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## **NOTICE OF MEETING**

**Notice is hereby given of an  
Extraordinary Meeting of the  
Invercargill City Council  
to be held in the Council Chamber, First Floor  
Civic Administration Building,  
101 Esk Street, Invercargill  
On Tuesday 14 February 2017 at 4.00 pm**

His Worship the Mayor Mr T R Shadbolt JP  
Cr D J Ludlow (Deputy Mayor)  
Cr R L Abbott  
Cr R R Amundsen  
Cr A J Arnold  
Cr K F Arnold  
Cr T M Biddle  
Cr A H Crackett  
Cr I L Esler  
Cr G D Lewis  
Cr I R Pottinger  
Cr L F Soper  
Cr L S Thomas

RICHARD KING  
CHIEF EXECUTIVE

# AGENDA

1.	<b>APOLOGIES</b>	
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**TO: EXTRAORDINARY COUNCIL**

**FROM: DIRECTOR OF FINANCE AND CORPORATE SERVICES**

**MEETING DATE: TUESDAY 14 FEBRUARY 2017**

<b>ADOPTION OF ANNUAL PLAN 2017/18 CONSULTATION DOCUMENT AND SUPPORTING DOCUMENTS</b>
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**Report Prepared by:** Melissa Short – Manager, Strategy and Policy  
Dale Booth – Financial Controller

**SUMMARY**

<p>This report presents the Annual Plan 2017/18 Consultation Document, and the supporting information for adoption by the Council. The Consultation Document is presented in the format as required under the Local Government Act 2002, section 95A. The suite of supporting documents includes all supporting information and the Schedule of Fees and Charges.</p>
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**RECOMMENDATIONS**

**It is recommended that Council adopt the supporting information for consultation purposes**

**AND THAT**

**Council adopt the 2017/18 Annual Plan Consultation Document for public consultation.**

**IMPLICATIONS**

1.	<p><i>Has this been provided for in the Long Term Plan/Annual Plan?</i></p> <p>This is the adoption of the Annual Plan Consultation Document.</p>
2.	<p><i>Is a budget amendment required?</i></p> <p>The Annual Plan process is used to set the proposed budgets for Council's activities.</p>
3.	<p><i>Is this matter significant in terms of Council's Policy on Significance?</i></p> <p>No.</p>
4.	<p><i>Implications in terms of other Council Strategic Documents or Council Policy?</i></p> <p>No.</p>
5.	<p><i>Have the views of affected or interested persons been obtained and is any further public consultation required?</i></p> <p>The adoption of the Consultation Document for the Annual Plan 2017/18 for public consultation initiates the process under the Local Government Act 2002.</p>
6.	<p><i>Has the Child, Youth and Family Friendly Policy been considered?</i></p> <p>Yes.</p>

## FINANCIAL IMPLICATIONS

No new financial implications arise from this report.

## CONSULTATION DOCUMENT

The Consultation Document (Appendix 1) is provided to allow public participation in local authority decision making as required under Section 95A of the Local Government Act 2002. We are consulting on any changes from the 2015-2025 Long-Term Plan (LTP), any major delays in projects or any projects that are completely new in this financial year.

Residents are invited to submit on their preferred option, provide additional feedback or comment on anything that was out for consultation during the 2015-2025 LTP, also.

## SUPPORTING INFORMATION

A Council activities and projects document alongside a suite of financial information is being presented to Council as the supporting information (Appendix 2) to the Annual Plan Consultation Document. This suite of information includes the Schedule of Fees and Charges, which will also be available on the Council website. This is also out for submission with the Consultation Document.

## CONSULTATION PLAN

The following timetable is proposed:

<b>Action</b>	<b>Date</b>
Council adopts Draft Annual Plan for consultation.	14 February 2017
Draft Annual Plan on Council's website. Copies available at Invercargill Public Library, Bluff Service Centre and Civic Administration Building.	20 February 2017
Submission period.	20 February to 22 March 2017
Hearing of submissions.	10/11 April 2017
Council considers submissions.	26 April 2017
Council adopts Annual Plan 2017/18 with any changes requested.	23 May 2017

## CONSULTATION

Consultation with the Community over the issues raised in the Consultation Document provides the community with an opportunity to become aware of the issues and to make their views known. Consultation, hearing and deciding on submissions all need to be undertaken and the final document adopted before 1 July 2017.

Council uses a number of techniques to engage its communities on Council issues. The following consultation opportunities are proposed for the Consultation Document:

**Newspaper:**

The Noticeboard will contain information on how to obtain a copy of the Consultation Document, and discussion opportunities.

**Document Distribution:**

The Consultation Document will be distributed using the Council marked boxes in Supermarkets and at Splash Palace.

**Internet:**

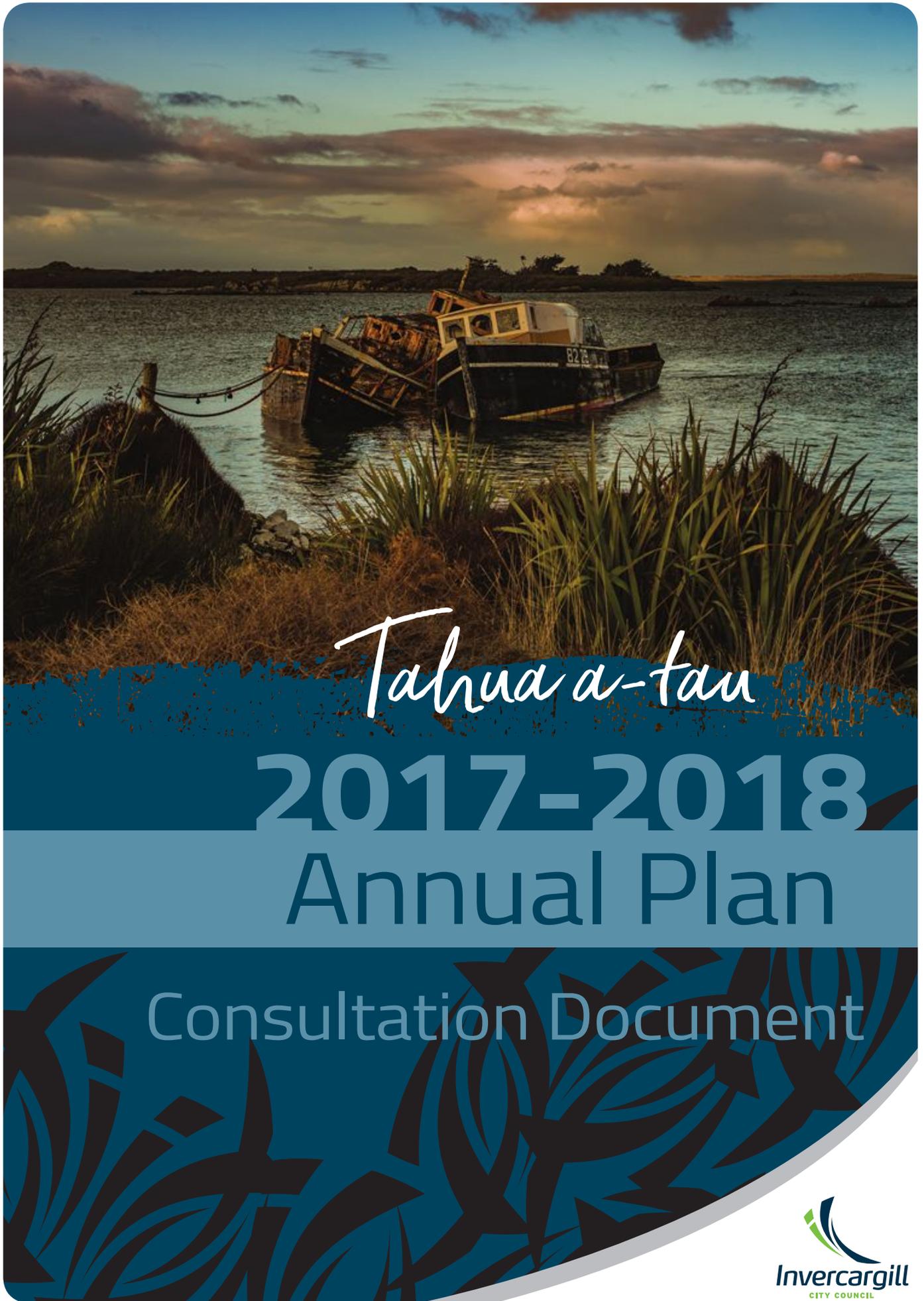
A copy of the Consultation Document, supporting information and submission form will be made available on Council's website. Submissions can also be made using Survey Monkey.

Notification of the availability of the Consultation Document and information on the consultation process will be posted on Council's Facebook page.

**Consultation Caravan:**

A number of opportunities for the public to meet with staff and Councillors will be available using the Consultation Caravan. The location and times of these opportunities will be well advertised. Staff will be available to assist people to complete a submission during these times.

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*Tahua-a-tau*

2017-2018

Annual Plan

Consultation Document





Greenpoint - David Whelan

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*Rārangī Kōrero*

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## About this document

*Ngā kōrero mō tēnei pukapuka*



Invercargill City Council's Annual Plan for 2017/18 represents the third year of our Long-Term Plan 2015-2025 (LTP).

It sets the budget and work plan for the year from 1 July 2017 to 30 June 2018 and identifies what has changed from the LTP. It sets Council's direction for the year and provides accountability to the community.

We're looking forward to delivering on our Long-Term Plan, supporting the growth and continued success of our City and community, and listening to you have

your say on this document. Through this plan we have made changes to improve the way we work and deliver services to our communities.

You are welcome to submit on any of the content that was included in the LTP, as well as what is included in this Consultation Document. The LTP can be found online at [www.icc.govt.nz](http://www.icc.govt.nz)

## How to have your say

*Hei whakapuaki i ō whakaaro*

We would like to hear your feedback on the changes proposed for our Annual Plan 2017/18. You can respond by any one of the ways below. We will need your feedback by 22 March 2017.

### ▪ Online Submissions

Visit our website [www.icc.govt.nz](http://www.icc.govt.nz) to send an online submission.

### ▪ Written Submissions

Use the submission form included in this document and send it to: Submission Annual Plan  
Invercargill City Council  
Private Bag 90104  
Invercargill 9840

### ▪ Pop into our caravan

We will be taking the caravan to you, so pop in and have your say. Keep an eye on our social media and website to see where we will be.

### ▪ Speak at a hearing

If you make a submission, you will have the option to speak at a hearing. Please let us know if you would like to be heard, and on what topic.

For more information please refer to our website [www.icc.govt.nz](http://www.icc.govt.nz)

# Mayor's Comment *He karere nā te koromatua*

Considering the highly complex issues we will be facing in 2016 some of you may be alarmed as you face the thinnest planning report ever received by our City Council.

This is a bold move by Central Government to slash repetition and information overload. Many councils simply hire consultants to produce their Annual Plans and they ensure all the right boxes are ticked, but somehow they lack passion or relevance. The aim of this new slim line approach is to encourage us to focus on issues that will involve significant changes to our Long Term Plan.

Water is of course one of the most valuable resources on Planet Earth. Councils throughout the country will face challenges involving reticulation, pollution or irrigation. Our Council is no exception.

Invercargill is proud of our parks and reserves but the issue is, are we taking responsible measures to ensure they are protected?

We are also proud of our sporting, cultural and recreational facilities but should we be improving these facilities rather than simply maintaining them?

Splash Palace has been a great success and it has been proposed that we should enhance this success by adding a dry gym. Some Councillors are concerned about competing against established gyms that are run by the private sector, while others argue this is already happening with the Library's DVDs and cafés such as the Cheeky Llama that are part of Queens Park.

