property staff assist with urban revitalisation. This creates a more pleasant environment for our communities by improving urban spaces. Urban revitalisation and renewal shapes the district's public spaces by giving form, shape and character to buildings, neighbourhoods and towns.

Urban development in partnership with roading and transport includes the use of plantings, street treatments and decorative measures with a focus on the beautification of main thoroughfares with street flags and hanging floral baskets.

Punakaiki Beach Camp

The Punakaiki Beach Camp is in a picturesque setting on the beach and adjoins the Paparoa National Park.

The camp provides 10 various sized cabins, 32 powered sites and 30 tent sites. It has been leased to a private operator for a term of 20 years. Council is working with the lessee to improve the facilities for expected tourism growth and demand post Covid-19.

Why are we involved in this activity?

- The provision and maintenance of amenities and reserves creates a pleasant environment in which to live, work and play, which is an important part of the vision for the district. Amenities and reserve areas provide for social interaction and promote sport and recreation.
- Council owned buildings allow for cost effective provision of property for community use.
- Public toilet facilities assist with promoting the health and well-being of the community and environment, and enhances the visitor experience.
- Jointly funding facilities with other agencies allows the public access to facilities at an acceptable cost.
- Housing for seniors assists members of our community to remain in the district close to public facilities.

Statement of Service Performance

Amenities, parks, domains, reserves and public spaces

- Council maintained all owned parks and recreation facilities in the district. 11 subcommittees assist the local communities with halls and recreation reserves.

Cultural and community facilities, buildings and structures

- Council maintained all council-owned buildings and facilities to the required standards.

Other property management

- Private licences and commercial leases have been administered accordingly. The property rationalisation project has begun the process of selling un-utilised land and buildings.

Public toilets

- Council owned public toilets have been maintained and kept to standard. The Tourism Infrastructure Fund allowed for new toilet facilities to be installed to replace the existing toilet block in Reefton.

Cemeteries

- Land and plots continue to be administered by Council. A natural burial site in Karamea continues its progression towards completion.

Housing for seniors

- As of balance date, ownership of 12 units at Peel Street, locally known as McAuley Flats is being reviewed. Other senior housing stock is maintained to required standards.
- entrance doors, double-glazing and installing a HVAC system.
- Community-led Revitalisation \$50,000 per year over the 10-years of the Plan to continue community-led revitalisation projects.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

Local authorities fuel tax, fines, infringement fees and other receipts

Rent remission for the Punakaiki Campground for part of the financial year and subcommittee income (such as camp fees) were \$72,000 less than budgeted. Cemetery fees were \$27,000 less than budgeted. Furthermore, Council generated less income from its housing for the elderly caused by the displacement of residents following the floods.

Payments to staff and suppliers

Payments to staff and suppliers were \$287,000 less than budgeted due to fewer repairs and maintenance undertaken on Council's reserves and property.

Gross proceeds from sale of assets

Council received \$164,000 from the sale of investment property.

Significant capital expenditure

Subsidies and grants for capital expenditure

Council secured \$346,000 grant income from MBIE for the War Memorials and Halls upgrades. MBIE granted Council \$111,000 for the upgrade of the Reefton toilets. Neither of these projects were budgeted for in the 2021 – 2031 LTP.



Links to community outcomes

SOCIAL



- ✓ By ensuring our parks and reserves are healthy and safe.
- ✓ By providing areas for people to engage in healthy activities, social interaction and recreation.

AFFORDABILITY



- ✓ By contributing to the district's image and attracting businesses, skills, employment and tourism, and focusing on future growth for the district and community.

ENVIRONMENT



- ✓ By providing green spaces and open areas that contribute to people's enjoyment of our environment.

Key Performance Indicators

What we plan to do and our levels of service

Property

Activity contribution Ensuring our parks, reserves, cemeteries and public amenities are compliant, safe and vibrant environments that encourage community inclusion and use.

Community outcomes Social, affordability and culture

Level of service	Performance measures 2021-2024	Performance outcomes
The district's parks, reserves, cemeteries and other amenities are maintained to ensure we are providing compliant, safe and vibrant social spaces for the community and visitors. Maintenance work is contracted out and is undertaken by qualified personnel.	Receive and review monthly reports from the Reserves and Public Amenities Contractor.	2021-22 ● Service levels were maintained and reports of issues were logged. Actions were taken to rectify the issues.
		2020-21 ● Not measured as was not a KPI in the Long Term Plan.

Property

Activity contribution Ensuring Council buildings and associated property infrastructure is maintained to relevant standards.

Community outcomes Social, affordability and culture

Level of service	Performance measures 2021-2024	Performance outcomes
Council's property staff manage these contracts to ensure the work is being done to the agreed level of service, and that contractual obligations are being met.	An up-to-date register of Council owned and operated buildings and associated infrastructure is maintained.	2021-22 ● An up-to-date register of Council owned and operated buildings has been maintained. Building Warrant of Fitness checks were carried on as per the schedule.
		2020-21 ● Not measured as was not a KPI in the Long Term Plan.

KPI met ● KPI not met ●

Property

Activity contribution

Ensuring land and property owned, vested and managed by the Council is rationalised and utilised responsibly, and for the benefit of the Buller community

Community outcomes

Social, affordability and culture

Level of service	Performance measures 2021-2024	Performance outcomes
Council provides public, community and commercial buildings that are safe and compliant.	The Council Property Department maintains up-to-date records of Council land appointments, including: - Reserve Subcommittees and community organisations utilising Council land for community non-profit purposes; and	2021-22 An up-to-date register of Council's leases, licenses to occupy and subcommittees has been maintained. ●
		2020-21 Not measured as was not a KPI in the Long Term Plan. N/A
Council land is managed to support use by non-profit community enterprises and community organisations, and also commercial use when appropriate.	Council maintains a register recording commercial contracts including licences, leases and land use agreements	2021-22 The register of commercial licenses and leases is up to date. ●
		2020-21 Not measured as was not a KPI in the Long Term Plan. N/A



Funding Impact Statement for Property

for the year ended 30 June 2022

		2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties		1,761	1,698	1,698
Targeted rates		0	0	0
Subsidies and grants for operating purposes		0	0	29
Fees and charges		0	0	0
Internal charges and overheads recovered		464	525	525
Local authorities fuel tax, fines, infringements fees and other receipts		1,504	1,303	1,052
Total operating funding	A	3,729	3,526	3,304
Applications of operating funding				
Payments to staff and suppliers		2,496	2,626	2,339
Finance costs		155	21	21
Internal charges and overheads applied		465	429	467
Other operating funding applications		0	0	7
Total applications of operating funding	B	3,117	3,076	2,834
Surplus/ (deficit) of operating funding	A-B	612	450	470
Sources of capital funding				
Subsidies and grants for capital expenditure		0	0	458
Development and financial contributions		0	0	0
Increase/(decrease) in debt		842	520	(68)
Gross proceeds from sale of assets		0	0	164
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
Total sources of capital funding	C	842	520	554
Application of capital expenditure				
- to meet additional demand		0	0	0
- to improve the level of service		547	1,115	635
- to replace existing assets		1,262	542	38
Increase/ (decrease) in reserves		(356)	(687)	351
Increase/ (decrease) in investments		0	0	0
Total applications of capital funding	D	1,453	970	1,024
Surplus/ (deficit) of capital funding	C-D	(612)	(450)	(470)
Funding balance	((A-B)+(C-D))	0	0	0



Commercial Infrastructure

Westport Airport

What do we do?

Westport Airport is an unattended airport located 8km to the south-west of Westport. The airport has facilities for commercial airline and charter operations, aero-medical evacuation and transfer and general aviation including training and recreational activities.

The Westport Airport is a joint venture between the Buller District Council and the Ministry of Transport. The airport is managed and operated by the Buller District Council which oversees the daily operation.

The airport is occasionally used as an airfield for military operations and training and is an essential point of entry for regional Civil Defence emergencies. The airfield has a sealed main runway and one grass taxiway. The airfield navigation aids are provided and maintained by Airways Corporation of New Zealand under an agreement for services.

Why are we involved in this activity?

- Ensuring the Buller district has a key transport link to support the economy.
- To operate as close as possible to a commercial business in a cost effective and efficient manner.
- To maintain the Westport Airport assets.
- To enter into any commercial undertakings that will complement the airport operations.



Links to community outcomes

SOCIAL



- ✓ Our communities are vibrant, healthy, safe and inclusive.

AFFORDABILITY



- ✓ Our communities are supported by quality infrastructure, facilities and services that are efficient, fit-for purpose, affordable and meet our current and future needs.

PROSPERITY



- ✓ Our district is supported by quality technology and an innovative and diverse economy that creates opportunities for self sufficiency, sustainable growth and employment.

Performance Commentary

Operating Revenue for the Westport Airport Authority was \$16,274 lower than budgeted. This was predominately due to lesser terminal rental and other income. Landing fees and other income was less than budgeted.

Operating Expenditure was \$36,685 lower than budgeted. Management made minor reductions in most expenses to adjust for lesser income than budgeted.

Interest costs of \$658 were incurred (2020: \$7,971) but not budgeted due to the current account which was overdrawn for the last month of the financial year.

The capital budget allowed for \$22,000 of capital expenditure as set out below. This budget was for various small value fixed assets. During the year the actual amount spent for the completion of the rock protection wall was larger than anticipated. This significant asset was first budgeted for in the 2019 financial year and revised costs were approved for up to \$2.4 million of capital expenditure on the wall. As well as revised costs, additional grant funding income from the Ministry of Business, Innovation and Employment was confirmed.

Significant capital expenditure

There was no significant expenditure planned.

	2022		2021	
	Actual Performance	Performance Targets (as per SOI)	Actual Performance	Performance Targets (as per SOI)
OPERATING REVENUE				
Operating Expenditure	195,429	211,704		
Net Profit (Loss)	386,871	406,096		
	(191,441)	(194, 392)		
Capital Expenditure:			-	10,200
Signs			-	-
Furniture and Fittings			-	-
Other Plant	18,662		-	-
Website			-	-
Other Assets	10,123	22,000	100,255	22,000
Airport Runway			-	-
Rock Protection Wall	187,052		295,159	-
Fence	73,672		73,672	-
Debris Fence			-	-
Capital Income:				
MBIE Grant	755,630		755,630	-
Ratio Performance:				
Total Equity/total Assets (excluding liabilities)	96%	99%	96%	99%

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

The Westport Airport Authority received a \$167,000 total insurance payout due to damage caused by the July 2021 floods. The Ministry of Transport granted \$129,000 in additional funding to contribute towards the repair and capital costs of the July 2021 flood. Since the Westport Airport Authority is a 50% joint venture activity, half of the insurance and additional funding is disclosed as Council's share in these financial statements.

During the July 2021 weather event, the runway and part of the airport terminal building was flooded. The runway lighting system required full replacement.

It was projected to spend \$72,000 for capital expenditure during the year. The total amount actually spent was \$235,000 because of the flood recovery costs incurred. These unplanned costs included replacing the runway lighting system. Half of these additional costs are disclosed as Council's share in these financial statements, since the Westport Airport Authority is a 50% joint venture activity.

Key Performance Indicators

What we plan to do and our levels of service

» Airport

Activity contribution

Our airport provides public transportation links for the region. Providing a safe and sustainable transport system. We are a lifeline link for our rural community.

Community outcomes

Social and affordability.

Level of service	Performance measures 2021-2024	Performance outcomes
An airport facility that is safe, compliant and available for use. Providing a high level of customer service and community opportunity.	Complete an annual customer survey.	2021-22 An annual customer survey was not completed throughout the year. ●
		2020-21 Not measured as was not a KPI in the Long Term Plan. N/A
	Retain CAA certification 100% of the time.	2021-22 CAA certification held 100% of the time. ●
		2020-21 Not measured as was not a KPI in the Long Term Plan. N/A
	Operate in a cost-effective manner – judged against projected income and expenditure.	2021-22 Income less than budget due to number of flights reduced due to demand, however corresponding reduction in expenditure offsets this. ●
		2020-21 Not measured as was not a KPI in the Long Term Plan. N/A

KPI met ● KPI not met ●



Commercial Infrastructure

Westport Harbour

What do we do?

Located on the West Coast of the South Island at the mouth of the Buller River, the Westport Harbour provides a sheltered haven for commercial, fishing and leisure boats, as well as supplying good berthage and marine services.

The harbour is ideally located for exporting and importing cargo for the region and, with the renaissance of coastal shipping, an increase in bulk shipping is anticipated in the near future.

In 2020, an application for funding from the Provincial Growth Fund (PGF) resulted in funding being made available for renovations and improvements to wharf and berthing facilities at the Westport Port. The project is now almost complete and with further work due to repair the damage to some of the wharves, caused by the 2021 - 2022 flood events, the port facilities will provide fit-for-purpose infrastructure for the region.

Once completed, the port is well positioned to play an important role in the aftermath of an AF8 event, providing an alternative route for establishing an emergency supply chain in the aftermath.

The fishing industry will continue to play its part in the local economy and create employment, as will the bulk shipping sector once it increases in volume.

To allow dredging of the harbour to continue, the dredge Kawatiri completed its five yearly slippage in September 2022. This saw it overhauled and able to serve until March

2025 when the dredge's propulsion emissions will not meet the required international standards for marine discharge.

The cost of meeting this standard and the need for a significant investment to modernise the dredge mean that the future of the dredge will require a significant decision as to how future dredging requirements for the commercial users of the port are met.

Why are we involved in this activity?

- Ensuring the Buller District diversifies its economies by opening the port for fisheries.
- To operate as close as possible to a commercial business in a cost effective and efficient manner.
- To maintain the Westport Harbour assets, including the Kawatiri dredge.
- To enter into any commercial undertakings that will complement the airport operations.

Statement of Service Performance

The port has benefited from maintenance work being completed in the past 12 months. This included lead lights water blasting, significant repairs to light structures, scrub removal, and the guard rail around the Carters Beach signal station being installed. In addition, the existing jetty structures have been tidied and reinvigorated. This enables their retention and historical value, while ensuring they remain safe.

Dredging of the river was challenging this year with approximately 320,000m³ of debris brought down the

river in the July 2021 flood and an estimated additional 100,000m³ in the February 2022 event. This is combined 420,000m³ of material deposited from the two events. Despite these setbacks, the dredge crew removed 150,000 m³ of debris from July 2021 to June 2022.

Bar capacity as a result of dredging has improved and, with further dredging work planned over the next two years, the port will continue to provide a safe passage for vessels.

Significant variance explanations in comparison to the 2021-2031 Long Term Plan

The flood events during the 2021/2022 financial year deposited significant material in the port area.

As a result, the dredging in 2022, designed to bring the harbour and river areas back to a level where vessels carrying bulk materials can use the harbour and cross the bar safely, will take longer to complete. The work will now be undertaken from October 2022 until midway through 2024.

The significant maintenance repairs to the dredge being planned for 2022 were deferred until 2023. This is to align the repairs undertaken in Nelson with the scheduled dredging of the Nelson port.

Completion of the floating harbour for the fishing fleet, funded by the Provincial Growth Fund was completed in 2022.

No out of port dredging work occurred in 2022.

Sundry Income of \$1m was budgeted to be received. Borrowings of \$1.8m was budgeted to be drawn to support dredge work and slipping/repairs during the financial year. No sundry income was received, and no loan drawdown occurred because slipping did not occur until September 2022.

A budget of \$2.2m for slipping/repair of the dredge was provided, \$83,000 was spent at balance date.

Council recognised unbudgeted grants totaling \$2.69m from the Provincial Growth Fund and the Ministry of Business Innovation and Employment to fund the Westport and Greymouth floating jetties and the upgrade to Westport Harbour's fishing precinct, along with dredging of the Buller River and seawall repairs. Project costs for the year totaled \$2.69m.

Significant capital expenditure

There was no significant capital expenditure planned or incurred for 2021/2022.

Links to community outcomes

SOCIAL



- ✓ Our communities are vibrant, healthy, safe and inclusive.

AFFORDABILITY



- ✓ Our communities are supported by quality infrastructure, facilities and services that are efficient, fit-for-purpose, affordable and meet our current and future needs.

ENVIRONMENT

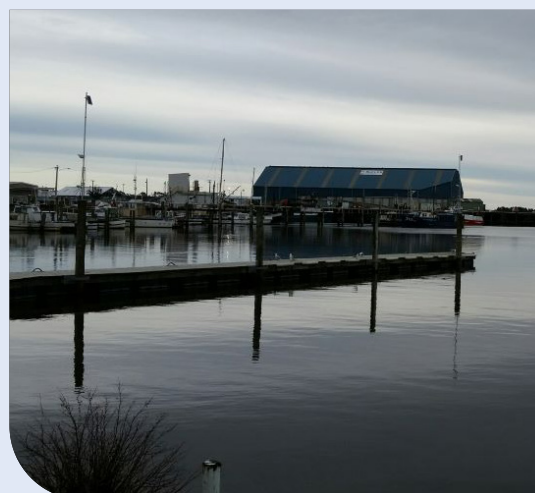


- ✓ Our distinctive environmental and natural resources are healthy and valued.

PROSPERITY



- ✓ Our district is supported by quality technology and an innovative and diverse economy that creates opportunities for self-sufficiency, sustainable growth and employment.



Key Performance Indicators

What we plan to do and our levels of service

Port

Activity contribution

Westport harbour provides a sheltered port for fishing and leisure boats. It supplies berthage and marine services and is ideally situated for exporting and importing cargo via the West Coast.

Community outcomes

Social, affordability, prosperity and environment

Level of service	Performance measures 2021-2024	Performance outcomes
A port facility which has health and safety at a high standard and provides a high level of service and commercial opportunity.	To operate in a cost-effective manner. Financial performance to be judged against projected income and expenditure.	2021-22 ● Sundry income related to dredge slipping not received this year due to timing of port projects. However corresponding reduction in dredge slipping expenditure. In addition, greater than budgeted grant income and gravel removal income resulted in a net positive variance.
		2020-21 N/A Not measured as was not a KPI in the Long Term Plan.
	100% compliant with legislative, health and safety requirements.	2021-22 ● Oil certificate, bar soundings more accurate with RTK antenna 50mm margin of error from 300mm, Safety Management System plan review completed successfully. 2/3 towards pilotage port (skippers operate on exemption currently). No incidents. 100% compliant.
		2020-21 N/A Not measured as was not a KPI in the Long Term Plan.

KPI met ● KPI not met ●

Funding Impact Statement for Commercial Infrastructure

Includes Westport Airport and Westport Harbour

for the year ended 30 June 2022

	2020/2021 LTP Budget \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	81	123	123
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	8	3,900
Fees and charges	0	198	71
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringements fees and other receipts	104	2,168	1,842
Total operating funding	186	2,497	5,936
Applications of operating funding			
Payments to staff and suppliers	117	4,604	5,912
Finance costs	0	31	58
Internal charges and overheads applied	14	235	263
Other operating funding applications	0	0	0
Total applications of operating funding	131	4,870	6,233
Other operating funding applications	54	(2,373)	(297)
Sources of capital funding			
Subsidies and grants for capital expenditure	0	500	500
Development and financial contributions	0	0	0
Increase/(decrease) in debt	0	1,747	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	0	2,247	500
Application of capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	92
- to replace existing assets	5	36	3
Increase/ (decrease) in reserves	49	(662)	(392)
Increase/ (decrease) in investments	0	500	500
Total applications of capital funding	54	(126)	203
Surplus/ (deficit) of capital funding	(54)	2,373	297
Funding balance	0	0	0



Council Controlled Organisations

Buller Holdings Limited

The nature and scope of Buller Holdings Limited (BHL) is to provide a holding company structure for the ownership of selected Council assets and investments.

BHL provides a commercial focus in the governance and administration of these assets, enabling more effective management of Council's commercial activities therefore allowing for maximum returns on behalf of the ratepayers.

Objective

To operate as a successful business and to be guided by the following principles:

- Financial performance;
- Service;
- Employee relationships;
- Safety;
- and environment.

Nature and Scope of Activities

The nature and scope of Buller Holdings Limited is to provide a holding company structure for the ownership of selected Council assets and investments.

Financial results

In the 2021/22 year the Group generated a profit before taxation of \$2.6m (2021 \$7.6m loss). This is a very encouraging result, the Buller District has handled the recent economic environment very well, and WestReef Services Limited, in particular, is well placed for future growth. A subvention payment of \$1.3 million was approved for this financial year from Buller Holdings Limited to Buller District Council.

Subsidiary companies

WestReef Services Limited has had another excellent year generating revenue of \$21m. The company generated a

record profit during the financial year. WRSL has in the past had a strategy of growing competitively tendered works and remains focused on this strategy to ensure it reduces its dependency on the Council for revenue.

The company maintains a strong focus on health and safety, ensuring a safe environment for our staff is a high priority for WestReef Service Limited. We are one of the largest employers in the Buller District, and we are proud of the social and economic benefits we provide for the community.

WestReef Services Limited were involved in many projects during the year, that will greatly benefit the Buller community in the future. The ongoing involvement in the Kawatiri to Charleston cycle trail has been very successful for all involved.

Buller Recreation Limited has performed extremely well throughout the year generating a loss before taxation of \$760k. It was pleasing to see membership numbers well up at the year end. We added a number of new fitness classes during the financial year to continue to provide excellent products and services for the members.

The Reefton Pool had extensive rebuilt completed on the facility. The facility in Reefton is now an excellent asset for the Reefton community. After accounting for depreciation and other non-cash items, Buller Recreation Limited was almost cash neutral.

Key Performance Indicators

What we plan to do and our levels of service

Performance Measure	Target	Achievement 2022	Achievement 2021	
Operational	The Board of Directors will meet with the Buller District Council CCO Committee on a formal basis a minimum of four times per year and at other times by request.	The Board met with the CCO Committee three times during the year	The Board met with the CCO Committee three times during the year	●
	The Buller Holdings' Chief Executive will provide a formal and/or informal report to Council as requested.	Four quarterly reports were provided as scheduled	Four quarterly reports were provided as scheduled	●
	The Chief Executive of Buller Holdings will meet with the Chief Executive of Buller District Council when requested.	Three meetings with the CEO and BDC have been completed	Three meetings with the CEO and BDC have been completed	●

Performance Measure	Target	Achievement 2022	Achievement 2021	
Safety	Medical Treatment Injury target nil	6, not achieved	0.0 injury frequency rate	●
	Nil serious harm incidents to customers or staff	0 - achieved	0 - achieved	●
	Lost Time Incident target nil	4 not achieved		●

Performance Measure	Target	Achievement 2022	Achievement 2021	
Statement of Intent	The Directors shall provide a Statement of Intent (SOI) by 1 March for approval by Council	Achieved	Achieved	●

Financial Targets and Results

Description	2021/2022 Actual \$000	2020/2021 Actual \$000
Group revenue target \$15.449m	22,433	20,686
Group expenditure target \$14.789m	19,760	28,292
Group Operating Surplus \$660,000 target	2,673	(7,606) *
Provision for Capex target \$3.500m	1,761	1,072
Distribution to meet forecast of \$1.300m	1,300	1,362
Reserves	6,147	5,972
Asset Revaluation Reserve	268,450	213,938

* not achieved due to non cash impairment
2021 Loss includes non-cash impairment expense of \$9,147m.



Council Controlled Organisations

WestReef Services Limited

WestReef Services Limited is 100% owned by Buller Holdings Limited (BHL).

The company is the largest civil and maintenance company in the Buller District and is the Council's most utilised contractor.

Objective

The principle objective of WestReef Services Ltd is to operate as a successful business while working for the benefit of the shareholders. In pursuing this objective, the company is guided by the following key principles:

- Financial performance;
- Service;
- Employee relationships;
- Safety; and
- Environment.



Nature and Scope of Activities

The nature and scope of WestReef Ltd activities will be predominantly to provide contracting services for the construction and maintenance of infrastructure and amenity assets on the West Coast of the South Island.

Its activities will include maintenance and civil construction services for:

- Roads and bridges
- Response to road and Civil Defence emergencies
- Parks and reserves (including associated facilities)
- Utility services (water and sewerage reticulation, waste-water treatment, storm water collection)
- Solid and liquid waste collection and disposal
- Vehicle workshop repairs and maintenance
- Transfer stations
- Recovery parks
- Roadside vegetation control
- Property maintenance
- Refuse collection
- Environmental and backcountry projects

How WestReef Services Limited performed

The 2021/2022 financial year has been a successful, at times hectic, and very rewarding year for WestReef. For a second consecutive year we have been pushed to our operational limits at times, due to what could be considered our largest completed workload to-date. The Company responded exceptionally well to all opportunities, flood events and associated emergency response work. We also successfully navigated the added pressures of the August

2021 COVID-19 lockdown and subsequent COVID-19 infection rates among staff.

Overall, our results for the year are noteworthy and can be attributed to dedication from our entire team. We saw decreases in health and safety statistics when compared to the 2020/2021 year which is very pleasing. It is also worthy to note that all health and safety accreditations were maintained, with SiteWise, ISO:45001 (health and safety) and TQS1 (quality) certifications renewed. Our ISO:45001 revalidation audit was successful with substantial improvements evident since our last audit.

Financially the Company performed very well. Our increase in results was due to maintenance contract performance, storm events and opportunities obtained relating to central Government funding. Results for the 12 month

period exceeded all previous financial successes in the Company's history and overall are reflective of contribution by all departments as well as diversity in revenue streams. Operating revenue generated for the period exceeded budget and the previous year (2022: \$21.1m) (2021: \$19.1m). Profit generated exceeded last year at \$2.8m compared to \$2.1m in 2021. It is also pleasing to note that, 86% of total revenue was competitively procured indicating sustainability and resilience.

Staff turnover continues to sit well below the nation average of 31.4% at 9.5%.

As a community-oriented company WestReef Services Limited has continued to provide significant support to various organisations in the community.



Key Performance Indicators

What we plan to do and our levels of service

Performance Measure	Target	Achievement 2022	Achievement 2021	
Revenue, expenditure and provision for Capex in line with the budget.				
Financial	Revenue over budget - target \$13.403m	\$21.056m	\$19.114m	●
	Expenditure target - \$13.403	\$18.318m	\$17.039m	●
	Net operating surplus target \$1.367m	\$2.738m	\$2.090m	●
	Provision for Capex target \$3.5m	\$1.658m	\$849k (6-wheeler tip truck ordered June received in September \$261k)	●
	Ratio of shareholder funds to total assets target greater than 60%.	66%	63%	●
	45% of revenue to be competitively procured	86%	85%	●
Performance Measure	Target	Achievement 2022	Achievement 2021	
Community support	Support at least 15 community activities.	33 community activities were supported.	50 community activities were supported.	●
Performance Measure	Target	Achievement 2022	Achievement 2021	
Environmental	Receive no enforcement notices.	Nil - No enforcement notices were received.	Nil - no enforcement notices were received.	●
Performance Measure	Target	Achievement 2022	Achievement 2021	
Employee satisfaction	Undertake a staff satisfaction survey every two years to provide feedback on staff engagement and to use as a benchmark for future years.	Staff engagement survey was completed in September 2020. Next Survey due September 2022. Achieved.	Staff engagement survey to be completed in September 2020.	●
	Employee turnover < 17% per annum.	9.5% staff turnover-achieved. Relatively low turnover compared to national average of 31.4%.	16% turnover - achieved. Relatively low turnover compared to national average of 22%.	●
	Hold weekly staff meetings with minutes kept.	Regular meetings held. Achieved.	Regular meetings held. Achieved.	●
Performance Measure	Target	Achievement 2022	Achievement 2021	
Safety	Medical treatment injuries, target Nil.	6- not achieved.	2- not achieved.	●
	Lost time incidents target of zero.	4 - not achieved.	9 - not achieved.	●
	Nil serious harm incidents to customers or staff.	0 serious harm incidents.	0 - achieved.	●



COUNCIL CONTROLLED ORGANISATIONS

Buller Recreation Limited

Buller Recreation Limited (BRL) is 100% owned by Buller Holdings Limited (BHL).

The principal objective of BRL is to operate as a successful business. The company was established to purchase the Pulse Energy Recreation Centre (PERC) from the Buller District Council (Council), and to fulfil a service contract with Council for the provision of recreation services to the Buller community.

BRL continues to provide the community with high quality recreation facilities and services.

Objective

To operate as a successful business and to be guided by the following principles:

- Financial performance;
- Service;
- Employee relationships;
- Safety; and
- Environment.

Nature and Scope of Activities

The nature and scope of the company's activities are to provide accessible sport, recreation and event services and facilities to residents and visitors to the Buller District.

Its activities will include provision of services for:

- Recreational swimming and learn to swim programmes
- Aquatic sports events
- Indoor court sports competitions and events
- Fitness centre programmes and classes
- Outdoor turf sports

The directors consider opportunities, from time-to-time, regarding other types of activities or expanding the reach of the Buller Recreation Limited for the provision of services outside of the centre's physical location.

How Buller Recreation Limited performed

The 2021/2022 financial year has produced excellent results for Buller Recreation Ltd, even though we continue to deal with COVID-19 and the impacts it has both nationally and internationally. We were closed for three weeks during the financial year due to the COVID-19 lockdown. From April 2022, we moved from only having vaccinated people enter the building, to having everyone able to enter - regardless of if they are vaccinated or not as the Government mandate was dropped.

Fitness member numbers have continued to grow. We have put more fitness classes on to cater for the growth. Yoga is particularly popular, with many classes held during the week. With the continued growth in members, we have kept our fees the same. This has resulted in strong usage for all age groups especially older members of the community. Some events could not take place in the stadium due to COVID-19 restrictions, but most sports were able to adapt and complete their seasons.

The aquatic centre continues to deliver quality programmes educating young children in and around water. The staff take considerable satisfaction in seeing increased confidence in this area. It is very pleasing to receive excellent feedback from members of the public with regards to personalised swim lessons. Swim lessons have been a

particularly strong performer in a tough environment. As the vaccine mandate was dropped patronage has increased in the aquatic area.

Flooding events had an impact during year. In July 2021, a substantial flooding event resulted in the Pulse Energy Recreation Centre being closed for three days due to the district being in a local state of emergency. Unfortunately, some staff had their property impacted. We were also closed in February 2022 for three days due to flooding events.

Fortunately, the centre was not substantially impacted.

The major capital expenditure items for the year were a new sound system for the facility, and some new equipment in the gym.

Staff are focused on improving the marketing distribution and ensuring better utilisation of social media to keep up to date with new technology. This will result in improved awareness of the Pulse Centre and the services that we deliver.



Key Performance Indicators

What we plan to do and our levels of service

Performance Measure	Target	Achievement 2022	Achievement 2021	
Revenue, expenditure and provision for Capex in line with the budget.				
Financial	Revenue budget - \$678,000 (excluding management fees).	\$677,000	\$752,000	●
	Expenditure budget - \$2.239m.	\$2.291m	\$2.175m	●
	Ratio of shareholder funds to total assets >60%.	98%	95%	●
Performance Measure	Target	Achievement 2022	Achievement 2021	
Fitness membership	Average membership over 12 months of 700 members.	724	758	●
	Average retention rate over 12 months >75%.	95%	93%	●
Performance Measure	Target	Achievement 2022	Achievement 2021	
Aquatic centre usage	Average 4,080 visits per month over 12 months.	3,305	4,398	●
	Achieve 140 swimming students averaged over four swimming terms.	164	146	●
Performance Measure	Target	Achievement 2022	Achievement 2021	
Safety	Medical treatment injuries, target Nil.	Nil	Nil	●
	Nil serious harm incidents to customers or staff.	Nil - no serious harm incidents (as defined by Worksafe NZ) were recorded in the incident register during the year	Nil - no serious harm incidents (as defined by Worksafe NZ) were recorded in the incident register during the year	●
	Lost time incidents target of zero.	Nil	Nil	●
Performance Measure	Target	Achievement 2022	Achievement 2021	
Asset Management Plan (AMP).	Complete review of the Asset Replacement Schedule annually.	Achieved - ongoing	Achieved - Comprehensive Asset Management Plan in place	●
	Complete maintenance and replacement in accordance with AMP (monitor monthly)	Achieved - ongoing	Achieved - Major assets purchased included: new pool filter, lightening protection for building and gym assets.	●

Performance Measure	Target	Achievement 2022	Achievement 2021	
Work environment	Hold meetings with all staff every four months.	Achieved. Weekly meetings held with Management and Quarterly meetings with each department	Achieved. Weekly meetings held with management and quarterly meetings held with departments	●
	Review the succession plan for key positions and identify training needs and actions for the next 12 months.	Achieved. Consideration is given at Management meetings to skills and training if personnel in key positions leave	Achieved. Consideration is given at Management meetings to skills and training if personnel in key positions leave	●
	Complete annual review process with all staff to ensure staff are working to their full potential.	Achieved by 30 June 2022	Achieved by 30 June 2021	●
	Undertake a staff satisfaction survey every second year.	Completed 30 June 2022	Due September 2020	●

Part five:

Financial Statements



Contents

Financial Statements

Statement of Comprehensive Revenue and Expenses	111
Statement of Changes in Equity	112
Statement of Financial Position	113
Statement of Cashflows	114
Funding Impact Statement for Whole of Council	115

To be updated with final document

Notes to Financial Statement

› Note 1: Rates Revenue	117
› Note 2: Investment and Other Revenue	118
› Note 3: Operating Revenue	119
› Note 4: Operating Expenditure	120
› Note 5: Operating Surplus	121
› Note 6: Income Tax	123
› Note 7: Reconciliation of Net Surplus/ (Deficit) After Tax to Net Cash Flow From Operating Activities	124
› Note 8: Cash and Cash Equivalents	125
› Note 9: Trade and Other Receivables	126
› Note 10: Other Current Assets	129
› Note 11: Non Current Assets Held For Sale	130
› Note 12: Current and Non Current Investments	131
› Note 13: Property, plant and equipment	134

› Note 14: Intangible Assets	139
› Note 15: Trade and Other Payables	140
› Note 16: Derivative Financial Instruments	141
› Note 18: Borrowings	143
› Note 19: Provisions	145
› Note 20: Accumulated Funds	147
› Note 21: Reserves	148
› Note 21: Reserves	149
› Note 22: Asset Revaluation Reserves	152
› Note 23: Related Party Transactions and Balances	153
› Note 28: Post Balance Date Events	168
› Note 29: Explanation of Major Variances Against Budget	169
› Note 30: Insurance of Assets	171
› Note 31: Covid 19	172
› Note 32: Flood Events During the Year	173

Statement of Comprehensive Revenue and Expenses

for the 12 months ended 30 June 2022

	Notes	Parent			Group	
		2021/2022 Actual \$000	2021/2022 LTP Budget \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
OPERATING REVENUE						
General Rates	1	9,419	9,465	8,605	9,401	8,605
Targeted Rates (excluding Metered Water)	1	6,594	6,593	6,330	6,590	6,327
Metered Water Charges		202	150	231	202	231
Rate Penalties	1	145	232	106	145	106
Subsidies and Grants	2	25,324	8,749	20,035	25,324	20,035
Investment Income	2	1,594	1,449	1,736	239	384
Other Income	2	1	0	600	424	821
Development and Financial Contributions		74	52	31	74	31
Fees and Charges		5,502	5,203	4,232	17,107	14,582
Gain on Sale of Investment Property	12d	16	0	0	16	0
Vested Assets		0	50	0	0	0
Profit on Sale of Assets		0	0	66	0	66
Gain on Derivative Contracts	16	2,723	0	1,353	2,723	1,353
Gain on Revaluations of Investment Property	12d	1,033	133	2,419	999	2,439
Total Operating Revenue	3	52,627	32,076	45,744	63,244	54,979
OPERATING EXPENDITURE						
Employment Costs		8,090	6,727	6,412	16,772	14,089
Depreciation and Amortisation		6,391	6,743	6,296	7,312	7,724
Finance Costs (excluding loss on derivative contracts)		1,524	818	870	1,507	869
Other Expenses		28,454	17,292	20,921	27,992	21,432
Loss on Sale of Assets		343	0	0	343	0
Assets Written Off		522	481	366	522	366
Loss on Revaluations of Assets Held for Sale		0	0	722	0	719
Loss on Sale/Write Off of Investments	12c	500	0	0	500	0
Total Operating Expenditure	4	45,824	32,061	35,588	54,948	45,199
Net Surplus (Deficit) before Taxation	5	6,803	15	10,157	8,295	9,780
Income Tax Expense/(Benefit)	6	0	0	0	(495)	24
Net Surplus (Deficit) after Taxation		6,803	15	10,157	8,790	9,756
Other Comprehensive Revenue and Expense						
Gain on Revaluations of Assets Held for Sale		0	0	0	0	0
Increase/(decrease) in Infrastructure Revaluation Reserves	22	54,782	12,727	0	57,592	0
Gain/(Loss) on Investment Recognised in Asset Revaluation Reserve		0	0	0	0	0
Total Comprehensive Revenue and Expense		61,585	12,742	10,157	66,382	9,756

The accompanying notes and accounting policies form part of these financial statements.

Statement of Changes in Equity

for the 12 months ended 30 June 2022

	Notes	Parent			Group	
		2021/2022 Actual \$000	2021/2022 LTP Budget \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Equity as at 1 July		391,280	400,338	381,123	389,304	379,548
Total Comprehensive Income		61,583	12,742	10,157	63,802	9,756
Transactions with Owners recorded directly in Equity						
Total Equity at End of Year		452,863	413,080	391,280	453,106	389,304
Components of Equity						
Accumulated Funds	20	181,216	179,576	174,319	177,903	169,394
Reserves	21	6,147	4,100	5,972	6,147	5,972
Asset Revaluation Reserve	22	265,501	229,404	210,989	269,056	213,938
Total Equity at End of Year		452,863	413,080	391,280	453,106	389,304

The accompanying notes and accounting policies form part of these financial statements.

Statement of Financial Position

for the 12 months ended 30 June 2022

		Parent			Group	
		2021/2022 Actual \$000	2021/2022 LTP Budget \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
	Notes					
CURRENT ASSETS						
Cash and Cash Equivalents	8	9,339	997	5,832	12,654	7,979
Trade and Other Receivables	9	7,844	5,834	10,192	8,366	9,688
Inventories		16	18	16	106	132
Other Current Assets	10	259	186	224	345	313
Short Term Investments	12a	11,153	15,413	14,816	13,129	17,441
Assets Held for Sale	11	5	0	5	5	5
Total Current Assets		28,616	22,448	31,084	34,605	35,558
NON CURRENT ASSETS						
Investment in Council Controlled Organisations	12b	19,355	20,404	19,254	0	0
Other Investments	12c	719	0	677	719	677
Investment Property	12d	10,985	7,943	10,101	10,391	9,521
Infrastructural Assets	13	410,144	375,221	352,367	410,144	351,767
Other Non Current Assets	13	28,788	36,041	25,753	43,995	39,833
Derivative Financial Instruments	16	1,055	0	0	1,055	0
Deferred Tax	6	0	0	0	0	0
Intangible Assets	14	14	199	28	742	756
Total Non Current Assets		471,061	439,808	408,179	467,046	402,554
Total Assets		499,676	462,256	439,264	501,651	438,112
CURRENT LIABILITIES						
Trade and Other Payables	15	10,238	6,584	11,689	11,163	11,726
Derivative Financial Instruments	16	0	552	566	0	566
Tax Payable		0	0	0	0	24
Employee Benefits	17	977	741	738	1,784	1,458
Provisions	19	35	41	80	35	80
Current Portion of Borrowings	18	5,000	313	16,774	5,000	16,774
Total Current Liabilities		16,250	8,231	29,847	17,982	30,628
NON CURRENT LIABILITIES						
Derivative Financial Instruments	16	0	2,404	1,102	0	1,102
Provisions	19	1,981	1,485	1,540	1,981	1,540
Bond Deposits		208	88	334	208	334
Employee Entitlements	17	161	161	161	161	193
Deferred Tax	6	0	0	0	0	11
Borrowings	18	28,214	36,807	15,000	28,214	15,000
Total Non Current Liabilities		30,564	40,945	18,136	30,564	18,179
EQUITY						
Accumulated Funds	20	181,216	179,576	174,319	177,903	169,393
Reserves	21	6,147	4,100	5,972	6,147	5,972
Asset Revaluation Reserve	22	265,501	229,404	210,989	269,056	213,938
Total Equity		452,863	413,080	391,280	453,106	389,304
Total Liabilities & Equity		499,676	462,256	439,264	501,651	438,112

The accompanying notes and accounting policies form part of these financial statements.