We would also like to hear your views on issues such as alcohol licensing, solid waste and building services.

The building sector has always been controversial as council red tape is often blamed for the housing crisis in Christchurch and Auckland. Invercargill and Tauranga have been chosen to trial a change to state housing ownership and while we want to see our housing stock improved there is little enthusiasm for council involvement.

Another complex issue that we will be facing in the near future is health and safety legislation resulting from the Pike River tragedy. Local Government has already faced a barrage of emotionally charged lectures on the subject. Threats of lengthy jail time and hefty fines have put the fear of God into those held responsible for death or injury. I still believe our greatest threat comes from tourists and rental cars. In 2011 15% of fatal or injury causing road crashes in the Southern region involved overseas tourists. Last year that figure had jumped to 33%. It is in the interests of sustainable tourism, as well as health and safety, that all councils that run airports should take action.



Tim Shadbolt  
MAYOR OF INVERCARGILL

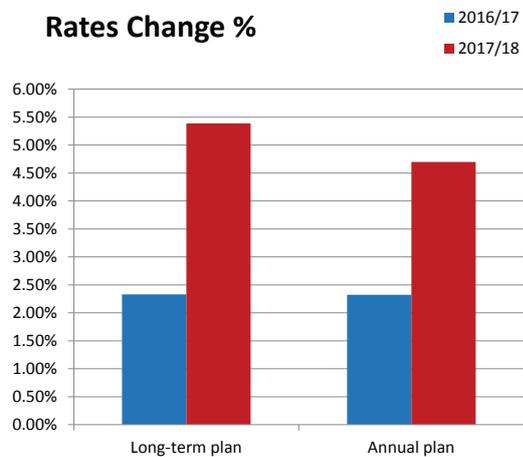
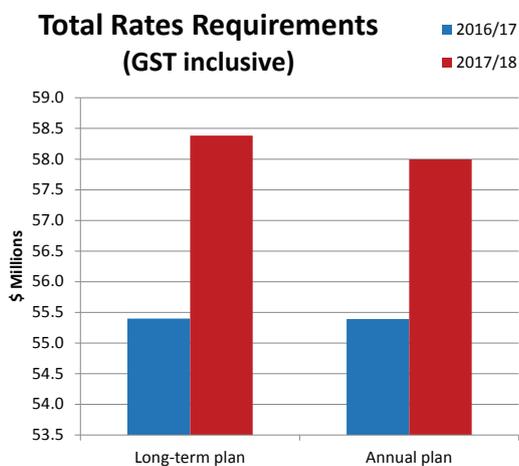
# Our Rates



## 2017/18 Financial Summary

The Annual Plan 2017/18 incorporates a rates increase of 4.7%. This is a total rates draw of \$58 million. The Council's Long Term Plan anticipated an increase of 5.39%. This was a total rates draw of \$58.4 million. Total revenue will increase from \$85.4 million in 2016/17 to \$90 million in 2017/18, a 5.39% increase. Total operating expenditure will increase from \$89.8 million in 2016/17 to \$92.5 million in 2017/18, a 3.01% increase.

Financial Summary	2016/17 Annual Plan \$000	2017/18 Long-Term Plan \$000	2017/18 Annual Plan \$000
Rates Revenue (GST inclusive)	55,391	58,382	57,995
Rates Change	2.32%	5.39%	4.70%
Rates Revenue (GST exclusive)	48,166	50,767	50,430
Total Revenue	85,374	88,952	90,002
Operating Expenditure	89,755	93,052	92,490
Operating Surplus/(Deficit)	(4,381)	(4,100)	(2,488)
Total Assets	857,455	809,740	856,947
Total Liabilities (excluding External Debt)	14,876	14,051	15,260
External Debt	102,672	56,677	101,593
Total Equity	739,907	739,012	740,094

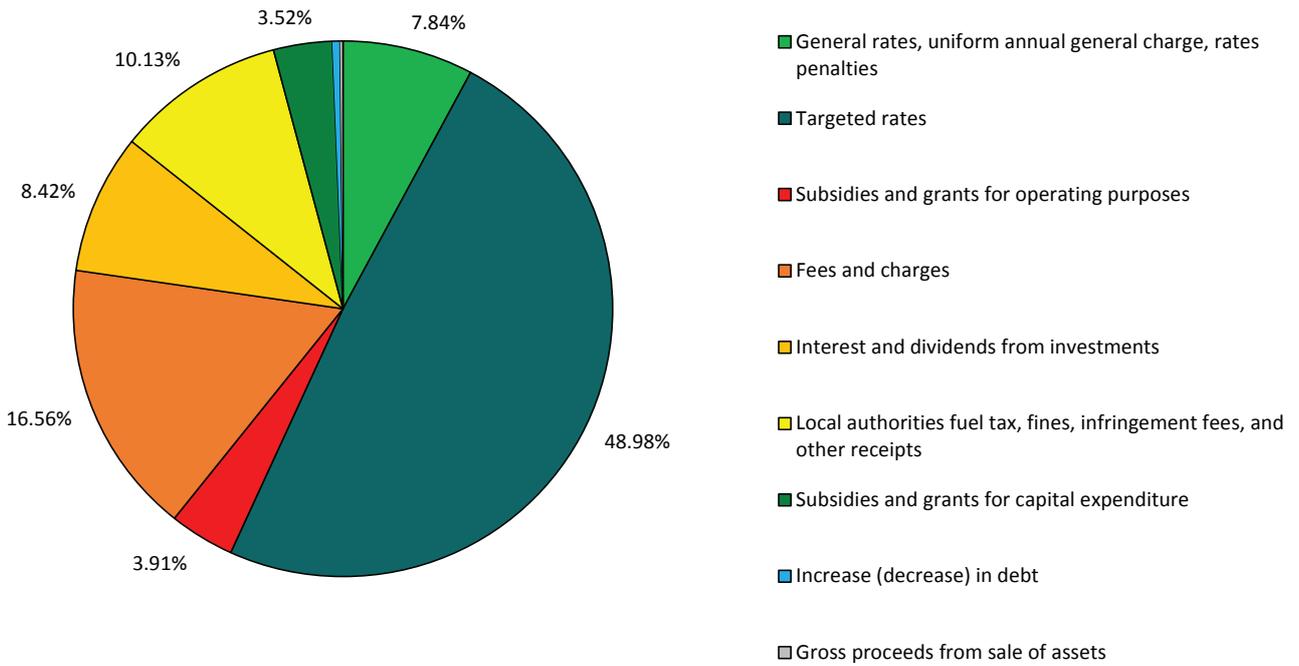


For more information and details on Financial Statements and Funding Impact Statements please refer to our website [www.icc.govt.nz](http://www.icc.govt.nz)

### 2017/18 Funding

Council funding comes from a number of sources including 57% from rates and 17% from fees and charges. Other funding is received from grants and subsidies, interest, dividends, loan and reserves. This is based on the 2017/18 year and is shown in the pie graph below.

### 2017/18 Funding



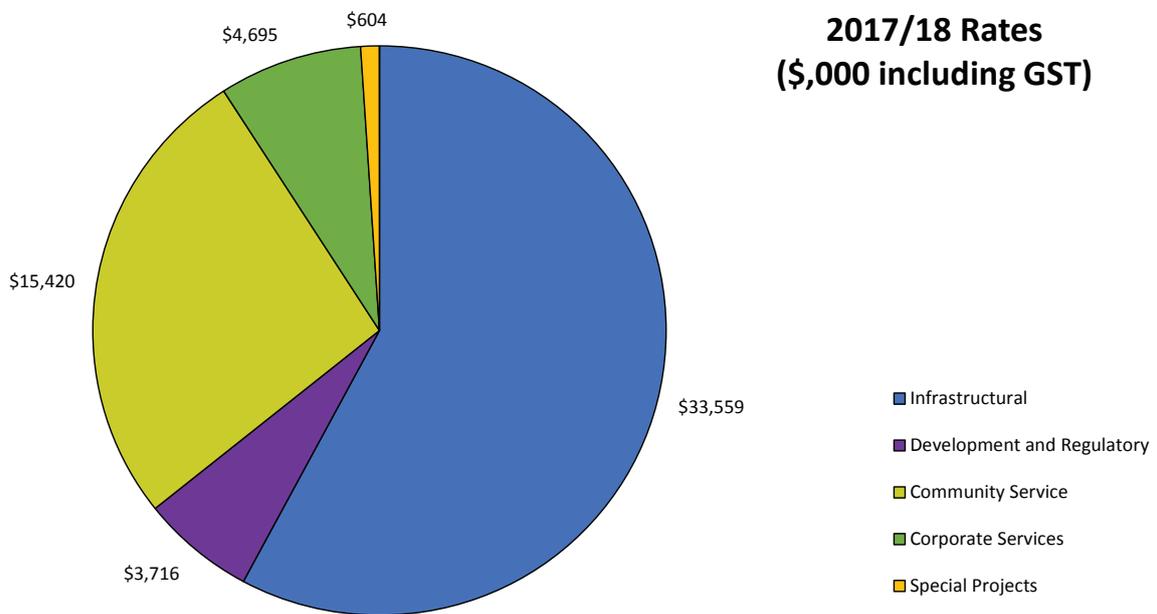
For more information and details on Financial Statements and Funding Impact Statements please refer to our website [www.icc.govt.nz](http://www.icc.govt.nz)

**2017/18 Rates support for activities**

Most 2017/18 expenditure occurs within the Infrastructural Services group of activities (Roading, Sewerage, Solid Waste Management, Stormwater and Water Supply).

Financial forecasts reflect the cost associated with Council undertaking its activities. Changing the overall cost of Council activities can only be undertaken by reducing levels of service or reducing the maintenance on assets (which increases the risk of failure).

Rates support for activities may be reduced by increasing fees and charges for that activity. Council’s financial strategy (Pages 33 - 54 of the LTP) will assist Council in refining the projects that the community considers to be essential and those which it would like to have but cannot afford.



For more information and details on Financial Statements and Funding Impact Statements please refer to our website [www.icc.govt.nz](http://www.icc.govt.nz)

The following table sets out proposed and current rating examples by property type. These examples are indicative only.

Type of property	Rateable Value	Rates 2016/17	Rates 2017/18	Rates Change Annual	Rates Change Weekly
Residential	\$ 600,000	\$ 3,769.05	\$ 3,854.70	+ \$ 85.65	+ \$ 1.65
Residential	\$ 485,000	\$ 3,274.33	\$ 3,360.30	+ \$ 85.97	+ \$ 1.65
Residential	\$ 215,000	\$ 2,112.79	\$ 2,199.50	+ \$ 86.71	+ \$ 1.67
Residential	\$ 111,000	\$ 1,665.39	\$ 1,752.60	+ \$ 87.21	+ \$ 1.68
Commercial	\$ 720,000	\$ 5,761.47	\$ 6,033.70	+ \$ 272.23	+ \$ 5.24
Commercial	\$ 2,450,000	\$ 13,478.14	\$ 13,867.20	+ \$ 389.06	+ \$ 7.48
Farms	\$ 1,960,000	\$ 3,407.05	\$ 3,429.20	+ \$ 22.15	+ \$ 0.43
Farms	\$ 4,820,000	\$ 7,904.36	\$ 7,953.90	+ \$ 49.54	+ \$ 0.95
Lifestyle	\$ 610,000	\$ 2,571.39	\$ 2,591.70	+ \$ 20.31	+ \$ 0.39
Lifestyle	\$ 330,000	\$ 1,564.80	\$ 1,577.20	+ \$ 12.40	+ \$ 0.23

Type of property	2016/17	2017/18
Projected number of rating units	25,196	25,596
Projected total capital value of rating units	7,245,108,058	7,422,840,000
Projected total land value of rating units	2,560,304,650	2,661,984,000

For more information and details on Financial Statements and Funding Impact Statements please refer to our website [www.icc.govt.nz](http://www.icc.govt.nz)

# Stead Street Stopbank



The Stead Street stopbank was constructed in 1910, and protects the Invercargill airport, Stead Street, and parts of the residential area of Otatara from tidal flooding. It was overtopped in March 2016 due to a very high tide amplified by a storm surge. With predicted sea level rise the risk of overtopping will increase in the future. This project intends to reconstruct the stopbank to current standards, and to raise it to protect against the expected 2100 storm tide level.