Statement of Cashflows

for the 12 months ended 30 June 2022

	Parent			Group	
	2021/2022 Actual \$000	2021/2022 LTP Budget \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Cashflows from Operating Activities					
Cash was provided from:					
Rates	16,550	16,208	15,353	16,529	15,349
Other Income	32,358	14,236	19,215	43,475	29,293
Interest Received	516	149	383	460	381
Tax Received	0	0	0	0	9
Dividends & Subvention Payments Received	1,300	1,300	1,351	0	1,377
	50,724	31,893	36,302	60,463	46,410
Cash was applied to:					
Payments to Suppliers and Employees	36,749	23,376	22,854	41,824	30,338
Interest Paid	1,524	818	870	1,507	867
Income Tax Paid/(Received)	0	0	0	(701)	1,296
Net GST Movement	(135)	0	(289)	(116)	(289)
	38,138	24,194	23,436	42,514	32,214
Net Cash from Operating Activities	12,586	7,699	12,866	17,950	14,198
Cashflows from Investing Activities					
Cash was provided from:					
Sales of Assets	165	0	162	165	162
Investments Realised	23,610	3,160	19,849	26,361	19,849
	23,775	3,160	20,011	26,526	20,011
Cash was applied to:					
Purchase of Fixed Assets	13,577	10,794	13,215	18,522	14,512
Purchase of Investments	23,507	602	16,697	22,719	19,101
	37,084	11,396	29,911	44,031	33,612
Net Cash used in Investing Activities	(13,310)	(8,236)	(9,901)	(17,505)	(13,602)
Cashflows from Financing Activities					
Cash was provided from:					
Loans Raised	1,440	0	0	1,440	0
	1,440	0	0	1,440	0
Cash was applied to:					
Repayment of Loans	0	230	0	0	0
Net Cash from/(used in) Financing Activities	1,440	(230)	0	1,440	2
Net Increase/(Decrease) in Cash	716	(767)	2,966	1,885	596
Opening Cash as at 1 July	5,832	1,764	2,866	7,979	7,383
Closing Cash as at 30 June	6,548	997	5,832	9,864	7,979

The accompanying notes and accounting policies form part of these financial statements.

Funding Impact Statement for Whole of Council

for the 12 months ended 30 June 2022

	Notes	2020/2021 AP Budget \$000	2020/2021 Actual \$000	2021/2022 LTP Budget \$000	2021/2022 Actual \$000
Sources of Operating Funding					
General rates, uniform annual general charge, rates penalties		8,686	8,711	9,615	10,397
Targeted rates		6,364	6,330	6,593	6,594
Subsidies and grants for operating purposes		2,391	10,118	3,241	14,701
Fees and charges		214	1,289	429	1,568
Interest and dividends from investments		1,881	1,736	1,449	1,594
Local authorities fuel tax, fines, infringements fees and other receipts		4,485	3,174	5,005	4,471
Total operating funding	A	24,021	31,358	26,332	39,325
Applications of operating funding					
Payments to staff and suppliers		18,119	26,238	23,511	34,688
Finance costs		983	1,015	818	1,128
Other operating funding applications		480	1,094	508	1,847
Total applications of operating funding	B	19,582	28,347	24,837	37,663
Surplus/ (deficit) of operating funding	A-B	4,439	3,011	1,495	1,662
Sources of capital funding					
Subsidies and grants for capital expenditure		2,640	9,481	5,474	9,455
Development and financial contributions		52	31	52	74
Increase/(decrease) in debt		2,702	0	(230)	1,440
Gross proceeds from sale of assets		53	162	560	164
Lump sum contributions		435	435	35	0
Other dedicated capital funding		0	0	0	0
Total sources of capital funding	C	5,882	10,109	5,891	11,133
Application of Capital expenditure					
- to meet additional demand		0	0	0	0
- to improve the level of service		4,094	4,257	3,700	8,218
- to replace existing assets		6,104	10,548	7,095	4,974
Increase/ (decrease) in reserves		(93)	(2,523)	(4,011)	1,060
Increase/ (decrease) in investments		216	838	602	(1,457)
Total applications of capital funding	D	10,321	13,120	7,386	12,795
Surplus/ (deficit) of capital funding	C-D	(4,439)	(3,011)	(1,495)	(1,662)
Funding balance	((A-B)+(C-D))	0	0	0	0

Part six: Notes to the Financial Statements



Note 1: Rates Revenue

	Parent	
	2021/2022 Actual \$000	2020/2021 Actual \$000
RATES REVENUE		
General rates	9,419	8,605
Targeted Rates Attributable to Activities		
Water	3,147	2,973
Refuse and Sanitation	3,447	3,358
Economic Development	0	0
Penalties	145	106
Total Revenue from rates	16,158	15,042

Rates Remissions

Rates revenue is shown net of rates remissions, BDC's rates remission policy allows BDC to remit rates on sporting, culture and other community organisations.

	Parent	
	2021/2022 Actual \$000	2020/2021 Actual \$000
RATES REMISSIONS		
Total Rates Revenue	16,158	15,117
Rates Remissions		
Land used for sport	0	45
Land protected for historical or cultural purposes	0	30
Total Remissions	0	75
Rates Revenue Net of Remissions	16,158	15,042

The total amount of rates charged on Council-owned properties that have not been eliminated from revenue and expenditure is \$381,960 (2021: \$370,434). For the Group, rates of \$381,960 (2021: \$370,434) have not been eliminated.

Rating Base Information

The rating base used to set the rates for 2021/22 were 7,527 rating units within the Buller District as at 30 June 2021. The total capital value of these rating units as at 30 June 2022 was \$2,332,191,560 of which \$1,115,216,200 consisted of land value (2020/2021: 7,511 rating units, capital value of \$2,312,200,380 which includes a land value of \$1,112,882,600).

Note 2: Investment and Other Revenue

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
INVESTMENT REVENUE				
Interest	513	864	458	864
Dividend and Subvention Income	1,300	1,358	0	6
	1,813	2,222	458	870
Less: Internal Interest	220	486	220	486
Total Investment Revenue	1,593	1,736	238	384

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
OTHER REVENUE				
Investment Loan Discount Amortisation Revenue/(Expense)	1	0	424	221
Found Assets	0	600	0	600
Total Other Income	1	600	424	821

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
SUBSIDIES AND GRANTS				
Flood Recovery Funding	10,652	0	10,652	0
DIA Subsidy for Three Waters	2,848	1,899	2,848	1,899
PGF Grant for Port Projects	3,796	5,433	3,796	5,433
Toki Bridge, Revitalisation and War Memorials Grants	1,706	401	1,706	401
Waka Kotahi Road and Transport Subsidy	3,198	5,917	3,198	5,917
Old Hector Landfill Grants	9	825	9	825
Other Sundry Grants	3,115	5,560	3,115	5,560
	25,324	20,035	25,324	20,035

➤ Note 3: Operating Revenue

	Parent			Group	
	2021/2022 Actual \$000	2021/2022 LTP Budget \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
REVENUE BY ACTIVITY					
Regulatory Services	1,456	932	1,252	1,456	1,252
Roading and Transport	3,507	7,980	8,392	3,507	8,392
Water Supplies	6,197	3,369	5,702	6,197	5,702
Wastewater	2,712	2,722	2,667	2,712	2,667
Stormwater	23	5	0	23	0
Solid Waste	1,036	882	1,639	1,036	1,639
Infrastructure Delivery	1,204	1,530	927	1,204	927
Community Services	1,516	637	1,606	1,516	1,606
Governance & Representation	0	0	0	0	0
Support Services	5,849	5,579	4,717	5,849	4,717
Property*	3,326	1,828	10,074	3,326	10,074
Commercial Infrastructure	6,378	2,365	476	6,378	476
	33,204	27,829	37,452	33,204	37,452
Plus:					
General Rates	9,419	9,465	8,605	9,401	8,605
Rates Penalties	145	150	106	145	106
Investment Income	1,593	1,450	1,732	237	380
Flood Recovery Income	11,922	0	0	11,922	0
Profit on Sale of Assets	0	0	66	0	66
Gain on Sale of Investment Property	16	0	0	16	0
Vested Assets	0	50	0	0	0
Sundry Income	0	52	0	423	221
Gain on Derivative Contracts	2,723	0	1,353	2,723	1,353
Gain on Revaluation of Investment Land	1,033	133	2,419	999	2,439
Group Income	0	0	0	11,601	10,346
Share in Profit/(Loss) of Associate	0	0	0	0	0
	60,054	39,129	51,733	70,671	60,967
Less: Internal Recoveries	(7,427)	(7,051)	(5,988)	(7,427)	(5,988)
Total Operating Revenue	52,627	32,078	45,745	63,244	54,980

* This total includes outport dredging income of \$Nil performed by the vessel Kawatiri (2020/2021: \$1.09 million).

Note 4: Operating Expenditure

	Parent			Group	
	2021/2022 Actual \$000	2021/2022 LTP Budget \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
EXPENDITURE BY ACTIVITY					
Regulatory Services	2,701	2,323	2,121	2,701	2,121
Roading & Transport	4,027	4,373	3,820	4,027	3,820
Water Supplies	2,307	2,272	1,798	2,307	1,798
Wastewater	1,507	1,572	1,498	1,507	1,498
Stormwater	418	376	219	418	219
Solid Waste	1,589	1,148	971	1,589	971
Infrastructure Delivery	1,203	951	1,048	1,203	1,048
Community Services	4,545	3,859	4,692	4,545	4,692
Governance & Representation	1,704	1,621	1,733	1,704	1,733
Support Services	5,874	5,658	4,897	5,874	4,897
Property	2,834	3,075	11,720	2,834	11,720
Flood recovery	10,698	0	0	10,698	0
Commercial Infrastructure	6,307	4,870	160	6,307	160
	45,714	32,098	34,677	45,714	34,677
Plus					
DEPRECIATION & AMORTISATION					
- Regulatory Services	34	28	25	34	25
- Rooding & Transport	3,317	3,275	3,261	3,317	3,261
- Water Supplies	802	881	848	802	848
- Wastewater	796	873	784	796	784
- Stormwater	254	297	253	254	253
- Solid Waste	82	82	82	82	82
- Infrastructure Delivery	14	13	11	14	11
- Community Services	257	265	244	257	244
- Governance and Representation	0	0	0	0	0
- Support Services	110	162	102	110	102
- Property	596	647	656	596	656
- Commercial Infrastructure	129	221	32	129	32
- Group Depreciation	0	0	0	0	1,427
Other Group Expenses	0	0	0	9,125	8,189
Assets Written Off	522	481	366	522	366
Loss on Sale of Assets	343	0	722	343	719
Loss on Sale/Write Off of Investments	500	0	0	500	0
Less					
Internal Recoveries	(7,427)	(7,051)	(5,988)	(7,427)	(5,988)
Internal Interest	(220)	(210)	(487)	(220)	(487)
Total Operating Expenditure	45,823	32,062	35,588	54,948	45,201

Note 5: Operating Surplus

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
OPERATING SURPLUS WAS DETERMINED AFTER ACCOUNTING FOR:				
Fees to principal auditor				
Fees to Audit New Zealand and Ernst & Young for audit of Financial statements	144	122	231	204
Fees to Audit New Zealand for audit of Long Term Plan	0	89	0	89
Fees to Audit New Zealand for other services	0	5	0	5
Grants and Donations Expense	1,206	1,119	1,206	1,119
Lease Income	390	354	390	359
Lease Expense	57	51	57	71
Movement in provision doubtful debts				
Accounts Receivable	34	31	34	31
	1,831	1,771	1,918	1,858

(i) Remuneration

During the year to 30 June 2022, the total remuneration and value of non-financial benefits received by or payable to the Mayor, other Councillors and the Chief Executive of the Council were as follows:

	Group	
	2021/2022 Actual	2020/2021 Actual
Chief Executive		
Sharon Mason	248,262	243,808
Total Chief Executive	248,262	243,808
Mayor		
Jamie Cleine	95,867	94,863
Councillors		
Dave Hawes	24,765	22,827
Robyn Nahr	26,616	24,835
Sharon Roche	48,637	42,125
Philip Rutherford	31,242	28,850
Rosalie Sampson	26,285	22,827
John Bougen	25,252	22,827
Martin Hill (ceased 06/12/2021)	10,031	22,827
Grant Weston	26,616	24,835
Joanne Howard	27,085	24,835
Margaret Montgomery	31,192	28,850
Total Mayor & Councillors	373,588	360,501

(ii) Severance Payments

Schedule 10 of the Local Government Act 2002 requires the Council to disclose any severance payments to staff.

For the year ended 30 June 2022, the council made one severance payment to an employee to the value of \$14,582. (2020/2021: no severance payments).

(iii) Employee Staffing Levels and Remuneration

	2021/2022	2020/2021
NUMBER OF EMPLOYEES		
Fulltime	64.0	55.0
Fulltime Equivalent of other employees	19.3	19.4

Buller District Council defines a full time equivalent employee as one that works a minimum of 40 hours per week. However in 2021/2022 there were 3 employees who are contracted to work 37.5 hours per week (2020/2021: 2 employees). These employees are regarded as full time employees for the purposes of this disclosure. At balance date the total number of employees employed by Council was 95 (2020/2021: 91).

REMUNERATION LEVELS

2021/2022	less than \$60,000	\$60,000 to \$79,999	\$80,000 to \$99,999	\$100,000 to \$119,999	\$120,000 to \$199,999	\$200,000 to \$249,999
Number of Employees	67	21	14	6	10	3

2020/2021	less than \$60,000	\$60,000 to \$79,999	\$80,000 to \$99,999	\$100,000 to \$199,999	\$200,000 to \$249,999
Number of Employees	53	18	11	9	1

The Local Government Act (2002) requires that if the number of employees in a remuneration band is 5 or fewer then that band is combined with the next highest band. In 2021/2022 there were 5 or fewer employees in the \$120,000 to \$139,999, the \$140,000 to \$159,999, the \$160,000 to \$179,999 and the \$180,000 to \$199,999 band, hence inclusion of those employees in a \$120,000 to \$199,999 remuneration band. There were 5 or fewer employees in the \$200,000 to \$219,999 band and one employee in the \$220,000 to \$249,999 band, hence the inclusion of those employees in a \$200,000 to \$249,000 band.

In 2020/2021 there were 5 or fewer employees in the \$100,000 to \$119,999 band, hence inclusion of those employees in a \$100,000 to \$199,999 remuneration band.

Note 6: Income Tax

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
COMPONENTS OF TAX EXPENSE				
Current Tax Expenses		0		0
Adjustments to Current Tax in Prior Year		0		0
Deferred Tax Expenses		0		24
Income Tax Expense	0	0	0	24

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
RELATIONSHIP BETWEEN TAX AND ACCOUNTING PROFIT				
Surplus/(Deficit) Before Tax		10,157		9,780
Tax @ 28%	0	2,844	0	2,738
Non-Deductible Expenditure		(1,531)		(2,730)
Non-Taxable Revenue		0		0
Change in Building Depreciation		0		0
Effect of tax rate change		0		0
Prior Year Adjustment		0		(1)
Group Loss Offset		(1,300)		0
Temporary Differences Not Recognised		0		0
Tax Losses Not Recognised		(13)		0
Deferred Tax Adjustments		0		17
Tax Expense	0	(0)	0	24

DEFERRED TAX ASSETS/(LIABILITIES)

PARENT	Property, Plant & equipment	Employee entitlements	Other provisions	Tax Losses
Balance at 1 July 2020	0	0	0	0
Credited to Profit and Loss	(41)	0	0	41
Balance at 30 June 2021	(41)	0	0	41
Credited to Profit and Loss	0	0	0	0
Balance at 30 June 2022	(41)	0	0	41

GROUP	Property, Plant & equipment	Employee entitlements	Other provisions	Tax Losses
Balance at 1 July 2020	(528)	183	21	337
Credited to Profit and Loss	(4)	3	(11)	(12)
Balance at 30 June 2021	(532)	186	10	325
Credited to Profit and Loss	0	0	0	0
Balance at 30 June 2022	(532)	186	10	325

Additional disclosures

Council has not recognised deferred tax assets in relation to tax losses of \$XX (2020/2021: \$1,159,151). The deferred tax asset has been recognised at the group level.

Note 7: Reconciliation of Net Surplus/(Deficit) After Tax to Net Cash Flow From Operating Activities

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Surplus/(deficit) after tax	6,801	10,157	8,790	9,756
Add/(less) non-cash items:				
Depreciation & Amortisation Expense	6,391	6,296	-	7,724
Impairment	-	-	-	-
Movement in Provisions	396	(364)	396	(328)
Movement in Deferred Taxation	-	-	(3,103)	(11)
Donated Assets	-	-	-	-
Other Non Cash Items	865	-	-	(2,320)
Vested Assets	-	-	-	-
Loan Amortisation	-	-	-	-
(Gains)/Losses on Derivative Financial Instruments	(2,723)	(1,353)	-	(1,353)
	4,928	4,579	(2,707)	3,712
Add/(less) Items Classified as Investing Activities:				
(Gains)/Losses on Disposal of Investment Property and PPE	(165)	1,022	-	1,085
Non cash movement in Fixed Assets	-	(600)	-	(821)
Gain/(Loss) in Fair Value of Financial Assets	501			
(Gains)/Losses in Fair Value of Investment Property	(884)	(2,419)	(844)	(2,439)
	(548)	(1,997)	(844)	(2,175)
Add/(less) Movements in Working Capital Items:				
Trade and Other Receivables	2,348	(5,579)	1,322	(5,245)
Inventories	(1)	-	35	-
Other Current Assets	(35)	(39)	(42)	(102)
Trade and Other Payables	(1,145)	5,734	2,038	8,201
Employee Benefits	239	11	294	50
	1,405	127	3,647	2,904
Net cash inflow/(outflow) from operating activities	12,586	12,866	8,886	14,197

Note 8: Cash and Cash Equivalents

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Cash and Bank Overdrafts include the following for the purpose of the Cashflow Statement:				
Cash at bank and in hand	3,913	1,842	5,127	3,387
Short term deposits maturing three months or less from the date of acquisition	2,636	3,990	7,527	4,737
Total cash and cash equivalents	6,550	5,832	12,654	9,864

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

Note 9: Trade and Other Receivables

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Trade Receivables	4,032	5,920	5,919	6,743
Amounts due from Controlled Entities (excluding GST)				
WestReef Ltd	7	7	0	0
Buller Holdings Ltd	59	20	0	0
Buller Recreation Ltd	0	0	0	0
Buller Health Trust	0	0	0	0
Interest Receivable	46	48	46	48
Dividend / Subvention Receivable	1,300	1,300	0	0
Other Receivables:				
NZTA Rooding Subsidies	1,581	2,006	1,581	2,006
Rates Receivable	917	954	917	954
Total Trade Receivables	7,942	10,255	8,463	9,751
Less:				
Provisions for doubtful debts	(97)	(63)	(97)	(63)
	7,845	10,192	8,366	9,688
Represented by:				
Current Portion	5,980	5,867	6,501	5,362
Term Portion	1,865	4,325	1,865	4,325
	7,845	10,192	8,366	9,688
Buller District Council has classified the following receivables as exchange transactions	1,619	4,950	2,141	4,446
Buller District Council has classified the following receivables as non exchange transactions	6,225	5,242	6,225	5,242
	7,844	10,192	8,366	9,688

Fair Value

Trade and other receivables are non-interest bearing and receipt is normally on 30 day terms. The carrying value of trade, and other receivables (excluding loans to related parties and community loans) approximates their fair value.