There are two options - Council can either renew the Stead Street stopbank to provide better protection of the road for the future, or they can choose not to renew the stopbank, which would maintain the current risk of future flooding.

***Council's preferred option is 1, to renew the stopbank for future protection.***

Council's Preferred Option (Option 1)	
Level of Service 	Ratepayer 17/18 \$ - No Change
	Ratepayer 18/19 \$ 

We have two options:

Option 1	Option 2
<p>Renew the Stead Street stopbank for better future protection of the road, airport and residential area of Otatara from tidal flooding.</p> <p>The total cost of this project is an estimated \$1.33 million dollars and will be loan funded. The first year it will have no impact on rates, but in the following year it will increase rates by 0.21%, this would mean an average increase of \$0.08 per week on your rates which is \$4.19 per year. The project will increase the level of service provided.</p>	<p>Do not renew the Stead Street stopbank and maintain the current risk of future flooding.</p> <p>This will have no impact on rates and it will not change the current level of service.</p>

# Events



Council has two events funds -  
The 'Iconic Events Fund' which sponsors major events such as Burt Munro, Surf to City, Buskers Festival and the like.

The 'Emerging Events Fund' which is for emerging events in the City.

Council is proposing to increase the funding to the 'Emerging Events Fund' by \$50,000 to \$150,000 which would make the combined fund \$250,000. Groups and organisations can apply for grants from this fund.

There are two options - to increase the emerging events funding by \$50,000 to \$150,000 or leave the funding at its current level.

**Council's preferred option is 1, to increase the funding by \$50,000.**

Council's Preferred Option (Option 1)	
Level of Service	Ratepayer \$

We have two options:

Option 1	Option 2
<p>Increase the Emerging Events Fund from \$100,000 to \$150,000.</p> <p>This would increase the level of service provided by Council. It would also result in an increase in the rates for this year by 0.10%, this would mean an average increase of \$0.04 cents per week on your rates which is \$1.95 per year.</p>	<p>Do not increase the Emerging Events Fund by \$50,000.</p> <p>This would have no impact on rates and would not increase the level of service provided.</p>

# Festive Lights



The cost of putting up the Christmas lights and removing them was met by existing reserves in December 2016. Council is including an extra \$107,000 to meet this cost for the 2017 Christmas period and going forward.

Feedback on the Christmas lights that were installed was that it was a shame these could not be enjoyed over a period where there are longer hours of darkness so that children could see them without staying up too late.

Council would like to install lights over the winter months to be enjoyed, however does not think it is currently affordable in this financial year with other

projects taking priority. Council is seeking your feedback on this.

There are three options - Council could invest \$200,000 into the purchase of new winter theme festive lights, this includes the ongoing maintenance and costings to install and remove the lights; remain with the existing lights to be displayed in December only; or display the existing Christmas lights over the winter months.

***Council's preferred option is 2, to display the existing lights at Christmas only.***

Council's Preferred Option (Option 1)	
Level of Service - No change	Ratepayer \$ - No change

We have three options:

Option 1	Option 2	Option 3
<p>Invest \$200,000 into purchasing winter lights to be displayed in the City. This would also cover costs for installing and removing the lights, as well as ongoing maintenance and power.</p> <p>This would increase the level of service provided by Council. It would also result in an increase in the rates for this year by 0.42%, this would mean an average increase of \$0.15 cents per week on your rates which is \$7.81 per year.</p>	<p>Display the existing lights at Christmas only.</p> <p>This would mean no change in the levels of service provided and would have no impact on rates.</p>	<p>Display the existing Christmas lights during the mid-winter months.</p> <p>This would increase the level of service provided by Council. It would require \$107,000 to install and remove the lights. Further the lights would depreciate at a faster rate than anticipated as they will be displayed in colder conditions and twice a year, rather than once a year that was forecast.</p>

# Invercargill Development

The Invercargill City Council is committed to enhancing our City and embracing innovation. As a part of this, Council is aware that there are a number of exciting new projects that are in varying stages of development that will invigorate the City following the Southland Regional Development Strategy. Before proceeding with these new projects the Council wishes to undertake feasibility studies, business case analysis and community engagement projects to ensure, as much as possible, that the impact Council believes the projects will have will be realised. In the 2017/18 year, Council intends to allocate \$500,000 towards developing and initiating these proposals.

Examples of these projects include things such as a new Art Centre, and also a Kakaporium to operate alongside the Tuatarium. As these projects are at an early stage of development, it is Council's intention to engage with the Community in the coming months

when further information is known and the concept plans can be better explained. It is at this later stage that Council will be seeking your feedback on which projects you support, and which you do not wish to see progress further.

We have three options - Council could allocate \$500,000 to further investigate and progress projects to reinvigorate the City funded from rates; Council could allocate \$500,000 funded from a reserve fund established for the Invercargill City Centre redevelopment; or Council could choose not to allocate funding to these projects.

***Council's preferred option is 2, to allocate the \$500,000 and fund this from a reserve fund that has been established for the Invercargill City Centre redevelopment.***

Council's Preferred Option (Option 2)	
Level of Service - 	Ratepayer \$ - No change

We have three options:

Option 1	Option 2	Option 3
Allocate \$500,000 to further investigate and progress projects to reinvigorate the City. Funded by Rates. This would increase the level of service provided by Council. It would also result in an increase in the rates for the year by 1.04%, this would mean an average increase of \$0.38 cents per week on your rates which is \$19.53 per year.	Allocate \$500,000 to further investigate and progress projects to reinvigorate the City. Funded from Reserves. This would increase the level of service provided by Council and it will not impact the rates as it will be funded through the City Centre Redevelopment Reserve Fund that is held for the purpose of invigorating the CBD. If Council wishes to continue with previously planned City Centre upgrades, at some stage in the future, this money will be required to be reimbursed back to the reserve which will then have an impact on rates required.	Do not allocate funding to reinvigorate the City. This will have no impact on rates and will not increase the level of service provided.

# Pools

Splash Palace is used by many residents and visitors to the City with 380,000 to 400,000 admissions every year (over 1,000 people per day). Usually these visitors will come at peak times, meaning there is an influx in the changing rooms. These numbers continue to grow every year, and currently there are over 100,000 more visitors per year than the facility was built to house. The existing changing rooms are simply not large enough to cope with this increase in numbers.

Last year this matter was brought up alongside a proposal for a dry gym. Regardless of whether people supported the gym or not, a large majority were supportive of additional changing rooms.

The ILT 'Learn to Swim' Programme is incredibly successful, but it does mean that at peak times throughout the day these changing rooms are effectively taken over by various schools, which makes it difficult for members of the public to access.

Additional changing rooms would increase the space available, provide the ability to close a changing room off to adequately clean it without affecting patrons, separate school groups from the public if required, and maintain an overall higher level of safety and cleanliness.

We have two options:

Option 1	Option 2
<p>Build additional changing rooms at Splash Palace, at a cost of \$1.4 million to be funded by a loan.</p> <p>The first year this will have no impact on rates, but in the following years Council will need to increase rates to pay back the loan. This will increase the level of service provided. However in the following year it will increase rates by 0.23%, this would mean an average increase of \$0.09 per week on your rates which is \$4.42 per year.</p>	<p>Do not build additional changing rooms at Splash Palace. This would mean there is no impact on rates and there is no increase in Council's level of service provided.</p>

There are two options - Council can either put \$1.4 million dollars into building additional changing rooms; or leave the changing rooms at Splash Palace as is.

**Council's preferred option is 1, to build additional changing rooms to adequately provide for the pool users.**

Anticipated costings for Pool upgrade	
Café and Foyer	\$184,000
Changing rooms extension	\$1,005,000
External works*	\$211,000
<b>TOTAL:</b>	<b>\$1,400,000</b>

\*This will include changes to the carpark.

Council's Preferred Option (Option 1)	
Level of Service 	Ratepayer 17/18 \$ - No Change
	Ratepayer 18/19 \$ 

# Solid Waste



There have been a number of Central Government changes to the New Zealand Emission Trading Scheme (ETS), and WasteNet Southland is committed to meeting these ETS obligations. This means that Council has to pay a further \$21.11 per tonne of waste to meet these obligations.

In order to pay the extra, WasteNet needs to increase their per tonnage general waste charge at the Transfer Station. This will offset their increased disposal expenditure and lower volumes going through the Transfer Station. Any shortfall will be met by rates funding.

There are three options - the fees could be increased by \$20 per tonne to offset this cost which will have

We have three options:

no impact on rates as the further \$1.11 will be funded through savings; or \$10 increase per tonne as well as a \$65,000 impact on rates; or no increase in the waste charge fee with a \$130,000 increase on rates.

**Council's preferred option is 1, to offset the expenditure by increasing the fee by \$20 per tonne.**

**Average Fee Charge for standard trailer load based on 180kg (inc GST).**

	Option 1	Option 2	Option 3
General Waste	\$34.56	\$32.76	\$30.96
Rates increase for the year	\$0	\$2.54	\$5.08

Council's Preferred Option (Option 1)	
Level of Service - No change	Ratepayer \$ - No change

Option 1	Option 2	Option 3
<p>Increase Transfer Station Fees by \$20 per tonne to offset increased disposal expenditure and lower volumes going through the transfer station. The further \$1.11 will be funded through savings.</p> <p>This will not increase the level of service provided and it will not increase the rates draw.</p>	<p>Increase Transfer Station Fees by \$10 per tonne to offset increased disposal expenditure and lower volumes going through the transfer station.</p> <p>This will not increase the level of service provided, it will however increase the rates by \$65,000 which is a 0.13% increase overall. This is an average of \$0.05 cents per week, or \$2.54 per year.</p>	<p>Leave the fees as they currently are and fund the increased disposal expenditure cost through rates.</p> <p>This will not increase the level of service provided. This will increase rates by \$130,000 which is a 0.26% increase on the rates overall. This is an average of \$0.10 cents per week, or \$5.08 per year.</p>

## For your information



Our plans continue to focus on improving what we are delivering for the community – spending time and money on vital improvements to our infrastructure and services. Below are some further projects that will be started or continued in 2017/18:

An extra \$100,000 is required this year for the Pool, to maintain the increased staffing needed to meet the requirements under the new Health and Safety standards introduced in 2016/17. This was not included in last year's Annual Plan or the Long-Term Plan.

Council is in the process of digitalising their property files for ease of access and to future proof the history of these files. Currently there are two staff members doing this, but Council will increase this in the next year to four staff members to increase the progress rate of the digitalisation. Only part of these staff members' expenses will be funded through rates, which will have an impact of \$50,000 to cover wages, equipment and other associated costs. The other expenditure will be funded through the existing reserve, which is held for this purpose.

Council had forecast increased revenue in the Long-Term Plan for Building Services. This was due to the increased workload following the Christchurch earthquake. As this level of work has now levelled out

and is less than forecast, Council requires further rates funding to maintain its current activity levels. This was consulted on in the previous Annual Plan.

Council continues its asbestos pipe replacement programme as was determined in the 2015-2025 Long-Term Plan. This will require a \$1,088,000 increase in rates and includes the uplift of \$200,000 placed in reserve from 2016/17.

The Long-Term Plan had a number of drainage based programmes planned; this will result in a \$732,000 capital increase from last year. It is broken down below:

- Increase in treatment facilities - \$232,000
- Stormwater pipe renewal programmes - \$362,000
- Sewerage pipe renewal programmes - \$138,000

Public consultation has been undertaken about the future of Anderson Park House. We are still awaiting these results.

# Submission Form

## consultation document



2017-2018  
annual plan

### Submitter Details

<b>First Name</b>	<input type="text"/>	<b>Surname</b>	<input type="text"/>
<b>Organisation</b> (if appropriate)	<input type="text"/>	<b>Postal Address</b>	<input type="text"/>
<b>Phone</b> (daytime)	<input type="text"/>	<b>Postcode</b>	<input type="text"/>
<b>Email</b>	<input type="text"/>	<b>Date</b>	<input type="text"/>
<b>IF NON-RESIDENTIAL RATEPAYER, PROPERTY(IES) LOCATED IN</b>	<input type="text"/>	<b>Signature</b>	<input type="text"/>

### Returning your submission

Return by 5pm, 22 March.

**Deliver to:** Civic Administration Building  
101 Esk Street  
Invercargill

**Email:** Policy@icc.govt.nz

**Post to:** Submission Annual Plan  
Invercargill City Council  
Private Bag 90104  
Invercargill 9840

### Presentation of submission

Please tick as appropriate. If neither of the boxes is ticked, it will be considered that you do not wish to be heard.

- I wish to speak to the Mayor and Councillors about my submission.
- I do NOT wish to speak in support of my submission and ask that the following written submission be fully considered.

### Other Ideas?

If you have a different option for any of the issues that you think Council should consider, please tell us.

### Tips for making an effective submission

- + Head each of your topics with a title so we clearly know what issue you are submitting on. Make it clear what you are supporting or opposing and give reasons why.
- + Bullet points help you form ideas clearly and are easy for the Mayor and Councillors to read.
- + Dark coloured pens make it easier to read and copy your submission.

**Please note:** Submissions received on the Proposed 2017/18 Annual Plan will be made available to the public as required by the Local Government Act 2002 and subject to the Local Government Official Information and Meetings Act 1987. This will include the name and address of submitters.















## New or Significantly Varied Fees and Charges for 2017/18

*Please note the following list of variances is not exhaustive, it is intended to give an overview of more significant proposed changes. Please review the full Fees and Charges Document for all planned variations to the Invercargill City Council's Fees and Charges. Submissions on the proposed Fees and Charges are welcomed.*

Animal Services	2016/17 \$	2017/18 \$
Responsible Ownership for Dangerous or Menacing Dogs	New	85.00
Note: Only applies to dogs classified as Dangerous or Menacing due to Breed as per the Dog Control Act 1996		
Long Term Stay (Greater than one month) Monthly Fee	New	\$600.00
Note: Where a dog is impounded and is awaiting the outcome of a Court Hearing or similar a monthly fee will be applied and monthly invoices will be issued to the owner.		
After Hours Release (minimum of one hour staff time)	35.00	120.00
Sale new bark collars large	New	165.00
Building Control	2016/17 \$	2017/18 \$
Plumbing: On-site waste water processing (initial review) – additional costs will be charged at an hourly rate for subsequent review	700.00 flat rate	875.00 flat rate
Land Information Memorandum Residential – Single Property: 5 working days (electronic)	300.00 flat rate	450.00 flat rate
Land Information Memorandum Other – includes Rural/Multi-Residential/Commercial and Industrial: 10 working days (electronic)	300.00 flat rate	450.00 flat rate
Environmental Health	2016/17 \$	2017/18 \$
Food Businesses operating under the Food Act 2014: New business or initial registration fee for a food control plan or national programme	100.00	160.00
Multi-site business – in addition to above – additional fee per site	New	40.00
Renewal of a Food Control Plan or National Programme Registration	73.00	120.00
Multi-site business – in addition to above – additional fee per site	New	25.00
Amendment to a Food control Plan or National Programme Registration – including change of ownership	100.00	40.00
Verification Fee	525.00	480.00
Removal of abandoned vehicles	New	Actual and reasonable costs

<b>Parks and Reserves</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>\$</b>	<b>\$</b>
General reserves: commercial concession	New	350.00 – 500.00 pa Dependent upon number of days of week used
<b>Resource Management</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>\$</b>	<b>\$</b>
Fixed initial deposit for Notice of requirement for Designations (Section 168) and Heritage Order applications. Where a Hearing is required a Hearing Fee will also be charged.	5,595.00	6,200.00
Invercargill City District Plan: within Southland	194.00	250.00
Invercargill City District Plan: remainder of New Zealand (including postage and packaging)	210.00	300.00
<b>Roading</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>\$</b>	<b>\$</b>
Corridor Access Request (previously road opening permit) – no dig or minor event or similar approval	New	35.00
Esk No 2 Carpark Reserved Permit Parking	New	55.00-70.00
Reserved Permit Space (Red Zone)	New	75.00
Reserved Space (Level 7 – Blue Zone) (limited numbers)	New	55.00
<b>Sewerage</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>\$</b>	<b>\$</b>
Kennington Connection	New	7,000.00
<b>Southland Museum and Art Gallery</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>\$</b>	<b>\$</b>
Museum Entry Fees:	New	Free
All Residents of Southland		
All Visitors to Southland – Adult	New	10.00
All Visitors to Southland – Students (secondary, tertiary, adult)	New	5.00
All Visitors to Southland – Under 10 years of age	New	Free
All Visitors to Southland – Family	New	20.00



# 2017-2018 Fees and Charges



# Fees & charges



Fees and charges for Council activities, Council Controlled Organisations and Council Organisations are set under sections 12, 103 and 150 of the Local Government Acts 2002 and 1974. Fees and charges

are effective from 1 July 2017.

All fees and charges are inclusive of GST unless otherwise stated.

Corporate Fees	2016/17 \$	2017/18 \$
Executive Staff	220.00	220.00
Managers and Team Leaders	180.00	180.00
Professional and Technical Staff	120.00	120.00
Administration staff	80.00	80.00
Photocopying		
• A4	0.20	0.20
• A3	0.40	0.40
• A0 & A1	5.00	5.00
Travel per km	0.75	0.75

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# Alcohol licensing

<b>Alcohol Licensing Fees</b>			
<i>Set by Sale and Supply of Alcohol (Fees) Regulations 2013</i>		2017/18	2017/18
		\$	\$
<b>Premises Licence (on-licence, off-licence and club licence)</b>			
<b>Category (Risk Rating)</b>	<b>Annual Fee</b>	<b>Application Fee</b>	
Very low (0 - 2)	161.00	368.00	
Low (3 - 5)	391.00	609.50	
Medium (6 - 15)	632.50	816.50	
High (16 - 25)	1,035.00	1,023.50	
Very High (26+)	1,437.50	1,207.50	
<b>Special Licence</b>			
<b>Licence class</b>	<b>Events</b>	<b>Annual Fee</b>	
Class 1	1 large event: More than 3 medium events: more than 12 small events	575.00	
Class 2	3 to 12 small events: 1 to 3 medium events	207.00	
Class 3	1 or 2 small events	63.25	
<b>Other Alcohol licences</b>		<b>Fees</b>	
Manager's certificate (application/ renewal)		316.25	
Temporary authority		296.70	
Temporary licence		296.70	
Permanent Club Charters		632.50	
Extract from register		57.50	
Appeals under the Sale and Supply of Alcohol Act 2012 (against the decision of a licensing committee)		517.50	

Note: Under Regulation 6 of the Sale and Supply of Alcohol (Fees) Regulations 2013 the Council resolved on 27 October 2015 that in relation to Premises Licence (On, Off and Club Licences) the risk rating was to be reduced by one level from 1 November 2015.

# Animal services

<b>Dog Control Fees</b>	<b>2016/17</b>	<b>2017/18</b>
Registration	\$	\$
New Dog Registration (Excludes Dangerous by Breed - Refer to Dangerous or Menacing Below)	50.00	55.00
Responsible Ownership for Dangerous or Menacing Dogs	New	85.00
Note: Only applies to dogs classified as Dangerous or Menacing due to Breed as per the Dog Control Act 1996		
Responsible Ownership Fee - Not Desexed	75.00	70.00
Responsible Ownership Fee - Desexed	65.00	55.00
Dangerous Dog	150.00	150.00
Menacing Dog	150.00	150.00
Standard Fee - Not Desexed	100.00	100.00
Standard Fee - Desexed	90.00	85.00
Working Dog	35.00	35.00
Registration Fee for a Probationary Owner	150.00	150.00
Multiple Dog Fee (Five Dogs or More)	310.00	310.00
<b>Other Fees</b>		
Application for Responsible Ownership	65.00	40.00
Microchip Implanting	45.00	25.00
Replacement Tags	6.00	6.00
Additional late fee after 1 August	25% of registration	25% of registration
Dog Hearing Lodgment Fee	750.00	750.00
Application Fee (keeping of more than 2 dogs)	65.00	40.00
Surrender Fee - Rehome	30.00	30.00
Surrender for Euthanasia	77.00	60.00
<b>Dog Control Infringements</b>		
Set by Dog Control Act 1996 (per offence)		
Wilful obstruction of a Dog Control Officer or Ranger	750.00	750.00
Failure or refusal to supply information or wilfully providing false particulars	750.00	750.00
Failure to supply information or wilfully providing false particulars about dog	750.00	750.00
Failure to comply with any Bylaw	750.00	750.00
Failure to undertake dog education programme of dog obedience	300.00	300.00
Failure to comply with obligations of a probationary owner	750.00	750.00
Failure to comply with the effects of disqualification	750.00	750.00
Failure to comply with effects of classification of dog as "dangerous dog"	300.00	300.00

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## Animal services (continued)

<b>Dog Control Infringements continued</b> Set by Dog Control Act 1996 (per offence)	<b>2016/17</b> \$	<b>2017/18</b> \$
Failure to comply with effects of classification of dog as "menacing dog"	300.00	300.00
Fraudulent sale or transfer of dangerous dog	500.00	500.00
Failure to advise person of muzzle and leashing requirements	100.00	100.00
Failure to implant microchip transponder in dog	300.00	300.00
False statement relating to dog registration	750.00	750.00
Falsely notifying of death of dog	300.00	300.00
Failure to register dog	300.00	300.00
Fraudulent procurement to procure replacement tag	500.00	500.00
Failure to advise change of dog ownership	100.00	100.00
Failure to advise change of address	100.00	100.00
Removal or swapping of registration tags	500.00	500.00
Failure to keep dog controlled or confined	200.00	200.00
Failure to keep dog under control	200.00	200.00
Failure to provide proper care and attention, food, water, shelter	300.00	300.00
Failure to carry leash in public	100.00	100.00
Failure to comply with barking dog abatement notice	200.00	200.00
Allowing a dangerous dog to be at large unmuzzled	300.00	300.00
Releasing dog from custody	750.00	750.00
<b>Dog Impoundment Fees</b>		
First Impounding	100.00	80.00
Second Impounding	140.00	140.00
Third and Subsequent Impounding	180.00	180.00
Additional cumulative fee after third impounding	45.00	45.00
Sustenance - per day	20.00	20.00
Long-Term Stay (Greater than one month) monthly fee Note - Where a dog is impounded and is awaiting the outcome of a Court Hearing or similar, monthly invoices will be issued to the owner.		600.00
After Hours Release (minimum one hour staff time)	35.00	120.00
After Hours Impounding	55.00	55.00
<b>Stock Impounding Charges</b>		
<b>Horses, Asses, Mules, Cattle and Deer</b>		
First impounding (first animal)		

Stock Impounding Charges	2016/17 \$	2017/18 \$
• Poundage - each	80.00	100.00
Sustenance - per day	10.00	10.00
Second or Subsequent impounding (first animal)		
• Poundage - each	90.00	90.00
Sustenance - per day	10.00	10.00
Additional animal impounding		
• Poundage - each	10.00	10.00
Sustenance - per day	10.00	10.00
<b>Sheep, goats or pigs</b>		
• Impounding (first animal) - each	30.00	30.00
• Impounding additional animals - each	3.00	3.00
• Sustenance (each animal) - per day	3.00	3.00
Droving, leading or conveying charges	120.00 per hour of part thereof	120.00 per hour of part thereof
<b>Other Fees</b>		
Bark Collars		
Sale New Bark Collars Large		165.00
• Small (Dogtro)	Bond - 55.00 Per week - 25.00	Bond - 55.00 Per week - 25.00
• Large (Bark Limiter)	Bond - 70.00 Per week - 25.00	Bond - 70.00 Per week - 25.00

Please note: Council no longer offers cat traps.