Impairment

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

Buller District Council has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place debts are discounted to the present value of future repayments.

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

ATTACHMENT 1

BULLER DISTRICT COUNCIL 2022 ANNUAL REPORT 2022

	2021/2022			2020/2021		
	Gross \$000	Impairment \$000	Net \$000	Gross \$000	Impairment \$000	Net \$000
COUNCIL						
Not past due	5,973	0	5,973	5,930	0	5,930
Past due 1-60 days	23	0	23	2,460	0	2,460
Past due 61-120 days	39	0	39	21	0	21
Past due > 120 days	1,900	97	1,803	1,844	63	1,781
Total	7,934	97	7,844	10,255	63	10,192
GROUP						
Not past due	6,500	0	6,500	5,377	0	5,378
Past due 1-60 days	23	0	23	2,508	0	2,508
Past due 61-120 days	39	0	39	21	0	21
Past due > 120 days	1,900	97	1,803	1,845	63	1,781
Total	8,462	97	8,365	9,751	63	9,688

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
PROVISION FOR IMPAIRMENT				
Individual Impairment	97	63	97	63
Collective Impairment	0	0	0	0
Total Provision for Impairment	97	63	97	63

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

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
INDIVIDUAL IMPAIRMENT				
Past due 1-60 days	0	0	0	0
Past due 61-120 days	0	0	0	0
Past due > 120 days	97	63	97	63
Total Individual Impairment	97	63	97	63

Individually impaired receivables have been determined to be impaired because of the significant financial difficulties being experienced by the debtor. An analysis of these individually impaired debtors are as above.

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Movement in the provision for impairment of receivables are as follows:				
At 1 July	63	32	63	32
Additional provisions made during the year	34	31	34	31
Provisions reversed during the year	0	0	0	0
Receivables written-off during the period	0	0	0	0
At 30 June	97	63	97	63

Buller District Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired. Except for rates receivables when the Council has legislative powers to recover any outstanding debts.

The carrying value of receivables that would otherwise be past due or impaired whose terms have been renegotiated is nil (2021: nil).

Note 10: Other Current Assets

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Work In Progress	22	21	22	31
Prepayments	238	203	324	282
	259	224	345	313

Note 11: Non Current Assets Held For Sale

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Non-current Assets held for sale are:				
Structures	5	5	5	5
Total Assets Held for Sale	5	5	5	5

As at 30 June 2022 Council had one asset held for sale (2020/2021: One asset for sale).

➤ Note 12: Current and Non Current Investments

Note - 12a Short Term Investments

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Term Deposits	13,943	14,816	15,919	17,441
Total Short Term Investments	13,943	14,816	15,919	17,441

Council classifies investments with a maturity date of less than 12 months at balance date as short term investments.

Term deposits with a maturity date of less than 3 months from acquisition date is classified as cash and cash equivalents.

Council classified \$2,637,000 of term deposits to cash and cash equivalents (2021: \$3,990,000).

Note - 12b Investment in Council Controlled Organisations

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Investment in CCO's (Buller Holdings Ltd)	17,855	17,754	0	0
Investment in CCO's (Loans to Subsidiaries)	1,500	1,500	0	0
Total Investment in CCO's	19,355	19,254	0	0

Council subscribed for 102,000 of additional shares in Buller Holdings Limited in 2021/2022 for \$102,000 in cash payments.

The equity was to be used to fund capital expenditure in Buller Recreation Limited (a subsidiary of Buller District Council) (2020/2021: \$223,000 of additional shares acquired by Buller District Council to fund capital expenditure in Buller Recreation Limited).

There was no impairment of investment in Buller Holdings in 2021/2022 (2020/2021 Nil impairment).

	Parent	
	2021/2022 Actual \$000	2020/2021 Actual \$000
Investments acquired - shares issued by Buller Holdings Limited	102	224
	102	224

All loans to Council Controlled Organisations have been advanced at market interest rates.

The fair value of loans to related parties in 2021/2022 is \$1,500,000 (2020/2021: \$1,500,000). Fair value has been determined using cash flows discounted at a rate based on market interest rates including an additional risk to take into account the specific risks of each loan. The interest rate on the loan of \$1,500,000 to Buller Holdings Ltd is the 90 day interest rate plus 1%.

Note - 12c Other Investments

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Other Investments (NZ Local Government Insurance Corporation Ltd)	26	26	26	26
DWC Community Loans	1	4	1	4
Bond Deposits	237	237	237	237
Borrower Notes LGFA	455	410	455	410
Total Other Investments	719	677	719	651

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
NEW ZEALAND WHITEBAIT LIMITED				
Balance at 1 July	0	0	0	0
Shares purchased	500	0	500	0
Disposal/ Write down of investment	(500)	0	(500)	0
Balance 30 June	0	0	0	0

Council received \$700,000 grant funding from the Provincial Growth Fund over the past two financial years for investment in an aquaculture project with New Zealand Whitebait Limited.

This grant was in two parts: \$200,000 for administration and \$500,000 for the purchase of shares.

New Zealand Whitebait Limited aimed to establish a whitebait farm near Westport, but did not proceed as it could not secure further investment, and the Covid pandemic affected progress. As per the funding agreement Council passed \$180,000 on to New Zealand Whitebait Limited for administration costs, and retained \$20,000 for Buller District Council's administration fees. \$500,000 of shares were purchased giving Buller District Council administration costs to New Zealand Whitebait Limited and 500,000 \$1 shares (6.7% shareholding).

As at 29 June 2022 the shareholding was removed and Buller District Council no longer holds any interest in New Zealand Whitebait Limited.

Note - 12d Investment Property

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
INVESTMENT PROPERTY				
Balance at 1 July	10,101	7,761	9,521	7,221
Additions	0	0	0	0
Transfers (to)/from Non Current Assets Held for Sale	0	0	0	0
Disposals/Adjustments	(148)	(79)	(148)	(99)
Fair value gains/(losses) on valuation	1,032	2,419	1,018	2,399
Balance 30 June	10,985	10,101	10,391	9,521

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
INVESTMENT PROPERTY - REVENUE AND EXPENSES				
Rental Revenue from Investment Property	188	205	118	134
Direct Expenses of Income Generating Investment Property	26	23	11	7
Direct Expenses of Non-income Generating Investment Property	0	0	0	0

Buller District Council investment properties are valued annually at fair value effective 30 June. All investment properties were valued based on open market evidence as at 30 June 2022. The valuation was performed by Quotable Value, an independent valuer. Quotable Value are an experienced valuer with extensive market knowledge in the types of investment properties owned by Council. The total value of investment property valued by Quotable Value as at 30 June 2022 was \$10,985,000 (2020/2021: \$10,101,000).

➤ Note 13: Property, plant and equipment

Council 2022

	Cost/ Revaluation 01-07-21	Accumulated depreciation	Carrying Amount 01-07-21	Current year Addition	Current Year Disposals	Transfer (to)/ from Assets Held for Sale	Accumulated Depreciation on disposals	Current Year Depreciation/ Impairment Charges	Elimination of Accumulated Depreciation on Valuation	Transfers/ Others	Revaluation Gains	Cost/ Revaluation 30-06-22	Accumulated Depreciation 30-06-22	Carrying Amount 30-06-22
INFRASTRUCTURE ASSETS	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Land under roads	19,404	0	19,404	0	0	0	0	0	0	0	0	19,404	0	19,404
Sewerage	28,936	(1,661)	27,275	491	(39)	0	0	(796)	(2,457)	(8)	3,312	30,243	0	30,243
Stormwater	10,597	(498)	10,099	17	(30)	0	0	(254)	(752)	16	3,522	13,354	0	13,354
Roads and Bridges	261,497	(6,385)	255,112	1,418	(178)	0	0	(3,306)	(9,691)	5	41,116	294,163	0	294,163
Water supplies	34,519	(1,598)	32,921	2,758	(274)	0	0	(802)	(2,401)	11	6,833	41,434	0	41,434
Airport runway	311	(155)	156	0	0	0	0	(8)	0	1	0	311	(163)	148
Landfills/Transfer Stns	2,677	(972)	1,705	1	(7)	0	0	(63)	0	(887)	0	1,811	(1,035)	776
Wharves	1,998	(807)	1,191	0	0	0	0	(33)	0	1	0	1,998	(840)	1,158
Work in Progress	4,505	(1)	4,504	6,434	0	0	0	0	0	(1,474)	0	9,464	(1)	9,463
	364,444	(12,077)	352,367	11,119	(528)	0	0	(5,262)	(15,301)	(2,335)	54,783	412,182	(2,039)	410,143

Council 2022

	Cost/ Revaluation 01-07-20	Accumulated depreciation	Carrying Amount 01-07-20	Current year Addition	Current Year Disposals	Transfer (to)/ from Assets Held for Sale	Accumulated Depreciation on disposals	Current Year Depreciation/ Impairment Charges	Elimination of Accumulated Depreciation on Valuation	Transfers/ Others	Revaluation Gains	Cost/ Revaluation 30-06-21	Accumulated Depreciation 30-06-21	Carrying Amount 30-06-21
OTHER FIXED ASSETS	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Land	5,609	0	5,609	0	0	0	0	0	0	0	0	5,608	0	5,608
Buildings	21,321	(8,196)	13,125	3,103	(58)	0	0	(547)	0	0	0	24,366	(8,743)	15,623
Office Equipment, Furniture & Fittings	2,212	(1,904)	308	161	0	0	0	(113)	0	0	0	2,373	(2,017)	356
Vehicles	1,144	(959)	185	187	(7)	0	0	(56)	0	0	0	1,312	(1,015)	297
Library Books	1,154	(1,136)	18	79	0	0	0	(74)	0	0	0	1,233	(1,211)	22
Plant and Equipment	2,355	(2,190)	165	125	0	0	0	(69)	0	1	0	2,481	(2,259)	222
Other Assets	7,106	(2,723)	4,383	348	(271)	0	0	(256)	0	863	0	8,050	(2,980)	5,070
Vessels	4,384	(4,340)	44	0	0	0	0	(1)	0	0	0	4,384	(4,341)	43
Work in Progress	1,916	0	1,916	1,169	0	0	0	0	0	(1,538)	0	1,547	0	1,547
	411,645	(33,525)	378,120	16,291	(864)	0	0	(6,378)	0	(3,009)	54,783	463,536	(24,605)	438,931

Group 2022	INFRASTRUCTURE ASSETS																										
	Cost/ Revaluation 01-07-21	\$000	Accumulated depreciation	\$000	Carrying Amount 01-07-21	\$000	Current year Addition	\$000	Current Year Disposals	\$000	Transfer (to)/ from Assets Held for Sale	\$000	Accumulated Depreciation on disposals	\$000	Current Year Depreciation/ Impairment Charges	\$000	Elimination of Accumulated Depreciation on Valuation	\$000	Transfers/ Others	\$000	Revaluation Gains	\$000	Cost/ Revaluation 30-06-22	\$000	Accumulated Depreciation 30-06-22	\$000	Carrying Amount 30-06-22
	19,408	0	0	19,408	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19,408	0	19,408		
	28,794	(1,653)	27,141	491	(39)	0	0	(796)	(2,457)	295	3,312	30,242	0	30,242													
	10,610	(515)	10,095	17	(30)	0	0	(254)	(752)	119	3,522	13,367	0	13,367													
	261,230	(6,388)	254,842	1,418	(178)	0	0	(3,306)	(9,691)	967	41,116	294,159	0	294,159													
	34,382	(1,611)	32,771	2,758	(274)	0	0	(802)	(2,401)	758	6,833	41,434	0	41,434													
	308	(155)	153	0	0	0	0	(8)	0	4	0	312	(163)	149													
	2,633	(976)	1,657	1	(7)	0	0	(63)	0	(1,681)	0	1,798	(1,038)	760													
	2,004	(809)	1,195	0	0	0	0	(33)	0	0	0	2,004	(842)	1,162													
	4,505	0	4,505	6,434	0	0	0	0	0	(2,950)	0	9,464	0	9,464													
	363,874	(12,107)	351,767	11,119	(528)	0	0	(5,262)	(15,301)	(2,488)	54,782	412,187	(2,043)	410,144													

Group 2022	OTHER FIXED ASSETS													
	Cost/ Revaluation 01-07-20	Accumulated depreciation	Carrying Amount 01-07-20	Current year Addition	Current Year Disposals	Transfer (to)/ from Assets Held for Sale	Accumulated Depreciation on disposals	Current Year Depreciation/ Impairment Charges	Elimination of Accumulated Depreciation on Valuation	Transfers/ Others	Revaluation Gains	Cost/ Revaluation 30-06-21	Accumulated Depreciation 30-06-21	Carrying Amount 30-06-21
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
		0	6,322	0	0	0	0	0	0	17	0	6,194	0	6,194
		(102)	176	0	0	0	0	(17)	0	17	0	295	(119)	176
		(24,967)	13,277	3,103	(58)	0	0	(530)	0	9,078	0	50,367	(25,497)	24,870
		(2,437)	442	228	0	0	0	(160)	0	0	0	3,107	(2,597)	510
		(5,160)	3,133	1,534	(44)	0	0	(581)	0	(69)	0	9,714	(5,741)	3,973
		(1,136)	19	79	0	0	0	(74)	0	0	0	1,234	(1,210)	24
		(3,847)	949	492	(8)	0	0	(328)	0	(11)	0	5,269	(4,175)	1,094
		(2,730)	4,402	351	(271)	0	0	(256)	0	843	0	8,055	(2,986)	5,069
		(4,340)	47	0	0	0	0	(1)	0	0	0	4,387	(4,341)	46
		0	1,920	1,169	0	0	0	0	0	(1,538)	0	1,551	0	1,551
		(44,719)	30,687	6,956	(381)	0	0	(1,947)	0	8,337	0	90,173	(46,666)	43,507
	Total		382,454	18,075	(909)	0	0	(7,209)	0	5,849	54,782	502,360	(48,709)	453,651

Council 2021	INFRASTRUCTURE ASSETS															
	Cost/ Revaluation 01-07-20	\$000	Accumulated depreciation	\$000	Carrying Amount 01-07-20	Current year Addition	Current Year Disposals	Transfer (to)/ from Assets Held for Sale	Accumulated Depreciation on disposals	Current Year Depreciation/ Impairment Charges	Elimination of Accumulated Depreciation on Valuation	Transfers/ Others	Revaluation Gains	Cost/ Revaluation 30-06-21	Accumulated Depreciation 30-06-21	Carrying Amount 30-06-21
	19,404	0	0	19,404	0	0	0	0	0	0	0	0	0	19,404	0	19,404
	28,474	(838)	27,636	562	(100)	0	0	0	0	(823)	0	0	0	28,936	(1,661)	27,275
	10,561	(245)	10,316	38	(2)	0	0	0	0	(253)	0	0	0	10,597	(498)	10,099
	255,676	(3,135)	252,541	6,728	(198)	(5)	0	0	0	(3,250)	0	(20)	(684)	261,497	(6,385)	255,112
	33,387	(790)	32,597	1,197	(65)	0	0	0	0	(808)	0	0	0	34,519	(1,598)	32,921
	311	(147)	164	0	0	0	0	0	0	(8)	0	0	0	311	(155)	156
	1,809	(907)	902	868	0	0	0	0	0	(65)	0	0	0	2,677	(972)	1,705
	1,998	(774)	1,224	0	0	0	0	0	0	(33)	0	0	0	1,998	(807)	1,191
	1,133	(1)	1,132	3,802	0	0	0	0	0	0	0	(430)	0	4,505	(1)	4,504
	352,753	(6,837)	345,916	13,195	(365)	(5)	0	(5,240)	0	(684)	364,444	(12,077)	352,367			

Council 2021	Cost/ Revaluation 01-07-20	\$000	Accumulated depreciation	\$000	Carrying Amount 01-07-20	Current year Addition	\$000	Current Year Disposals	\$000	Transfer (to)/ from Assets Held for Sale	\$000	Accumulated Depreciation on disposals	\$000	Current Year Depreciation/ Impairment Charges	\$000	Elimination of Accumulated Depreciation on Valuation	Transfers/ Others	\$000	Revaluation Gains	\$000	Cost/ Revaluation 30-06-21	\$000	Accumulated Depreciation 30-06-21	\$000	Carrying Amount 30-06-21
	OTHER FIXED ASSETS																								
	Land	5,587	0	5,587	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,609	0	5,609	0	5,609
	Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Buildings	20,504	(7,670)	12,834	817	0	0	0	0	0	0	0	0	(526)	0	0	0	0	0	0	21,321	(8,196)	13,125	(8,196)	13,125
	Office Equipment, Furniture & Fittings	2,147	(1,802)	345	66	(1)	0	0	0	0	0	0	0	(102)	0	0	0	0	0	0	2,212	(1,904)	308	(1,904)	308
	Vehicles	1,119	(913)	206	37	(12)	0	0	0	0	0	0	0	(46)	0	0	0	0	0	0	1,144	(959)	185	(959)	185
	Library Books	1,094	(1,078)	16	60	0	0	0	0	0	0	0	0	(58)	0	0	0	0	0	0	1,154	(1,136)	18	(1,136)	18
	Plant and Equipment	2,339	(2,120)	219	20	0	0	0	0	0	0	0	0	(70)	0	0	(4)	0	0	0	2,355	(2,190)	165	(2,190)	165
	Other Assets	5,749	(2,468)	3,281	1,362	(5)	0	0	0	0	0	0	0	(255)	0	0	0	0	0	0	7,106	(2,723)	4,383	(2,723)	4,383
	Vessels	4,384	(4,339)	45	0	0	0	0	0	0	0	0	0	(1)	0	0	0	0	0	0	4,384	(4,340)	44	(4,340)	44
	Work in Progress	2,368	0	2,368	1,613	0	0	0	0	0	0	0	0	0	0	0	(2,065)	0	0	0	1,916	0	1,916	0	1,916
		45,291	(20,390)	24,901	3,997	(18)	0	0	0	0	0	0	0	(1,058)	0	0	(2,069)	0	0	0	47,201	(21,448)	25,753	(21,448)	25,753
	Total	398,044	(27,227)	370,817	17,192	(383)	(5)	0	0	0	0	0	0	(6,298)	0	0	(2,519)	(684)	0	0	411,645	(33,525)	378,120	(33,525)	378,120