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# Building Control

<b>Building Consent Application</b>		
All rates are subject to a minimum \$110 and a maximum \$22,000 fee, except any construction project with an estimated construction value greater than \$3,000,000 that will be charged a flat rate of 0.8% the construction value.		
Fees are based on the floor area affected, for example if a wall is removed the areas of the rooms on both sides of the demolished wall are used to calculate the fee.		
<b>(a) Healthy Homes</b>		
Council offers a 25% subsidy off the following fees as part of our commitment to the Government's Warm Up New Zealand: Healthy Homes Programme	2016/17 \$	2017/18 \$
Solid Fuel Heater: Freestanding	270.00 -25% = 202.50	270.00 -25% = 202.50
Solid Fuel Heater: Inbuilt / Wetbacks	400.00 -25%= 300.00	400.00 -25% = 300.00
Insulation	400.00 -25% = 300.00	400.00 -25% = 300.00
<b>(b) Residential</b>		
New Dwellings Single / Semi-Detached / Additions (Includes plumbing and drainage)	22.00/m <sup>2</sup>	22.00/m <sup>2</sup>
Residential interior alterations	18.00/m <sup>2</sup>	18.00/m <sup>2</sup>
Building placed on site/foundation only	12.00/m <sup>2</sup>	12.00/m <sup>2</sup>
Multi-Residential (includes plumbing and drainage)	22.50/m <sup>2</sup>	22.50/m <sup>2</sup>
Conservatories / Verandahs	500.00 flat rate	500.00 flat rate
Re-roof / reclad	500.00 flat rate	500.00 flat rate
Amendment	150.00 flat rate plus time costs and/or additional inspections	150.00 flat rate plus time costs and/or additional inspections
(a) Fast Track Foundation Amendment	250.00 flat rate	250.00 flat rate
(b) Waiver / Modification Amendment	200.00 flat rate	200.00 flat rate
<b>Solid fuel heater:</b>		
• Freestanding	270.00 flat rate	270.00 flat rate
• Diesel Freestanding	400.00 flat rate	400.00 flat rate
• Inbuilt / Wetbacks	400.00 flat rate	400.00 flat rate
• Boilers - oil and diesel fired	410.00 flat rate	410.00 flat rate
Bathroom alteration including wet area shower	500.00 flat rate	500.00 flat rate
Plumbing - Solar Heating	400.00 flat rate	400.00 flat rate
Fences/timber deck	300.00 flat rate	300.00 flat rate
Swimming pools	215.00 flat rate	215.00 flat rate

Building Consent Application Deposit continued	2016/17 \$	2017/18 \$
Swimming pool registration (three yearly)	200.00 flat rate	200.00 flat rate
Swimming pool exemption request	200.00 flat rate	200.00 flat rate
Accessory Buildings (unlined)	17.00 /m <sup>2</sup> capped at 1,000.00	17.00 /m <sup>2</sup> capped at 1,000.00
Accessory Buildings (lined)	20.00 /m <sup>2</sup> capped at 1,000.00	20.00 /m <sup>2</sup> capped at 1,000.00
Accessory Buildings Extension	17.00 /m <sup>2</sup> (minimum fee 300.00)	17.00 /m <sup>2</sup> (minimum fee 300.00)
<b>(c) Commercial</b>		
New Commercial / Additions (General)	25.00 /m <sup>2</sup>	25.00 /m <sup>2</sup>
Earthquake Strengthening Fee	1,000.00 deposit plus time costs and/or inspections	1,000.00 deposit plus time costs and/or inspections
Foundation / Slab / Bridge Only	400.00	400.00
New Office / Additions	22.00 /m <sup>2</sup>	22.00 /m <sup>2</sup>
Shell only (internal unfinished)	17.00 /m <sup>2</sup>	17.00 /m <sup>2</sup>
Commercial interior alterations	17.00 /m <sup>2</sup>	17.00 /m <sup>2</sup>
Minor Work	10.00 /m <sup>2</sup>	10.00 /m <sup>2</sup>
Re-roof / reclad	600.00 flat rate	600.00 flat rate
Amendments	150.00 flat rate plus time costs and/or additional inspections	150.00 flat rate plus time costs and/or additional inspections
(a) Fast Track Foundation Amendment	250.00 flat rate	250.00 flat rate
(b) Waiver / Modification Amendment	200.00 flat rate	200.00 flat rate
<b>(d) Industrial</b>		
New Industrial / Additions	17.00/m <sup>2</sup>	15.00/m <sup>2</sup>
Industrial interior alterations	15.00/m <sup>2</sup>	15.00/m <sup>2</sup>
Farm Buildings (unlined) (bonafide farm use)	10.00 / m <sup>2</sup> capped at 1,000.00	10.00 / m <sup>2</sup> capped at 1,000.00
Amendment	150.00 flat rate plus time costs and/or additional inspections	150.00 flat rate plus time costs and/or additional inspections
(a) Fast Track Foundation Amendment	250.00 flat rate	250.00 flat rate
(b) Waiver / Modification Amendment	200.00 flat rate	200.00 flat rate

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<b>Building Consent Application Deposit continued</b>			<b>2016/17</b>	<b>2017/18</b>
			<b>\$</b>	<b>\$</b>
<b>(e) Plumbing</b>				
Interior Plumbing and Drainage		400.00 flat rate		400.00 flat rate
Site Servicing / Ext. Drainage / Road Openers (min. \$300.00)		15.00 / lin.m		15.00 / lin.m
Hot water cylinder replacement (same location)		200.00 flat rate		200.00 flat rate
Connection to North Road extension		5,377.00 flat rate		5,377.00 flat rate
On-site Waste Water Processing - (initial review) <i>Additional costs will be charged at an hourly rate for subsequent review</i>		700.00 flat rate		875.00 flat rate
			<b>2016/17</b>	<b>2017/18</b>
			<b>\$</b>	<b>\$</b>
<b>(f) Mechanical</b>				
HVAC (affected area) (min. of \$300.00)		1.50/m <sup>2</sup>		1.50/m <sup>2</sup>
Sprinkler System (affected area) (min. of \$300.00)		0.75/m <sup>2</sup>		0.75/m <sup>2</sup>
Fire Alarm, Auto-Doors, Other Specified System		300.00 flat rate		300.00 flat rate
<b>(g) Demolition</b>				
Residential		350.00 flat rate		350.00 flat rate
Commercial / Industrial		500.00 flat rate		500.00 flat rate
<b>Certificate of Acceptance</b>				
Certificate of Acceptance Building <i>(Plus DBH, BRANZ and Accreditation levies if applicable)</i>		Consent fee x 2		Consent fee x 2
<b>Officer charge out rates</b>				
Processing - additional time <i>Third review of application will charged additional processing fee</i>		120.00 per hour		120.00 per hour
Inspection - additional <i>Third inspection per stage will be charged additional fee</i>		120.00 per hour		120.00 per hour
<b>Project Information Memorandum</b>				
PIM - residential		300.00 flat rate		300.00 flat rate
PIM - commercial / industrial		400.00 flat rate		400.00 flat rate
<b>Land Information Memorandum</b>				
<b>Residential - Single Property:</b>				
• 5 working days (electronic)		300.00 flat rate		450.00 flat rate
• 10 working days (electronic)		250.00 flat rate		250.00 flat rate
<b>Other: Includes Rural/Multi Residential/Commercial and Industrial</b>				
• 10 working days (electronic)		300.00 flat rate		450.00 flat rate
Note: The set fee for a Land Information Memorandum is for an electronic copy. Should you require a hard copy version; a further \$10.00 charge will apply.		\$10.00 per copy		\$10.00 per copy

Annual Building Warrant of Fitness	2016/17 \$	2017/18 \$
New Compliance Schedule	300.00 flat rate	300.00 flat rate
Building Warrant of Fitness Renewal	150.00 flat rate	150.00 flat rate
Building Warrant of Fitness audit inspection (including file note)	200.00 flat rate	200.00 flat rate
Amendment to Compliance Schedule	200.00 flat rate	200.00 flat rate
<b>Administrative</b>		
Building statistics report (per month)	30.00	30.00
Property File Retrieval	10.00	10.00
Copying charges:		
• Per A4 or A3 page (Plus Administrative Charge)	0.20 per page	0.20 per page
• Per A1 or A0 page (Plus Administrative Charge)	5.00 per page	5.00 per page
Scanning of property files	80.00 per hour	80.00 per hour
Administrative Charge	80.00 per hour	80.00 per hour
<b>Miscellaneous</b>		
Signs/Retaining Walls	350.00 flat rate	350.00 flat rate
Playground Equipment (\$300.00 min.)	5.00 / m <sup>2</sup>	5.00 / m <sup>2</sup>
Tents / Marquees	300.00 flat rate	300.00 flat rate
<b>Amusement device:</b>		
• First device	11.50 flat rate	11.50 flat rate
• Each additional device (same company)	2.60 flat rate	2.60 flat rate
Certificate of Public Use	350.00 flat rate	350.00 flat rate
Notice to Fix / Dangerous / Insanitary / EQ Prone	500.00 flat rate	500.00 flat rate
Minor variation acceptance	150.00 flat rate	150.00 flat rate
Alternate Solution Assessment	200.00 flat rate	200.00 flat rate
Schedule 1 paperwork acceptance	110.00 flat rate	110.00 flat rate
Schedule 1k dishwasher	25.00 flat rate	25.00 flat rate
Schedule 1 Exemption 2	400.00 flat rate	400.00 flat rate
Peer Review/Consultant	Cost plus 10%	Cost plus 10%
Permit inspection (Consent Prior to 1993)	200.00 flat rate	200.00 flat rate
House relocation suitability report (plus report costs)	300.00 flat rate	300.00 flat rate
Dangerous / Insanitary / Earthquake Prone Consultation Fee (First half hour free of charge then hourly rate applies).	Staff charged at hourly rate stated in the miscellaneous fees and charges section of the Council's Schedule of Fees and Charges.	Staff charged at hourly rate stated in the miscellaneous fees and charges section of the Council's Schedule of Fees and Charges.
Dangerous / Insanitary / Earthquake Prone Consultation / Engaging consultants	500.00 hourly rate	500.00 hourly rate
Earthquake Prone building assessment	Cost plus 10%	Cost plus 10%
Change of Use notification/acceptance	200.00 flat rate	200.00 flat rate

## Building control (continued)

Legal Processes	2016/17 \$	2017/18 \$
Drain in Common fee <i>(Applicant to engage surveyor to draw up plan and provide to Council for lodging with Land Information New Zealand.)</i>	550.00 plus any solicitors costs	550.00 plus any solicitors costs
Section 75 of the Building Act	352.00 flat rate	350.00 flat rate
Section 73 of the Building Act	352.00 plus any solicitors costs	350.00 plus any solicitors costs
Section 37 of the Building Act	110.00 flat rate	110.00 flat rate
<b>Government Levies</b> (May be varied by Government legislation)		
BRANZ Levy	1.00 per 1,000.00 of GST inclusive work for all applications of 20,000 or more	1.00 per 1,000.00 of GST inclusive work for all applications of 20,000 or more
DBH Levy	2.01 per 1,000.00 of GST inclusive work for all applications of 20,000 or more	2.01 per 1,000.00 of GST inclusive work for all applications of 20,000 or more
Accreditation Levy	1.00 per 1,000.00 of GST inclusive work for all applications of 5,000.00 or more	1.00 per 1,000.00 of GST inclusive work for all applications of 5,000.00 or more
<b>The following Infringement Fees are set by the Building Act 2004. Please note – the fine increases if Court proceedings are undertaken.</b>		
<b>General Building Offences</b>		
<b>s40</b> - Failing to comply with the requirement that building work must be carried out in accordance with a building consent.	1,000.00	1,000.00
<b>Bs40</b> - Failing to comply with the requirement that building work must be carried out in accordance with a building consent.	500.00	500.00
<b>s101</b> - Failing to comply with requirement to obtain a compliance schedule	250.00	250.00
<b>s108(5)(a)</b> - Failing to display a building warrant of fitness required to be displayed.	250.00	250.00

General Building Offences continued	2016/17 \$	2017/18 \$
<b>s108(5)(aa)</b> Failing to supply territorial authority with a building warrant of fitness	250.00	250.00
<b>s108(5)(b)</b> - Displaying a false or misleading building warrant of fitness.	1,000.00	1,000.00
<b>s108(5)(c)</b> - Displaying a building warrant of fitness other than in accordance with section 108.	1,000.00	1,000.00
Legal Processes	2016/17 \$	2017/18 \$
<b>s116B(1)(a)</b> - Using, or knowingly permitting the use of, a building for a use for which it is not safe or not sanitary.	1,500.00	1,500.00
<b>s116B(1)(b)</b> - Using, or knowingly permitting the use of, a building that has inadequate means of escape from fire.	2,000.00	2,000.00
<b>s124</b> - Failing to comply with a notice, within the time stated in the notice, requiring work to be carried out on a dangerous, earthquake-prone, or insanitary building.	1,000.00	1,000.00
<b>s128</b> - Using or occupying a building, or permitting another person to do so, contrary to a territorial authority's hoarding, fence, or notice.	2,000.00	2,000.00
<b>S128A(2)</b> Using or occupying a building, or permitting another person to do so, contrary to a territorial authority's hoarding, fence, or notice.	2,000.00	2,000.00
<b>s168</b> - Failing to comply with a notice to fix.	1,000.00	1,000.00
<b>s362D(4)</b> Failing to provide prescribed disclosure information	500.00	500.00
<b>s362D(4)</b> Failing to provide prescribed checklist	500.00	500.00
<b>s362F(4)</b> Failing to have a written contract as prescribed	500.00	500.00
<b>S362T(4)</b> Failing to provide prescribed information or documentation to specified persons	500.00	500.00
<b>s363</b> - Using, or permitting use of building having no consent or code compliance certificate or certificate for public use for premises for public use	1,500.00	1,500.00
<b>s367</b> - Wilfully obstructing, hindering, or resisting a person executing powers conferred under the Act or its regulations.	500.00	500.00
<b>s368</b> - Wilfully removing or defacing a notice published under the Act or inciting another person to do so.	500.00	500.00

## Building control (continued)

Restricted Building Work	2016/17 \$	2017/18 \$
<b>s85(1)</b> - Person who is not licensed building practitioner carrying out restricted building work without supervision of licensed building practitioner with appropriate licence.	750.00	750.00
<b>s85(2)(a)</b> - Licensed building practitioner carrying out restricted building work without appropriate licence.	500.00	500.00
<b>s85(2)(b)</b> - Licensed building practitioner supervising restricted building work without appropriate licence.	500.00	500.00
<b>s314(1)</b> - Person holding himself or herself out as being licensed to do or supervise building work or building inspection work while not being so licensed.	500.00	500.00
Dam Safety Offences	2016/17 \$	2017/18 \$
<b>s134C</b> - Dam owner failing to classify dam.	500.00	500.00
<b>s138</b> - Dam owner failing to comply with a direction from a regional authority to have a classification re-audited and submitted.	250.00	250.00
<b>s140</b> - Dam owner failing to prepare, or arrange the preparation of, a dam safety assurance programme and submit it for audit.	500.00	500.00
<b>s145</b> - Dam owner failing to comply with a direction from a regional authority to have a dam safety assurance programme re-audited and submitted.	250.00	250.00
<b>s150(4)(a)</b> - Dam owner knowingly failing to display a dam compliance certificate required to be displayed.	250.00	250.00
<b>s150(4)(b)</b> - Dam owner displaying a false or misleading dam compliance certificate.	1,000.00	1,000.00
<b>s150(4)(c)</b> - Dam owner displaying a dam compliance certificate other than in accordance with section 150.	1,000.00	1,000.00
<b>s154</b> - Dam owner failing to comply with a notice, within the time stated in the notice, requiring work to be carried out on a dangerous dam.	2,000.00	2,000.00

# Compliance

Parking Compliance Fees	2016/17 \$	2017/18 \$
<b>Pursuant to:</b>		
<ul style="list-style-type: none"> <li>▪ Land Transport Act 1998</li> <li>▪ Invercargill City Council Bylaws</li> <li>▪ Transport (towage fees) Notice 2004</li> </ul>		
<b>Any parking offence involving parking on a road in breach of a Local Authority Bylaw, in excess of a period fixed by a meter or otherwise, where the excess time is:</b>		
<ul style="list-style-type: none"> <li>• Not more than 30 minutes</li> <li>• More than 30 minutes but not more than one hour</li> <li>• More than one hour but not more than two hours</li> <li>• More than two hours but not more than four hours</li> <li>• More than four hours but not more than six hours</li> <li>• More than six hours</li> </ul>		
Parked within six metres of an intersection	12.00	12.00
Parked near corner, bend, rise or intersection	15.00	15.00
Parked on or near a pedestrian crossing	21.00	21.00
Parked in a prohibited area	30.00	30.00
Parked on broken yellow line	42.00	42.00
Parked in area reserved for hire or reward vehicles	57.00	57.00
Parked within six metres of an indicated bus stop	60.00	60.00
Parked obstructing a vehicle entrance	40.00	40.00
Parked within 500mm of a fire hydrant	40.00	40.00
Double parked	60.00	60.00
Incorrect kerb parking	40.00	40.00
Parked on a footpath	40.00	40.00
Parked a trailer on a road over seven days	40.00	40.00
Inconsiderate parking	60.00	60.00

## Compliance (continued)

Parking Compliance Fees continued	2016/17 \$	2017/18 \$
Parked in a (non GSV) loading zone - over the time limit	40.00	40.00
Incorrect angle parking	40.00	40.00
Parked facing wrong way	40.00	40.00
Parked on a level crossing	150.00	150.00
Parked near a level crossing	150.00	150.00
Operated vehicle with a damaged tyre	150.00	150.00
Operated vehicle with a smooth tyre	150.00	150.00
Parked in area reserved for disabled persons	150.00	150.00
Failed to park entirely in marked parking area	40.00	40.00
Failed to pay for parking at car parks using pay and display, pay by space or pay by plate method	40.00	40.00
Parked at an expired meter	12.00	12.00
Parked in parking space exceeding time paid for at a pay and display, pay by space or pay by plate method	Between 12.00 - 57.00 as above	Between 12.00 - 57.00 as above
Operated an unlicensed vehicle	200.00	200.00
Obscured or indistinguishable registration label	200.00	200.00
Obscured or indistinguishable registration plate	200.00	200.00
Used a vehicle with exemption from continuous licensing	200.00	200.00
Failed to display registration plates	200.00	200.00
Displayed other than appropriate label	200.00	200.00
Used unauthorised registration plate (not on registry)	200.00	200.00
Failed to display current Warrant of Fitness	200.00	200.00
No Certificate of Fitness - commercial vehicle	600.00	600.00
Meter bags		
• per day	15.00	15.00
• per week	65.00	65.00
Towage Fee	52.50	52.50

# Destinational marketing

Destinational Marketing	2016/17 \$	2017/18 \$
<b>Invercargill Visitor Information Brochure display fees</b>		
• Southland regional operators (per annum)	120.75	120.75
• Out of region operators (per annum)	181.15	181.15
• Light box display (per month)	30.50	No longer offered
• A1 Poster display	264.50	264.50
<b>Trade Manual listing (per annum)</b>	<b>See below</b>	<b>See below</b>
• Half page	160.00	160.00
• Full page	260.00	260.00

# Environmental health

Corporate Fees	2016/17 \$	2017/18 \$
Food Businesses operating under the Food Act 2014		
<b>Registration and Verification Under the Food Act 2014</b>		
<b>1. Registration</b>		
<b>New Business or Initial Registration Fee</b> for a Food Control Plan or National Programme	100.00	160.00
Multi-Site Business- in addition to above - Additional fee per site	Nil	40.00
<b>Renewal of a Food Control Plan or National Programme Registration</b>		
Food control Plan - Minimum Registration Period - 12 months	73.00	120.00
National Programme 3 - Minimum Registration Period - 2 Years		
Registration National Programme 2 - Minimum Registration Period - 2 Years		
Registration National Programme 1 - Minimum Registration Period - 2 Years		
Multi-Site Business - in addition to above - Additional fee per site	Nil	25.00
<b>Amendment to a Food control Plan or National Programme Registration</b> , including change of ownership	100.00	40.00
<b>2. Verification, Compliance and Monitoring</b>		
Verification Fee	525.00	480.00
Note: The verification fee of \$480.00 is based on a Verification time of 4 hours. Verification time includes travel and report writing. There is an hourly fee of \$120.00 or part thereof for any time in excess of four hours. This includes any follow ups on corrective actions.		
Food Businesses still operating under the Food Hygiene Regulations 1974 and are yet to transition to the requirements of the Food Act 2014		
<b>Category B: Food Premises</b> Restaurant, Takeaways, Dairies etc. with on site food preparation	445.00	445.00
<b>Category C: Food Premises</b> Service Stations, Grocery Shops/ other businesses selling pre-packaged food items only	250.00	250.00
Mobile Shop (Food)	165.00	165.00

<b>Food Businesses still operating under the Food Hygiene Regulations 1974 and are yet to transition to the requirements of the Food Act 2014</b>	<b>2016/17 \$</b>	<b>2017/18 \$</b>
Pre- opening inspection (undertaken before the premises open for business to check that your establishment complies with health laws)	120.00	120.00
Re-inspection (undertaken following the initial inspection where there are any outstanding matters)	120.00	120.00
Change of ownership	40.00	40.00
Late Payment Fee	70.00	70.00
<b>Other Health Licences</b>		
Camping Grounds	445.00	445.00
Hairdressers	250.00	250.00
Funeral Directors	250.00	250.00
Offensive Trades	250.00	250.00
Change of ownership	40.00	40.00
Late Fee charges	70.00	70.00
Pre-opening inspection - new business set up assistance (per hour or part thereof)	120.00	120.00
<b>Noise Control (Resource Management Act 1991) Note: Infringements set by statute</b>		
<b>Monitoring Under Resource Management (Infringement Offences) Regulations 1999.</b>		
Contravention of Excessive Noise Direction under Section 327	500.00	500.00
Contravention of an abatement notice for an unreasonable noise under Section 322(1)C	750.00	750.00
<b>Other Charges / Fees</b>		
Release of seized equipment	65.00 plus actual & reasonable costs	65.00 plus actual & reasonable costs
<b>Litter (Litter Control Act 1979) Clean up related to litter and illegal dumping infringements</b>		
Litter Infringement	400.00	400.00
Removal of Abandoned vehicles	New fee	Actual and reasonable costs