Group 2021	INFRASTRUCTURE ASSETS																									
	Cost/ Revaluation 01-07-20	\$000	Accumulated depreciation	\$000	Carrying Amount 01-07-20	\$000	Current year Addition	\$000	Current Year Disposals	\$000	Transfer (to)/ from Assets Held for Sale	\$000	Accumulated Depreciation on disposals	\$000	Current Year Depreciation/ Impairment Charges	\$000	Elimination of Accumulated Depreciation on Valuation	\$000	Transfers/ Others	\$000	Revaluation Gains	\$000	Cost/ Revaluation 30-06-21	\$000	Accumulated Depreciation 30-06-21	\$000
	Land under roads	19,408	0	19,408	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19,408	0	19,408	
	Sewerage	28,445	(830)	27,615	449	(100)	0	0	(823)	0	0	0	0	0	(823)	0	0	0	0	0	0	0	28,794	(1,653)	27,141	
	Stormwater	10,580	(262)	10,318	32	(2)	0	0	(253)	0	0	0	0	0	(253)	0	0	0	0	0	0	0	10,610	(515)	10,095	
	Roads and Bridges	255,606	(3,138)	252,469	6,523	(198)	(5)	0	(3,250)	0	(12)	(684)	0	0	(3,250)	0	0	0	0	0	0	0	261,230	(6,388)	254,842	
	Water supplies	33,365	(803)	32,562	1,082	(65)	0	0	(808)	0	0	0	0	0	(808)	0	0	0	0	0	0	0	34,382	(1,611)	32,771	
	Airport runway	308	(147)	161	0	0	0	0	(8)	0	0	0	0	0	(8)	0	0	0	0	0	0	0	308	(155)	153	
	Landfills/Transfer Stns	1,765	(911)	854	868	0	0	0	(65)	0	0	0	0	0	(65)	0	0	0	0	0	0	0	2,633	(976)	1,657	
	Wharves	2,004	(776)	1,229	0	0	0	0	(33)	0	0	0	0	0	(33)	0	0	0	0	0	0	0	2,004	(809)	1,195	
	Work in Progress	1,133	0	1,133	3,802	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,505	0	4,505	
		352,614	(6,867)	345,749	12,756	(365)	(5)	0	(5,240)	0	(442)	(684)	363,874	(12,107)	351,767											

Group 2021	OTHER FIXED ASSETS															
	Cost/ Revaluation 01-07-20	\$000	Accumulated depreciation	\$000	Carrying Amount 01-07-20	Current year Addition	Current Year Disposals	Transfer (to)/ from Assets Held for Sale	Accumulated Depreciation on disposals	Current Year Depreciation/ Impairment Charges	Elimination of Accumulated Depreciation on Valuation	Transfers/ Others	Revaluation Gains	Cost/ Revaluation 30-06-21	Accumulated Depreciation 30-06-21	Carrying Amount 30-06-21
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
	Land	6,138	0	6,138	22	0	0	0	0	0	0	162	0	6,322	0	6,322
	Leasehold Improvements	278	(83)	195	0	0	0	0	0	(19)	0	0	0	278	(102)	176
	Buildings	37,231	(14,670)	22,561	1,013	0	0	0	0	(10,297)	0	0	0	38,244	(24,967)	13,277
	Office Equipment, Furniture & Fittings	2,776	(2,303)	473	104	(1)	0	0	0	(134)	0	0	0	2,879	(2,437)	442
	Vehicles	7,483	(4,667)	2,816	826	(16)	0	0	0	(493)	0	0	0	8,293	(5,160)	3,133
	Library Books	1,095	(1,078)	17	60	0	0	0	0	(58)	0	0	0	1,155	(1,136)	19
	Plant and Equipment	4,658	(3,516)	1,142	192	(38)	0	0	0	(331)	0	(16)	0	4,796	(3,847)	949
	Other Assets	5,779	(2,475)	3,304	1,358	(5)	0	0	0	(255)	0	0	0	7,132	(2,730)	4,402
	Vessels	4,387	(4,339)	48	0	0	0	0	0	(1)	0	0	0	4,387	(4,340)	47
	Work in Progress	2,503	0	2,503	1,613	0	0	0	0	0	0	(2,196)	0	1,920	0	1,920
		72,328	(33,131)	39,197	5,188	(60)	0	0	0	(11,588)	0	(2,050)	0	75,406	(44,719)	30,687
	Total	424,942	(39,998)	384,946	17,944	(425)	(5)	0	0	(16,828)	0	(2,492)	(684)	439,280	(56,826)	382,454

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Work in Progress:				
PROPERTY, PLANT AND EQUIPMENT IN THE COURSE OF INSTRUCTION BY CLASS OF ASSET				
Water System	6,352	3,583	6,352	3,583
Road Network	952	49	952	49
Other Assets	3,707	2,790	3,710	2,793
Total Work in Progress	11,012	6,422	11,015	6,426

REVALUATION OF INFRASTRUCTURE ASSETS**Revaluation of infrastructure assets was completed as at 30 June 2022**

Infrastructure Assets were increased by the following values:

Roading and Transport revaluation increase	47,279	0
Less impairment of roading and transport assets affected by flooding emergencies	-6,163	0
Net increase in Roothing and Transport revaluation assets due to revaluation	41,116	0

Water Supplies revaluation increase 6,833 | 0 |

Stormwater revaluation increase 3,522 | 0 |

Wastewater revaluation increase 3,311 | 0 |

Total Increase in Revaluation Reserves due to Infrastructure Assets Revaluation

54,782

0

Note 14: Intangible Assets

	Parent		Group		
	Computer Software & Licences \$000	Total \$000	Goodwill \$000	Computer Software & Licences \$000	Total \$000
Cost:					
Balance at 1 July 2020	741	741	728	753	1,481
Additions	16	16	0	16	16
Disposals	0	0	0	0	0
Balance at 30 June 2021	757	757	728	769	1,497
Balance at 1 July 2021	757	757	728	769	1,497
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Balance at 30 June 2022	757	757	728	769	1,497
Accumulated Amortisation and Impairment:					
Balance at 1 July 2020	721	721	0	733	733
Amortisation charge	8	8	0	8	8
Disposals	0	0	0	0	0
Balance at 30 June 2021	729	729	0	741	741
Balance at 1 July 2021	729	729	0	741	741
Amortisation charge	14	14	0	14	14
Disposals	0	0	0	0	0
Balance at 30 June 2022	743	743	0	755	755
Carrying Amounts:					
Balance at 30 June 2021	28	28	728	28	756
Balance at 30 June 2022	14	14	728	14	742

Goodwill has been assessed for impairment during the year. Due to the performance of the subsidiary during the period it was determined that goodwill was not impaired.

Note 15: Trade and Other Payables

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Trade payables	4,980	5,677	7,412	8,137
Amounts due to related parties:				
WestReef Ltd	1,691	2,300	0	0
Revenue Received in Advance	3,567	3,712	3,752	3,589
Total trade and other payables	10,238	11,689	11,164	11,726
Buller District Council has classified the following payables as exchange transactions	6,571	7,523	7,497	7,560
Buller District Council has classified the following payables as non exchange transactions	3,667	4,166	3,667	4,166
Total	10,238	11,689	11,164	11,726

Trade and other payables are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of creditors and other payables approximates their fair value.

Note 16: Derivative Financial Instruments

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Current Asset Portion				
Interest Rate Swaps	0	0	0	0
Total Current Asset Portion	0	0	0	0
Non Current Asset Portion				
Interest Rate Swaps	1,055	0	1,055	0
Total Non Current Asset Portion	1,055	0	1,055	0
Current Liability Portion				
Interest Rate Swaps	0	0	0	0
Total Current Liability Portion	0	0	0	0
Non Current Liability Portion				
Interest Rate Swaps	0	1,668	0	1,668
Total Non Current Liability Portion	0	1,668	0	1,668
Total Derivative Financial Instruments	1,055	(1,668)	1,055	(1,668)

The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2022 were \$26,340,000 (2020/2021: \$19,340,000). This includes a forward swop with an effective date of 30 March 2027.

At 30 June 2022 the fixed interest rates of interest rate swaps range from 1.94% to 3.87% (2020/2021: 2.17% to 4.34%).

The interest rate swaps have been included at fair value.

The termination date of the interest rate swap contracts of \$26,340,000 at 30 June 2022 range from 31 March 2025 to 30 March 2032 (2020/2021: 31 March 2024 to 31 March 2027).

➤ Note 17: Employee Benefit Liabilities

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Accrued Pay	282	212	282	212
Annual Leave & Long Service Leave	750	582	1,557	1,334
Retirement Gratuities	105	105	105	105
Total Employee Benefit Liabilities	1,138	899	1,945	1,651
Comprising:				
Current	977	738	1,784	1,458
Non-current	161	161	161	193
Total Employee Benefit Liabilities	1,138	899	1,945	1,651

Note 18: Borrowings

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Current				
Bank overdraft	0	0	0	0
Secured loans	5,000	16,774	5,000	16,774
Total current borrowings	5,000	16,774	5,000	16,774
Non-current				
Secured loans	28,214	15,000	28,214	15,000
Total non-current borrowings	28,214	15,000	28,214	15,000
Total Borrowings	33,214	31,774	33,214	31,774

On 4 November 2016 Council negotiated a \$20,000,000 facility with the Local Government Funding Agency (LGFA). An additional commercial debt facility is in place for \$21,000,000 and matures on 1 July 2024. (2020/2021: \$14,000,000 commercial debt facility maturing 1 July 2024.)

Buller District Council's has debt of \$11,873,860 on floating interest rates (2020/2021: \$12,433,860). Floating interest rates are set quarterly at the 90-day bill rate + margins between 0.64% and 1.17%

Council has interest rate swaps and floating rates for fixed interest rates for \$21,340,000 (2020/2021: \$19,340,000) of this debt. For more details of the swaps refer to note 16 in the financial accounts.

Credit Cards

Council has credit card facilities provided by Westpac Banking Corporation with credit limits totalling \$30,000 (2021: \$30,000).

Security

The overdraft is secured by a general security agreement. The maximum amount that can be drawn down against the overdraft facility is \$500,000 (2020/2021: \$500,000). There are no restrictions on the use of this facility.

Council's loans are secured over either separate or general rates of the district.

Refinancing

Council manages its borrowings in accordance with its funding and financial policies, which includes a Treasury policy. These policies have been adopted as part of Council's Long Term Plan 2021-2031.

Maturity analysis and effective interest rates

The following is a maturity analysis of Council's borrowings

	Overdraft Council	Overdraft Group	Secured Loans Council & Group
2021/2022			
Less than one year	0	0	5,000
Weighted average effective interest rate	8.8%	9%	4.03%
Later than one year but not more than five years	0	0	28,214
Weighted average effective interest rate	0.0%	0	3.61%
Later than five years	0	0	0
Weighted average effective interest rate	0.0%	0	0.0%

	Overdraft Council	Overdraft Group	Secured Loans Council & Group
2020/2021	\$000	\$000	\$000
Less than one year	0	0	16,774
Weighted average effective interest rate	7.3%	7.3%	2.8%
Later than one year but not more than five years	0	0	15,000
Weighted average effective interest rate	0%	0.0%	2.6%
Later than five years	0	0	0
Weighted average effective interest rate	0.0%	0.0%	0.0%

Fair value of non-current borrowings

The carrying amounts of borrowings are at market interest rates and approximate their fair values.

Internal Borrowings

Council has internal borrowings. Internal borrowings are funds which are utilised from Councils term deposits with banks, generally on terms which are more favourable than borrowing the funds externally. The cost of borrowing these funds is then allocated to the activities that utilise them. Internal borrowings are eliminated on consolidation of activities in the Council's financial statements.

Internal Loans

Council had the following Internal Loans allocated to the listed Groups of Activities at balance date:

	Loans repaid during period	Loans drawn down during period	Interest paid for the year	Balance as at 30 June
2021/2022	\$000	\$000	\$000	\$000
Support Services	0	0	0	0
Community Services	169	0	56	2,077
Regulatory Services	9	0	1	45
Property Management , Amenities & Reserves	68	0	21	767
Water Supplies	146	185	26	1,085
Solid Waste	89	0	21	753
Wastewater	393	0	84	2,923
Stormwater	36	0	7	232
Roading	6	261	3	361
Professional Services Business Unit	0	0	0	0
	916	446	219	8,243

	Loans repaid during period	Loans drawn down during period	Interest paid for the year	Balance as at 30 June
2020/2021	\$000	\$000	\$000	\$000
Support Services	0	0	0	0
Community Services	100	539	86	2,246
Regulatory Services	8	0	4	54
Property Management , Amenities & Reserves	61	0	47	835
Water Supplies	121	0	75	1,046
Solid Waste	74	0	52	842
Wastewater	336	0	198	3,316
Stormwater	30	0	19	268
Roading	5	0	4	106
Professional Services Business Unit	0	0	0	0
	735	539	485	8,714

Note 19: Provisions

	Landfill Aftercare Provision	Contaminated Site Remediation	Total Environmental Provisions	Total Environmental Provisions
	2021/2022 Actual	2021/2022 Actual	2021/2022 Actual	2020/2021 Actual
Council and Group				
ENVIRONMENTAL PROVISION	\$000	\$000	\$000	\$000
Opening Balance	1,611	9	1,620	1,768
Additional Provisions	0	0	0	0
Amounts Used	(27)	0	(27)	(19)
Other Adjustments (incl. unused provision reversed)	(53)	0	(53)	(173)
Discounting Changes	476	0	476	44
Closing Balance	2,007	9	2,016	1,620

	Parent		Group	
	2021/2022 Actual	2020/2021 Actual	2021/2022 Actual	2020/2021 Actual
PROVISION FOR SLIPPING	\$000	\$000	\$000	\$000
Opening Balance	0	216	0	216
Additional Provisions	0	0	0	0
Amounts Used	0	(216)	0	(216)
Other Adjustments	0	0	0	0
Closing Balance	0	0	0	0

	Parent		Group	
	2021/2022 Actual	2020/2021 Actual	2021/2022 Actual	2020/2021 Actual
TOTAL PROVISIONS	\$000	\$000	\$000	\$000
Council and Group:				
Current Liability	35	80	35	80
Non-current Liability	1,981	1,540	1,981	1,540
	2,016	1,620	2,016	1,620

Landfill Aftercare Provision

Council has responsibility under its resource consents to provide ongoing maintenance and monitoring of its landfills after the sites are closed. Council's closure and post closure responsibilities include:

Closure responsibilities:

- Lay cover and revegetation
- Drainage control
- Water quality monitoring

Post Closure responsibilities:

- Ground and surface water quality monitoring
- Landfill gas monitoring
- Site maintenance
- Mitigation of environmental effects identified
- Annual reporting in accordance with consent conditions

The expected closure dates for Council's landfill sites are as follows:

Westport	closed 2008 (now capped)
Birchfield	closed 2005
Karamea	2034
Ikamatua	closed 2005
Charleston	closed 2010 (now capped)
Mawheraiti	closed 2005
Inangahua	closed 2010 (now capped)
Reefton	closed 2005
Maruia	Resource consent issued 2021 for another 25 years

The cash outflows for landfill post-closure costs have been estimated to occur for a period of 25-50 years from the closure of the site. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 2.81% which is based on the rolling monthly average NZ Government 10 Year Bond rate over the last ten years (2020/2021: 2.96%).

Note 20: **Accumulated Funds**

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Opening Balance as at 1 July	174,320	163,346	169,394	158,823
Net Surplus (Deficit) for the Period	6,801	10,157	9,020	9,756
Transfer from Reserves	1,145	1,046	1,145	1,046
Transfer from asset revaluation reserve on disposal of assets	269	895	(336)	895
Transfer to Reserves	(1,319)	(1,124)	(1,319)	(1,125)
Balance at 30 June	181,215	174,320	177,903	169,394

Note 21: Reserves

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Balance as at 1 July	5,972	5,893	5,972	5,893
Add: Transfer from Accumulated Funds	1,319	1,124	1,319	1,124
	7,292	7,017	7,292	7,017
Less: Transfer to Accumulated Funds	(1,145)	(1,046)	(1,145)	(1,045)
Balance at 30 June	6,147	5,973	6,147	5,972

Reserve Fund Disclosures

The Local Government Act 2002 requires councils to provide a summary of the Reserve funds that it holds. This places more focus on the accounting for and disclosure of reserves. The Act defines reserve funds as “money set aside by a local authority for a specific purpose”. Reserves are part of equity which may or may not be physically backed by cash/investments.

Reserves are often used to separate a funding surplus of an activity. The Act requires Council to specify the amount deposited in the fund, and the amount withdrawn from the fund over the 10 year period that the Long Term Plan covers. Council does not transfer money from one reserve to fund another. Council also does not charge/pay ‘internal’ interest on any surplus or deficit balances that each individual reserve may have. Opening balance surpluses are usually due to approved committed projects not yet being undertaken or completed.

Reserves

Separate Reserves	Activity that the Reserve relates to	Purpose of the Reserve	Opening Balance 1 July 2020	Transfers to Reserves	Transfers from Reserves	Balance 30 June 2021	Opening Balance 1 July 2021	Transfers to Reserves	Transfers from Reserves	Balance 30 June 2022
			\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Amenities Reserve	various not specified	Proceeds from general ratepayer to fund various infrastructure where there was no government subsidy available	365	0	0	365	365			365
Community Development - Other Reserve Contributions	various not specified	Funds from depreciation used for the upgrade and construction of replacement Council assets	4,145	1,092	983	4,253	4,253	1,300	1,120	4,433
Isdell Trust	Regulatory	Proceeds from subdivision for public reserve upgrades	1,215	31	60	1,185	1,185	74	85	1,174
	Property Management, Amenities and Reserves	Funds requested for the purpose of providing assistance towards relief of poverty, improvement of public reserves, parks and Crown Land, the erection of public or school gymnasiums, all educational purposes and recreations pursuits of benefit to society in promotion of public welfare.	14	0	0	14	14			14
Mayor's Relief Fund	Democracy	Funds for providing grants for relief at the discretion of the Mayor	8	2	1	8	8	7	1	13
Boiler Replacement Fund	Property Management, Amenities and Reserves	Funds set aside to go toward replacement of boiler at Brougham Street offices	7	0	0	7	7			7
Development Contributions	Regulatory	Proceeds from commercial and industrial development to provide for social and recreation need of the area	119	0	0	119	119			119
Sale of Gifted Property	various not specified	Funds set aside from the sale of property gifted to Council	11	0	0	11	11			11
Infrastructure Contributions	Regulatory	Funds set aside for upgrading infrastructure where appropriate	10	0	0	10	10			10
Total Reserves Only			5,893	1,124	1,045	5,972	5,972	1,380	1,206	6,147

Separate Reserves	Activity that the Reserve relates to	Purpose of the Reserve	2020				2021				2022			
			Opening Balance 1 July 2020	Transfers to Reserves	Transfers from Reserves	Balance 30 June 2020	Opening Balance 1 July 2020	Transfers to Reserves	Transfers from Reserves	Balance 30 June 2021	Opening Balance 1 July 2021	Transfers to Reserves	Transfers from Reserves	Balance 30 June 2022
			\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Refuse Collection	Solid Waste	Separates all funding and expenditure and surpluses or deficits for the refuse collection activity	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0
Recycling	Solid Waste	Separates all funding and expenditure and surpluses or deficits for the recycling activity	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0
Contracted Refuse/ Recycling	Solid Waste	Separates all funding and expenditure and surpluses or deficits for the refuse collection and recycling activities	(63)	707	699	(55)	(63)	707	699	(55)	(55)	739	749	(65)
Karamea Solid Waste	Solid Waste		37	74	72	39	37	74	72	39	39	80	81	38
Maruia Solid Waste	Solid Waste		8	18	42	(16)	8	18	42	(16)	(16)	22	35	(28)
Westport Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(474)	4,374	1,686	2,214	(474)	4,374	1,686	2,214	2,214	4,535	1,979	4,770
Reefton Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(299)	406	393	(285)	(299)	406	393	(285)	(285)	2,082	2,124	(327)
Little Wanganui Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	46	18	35	29	46	18	35	29	29	18	17	29
Mokihinui Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	37	13	25	24	37	13	25	24	24	13	22	15
Ngakawau Hector Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	397	54	66	384	397	54	66	384	384	54	21	417
Waimangaroa Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	5	81	96	(10)	5	81	96	(10)	(10)	318	55	253
Cape Foulwind Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	564	74	21	617	564	74	21	617	617	74	24	667
Punakaiki Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(342)	90	115	(366)	(342)	90	115	(366)	(366)	825	711	(252)
Inangahua Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(129)	16	45	(157)	(129)	16	45	(157)	(157)	50	92	(199)
South Grantly Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	20	6	9	16	20	6	9	16	16	6	3	18
Karamea Water	Water	Separates all funding and expenditure and surpluses or deficits for each water scheme	(20)	- 0	29	(49)	(20)	- 0	29	(49)	(49)	0	5	(54)
Westport Sewerage	Wastewater/Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	449	2,289	2,125	613	449	2,289	2,125	613	613	2,316	2,077	852