## Environmental health (continued)

<b>Hazardous Substances</b> ( Hazardous Substances and New Organism Act 1996)	<b>2016/17</b> \$	<b>2017/18</b> \$
Inspection and/or Report under HSNO - per hour or part thereof	120.00	120.00
Clean up, sampling, testing, seizure or removal of material / disposal or transfer to holding site/other agency	Actual & reasonable costs	Actual & reasonable costs
<b>Gambling Venue Consent (Gambling Act 2003)</b>		
Venue consent application	500.00	500.00
Hearings lodgment fee payable on lodgment of application (for hearings that last up to 2 hours)	1,500.00	1,500.00
Monitoring of venue premises (per hour or part thereof)	120.00	120.00
<b>Bylaw Fees and Fines</b>		
Note: The cost recovery of bylaw monitoring and/ or enforcement and related processes is based on time, administration and costs for work undertaken.  e.g. overgrown/ untidy sections	Actual & reasonable costs	Actual & reasonable costs
<b>Other Charges – Processing Applications / Variations / Extra Audits or Inspections Outside of Normal Business Hours</b>		
Normal Working Hours (Per hour or part thereof)	120.00	120.00
Outside Normal Working Hours (Per hour or part thereof)	155.00	155.00
Statutory Holidays (Per hour or part thereof)	200.00	200.00

# Housing care

Housing Care GST Not Applicable	2016/17 \$	2017/18 \$
Studio units (per week)	Up to 98.00	Up to 98.00
One bedroom units (per week)	Up to 112.00	Up to 112.00
One bedroom units with carport (per week)	Up to 112.00	Up to 112.00
Two bedroom special needs unit (per week)	Up to 165.00	Up to 165.00

# Invercargill Airport Limited

Invercargill Airport Fees	2016/17 \$	2017/18 \$
Car parking charges		
Up to 1 hour	Free - 5.00	Free - 8.00
Up to 24 hours	From 5.50 - 18.00	From 8.50 - 25.00
Up to 2 days	From 18.50 - 28.00	From 25.50 - 39.00
Up to 3 days	From 28.50 - 38.00	From 39.50 - 49.00
Up to 4 days	From 38.50 - 48.00	From 48.50 - 53.00
First week (7 day) maximum	58.00	Maximum 60.00
After the first week, per 12 hour period or part thereof		Maximum 80.00
After the first week, weekly maximum	42.00	12.00
Lost ticket fee	100.00	100.00
Unlimited card use (12 months)	980.00	980.00
Leases	Market rate	Market rate
Fuel sales	Market rate	Market rate
Meeting rooms, per hour (minimum three hours)		
Meeting Room	25.00	45.00 - 150.00 + GST
Official Information Requests (per hour)		
Executive Staff	220.00	220.00 + GST
Managers and Team Leaders	180.00	180.00 + GST
Professional and Technical Staff	120.00	120.00 + GST
Administrative Staff	80.00	80.00 + GST
Photocopying		
A4 page	0.20	0.20
A3 page	0.40	0.40
Travel per km	0.75	0.75

## Alteration of Fees

Fees and charges may be refunded, remitted or waived by the General Manager, Invercargill Airport Limited. The fees and charges listed were correct at the time of going to print. The Council reserves the right to alter fees and charges during the year. Any changes will be publicly notified for submissions. All fees and charges are GST inclusive unless otherwise stated.

# Invercargill Venue and Events Management Limited

Civic Theatre Complex	2016/17 \$	2017/18 \$
Civic Theatre (seating capacity 1,015)		
Hire charge per performance	Price by negotiation	Price by negotiation
Second performance	Price by negotiation	Price by negotiation
Matinee or rehearsals with an audience	1,900.00	1,900.00
Dark days pack in/out rehearsals	1,150.00	1,100.00
Security deposit per performance	560.00	570.00
<b>Specialist services are also available at an additional charge</b>		
<b>Function Rooms</b>		
Weddings - basic hire for a day	Price by negotiation	Price by negotiation
<b>Drawing Room</b>		
Day booking	230.00	230.00
Half day booking (maximum four hours)	120.00	120.00
Day/night	350.00	350.00
<b>Victoria Room - whole room</b>		
Day booking	360.00	365.00
Half day booking (maximum four hours)	190.00	185.00
Day/night	550.00	550.00
<b>Victoria Room - Venue 1 or Venue 2</b>		
Day booking	230.00	230.00
Half day booking (maximum four hours)	120.00	120.00
Day/night	350.00	350.00
<b>Rugby Park</b>		
	Price by negotiation	Price by negotiation
<b>Scottish Hall</b>		
	Price by negotiation	Price by negotiation

## Alteration of Fees

Fees and charges may be refunded, remitted or waived by the Manager, Invercargill Venue and Events Management Limited. The fees and charges listed were correct at the time of going to print. The Council reserves the right to alter fees and charges during the year. Any changes will be publicly notified for submissions. All fees and charges are GST inclusive unless otherwise stated.

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# Investment property

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Investment Property	2016/17 \$	2017/18 \$
Lease Charges	Market rate	Market rate

# Libraries & archives

Lending Services	2016/17 \$	2017/18 \$
Book Bag	2.00	2.00
Book Covering	5.00	5.00
Book mending/book repair (minimum)	6.00	6.00
Digital image (minimum)	5.00	5.00
DVD (including Bluray)	1.00	1.00
Electronic Games (PS / Xbox / Wii)	2.50	2.50
Fax (minimum) plus fee/minute/location	2.50	2.50
Hot Pick Books/Magazines/DVDs	2.50	2.50
Interloans (minimum)	5.00	5.00
Interloans (urgent)	25.00	25.00
Internet (30 minutes) - Note Council continues to provide the "pay" option for internet usage, but also has free internet available in Information Services.	2.00	2.00
<b>Meeting Room Hire</b>		
• Half day	70.00	70.00
• Full day	125.00	125.00
Overdues non-chargeable items (per day)	0.20	0.20
Overdues chargeable items (per day)	0.50	0.50
Printing (per copy)		
• A4 Black and white	0.20	0.20
• A3 Black and white	0.40	0.50
• A4 Colour	0.50	0.50
• A3 Colour	1.00	1.00
Replacement library card	2.00	2.00
Research - contract from within New Zealand (minimum)	Price on Request	Price on Request
Research - contract from outside New Zealand (minimum)	Price on Request	Price on Request
Scanning - email	2.50	2.50
Reserves	0.50	0.60
USB stick (8GB)	10.00	10.00

# Miscellaneous

<b>Bank Fees and Charges</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>\$</b>	<b>\$</b>
Credit card and electronic transfer charges	Actual charge	Actual charge
<b>Laboratory Services</b>		
Testing services	Technical hourly rate plus materials	Technical hourly rate plus materials
<b>Litter</b>		
Litter fine	400.00	400.00
<b>Official Information Requests and Compliance Investigations</b>		
Executive Staff (per hour)	220.00	220.00
Managers and Team Leaders (per hour)	180.00	180.00
Professional and Technical Staff (per hour)	120.00	120.00
Administrative Staff (per hour)	80.00	80.00
<b>Photocopying</b>		
A4 page	0.20	0.20
A3 page	0.40	0.40
Travel per km	0.75	0.75
<b>Rates Postponement Policy Fees</b>		
Administration fee	50.00	50.00
Interest rate	8%	8%
<b>Request for establishing a new Rating Area</b>		
Request for establishing a new Rating Area	7,187.50	7,187.50
<b>Services Provided to other Local Authorities</b>		
Charge for services provided to other Local Authorities (per hour)	150.00	150.00
<b>Fees and Charges Wachner Place</b>		
Showers - Wachner Place Public Toilets	1.00	3.00
<b>Engineering Plans</b>		
Lodgement of Engineering Plans and Specifications of Subdivision Including Checking and Inspection as Required Under the Council's Code of Land Development Bylaw.	1.5% of the estimated cost of the Engineering Works or \$1,000.00, whichever is the greater. (Estimated cost to be acceptable to Council).	1.5% of the estimated cost of the Engineering Works or \$1,000.00, whichever is the greater. (Estimated cost to be acceptable to Council).

## Alteration of Fees

Fees and charges may be refunded, remitted or waived by the Chief Executive, Director of Environmental and Planning Services, Director of Finance and Corporate Services or Director of Works and Services. The fees and charges listed were correct at the time of going to print. The Council reserves the right to alter fees and charges during the year. Any changes will be publicly notified for submissions. All fees and charges are GST inclusive unless otherwise stated.

# Parks & reserves

<b>General Casual Use Park Charge</b> (Plus any special requirement charges)	<b>2016/17</b> \$	<b>2017/18</b> \$
Any area of any park or reserve for a wedding, picnic or	25.00	25.00
<b>Special Locations (Plus any special requirements)</b>		
Queens Park Band Rotunda (includes power)	50.00	50.00
Queens Park Winter Gardens (between 5.00 to 7.00 pm summer only)	85.00	85.00
Anderson Park Pavilion/Kitchen (includes power)	60.00	60.00
Anderson Park Pavilion/Kitchen and BBQ (includes power)	90.00	90.00
Anderson Park Second Picnic Area	40.00	40.00
Otepuni Gardens Band Rotunda (includes power)	50.00	50.00
Otatara Scenic Reserve (ex Guide Camp Area)	40.00	40.00
<b>Special Requirements</b>		
<b>Queens Park</b>		
• Power - where available	25.00	25.00
• Gates - to have gates opened for official vehicles (1 hour maximum)	100.00	100.00
<b>Anderson Park</b>		
• Marquee site - includes use of pavilion and kitchen	From 400.00	From 400.00
• Access after dusk	190.00	195.00
<b>Gala Street Reserve</b>		
• Power - Fountain	25.00	25.00
• Power - Fairs and carnivals	From 285.00 Plus power if required	From 285.00 Plus power if required
• Circuses (non performing and performing days) per day	From 285.00	From 285.00
• As determined by the Parks Manager based on size, duration, location and nature of event	Plus power if required	Plus power if required
• Power - Fair, Carnival and Circus Area	Connection fee PLUS cost of power used based on actual reading	Connection fee PLUS cost of power used based on actual reading
<b>Wachner Place</b>		
• Commercial site including power (per day charge)	From 240.00	From 240.00
• Others on application including power (per day charge)	50.00	50.00