Separate Reserves	Activity that the Reserve relates to	Purpose of the Reserve	Opening Balance 1 July 2020	Transfers to Reserves	Transfers from Reserves	Balance 30 June 2021	Opening Balance 1 July 2021	Transfers to Reserves	Transfers from Reserves	Balance 30 June 2022
			\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Reefton Sewerage	Wastewater/Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	389	339	228	499	499	353	305	547
Little Wanganui Sewerage	Wastewater/Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	47	39	31	54	54	43	40	57
Inangahua Junction Sewerage	Wastewater/Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	(2)	0	0	(2)	(2)	0	0	(2)
Punakaiki Sewerage	Wastewater/Sewerage	Separates all funding and expenditure and surpluses or deficits for each sewerage scheme	(16)	0	0	(16)	(16)	0	0	(16)
Punakaiki Camp	Property Management, Amenities and Reserves	Separates all funding and expenditure and surpluses or deficits for the Punakaiki Camp activity	(283)	7	38	(314)	(314)	34	42	(321)
Punakaiki Sea Wall	Property Management, Amenities and Reserves	Separates all funding and expenditure and surpluses or deficits for the Punakaiki seawall activity	2	0	0	2	2	0	0	2
Dog Control	Regulatory	Separates all funding and expenditure and surpluses or deficits for the dog control activity	(333)	264	205	(274)	(274)	227	214	(260)
Promotion & Development	Community Services	Separates all funding and expenditure and surpluses or deficits for the promotion and development activity	- 0	50	190	(140)	(140)	0	201	(341)
Westport Port and Kawatiri Dredge	Commercial Infrastructure	Separates all funding and expenditure and surpluses or deficits for the Westport Port and Kawatiri dredge activities	- 0	- 0	- 0	- 0	- 0	4,507	6,151	(1,644)
Total Separate Balances only			40	8,918	6,150	2,807	2,807	16,295	14,946	4,156
Total Reserves & Separate Balances			5,933	10,042	7,195	8,779	8,779	17,675	16,152	10,302
Kawatiri Dredge	Commercial Infrastructure	Separates all funding and expenditure and surpluses or deficits for the Kawatiri dredge activity	- 0	- 0	- 0	- 0	- 0	1,645	1,518	128
Westport Port	Commercial Infrastructure	Separates all funding and expenditure and surpluses or deficits for the Westport Port	- 0	- 0	- 0	- 0	- 0	2,862	4,633	(1,771)

Please note: Reserves and Separate Balances are disclosed separately within the financial statements. The Reserves total in this note reconciles to the Reserves component of Equity in the financial statements. The Separate Balances total in this note is not included in Reserves within Equity but is included within the Accumulated Funds component of Equity in the financial statements.

Note 22: Asset Revaluation Reserves

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Opening Balance as at 1 July	210,989	211,884	213,938	214,832
Change in Asset Values through Comprehensive Revenue	54,782	0	54,782	0
Transfer to accumulated funds on disposal of assets	(270)	(895)	(270)	(895)
Closing Balance as at 30 June	265,501	210,989	268,450	213,937
Comprising:				
Library Books	258	258	258	258
Roads and Bridges	219,228	178,236	220,593	179,600
Sewerage	16,426	13,133	16,725	13,432
Stormwater	11,998	8,503	12,341	8,846
Water Supplies	17,591	10,857	18,533	11,801
Balance at 30 June	265,501	210,991	268,450	213,938

➤ Note 23: Related Party Transactions and Balances

Buller District Council is the ultimate parent of the group and controls three entities in the Buller Holdings Group, being Buller Holdings Limited, Westreef Services Limited and Buller Recreation Limited. Council also controls Westport Airport Authority and Buller Health Trust.

The following transaction were carried out with related parties on an arms length basis:

	2021/2022 Actual \$000	2020/2021 Actual \$000
WESTREEF SERVICES LIMITED		
Services provided by Council during the year	107	110
Services provided to Council during the year	11,836	10,500
Accounts payable to Council at 30 June	7	7
Accounts receivable from Council at 30 June	1,691	2,300
Asset purchased from Council during the year	0	0
Subventions revenue to Council during the year	1,300	1,358
Subventions payable to Council at 30 June	1,300	1,300
BULLER RECREATION LIMITED		
Service level fee paid by Council to Buller Recreation	851	851
Grant provided to Buller Recreation during the year	0	0
Services provided to Council during the year	1	1
Services provided by Council during the year	4	3
Accounts payable to Council at 30 June	0	0
Accounts receivable from Council at 30 June	82	82
Loans owed to Council at 30 June	0	0
BULLER HOLDINGS LIMITED		
Accounts payable to Council at 30 June	59	20
Loans owed to Council at 30 June	1,500	1,500
Subventions revenue to Council during the year	0	0
Subventions payable to Council at 30 June	0	0
Interest Expenses paid to Council	21	32
Total Shares Issued to Council	19,934	19,832
Shares Issued during the year	102	223
Asset purchased from Council during the year	0	0
Assets Purchased by Council during the Year	0	0
WESTPORT AIRPORT AUTHORITY		
Services provided by Council during the year	244	183
Services provided by Westreef during the year	1	57
Rates, lease and interest charges paid to Council during the year	5	1
Current account balance owed (to) from Council at 30 June	(236)	(132)
Equity contribution made by Council for the year ended 30 June	65	282
Lease Payments made to Westport Harbour during the year	0	0
BULLER HEALTH TRUST		
No related party transactions other than administration services provided by Council to Buller Health Trust during the year for no consideration.	0	0

No debts or transactions were written off between parties during the period. (2020/2021: No debts were written off.)

Key Management and Members of Council

Councillor Sharon Roche is a director/shareholder of ITatWORK. In 2021/2022 goods and services to the value of \$33,930 were provided to Council. (2020/2021: \$33,172).

Councillor John Bougen is a director/shareholder of Retail Solutions Limited. In 2021/2022 goods and services to the value of \$31,885 were provided to Council. (2020/2021: \$51,853)

	2021/2022 Actual	2020/2021 Actual
KEY MANAGEMENT PERSONNEL COMPENSATION		
Mayor and Councillors		
Full-time equivalent members	10.0	11.0
Remuneration	373,588	360,501
Senior Management Team, including Chief Executive		
Full-time equivalent members	6.0	5.0
Remuneration	1,564,563	1,010,726
Total full-time Equivalent personnel	16.0	16.0
Total key management personnel remuneration	1,938,150	1,371,226

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

An analysis of Councillor remuneration and further information on Chief Executive remuneration is provided in Note 5.

➤ Note 24: Council Subsidiaries, Associates and Joint Ventures

The Council has a significant interest in the following entities:

Entity	Ownership	Status	Principal Activities	Interest held by Council
Westreef Services Limited	Subsidiary	CCO	Infrastructure Maintenance & Construction	100%
Buller Holdings Limited	Subsidiary	CCO	Ownership of Selected Council Assets and Investments	100%
Buller Recreation Limited	Subsidiary	CCO	Sports & Recreation Facilities	100%
Buller Health Trust	Controlled	Exempted as a CCO	Dental & Medical Services	100%
Westport Airport Authority	Joint Operation	CCO	Airport Operation	50%
Denniston Heritage Charitable Trust	Associate	Trust	Incorporated Society	14%

CCO – Council Controlled Organisation

Westport Airport Authority

- Westport Airport Authority is proportionately consolidated on a line by line basis in the Parent Financial Statements.
- In 2021/2022 contributions totalling \$130,258 were made by the joint operation holders (2020/2021: contributions totalling \$538,458 were made).
- Buller District Council's 50% share of its interest in the joint operation is detailed below.

	2021/2022 Actual \$000	2020/2021 Actual \$000
Current Assets	19	20
Long Term Assets (represented by Equity)	4,076	3,918
Current Liabilities	324	178
Long Term Liabilities	0	0
Operating Revenue	225	98
Operating Expenses	286	178

Note 25: Statement of Commitments, Contingent Liabilities and Contingent Assets

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
COMMITMENTS				
Capital Commitments Approved and Contracted				
Westport Water Supply	192	2,603	192	2,603
Floating Jetties Project	0	1,334	0	1,334
Westport River Bank	52	1,167	52	1,167
Westport Waterfront	5	0	5	0
Reefton Water Supply	0	660	0	660
Little Wanganui Water Supply	3	0	3	0
Waimangaroa Water Supply Resilience Project	25	0	25	0
Inangahua Water Supply	8	0	8	0
Punakaiki Water Supply	82	165	82	165
Road Metalling	150	0	150	0
Road Resurfacing	700	0	700	0
Roading Drainage	135	0	135	0
Westport Town Precinct and Pathways	81	0	81	0
Information Technology Software	50	0	50	0
	1,483	5,929	1,483	5,929
Non-cancellable Operating Lease Commitments				
Office Equipment:				
Not later than a year	38	36	38	36
Later than one year but not later than five years	0	0	0	0
Later than five years	0	0	0	0
	38	36	38	36
Land & Buildings				
Less than a year	8	16	8	16
More than 1 year less than 2	0	8	0	8
More than 2 years less than 5	0	0	0	0
Later than five years	0	0	0	0
	8	24	8	24

The Kiwi Rail (Ontrack) lease assigned to Buller District Council upon the transfer of port operation is for a period of 10 years and commenced on 1 January 2013.

Other Contracts Commitments

Buller District Council has a commitment to purchase land to the value of \$55,000 to be used for operating purposes. (2020/2021: \$55,000)

Buller District Council had a commitment to construct Floating Pontoons at the Port of Westport under a Provincial Growth Fund agreement with the Ministry of Business, Innovation and Employment dated 13 May 2020. The Ministry funded \$6,000,000 to construct the Pontoons which are principally for the fishing fleet usage. Following completion of the Pontoons Council will lease them from the Ministry for the amount of \$1 per annum for a term yet to be negotiated. As at 30 June 2022, all of the funding had been spent (2020: \$ \$5,003,303). Following completion of the Pontoons Council these have been leased from the Ministry for the amount of \$1 per annum.

The following contracts (except for the Refuse, Recycling and Landfill contract) were renewed in 2018/2019 for another 5 years and expire on 25 January 2024. The Refuse, Recycling and Transfer Station contract was awarded to Smart Environmental Limited in 2013/14 for a term of 10 years and expire on 31 January 2024. We expect the annual amounts to be as follows:

	2021/2022 Actual \$000	2020/2021 Actual \$000
Utility Services and Maintenance	1,329	1,467
Parks, Reserves, and Cemeteries	1,010	1,055
Refuse Collection, Recycling and Landfill Operation	635	645
	2,974	3,167

The Westreef Limited contracts have a seven year right of renewal subject to negotiation between the parties. It has been agreed that the existing contracts be rolled over for a further year until further notice.

Roading

Council's Roothing Network Maintenance Contract was renewed in July 2010 under NZTA's Competitive Pricing Procedures. The existing contract with Westreef Limited has been extended for subsequent renewable yearly terms since then. The commitments under this contract are as follows:

	2021/2022 Actual \$000	2020/2021 Actual \$000
Roothing Network Maintenance	2	3,792

Lease Commitments as Lessor

Council has a leases in place with Coaltown Trust, New World Investment NZ Limited and the West Coast Primary Health Organisation. The lease commitments are as follows:

	Parent		Group	
	2021/2022 Actual \$	2020/2021 Actual \$	2021/2022 Actual \$	2020/2021 Actual \$
Less than a year	93	89	93	89
More than 1 year less than 2	83	60	83	60
More than 2 years less than 5	0	0	0	0
Greater than 5 years	0	0	0	0
	176	149	176	149

Contingent Liabilities for Council and the Group are as follows:

Council has recognised a Kāinga Ora contribution of \$400,000 as a contingent liability. The funds were used for pensioner housing upgrades. The amount will be required to be paid back to Housing New Zealand if Council does not utilise the funds on a pensioner housing project or divests the completed project within a 20 year timeframe. This liability ceases on 11 June 2027.

Council's obligation to construct a rockwall to contain the erosion of the Hector landfill site has been mitigated by the July 2020 allocation of a Provincial Growth Fund grant to complete this project of \$XX (2020/2021: Hector landfill site rockwall, \$1,000,000).

No settlement by the Council has been made.

Council has one resource consent decision subject to appeal in the Environment Court for which it may be liable for costs should the appeal be upheld. The resource consent decision relates to an open cast coal mine in the Te Kuha area. The extent of any potential liability was unknown at balance date. The court process was put on hold on 22 June 2018 at the request of the resource consent applicant and remains on hold post balance date. (2020/2021: Potential liability for unknown level of costs should the Te Kuha open cast coal mine consent decision appeal be upheld in the Environment Court).

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

superannuation scheme. In the unlikely event that the other participating employers cease to participate in the scheme, the Council could be responsible for the entire deficit of the scheme. Similarly, if a number of employers ceased to participate in the scheme, Council could be responsible for an increased share of the deficit. The Fund has advised that 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.

WestReef had \$130,000 in Performance Bonds outstanding with Westpac as at 30 June 2022 (2020/2021: \$130,000).

Buller Health Trust has no contingent liabilities as at 30 June 2022 (2020/2021: nil).

Buller Recreation Limited had no contingent liabilities at 30 June 2022 (2020/2021: had a contingent liability to complete the purchase of the 24 Hour gym, subject to certain conditions being met).

Buller Holdings Limited has no contingent liabilities as at 30 June 2022 (2020/2021: nil).

Contingent Assets

The Buller District Council and the Group has no contingent assets as at 30 June 2022 (2020/2021: Nil).

➤ Note 26: Capital Management

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

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

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by 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 ratepayers 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 provision in its Long Term Plan (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out

the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the Funding and Financial Policies in the Long Term Plan.

Buller District Council has the following Council created reserves:

- Reserves for different areas of benefit;
- Self-insurance reserves; and
- Trust and bequest reserves.

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

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

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

Note 27: Financial Instruments

Financial Instrument Risks

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

Market Risk

Price Risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. Council may be exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through equity. This price risk on its investment portfolio in accordance with the limits set out in Council's Investment Policy.

Council currently doesn't hold listed equity instruments which are publicly traded and included in the NZX50 equity index.

Currency Risk

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

Interest Rate Risk

The interest rates on Council's investments are disclosed in Note 12 and on Council's borrowings in Note 18.

Fair Value Interest Rate Risk

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

Cashflow Interest Rate Risk

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

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

Credit Risk

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, except for funds owed by New Zealand Transport Agency (NZTA) for subsidised roading works. Other than this it has a large number of credit customers, mainly ratepayers. Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Liquidity risk

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

In meeting its liquidity requirements Council maintains a target level of investments that must mature within the next 12 months. Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management Policy. These policies have been adopted as part of Council's 2021/2031 Long Term Plan.

Council has a maximum amount that can be drawn against its overdraft facility of \$500,000 (2020/2021: \$500,000). There are no restrictions on the use of this facility.

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

Categories

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
FINANCIAL ASSETS				
Loans and Receivables				
Cash and Cash Equivalents	6,551	1,842	9,865	3,989
Debtors and Other Receivables	8,081	10,429	8,603	9,925
Other Financial Assets:				
- Short Term Deposits	13,942	18,806	15,918	21,433
- Term Deposits (maturity greater than one year)	455	410	455	410
- Community Loans	1	4	1	4
- Loans to Related Parties	1,500	1,500	0	0
Total Loans and Receivables	30,530	32,991	36,341	35,760
Fair Value Through Other Comprehensive Income				
Other Financial Assets:				
- unlisted shares	26	26	26	26
Total Fair Value Through Other Comprehensive Revenue	26	26	26	26
Fair Value Through Surplus or Deficit - Held For Trading				
Derivative Financial Instrument Assets	1,055	0	1,055	0
Total Financial Assets At Fair Value Through Surplus or Deficit	1,055	0	1,055	0
Financial Liabilities				
Fair Value Through Surplus or Deficit - Held For Trading				
Derivative Financial Instrument Liabilities	0	1,668	0	1,668
Total Financial Liabilities At Fair Value Through Surplus or Deficit	0	1,668	0	1,668
Financial Liabilities At Amortised Cost				
Creditors And Other Payables	6,671	7,977	5,931	7,940
Borrowings:				
- Bank Overdraft	0	0	0	0
- Secured Loans	33,214	31,774	33,214	31,774
Total Financial Liabilities At Amortised Cost	39,885	39,751	39,145	39,714

Fair Value Hierarchy Disclosures

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

- Valuation techniques using quoted prices (Level 1) - Financial instruments with quoted prices in active markets for identical assets or liabilities that can be accessed at the measurement date.
- Valuation techniques using observable inputs (level 2) - Financial instruments with quoted prices for similar instruments in active markets or quoted with quoted prices for similar 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 observable.
- Valuation techniques with significant non-observable inputs (level 3) - Financial instruments valued using models where one or more significant inputs are not observable.

2021/2022	Observable Inputs \$000	Significant Non- observable Inputs \$000	Total \$000
PARENT			
Financial Assets			
Unlisted Shares	0	26	26
Derivative Financial Instrument Assets	1,055	0	1,055
Financial Liabilities			
Derivative Financial Instrument Liabilities	0	0	0
GROUP			
Unlisted Shares	0	26	26
Derivative Financial Instrument Assets	1,055	0	1,055
Financial Liabilities			
Derivative Financial Instrument Liabilities	0	0	0

2020/2021	Observable Inputs \$000	Significant Non- observable Inputs \$000	Total \$000
PARENT			
Financial Assets			
Unlisted Shares	0	26	26
Financial Liabilities			
Derivative Financial Instrument Liabilities	1,668	0	1,668
GROUP			
Unlisted Shares	0	26	26
Financial Liabilities			
Derivative Financial Instrument Liabilities	1,668	0	1,668

Contractual Maturity Analysis of Financial Liabilities

The table below analyses Buller District Council's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt is based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying Amount	Contractual Cash Flows	Less than 1 Year	1-2 Years	2-5 Years	More Than 5 Years
2021/2022	\$000	\$000	\$000	\$000	\$000	\$000
PARENT						
Creditors and Other Payables	6,671	6,671	6,671	0	0	0
Net Settled Derivative Assets	0	0	0	0	0	0
Bank Overdraft	0	0	0	0	0	0
Secured Loans	33,214	38,752	6,298	6,218	26,235	1
Total	39,885	45,423	12,969	6,218	26,235	1
GROUP						
Creditors and Other Payables	7,412	7,412	7,412	0	0	0
Net Settled Derivative Liabilities	0	0	0	0	0	0
Bank Overdraft	0	0	0	0	0	0
Secured Loans	33,214	38,752	6,298	6,218	26,235	1
Total	40,626	46,163	13,710	6,218	26,235	1

	Carrying Amount	Contractual Cash Flows	Less than 1 Year	1-2 Years	2-5 Years	More Than 5 Years
2020/2021	\$000	\$000	\$000	\$000	\$000	\$000
PARENT						
Creditors and Other Payables	7,977	7,977	7,977	0	0	0
Net Settled Derivative Liabilities	1,668	1,668	826	366	475	0
Bank Overdraft	0	0	0	0	0	0
Secured Loans	31,774	34,982	17,669	5,750	11,562	1
Total	41,419	44,627	26,472	6,116	12,037	1
GROUP						
Creditors and Other Payables	8,015	8,015	8,015	0	0	0
Net Settled Derivative Liabilities	1,668	1,668	826	366	475	0
Bank Overdraft	0	0	0	0	0	0
Secured Loans	31,774	34,982	17,669	5,750	11,562	1
Total	41,457	44,665	26,510	6,116	12,037	1

Contractual Maturity Analysis of Financial Assets

The table below analyses Buller District Council's financial assets 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.

	Carrying Amount	Contractual Cash Flows	Less than 1 Year	1-2 Years	2-5 Years	More Than 5 Years
2021/2022	\$000	\$000	\$000	\$000	\$000	\$000
PARENT						
Cash and Cash Equivalents	3,913	3,913	3,913	0	0	0
Debtors and Other Receivables	7,844	7,844	7,844	0	0	0
Other Financial Assets:						
- Short Term Deposits	18,684	18,877	18,877	0	0	0
- Term Deposits (maturity greater than one year)	330	338	0	82	255	0
- Community Loans	1	1	1			0
- Net Settled Derivative Assets	1,055	1,055	0	0	544	511
- Loans to Related Parties	1,500	1,513	1,513	0	0	0
	33,327	33,539	32,148	82	799	511
GROUP						
Cash and Cash Equivalents	5,127	5,127	5,127			
Debtors and Other Receivables						
Other Financial Assets:						
- Short Term Deposits	22,343	22,343	22,343			
- Term Deposits (maturity greater than one year)	330	338	0	82	255	0
- Community Loans	1	1	1	0	0	0
- Net Settled Derivative Assets	1,055	1,055	0	0	544	511
- Loans to Related Parties	0	0	0	0	0	0
	28,855	28,863	27,470	82	799	511

	Carrying Amount	Contractual Cash Flows	Less than 1 Year	1-2 Years	2-5 Years	More Than 5 Years
2020/2021	\$000	\$000	\$000	\$000	\$000	\$000
PARENT						
Cash and Cash Equivalents	5,842	5,842	5,842	0	0	0
Debtors and Other Receivables	10,192	10,192	10,192	0	0	0
Other Financial Assets:						
- Short Term Deposits	14,486	14,679	14,679	0	0	0
- Term Deposits (maturity greater than one year)	330	338	0	82	255	0
- Community Loans	4	4	4			0
- Net Settled Derivative Assets	0	0	0	0	0	0
- Loans to Related Parties	1,500	1,513	1,513	0	0	0
	32,354	32,568	32,230	82	255	0
GROUP						
Cash and Cash Equivalents	3,989	3,989	3,989	0	0	0
Debtors and Other Receivables	9,688	9,688	9,688	0	0	0
Other Financial Assets:						
- Short Term Deposits	18,684	18,877	18,877	0	0	0
- Term Deposits (maturity greater than one year)	330	338	0	82	255	0
- Community Loans	4	4	4	0	0	0
- Net Settled Derivative Assets	0	0	0	0	0	0
- Loans to Related Parties	0	13	13	0	0	0
	32,695	32,908	32,571	82	255	0

Maximum Exposure to Credit Risk

Buller District Council's maximum exposure for each class of financial instrument is as follows:

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Cash at Bank and Term Deposits	20,946	21,057	26,237	25,831
Debtors and Other Receivables	8,081	10,429	8,603	9,925
Community and Related Party Loans	1,501	1,504	1	4
Total Credit Risk	30,528	32,990	34,841	35,760

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 Poors or Fitch credit ratings (if available) or to historical information about counterparty default rates:

	Parent		Group	
	2021/2022 Actual \$000	2020/2021 Actual \$000	2021/2022 Actual \$000	2020/2021 Actual \$000
Cash at Bank and Term Deposits:				
AA+	455	410	455	410
AA-	17,023	17,179	17,023	19,326
BB+	3,468	3,468	8,759	3,468
Total Cash at Bank and Term Deposits	20,946	21,057	26,237	23,204
Counterparties Without Credit Ratings				
Cash at Bank and Term Deposits:				
Existing counterparty with no defaults in the past	0	0	0	0
Total Cash at Bank and Term Deposits	0	0	0	0
Community and Related Party Loans:				
Existing counterparty with no defaults in the past	1,501	1,504	1	4
Total Community and Related Party Loans	1,501	1,504	1	4

Financial Instrument Risks**Sensitivity Analysis**

The tables below illustrate the potential profit and loss and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on Buller District Council's financial instrument exposures at the balance date.

COUNCIL - INTEREST RATE RISK	Note	2021/2022 \$000				2020/2021 \$000			
		-100bps		+100bps		-100bps		+100bps	
		Profit	Other Equity	Profit	Other Equity	Profit	Other Equity	Profit	Other Equity
Financial Assets									
Cash and Cash Equivalents	1	(7)	0	7	0	(6)	0	6	0
Other Financial Assets – Short Term									
Deposits & deposits with maturities greater than 1 year	2	(166)	0	166	0	(188)	0	188	0
Financial Liabilities									
Derivatives – Held for Trading	3	(213)	0	213	0	(193)	0	193	0
Borrowings – Secured Loans	4	(119)	0	119	0	(124)	0	124	0
Total Sensitivity to Interest Rate Risk		(267)	0	267	0	(263)	0	263	0

Explanation of Sensitivity Analysis - Council**Financial Assets****1. Cash and Cash Equivalents**

Cash and cash equivalents of \$9,339,000 (2020/2021: \$5,832,000) of which \$700,000 (2020/2021: \$600,000) are held in non-interest bearing cheque deposit accounts. A movement in interest rates of plus or minus 1.0% has an effect on interest revenue of \$7,000 (2020/2021: \$6,000).

2. Other Financial Assets - Short Term Deposits & Deposits with maturities greater than 1 year

Short Term Deposits consist of term deposits at financial institutions and total \$16,579,000 (2020/2021: \$18,806,000). A movement in interest rates of plus or minus 1.0% has an effect on investment revenue of \$165,790 (2020/2021: \$187,000).

Financial Liabilities**3. Derivatives - Held For Trading**

Derivative financial instruments held for trading consist of interest rate swaps with a fair value totalling \$1,055,000 (2020/2021: (\$1,668,000)). A movement in interest rates of plus or minus 1.0% has an effect on realised receipts/(payments) on the derivatives during the period of \$210,000 (2020/2021: \$193,000).

4. Borrowings - Secured Loans

Council has floating rate debt with a principal amount totalling \$11,874,000 (2020/2021: \$12,434,000). A movement in interest rates of plus or minus 1.0% has an effect on interest expense of \$119,000 (2020/2021: \$124,000). A movement in market interest rates on fixed rate debt does not have any impact on interest expense.

	Note	2021/2022 \$000				2020/2021 \$000			
		-100bps		+100bps		-100bps		+100bps	
		Profit	Other Equity	Profit	Other Equity	Profit	Other Equity	Profit	Other Equity
GROUP - INTEREST RATE RISK									
Financial Assets									
Cash and Cash Equivalents	1	(23)	0	23	0	(21)	0	21	0
Other Financial Assets – Short Term									
Deposits & deposits with maturities greater than 1 year	2	(198)	0	198	0	(220)	0	220	0
Derivatives – Held for Trading	3	(188)		188					
Financial Liabilities									
Derivatives – Held for Trading	3	0	0	0	0	(193)	0	193	0
Borrowings – Secured Loans	4	119	0	(119)	0	124	0	(124)	0
Total Sensitivity to Interest Rate Risk		(290)	0	290	0	(310)	0	310	0

Explanation of Sensitivity Analysis - Group

Financial Assets

1. Cash and Cash Equivalents

Cash and cash equivalents of \$9,865,000 (2020/2021: \$7,979,000) of which \$2,212,000 (2020/2021: \$2,212,000) are held in non-interest bearing cheque deposit accounts. A movement in interest rates of plus or minus 1.0% has an effect on interest revenue of \$23,000 (2020/2021: \$21,000)

2. Other Financial Assets - Short Term Deposits & Deposits with maturities greater than 1 year

Short Term Deposits consist of term deposits at financial institutions and total \$15,918,000 (2020/2021: \$17,443,000). A movement in interest rates of plus or minus 1.0% has an effect on investment revenue of \$198,000 (2020/2021: \$220,000).

Financial Liabilities

3. Derivatives - Held For Trading

Derivative financial instruments held for trading consist of interest rate swaps with a fair value totalling \$1,055,000 (2020/2021: \$1,668,000 liability). A movement in interest rates of plus or minus 1.0% has an effect on realised receipts/(payments) on the derivatives during the period of \$188,000 (2020/2021: \$193,000).

4. Borrowings - Secured Loans

Council has floating rate debt with a principal amount totalling \$11,877,000 (2020/2021: \$12,434,000). A movement in interest rates of plus or minus 1.0% has an effect on interest expense of \$119,000 (2020/2021: \$124,000). A movement in market interest rates on fixed rate debt does not have any impact on interest expense.

► Note 28: Post Balance Date Events

2021/2022 Flood Recovery Funding

Subsequent to balance date Council has been approved for funding of \$17.1m by Central Government. This funding is specifically for Tranche 2 Flood Recovery which encompasses repair and reinstatement of water supplies, waste-water systems, port dredging and port infrastructure.

An application has also been made to Waka Kotahi for reinstatement of both Local Roads and the Special Purpose Road Karamea Highway which were damaged in the February 2022 severe weather event. The application is at review stage and has not yet been approved.

Three waters reform

On 27 October 2021 the Minister for Local Government announced that central government will proceed with the Three Waters service delivery reforms using a legislated approach so that every Council in New Zealand must participate and cannot opt out.

Three Waters reform involves the creation of four statutory water services entities to be responsible for service delivery and infrastructure for all water services, removing these from local authorities from 1 July 2024.

There is uncertainty associated with the new three waters delivery model including the mechanism for how assets will be transferred to the newly established entities, and how the control and governance of these entities will be undertaken. Despite this uncertainty, once the reform is legislated Council will no longer be responsible for the delivery and infrastructure of three water services from 1 July 2024.

The reform bill is currently before Parliament therefore the impacts of the proposed reforms are currently unclear.

Additional legislation is expected later in 2022 that will provide detail on the transfer of assets and liabilities to the water service entities.

As at 30 June 2022, Council has \$17.3m of borrowings and activity deficits related to three waters activities, the carrying value of Council's Three Waters Assets was \$85.031 million. Three Waters Asset capital additions during the year was \$3.266 million and annual operating expenditure in relation to Three Waters Assets was \$4.233 million.

Council continues to recognise its three waters assets at 30 June 2022 in accordance with the accounting policies set out on pages XXX to XXX. There has been no adjustment in these financial statements to reflect the expected future transfer of assets to the new water entity.

It is expected central government will develop details around the mechanism for the transfer of the water assets and this will be completed prior to 1 July 2024. As further details are established this may require adjustments to Council's three water assets either in respect of disclosure or measurement.

There have been no other significant events after balance date.

Covid-19

The Covid-19 pandemic has not significantly impacted the Buller District Council financial results. Further commentary on the Covid-19 pandemic is included in Note 31.

► Note 29: Explanation of Major Variances Against Budget

Explanations of major variances from Council's budgeted figures in the 2021/2022 Annual Report are as follows:

Overall Result and Impact of Flood Events

Council results were significantly affected due to two significant weather events during the financial year. The July 2021 and February 2022 flood events resulted, in some activities, less planned Business as Usual operations being undertaken with unbudgeted income and expenditure being incurred for Flood Recovery operations in their place.

Council has received \$11.50 million additional grant funding and subsidies for flood recovery from central government agencies; along with administering receipts of \$1.01m Mayoral Relief donations and making payment of associated Mayoral Relief grants of \$841,000 up to 30 June 2022.

Council has spent \$10.74 million on flood recovery expenditure which is included in Other Expenses category in the Statement of Comprehensive Revenue and Expenses.

\$285k has been spent on flood recovery capital expenditure including \$51k on property plant and equipment. Completed infrastructure return to service capital expenditure includes \$100k for Westport Drinking Water, \$28k for Westport Wastewater and \$106k for Local Roads. In addition to these completed capital projects there is also \$2.90 million work in progress for capital flood recovery projects which are included in total Work in Progress as at year end.

All additional flood recovery income whether it be from donations, grants or subsidies, along with flood expenses and capital costs were not budgeted for in the 2021-2022 Long Term Plan. This means that significant variances due to flood recovery are reported.

Operating Revenue was \$52.63 million, which was greater than the anticipated budget of \$32.07 million by \$16.58 million. The main contributor is Subsidies and grants income which is \$16.08 million greater than anticipated due to a number of unbudgeted Central government grants received for projects including flood recovery.

Subsidies and grants income is \$16.08 million greater than budgeted due to a number of unbudgeted Central government grants received for projects including flood recovery. Central government grants for projects includes:

- Flood response and recovery projects \$11.50 million
- The Buller Precinct Port Package and Fishing Assets Renewal projects \$2.68 million,
- 3 Waters Trunk Main Projects for both Punakaiki and Westport water supplies \$2.55 million as well as Waimangaroa \$206,000 trunk main replacement.

- Ministry of Transport for Airport lighting reinstatement after flood \$130,000,
- Old Hector Landfill Seawall \$102,000
- Westport Waterfront Redevelopment project \$1.36 million
- Coastal Planting (Worker Redeployment) \$600,000
- Community Halls & War Memorials Upgrades \$346,000
- Airport seawall protection rock wall \$378,000
- Public Toilets upgrade \$121,000
- Library Secondment \$222,000
- Whitebait Farm administration grant \$87,000.

Non Cash Items included in the Financial Results

Council recorded total non-cash income of \$50.28 million including \$2.72 million due a revaluation gain on derivatives; revaluation of investment land of \$1.03 million; and \$46.53 million relating to revaluation of infrastructure assets. Council also records a non-cash write off of Investments being the write-off of Whitebait New Zealand Limited shares.

Operating Expenditure

Total operating expenditure was \$45.56 million, which exceeded the budget of \$32.06 million by \$13.50 million. The main contributor was additional expenses included in the Other Expenses category, for expenditure incurred that related to Central government funded operational expenses for flood recovery.

Other Expenses category were \$28.45 million against budget of \$17.29 million, a variance of \$11.16 million. This is expenditure incurred that relates to Central government funded expenses including:

- Buller Port Precinct Package and Fishing Assets Renewal projects totaling \$3.97 million;
- Community Halls & War Memorials upgrade projects of \$652,000;
- Mayors Taskforce for Jobs \$536,000;
- Whitebait Farm administration grant \$104,000
- Flood recovery expenses \$8.95 million.

This additional expenditure is partially offset by less Roothing and Transport expenses than budgeted by \$2.80 million. Funding for the \$2.80 million underspend on Roothing and Transport activity in this financial year is not foregone, it carries over to the next two financial years and has been reprogrammed to maximise efficiencies. This workplan re-organisation was necessary to take into account the severe weather events which were followed by unseasonal continued wet weather later in the year when most reseal work is completed.

Employment costs were \$8.09 million compared to budget of \$6.73 million. The reason for the \$1.36 million variance is unbudgeted wages were paid from external funding received from central government agencies toward the initial emergency flood response and subsequent flood

recovery \$1.09 million; and a Library secondment grant of \$222,000 was also received.

Depreciation and Amortisation Expense was budgeted to be \$6.74 million, actual result is \$6.12 million, the \$618,000 variance is due to timing of projects – weather events have delayed completion of works with Property, Plant & Equipment and Infrastructure assets recording \$11.50 million of work in progress (incomplete projects) at year end. More details can be found in the property, plant, and equipment notes to the financial statements.

Operating expenses were also impacted by a \$500,000 non-cash entry for the write-off of investments relating to Whitebait New Zealand Limited shares which was not budgeted for.

Statement of Financial Position

Cash and cash equivalents were \$8.34 million higher than budget due to differences highlighted to budget in timing for cash revenue items less cash expenses items.

Trade and other receivables were \$2.01 million higher than budget mainly due to Ministry of Business Innovation and Employment debtor accrued at balance date relating to flood recovery projects and other sundry debtors due.

Short-term investments were \$4.26 million less due to \$4.26 million of deposits being classified as cash and cash equivalents due to them maturing three months or less from the date of acquisition.

Investment in Council Controlled Organisations was \$1.49 million lower than budget as the requirement to fund capital expenditure over time has been below expectations.

Other Investments of \$719,000 not budgeted for relate to Local Government Funding Agency borrower notes and bonds put on long-term deposit.

Investment property was \$3.04 million more than budgeted due to variations in estimates to market movements.

Derivative Financial Instruments are \$1.05m more than budgeted due to unbudgeted upward movements in interest rates that effect the fixed interest portion of Council's borrowings.

Infrastructure assets were \$26.93 million higher than budget due to actual capital expenditure being higher than planned, primarily due to central government funded capital projects not budgeted for.

Intangible assets are \$185,000 less than budgeted due to delays implementing the information management project. Work to date on this project is included in Work in Progress.

Trade and other payables are \$3.65 million more than budgeted, primarily due to the payments due on Central

government funded projects, and revenue in advance recorded for the Port PGF \$3.10 million that was not budgeted for.

Total Borrowings that takes into account the movements in current and term borrowings were \$4.4 million lower than budgeted due to deferral of some debt funded capital projects such as the Waimangaroa Water Supply upgrade, and Brougham House heating and cooling project.

Cashflow Statement

Other income was \$18.12 million greater than budgeted mainly due to additional income from government and external party subsidies.

Interest Received was \$367,000 more than budgeted due to the improvement in interest rates being greater than anticipated in the 2020-2021 Long Term Plan.

Payments to Suppliers & Employees was \$13.37 million greater than budgeted due to unbudgeted Central government funded operational projects.

Investments realised, and Investments purchased were \$20.45 million and \$20.11 million higher than budgeted due to maturation and subsequent re-investments of term deposits.

Purchase of fixed assets were \$2.78 million higher mainly due to the Central government funded projects not budgeted for.

Loans raised were \$1.44 million more for the Reefton Whole of Supply upgrade, and loans repaid were \$230,000 less than budgeted for due to timing of the Reefton and Waimangaroa Water Supply upgrades, and the Brougham House upgrade.

Council entered into a number of interest rate swaps some time ago when interest rates were expected to remain relatively high or potentially increase. These swaps were entered into to protect the Council from increasing interest rates and they fix a portion of the interest costs paid on loans.

By balance date 30 June 2022 Interest rates have begun to rise and continue to rise. Due to the recent uncertain global economic conditions and the COVID-19 pandemic, the impact of these swaps is that the Council, for the remaining term of the swaps, is forecast to pay lower cash interest payments than the standard market interest rates that were available at 30 June 2022.

Accounting standards require Council to recognise the present value of the forecast payments above (or below) market rate as a liability (or asset) at balance date. As a result, the change in valuation is required to be recognised as an expense (or revenue) during the year. The value of the swaps are disclosed as Derivative Financial Instruments, they are shown as a Non-Current Asset \$1.05 million this year, where as last year they were shown as a Current Liability of \$552,000 and a Non-Current Liability of \$2.40 million.

Note 30: Insurance of Assets

The cost of the Canterbury earthquakes has highlighted the importance of good risk management and the part insurance and/or risk financing plays when it comes to rebuilding public assets. In many instances, councils can provide services in the future only through the continuing use of their assets. Public entities have had to think carefully about how they are managing their risks and how they are using the insurance and risk finance options available to them.

Water, Waste Water and Storm Water Assets

The total value of this asset category in the financial statements as at 30 June 2022 is \$85,032,000 (2021: \$74,072,000) (cost/revaluation). These activities have a total asset value for insurance purposes of \$160,065,000 (2021: \$150,195,000). Of this \$26,578,000 (2021: \$25,075,000) of mainly above ground infrastructure plant is fully insured for replacement value. Council insures 40% of the remaining assets of \$133,487,000 (2021: \$125,120,000) via Lloyd's of London with the remaining 60% being funded by Central Government.

Roading and Footpath Assets

The total value of this asset category in the financial statements as at 30 June 2022 is \$294,162,655 (2021: \$255,122,000) (cost/revaluation). These activities are not insured by Council and do not have an asset value for insurance purposes for this activity of assets. Council would receive a minimum of 72% subsidy from the NZTA with the remaining portion of the loss likely to be a loan funded by Council to replace the assets. There is no self insurance fund maintained by Council for replacement of roading assets in the event of a loss.

Wharves, Vessels and Maritime Navigation Assets

The total value of these assets in the financial statements as at 30 June 2022 is \$6,383,000 (2020/2021: \$6,383,000) (cost/revaluation). These assets have an asset value for insurance purposes of \$15,370,000 (2021: \$15,370,000). Vessels and hydrographical equipment are fully insured for \$1,894,000 (2021: \$1,894,000). The remaining assets comprising wharves and land based navigational assets \$13,476,000 (2021: \$13,476,000) are partially insured. Council insures 40% of the value of these assets with Lloyd's of London. The remaining 60% of the insurance value of these assets is self insured by Council. There is currently no self insurance fund maintained by Council for replacement of these assets in the event of a loss.

Buildings, Plant & Equipment & Other Assets

The total value of these assets in the financial statements as at 30 June 2022 is \$502,367,000 (2021: \$37,135,000) (cost/revaluation). This activity has a total asset value for insurance purposes of \$63,724,178 (2020/2021: \$53,933,000). This includes assets such as non infrastructure assets, Council plant and buildings and airport assets, excluding runways.

Vehicles

The total value of assets in this category in the financial statements as at 30 June 2022 is \$1,312,000 (2021: \$1,156,222) (cost/revaluation). This activity has a total asset value for insurance purposes of \$1,009,000 (2021: \$1,009,000). All vehicles are insured for market value. The Council is insured for all glass related claims.

Note 31: Covid 19

The Covid-19 pandemic has not significantly impacted the Buller District Council financial results.

The local economy in Buller is a diverse economy and it is supported by a strong agricultural base therefore the potential impact due to Covid-19 was lessened. In addition to this, Council does not place heavy reliance upon commercial leases to generate income for Council, and this also lessened the impact.

(2021: The Covid-19 pandemic has not significantly impacted the Buller District Council financial results. During Alert Level 1 and 2 the Council was able to operate at close to usual capacity by providing essential services for the community as allowed for under each Alert Level).

Key Assumptions used for preparation of the "Annual Report

Key assumptions concerning the future of the Council is that it will be able to continue to operate as a going concern into the future and to also meet all statutory requirements in relation to the Annual Reporting as outlined in the Local Government Act (2002).

While it is difficult to predict any future changes to Alert Levels and changes that may impact the local economy, Council does receive a majority of income from general and targeted rates plus government subsidies and grants. These streams of income have less uncertainty around collection of income than other types of income such as investment property or other investments, and this provides some assurance that the basis of preparation under the going concern principle is appropriate.

Restatements Required

There has been no material restatement required nor any estimates included in this annual report due to Covid-19. (2021: \$Nil).

Subsequent Events

There are no subsequent events for matters that occurred after 30 June 2022 due to Covid-19. (2021: No subsequent event or matters).

Impact of Fair Value of Property, Plant and Equipment

There is no impact of fair value of property, plant and equipment due to Covid-19. (2021: No impact).

➤ Note 32: Flood Events During the Year

Flood Recovery Funding

Buller District was affected by two severe storm events in the financial year. The first was in July 2021. It caused significant damage to certain infrastructural assets, Council-owned buildings and the Westport Airport buildings and runway lighting. The second was in February 2022, this caused significant damage to the roading network, Westport Water intakes and the Westport Harbour wharf infrastructure, as well as causing significant gravel to build up in the port area.

Council first responded to these two events by activating the Civil Defence Emergency Operations Centre and providing staff and resources to manage the emergency. The second phase of Council's involvement has been recovery which will continue into the 2023 financial year and further.

To assist the readers of the Annual Report, Council has included an extra narrative and financial information

segment in the "Our Work in Detail" section of this report on pages XX to XX. Information relating to the costs incurred, external funding received to date, and the recovery activities being undertaken is set out on page XX of this annual report.

In addition to the information included in this report, subsequent to balance date Council has been approved for funding of \$17.1m by Central Government. This funding is specifically for Tranche 2 Flood Recovery which encompasses repair and reinstatement of water supplies, waste-water systems, port dredging and port infrastructure.

An application has also been made to Waka Kotahi for reinstatement of both Local Roads and the Special Purpose Road Karamea Highway which were damaged in the February 2022 severe weather event. The application is at review stage and has not yet been approved.

Statement of Accounting Policies

Reporting Entity

The Buller District Council is a territorial local authority governed by the Local Government Act 2002.

The Buller District Council group consists of Buller District Council and its subsidiaries Buller Holdings Ltd (BHL), WestReef Services Ltd (WSL) and Buller Recreation Ltd (BRL), subsidiaries in substance Buller Health Trust (BHT) and Westport Airport Authority (WAA) which is owned as a 50% joint venture with the Ministry of Transport. Council owns 100% of BHL which in turn holds 100% interests in WSL and BRL.

The Buller District Council and group provides local infrastructure, local public services and provides regulatory functions to the community. The Council does not operate to make a financial return. Accordingly, Buller District Council has designated itself and the group as a Public Benefit Entity (PBE) for financial reporting purposes.

The financial statements of Buller District Council are for the year ended 30 June 2022. The financial statements were authorised for issue by Council on 21 December 2022.

Basis of Preparation

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period and have been no changes in accounting policies during the financial year. The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain infrastructural assets, investment property and financial instruments.

Statement of Compliance

The financial statements of Buller District Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The financial statements have been prepared in accordance with Tier 1 PBE accounting standards. The financial statements comply with PBE Standards.

Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$1,000) unless stated. The functional currency of Buller District Council is New Zealand dollars.

Standards issued and not yet effective and not early adopted

The following new standards, interpretations and

amendments have been issued but are not yet effective as at 30 June 2022. The Buller District Council and Group has not early adopted these standards and interpretations.

Financial instruments

In March 2017, the XRB issued PBE IPSAS41 Financial Instruments. PBE IPSAS 41 replaces PBE IFRS 9 and partially PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IPSAS 41 is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The main changes under PBE IPSAS 41 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 effect of the standard is expected to be immaterial.

Subsidiaries

Subsidiaries are those entities where Buller District Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Buller District Council controls the majority voting power of the governing body or where such policies have been irreversibly predetermined by Buller District Council.

The subsidiaries of Buller District Council are Buller Holdings Limited, WestReef Services Limited, Buller Recreation Limited and Buller Health Trust.

Buller District Council measures the cost of a business combination as the aggregate of the fair values at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs attributable to the business combination.

Any excess of the cost of the business combination over Buller District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, is recognised as goodwill. If Buller District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the difference will be recognised immediately in the surplus or deficit.

The purchase method of consolidation has been used

to prepare the consolidated financial statements, which involves adding together 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.

Buller District Council's investment in its subsidiaries is carried at cost in the Buller District Council's own "parent entity" financial statements.

Associates

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

Buller District Council accounts for an investment in an associate using the equity method. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the share of the surplus or deficit of the associate.

The Council has one associate Denniston Heritage Charitable Trust. There are no entries in the group financial statements for Denniston Heritage Charitable Trust because Council has no equity investment in this organisation.

Joint Operation

A joint operation is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

Buller District Council has a 50/50 joint operation interest in the Westport Airport Authority with Ministry of Transport.

Buller District Council recognises in its financial statements the assets it controls, the liability and expenses it incurs, and the share of revenue that it earns from the joint operation.

Revenue

Revenue is measured at the fair value of consideration received. Revenue from the rendering of services is recognised by the 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.

Rates Revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- 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. Un-billed usage, as a result of unread meters at year end, is accrued on an average usage basis.

- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Rates collected on behalf of the West Coast Regional Council (WCRC) are not recognised in the financial statements, as the Council is acting as an agent for the WCRC.

Other Revenue

Buller District Council receives Government Grants from Waka Kotahi New Zealand Transport Authority, which subsidises part of Buller District Council's costs in maintaining the local roading infrastructure. Grants are received from the Ministry of Health for eligible schemes. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure are fulfilled.

Sales of goods are recognised when a product is sold to a customer. Sales are usually in cash. The recorded revenue is the gross amount of the sale.

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in Buller District Council are recognised as revenue when control over the asset is obtained.

- Rental revenue is recognised on a straight line basis.
- Interest revenue is recognised using the effective interest method.
- Dividends are recognised when the right to receive the payment has been established.

Borrowing Costs

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

Grant Expenditure

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

Discretionary grants are those grants that Buller District Council has no obligation to award and are recognised as expenditure when a successful applicant has been notified of the Buller District Council's decision.

Income Tax

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

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

Deferred tax is the amount of income tax payable or

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

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

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

Deferred tax is recognised on taxable temporary differences arising from investments in subsidiaries and associates, and interests in joint operations, except where the Council can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

Leases

Finance Leases

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

At the commencement of the lease term, Buller District Council recognises finance leases as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

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

Operating leases

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

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held on call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown as current liabilities in the Statement of Financial Position.

Trade and other receivables

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

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

A provision for impairment of receivables is established when there is objective evidence that Buller District Council will not be able to collect all the amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

The write down from cost to current replacement cost or net realisable value is recognised in the surplus or deficit.

Non Current Assets Held for Sale

Non current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through the sale transaction rather than through continuing use. Non current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non current assets

held for sale are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

Non current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Financial Assets

Buller District Council classifies its financial assets into the following four categories:

- Financial assets at fair value through surplus or deficit;
- Held-to-maturity investments;
- Loans and receivables; and
- Fair value through other comprehensive revenue.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

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

Purchases and sales of investments are recognised on trade date, the date on which Buller District Council commits to purchase or sell the asset. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred, Buller District Council having transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

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

Financial Assets at Fair Value Through Surplus or Deficit

This category has two sub-categories:

- Financial assets held for trading.
- Those designated at fair value through surplus or deficit at inception.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Derivatives are also categorised as held for trading unless they are designated as hedges. 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.

Currently Buller District Council recognises derivative financial instruments in this category.

Held to Maturity Investments

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

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

Currently Buller District Council does not hold any financial assets in this category.

Loans and Receivables

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

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and receivables" and short and long term investments in the Statement of Financial Position.

Investments in this category include loans to subsidiaries and other companies and term deposits.

Impairment of Financial Assets

At each balance sheet date Buller District 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.

Any cumulative losses previously recognised in equity will be removed from equity and shown in the surplus or deficit.

Term deposits, loans to subsidiaries and associates, and community loans (loans and receivables)

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 indicators that the asset is impaired.

Listed and unlisted shares, listed bonds (fair value through other comprehensive revenue and expense)

For shares, a significant or prolonged decline in the fair value of the shares below its cost is considered to be objective evidence of impairment. For listed bonds, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payment is considered to be objective evidence of impairment.

Derivative Financial Instruments

Buller District Council uses derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, Buller District Council does not hold or issue derivative financial instruments for trading purposes. However derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

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 gain or loss on re-measurement to fair value is recognised immediately in surplus or deficit. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The fair value of interest rate swaps is the estimated amount that Council would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties. The fair value of forward contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.

Buller District Council has not adopted hedge accounting to account for its derivative financial instruments.

Property, Plant and Equipment

Property, plant and equipment consist of:

Council Assets – These include land, buildings, plant and machinery, motor vehicles, office equipment, library books and the Airport runway.

Infrastructure Assets – These include roads, footpaths, traffic facilities, street lights, bridges, culverts, water reticulation, storm water reticulation, sewerage reticulation and landfill.

Harbour Assets – These include land, buildings, wharves, plant and machinery, office equipment, motor vehicles and harbour vessels.

WestReef Assets – These include leasehold improvements, plant and equipment, office equipment, office furniture, fittings and computer equipment.

Buller Health Trust Assets – These include plant and equipment and furniture and fittings.

Property, plant and equipment is shown at cost or revaluation, 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 Buller District Council and the cost of the item can be reliably measured.

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.

Work in progress is recognised at cost less impairment and is not depreciated.

The cost of day-to-day servicing of property, plant and equipment are recognised in the surplus or loss as they are incurred.

Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal 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 Buller District Council and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment, other than land or erosion protection assets, 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:

Council Assets

	Depreciation Rate (%)	Useful Life (Years)
Motor vehicles	15%	7
Office equipment	10% to 50%	2 - 10
Plant and machinery	3.33% to 15%	7 - 30
Buildings	1% to 10%	10 - 100
Library Books	10%	10
Airport runway:		
Basecourse	1.3%	75
Seal	5%	20

Harbour Assets

	Depreciation Rate (%)	Useful Life (Years)
Wharves	1.67%	60
Buildings	2.5%	40
Plant and Machinery	3.3% to 10%	10 - 30
Office Equipment	20% to 33.5%	3 - 5
Motor Vehicles	10% to 20%	5 - 10
Harbour Vessels	5% to 6.7%	15 - 20

WestReef Services Limited Assets

	Depreciation Rate (%)	Useful Life (Years)
Leasehold Improvements	6.5% to 15%	6.7 - 15
Plant and Equipment	5.5% to 40%	2.5 - 18
Vehicles	8% to 29%	3 - 12
Office Equipment	8% to 40%	2.5 - 12.5
Office Furniture & Fittings	8% to 24%	4 - 12.5
Computer Equipment	18% to 36%	3 - 5.5

Buller Health Trust Assets

	Depreciation Rate (%)	Useful Life (Years)
Plant and Equipment	10% to 50%	2 - 10
Furniture and Fittings	7% to 13.5%	7.4 - 14.3
Furniture and Fittings (accommodation)	16.2% to 48%	2.1 - 6.2

Infrastructure Assets

	Depreciation Rate (%)	Useful Life (Years)
Roads:		
Formation	Not depreciated	
Basecourse - unsealed roads	Not depreciated	
Basecourse - sealed roads	1% to 2%	50 - 100
Seal	4% to 12.5%	8 - 25
Footpaths:		
Basecourse	Not depreciated	
Pavement	1.25% to 10%	10 - 80
Traffic facilities	5% to 10%	10 - 20
Street lights	3.33%	30
Bridges	1% to 2%	50 - 100
Culverts	1.11% to 1.25%	80 - 90

	Depreciation Rate (%)	Useful Life (Years)
Water Reticulation:		
Drains	Not depreciated	
Kerb and Channelling	1.25%	80
Pipes	1.10% to 4.10%	25 - 100
Valves, hydrants	1.67%	60
Intake structures	1.11% to 2%	50 - 90
Reservoirs	1.25%	80
Resource Consents	2.85%	35
Pump stations	2% to 6.67%	15 - 50
Treatment Equipment	2% to 6.67%	15 - 50
Tunnels	0.7% to 4%	25 - 150
Stormwater Reticulation:		
Pipes	1% to 1.54%	65 - 100
Sewerage Reticulation:		
Pipes	1% to 1.42%	70 - 100
Treatment Plants	1.11% to 6.67%	15 - 90
Pump Stations	1.11% to 6.67%	15 - 90
Manholes	1.11%	90

Capital work in progress is not depreciated. The total cost of the project is transferred to Property Plant and Equipment on its completion and then depreciated.

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

Revaluation

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

Council Land

The Airport land was revalued to fair value as determined by market based evidence by an independent valuer. The most recent valuation was performed by Quotable Value with an effective date as at 30 June 2005. Council land is recognised at deemed cost.

Harbour Land

The Harbour land was revalued to fair value as determined by market based evidence by an independent valuer. The most recent valuation was performed by Quotable Value with an effective date as at 30 June 2005. Harbour land is recognised at deemed cost.

Infrastructural Assets

The infrastructural assets are valued on a three yearly valuation cycle at fair value determined on a depreciated

replacement cost basis with preparation or peer review by an independent valuer. At balance date Buller District Council assesses the carrying values of its infrastructure assets to ensure that they do not differ materially from the assets fair value. The most recent roading valuation was performed by BECA and the valuation is effective as at 30 June 2022. Only three waters and roading assets were valued. The total value of infrastructural assets valued by BECA on 30 June 2022 was \$379,184,220.

Accounting for Revaluation

Buller District Council accounts for revaluations of property, plant and equipment on a class of assets basis.

The results of revaluing are credited or debited to an asset revaluation reserve. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that off-sets 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 credited to the revaluation reserve.

Intangible Assets

Software acquisition and development

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

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

Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows: Computer software 3 to 5 years 20 to 33.3%

Goodwill

Goodwill is initially measured at its cost, being the excess of the cost of the acquisition over Buller District Council's interest in the net fair value of the identifiable assets,

liabilities and contingent liabilities. Goodwill on acquisition of subsidiaries is included in intangible assets by applying the purchase method.

Goodwill arising in business combinations is not amortised. Instead, goodwill is tested for impairment annually. After initial recognition, Buller District Council measures goodwill at cost less any accumulated impairment losses. An impairment loss recognised for goodwill will not be reversed in any subsequent period.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination, in which the goodwill arose.

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 cost, including transaction costs.

After initial recognition, Buller District Council measures all investment property at fair value as determined annually by an independent valuer. The most recent valuation of investment property was carried out by Quotable Value with an effective date as at 30 June 2022.

Gains or losses arising from a change in the fair value of investment property are recognised in the Surplus or Deficit.

Impairment of Non Financial Assets

Property, plant and equipment assets, measured at fair value are not required to be reviewed and tested for impairment. 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 asset class is revalued. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

Property, plant and equipment, and intangible assets subsequently measured at cost that have a finite useful life are reviewed each balance date for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible assets subsequently measured at cost that have an indefinite useful life, and goodwill, are not subject to amortisation and are tested annually for impairment.

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.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as 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.

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 and cash-generating units is the present value of expected future cashflows.

Employee Entitlements

Short Term Benefits

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

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

Buller District Council recognises a liability for sick leave 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 that Buller District Council anticipates it will be used by staff to cover future absences.

Buller District Council recognises a liability and expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long Term Benefits

Long Service Leave and Retirement Leave

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

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

The present value of the estimated future cashflows. A discount rate of 1.9%, and a inflation factor of 3.9% 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.

Superannuation Schemes

Defined Contributions Schemes

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

Provisions

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

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

Payables

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

Borrowings

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

Equity

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

The components of equity are:

- Retained earnings;
- Restricted reserves; and
- Asset revaluation reserve.

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 (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from the IRD, including the

GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

The budget figures are those approved by the Council at the beginning of the year in the Long Term Plan. The budget figures have been prepared in accordance with NZ GAAP or Public Benefit Entity Accounting Standards, using accounting policies that are consistent with those adopted by Buller District Council for the preparation of the financial statements.

Cost Allocation

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

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

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using an appropriate cost driver.

Critical Accounting Estimates and Assumptions

In preparing these financial statements Buller District 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.

Classification of Property

The Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

The estimates and assumptions that form a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Landfill Aftercare Provision

The Landfill Aftercare Provision Note discloses an analysis of the exposure of Buller District Council in relation to estimates and uncertainties surrounding the landfill aftercare provision.

Infrastructural Assets

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

- The physical deterioration and condition of an asset, eg 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 such as stormwater, wastewater and water supply pipes that are underground. The risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by local conditions, eg 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 minimize the risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructure 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 modeling 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 prepare Council's roading and 3-waters assets revaluations. The last roading and 3-waters revaluation was prepared by BECA on 30 June 2022.

Placeholder for Auditors Reports for the coming three pages.

ATTACHMENT 1

BULLER DISTRICT COUNCIL  ANNUAL REPORT 2022



BULLER
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Te Kaunihera O Kawatiri

Coast Road taken by drone.

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