## Parks and reserves (continued)

Special Requirements - Continued	2016/17 \$	2017/18 \$
<b>General Reserves</b>		
Commercial concession		350.00 - 500.00 pa Dependent upon number of days of week used
Other reserves and activities (including concerts or similar) As determined by the Parks Manager based on size, duration, location and nature of event	From 125.00	From 125.00
Power - where available	25.00	25.00
Access to reserves through gates and barriers (key fee)	100.00	100.00
<b>Bonds</b>		
Marquee site	From 530.00	From 530.00
Commercial activities (including fairs and carnivals)	From 530.00	From 530.00
Circuses	From 1,125.00	From 1,125.00
Where not defined above, bond to be determined by Parks Manager		
<b>Car Park Maintenance</b>		
Surrey Park sports clubs with shared car parks	Per funding policy	Per funding policy
<b>Sports Clubs Occupying Council Reserves (buildings charged as extra)</b>		
Bowling Green	395.00	400.00
Croquet Greens	370.00	375.00
Dog Obedience Club	305.00	315.00
Model Engineers	570.00	570.00
<b>Surrey Park Grandstand and Athletics Track</b>		
<b>School sports (50% paid to Athletics Southland)</b>		
• Year 7 and over	530.00	535.00
• Years 1 to 6 (inclusive)	430.00	435.00
Athletics - use of sports area, per season (enclosure)	900.00	905.00
<b>Sportsfield and Park Facility Charges</b>		
<b>Summer Sports</b>		
Touch Rugby	245.00	250.00
5-a-side Soccer	245.00	250.00

Special Requirements - Continued	2016/17 \$	2017/18 \$	
<b>Cricket (per wicket)</b>			
<b>Prepared wicket</b>			
• Per season	Price on application	Price on application	
<b>Artificial wicket</b>			
• Per season	412.00	420.00	
• Per day	62.00	65.00	
<b>Unprepared wicket (evenings only)</b>			
• Per season	145.00	150.00	
• Per evening	44.00	45.00	
• Per day	62.00	65.00	
<b>Softball</b>			
<b>Enclosure</b>			
• Per year	900.00	905.00	
<b>Grass diamond</b>			
• Per season	418.00	420.00	
• Per game	44.00	45.00	
• Per day	62.00	65.00	
<b>Practice area</b>			
• Per season	316.00	320.00	
<b>Tennis - court per season</b>	160.00	165.00	
<b>Marching (reservations of practice area) per season, per team</b>	85.00	85.00	
<b>Winter Sports - Note: Effective April 1</b>	<b>2016 \$</b>	<b>2017 \$</b>	<b>2018 \$</b>
<b>Field rent (per field)</b>			
▪ <b>Rugby, rugby league and hockey</b>			
• Per season	740.00	755.00	760.00
• Single game	66.50	70.00	75.00
• Per day	87.00	90.00	95.00
• Practice field	505.00	525.00	530.00
▪ <b>Netball Court rental (per court)</b>			
• Per season	153.00	165.00	165.00
▪ <b>Hockey - artificial turf (enclosure)</b>	897.00	900.00	905.00
▪ <b>Football - artificial turf (enclosure)</b>	897.00	900.00	905.00

## Parks and reserves (continued)

Winter Sports - Continued	2016 \$	2017 \$	2018 \$
<b>Sandy Point Domain</b>			
<b>Clubs occupying Sandy Point Domain</b>			
▪ Club buildings	395.00	400.00	410.00
▪ Grounds Annual charge to be assessed on the area of land occupied per hectare or part thereof, minimum charge 1 ha. Where a building is also on the site, the charge shall be the land area plus the building rate.	175.00	185.00	190.00
▪ Crib sites • Sandy Point Domain - per annum	730.00	745.00	750.00
<b>Buildings other than Sandy Point</b>			
Buildings other than Sandy Point	Current market value	Current market value	Current market value
<b>Fencing Contribution</b>			
<b>For reserves boundary fences</b>			
▪ Half cost of materials, up to a yearly set fee per lineal metre	40.00	40.00	40.00
<b>Miscellaneous Charges</b>			
<b>Applications Requiring Management Plan Change</b>	<b>2016/17 \$</b>	<b>2017/18 \$</b>	
Initial application fee	60.00	60.00	
Associated costs of application including but not limited to advertising, Minister of Conservation fee, survey fees, legal fees etc.	Recovery of actual cost incurred by Council	Recovery of actual cost incurred by Council	
<b>Firewood</b>			
Permit - issued for up to 4 weeks	15.00	15.00	
<b>Hire of Plants from Mclvor Road Nursery</b>			
<b>(Charges do not include delivery)</b>			
Planter Bag Sizes 2, 3 or 5	3.00 (each)	3.00 (each)	
Planter Bag Sizes 8, 12 or 28	4.00 (each)	4.00 (each)	
Planter Bag Size 40	6.00 (each)	6.00 (each)	
Tubs	12.00 (each)	12.00 (each)	
<b>Parks Operations</b>			
Non Council work	Tender / quote	Tender / quote	

Parks and Services - Cemeteries and Crematorium	2016/17 \$	2017/18 \$
<b>Cemeteries – Burial Fees</b>		
<b>Monday to Saturday, excluding Sundays and public holidays, including pre-purchase of right of burial. Hours 8am to 5pm weekdays (summer months); 8am to 4pm weekdays (winter months); 8am to 1pm Saturdays.</b>		
Person over five years of age	830.00	840.00
Child five years of age or under (children's burial area)	500.00	500.00
Stillborn and child up to one year	300.00	300.00
Breaking concrete	Actual time taken	Actual time taken
Second burials - and subsequent burial/s	1,000.00	1,000.00
Maintenance Fee - on each burial (not applicable to stillborn and up to five years old; and Ex-Servicemen in the Servicemen's section)	560.00	565.00
Handfill		
- Using existing material		No charge
- Using new material brought in	100.00	100.00
<b>Burial of ashes in cemetery</b>		
• Burial of ashes	122.00	125.00
Maintenance fee on each burial of ashes	222.00	225.00
Recording fee for scattered ashes	40.00	40.00
<b>Ex-Servicemen's burial in Servicemen's area of cemetery</b>		
<b>For burials</b>		
• Monday to Saturday	800.00	840.00
• Ash burial fee	120.00	125.00
<b>Out of hours fee for burials Saturday 1pm to 4pm</b>		
Out of hours fee, subject to special approval, in addition to normal fees	320.00	325.00
<b>Purchase of Allotments</b>		
<b>(Including pre-purchase of allotment for right of burial)</b>		
• Single one burials	735.00	750.00
• Children's plot, 1.8m x 0.75m	380.00	385.00
• Standard width plot (2 capacity), 2.75m x 1.2m	870.00	880.00
• Double width plot (4 capacity), 2.75m x 2.4m	1,740.00	1,760.00
• Family plots - fee to be determined by size of plot requested (based on multiples of two-capacity plots)	Fee to be determined	Fee to be determined

## Parks and reserves (continued)

Parks and Reserves - Cemeteries and Crematorium continued	2016/17 \$	2017/18 \$
• Plot for burial of ashes (standard size)	155.00	160.00
• Plot for burial of ashes (60cm x 60cm)	275.00	280.00
<b>Other fees</b>		
<b>Memorial beam (including lost Seamen)</b>		
• Permit fee	45.00	45.00
• Beam	45.00	45.00
Free ground plaques	45.00	45.00
• Beam	45.00	45.00
• Maintenance fee	220.00	225.00
• Memorial Grove (including permit, planting, tree and recording fees)	200.00	225.00
<b>Miscellaneous</b>		
<b>Permit fee for the erection of memorials</b>		
• Prior to erection	45.00	45.00
• Non-notified	75.00	75.00
<b>Genealogical search fee</b>		
• Inspection of records/cards	1.00	1.00
• Print-out per page/copy per card	1.00	1.00
• Search (correspondence including email - minimum)	11.00	11.00
<b>Disinterment and Reinterment</b>		
• Disinterment fee, adult over five years old	2,300.00	2,300.00
• Disinterment fee, child under five years old	1,100.00	1,100.00
• Reinterment fee (same plot)	520.00	520.00
• Disinterment of ashes	125.00	125.00
• Reinterment of ashes	125.00	125.00
<b>For cremations (including pre-purchase)</b>		
<b>Cremations (excluding use of chapel) Monday to Friday, 8.30am to 5pm, Saturday morning 8.30am to 1pm</b>		
• Persons over 10 years of age	765.00	770.00

Parks and Reserves - Cemeteries and Crematorium continued		2016/17 \$	2017/18 \$
• Child 1 to 10 years of age		450.00	460.00
• Stillborn and child up to one year old		230.00	230.00
• Under 20 weeks gestation			50.00
<b>Additional Fees</b>			
• Saturday afternoons, 1pm to 4pm (subject to special approval and in addition to normal fees)		325.00	325.00
• Use of chapel for funeral service; committal prior to cremation; or memorial service where no cremation is involved		265.00	270.00
• Storage of ashes more than 14 days after cremation, per calendar month or part thereof		50.00	50.00
Crematorium		2016/17 \$	2017/18 \$
<b>Purchase of allotments</b>			
<b>Memorial Gardens</b>			
• Kerb plot		155.00	160.00
• Garden of Memorial		155.00	160.00
• Garden of Roses		370.00	370.00
• Garden of Rest		155.00	160.00
• Children's Garden		155.00	160.00
• Avenue of Tranquillity		370.00	370.00
<b>Miscellaneous</b>			
Burial of ashes		122.00	125.00
<b>Maintenance</b>			
• Fee on each burial of ashes (not applicable to stillborn and up to five years)		222.00	225.00
• Fee recording scattered ashes		45.00	45.00
<b>Disinterment and Reinterment</b>			
• Disinterment of ashes		125.00	125.00
• Reinterment of ashes		125.00	125.00
Book of Remembrance		10.00 per line	15.00 per line

# Passenger transport

Passenger Transport Fees	From 1 February 2017 \$	From 1 February 2018 \$
<b>Under five years old</b>		
• Peak	Free	Free
• Off-Peak	Free	Free
• Cross City	Free	Free
<b>Child (5-15 years old)</b>		
• Peak	2.30	2.30
• Off-Peak	1.80	1.80
• Cross City	2.80	2.80
<b>Adult</b>		
• Peak	3.20	3.20
• Off-Peak	1.80	1.80
• Cross City	3.80	3.80
<b>Senior Citizen</b>		
• Peak	2.30	2.30
• Off-Peak	1.80	1.80
• Cross City	2.80	2.80
<b>Super Gold Card</b>		
• Peak	2.30	2.30
• Off-Peak	Free	Free
• Cross City	2.80	2.80

**NOTES:**

1. The Cross City fare lets you take two trips within the hour.
2. Bus Smart card users receive a 10% discount on all fares.
3. Maximum fares shown. Council may select not to implement this level of fare if other strategies are agreed. Actual fares may be confirmed on Council's website.

# Pools

Splash Palace Fees	2016/17 \$	2017/18 \$
Adult	6.00	6.20
Senior (60 years or over)	4.50	4.60
Student (Full time tertiary)	4.50	4.60
Child	4.50	4.60
Lane Space (peak time) (20/25m lane space per hour plus entry)	20.00	20.00
Lane Space (off peak) (20/25m lane space booking fee plus entry)	9.00	9.50

# Resource management

Land Use and Subdivision Applications	2016/17 \$	2017/18 \$
Fixed initial deposit for Non-Notified applications (Land Use Resource Consents, Outline Plan requests, Change or Cancellation of Resource Consent Conditions, Objection to Resource Consents and Requests for Extensions of Time Limits).	550.00	600.00
Fixed initial deposit for Non-Notified Applications (Land Use Resource Consents for Demolition - Rule 4.30 only).	315.00	315.00
Fixed initial deposit for Non-Notified Subdivision Consents.	960.00	1,000.00
Fixed initial deposit Non-Notified Applications which are decided by the Hearings Panel. A Hearing Fee will also be charged.	1,970.00	2,000.00
Fixed initial deposit for Applications where notice is served under Section 95 B of the Resource Management Act 1991 (Resource Consents, Change or Cancellation of Conditions, Extensions of Time Limits). Where the application is decided by the Hearings Panel a Hearing Fee will also be charged.	2,300.00	2,400.00
Fixed initial deposit for Notified Applications. Where the application is decided by the Hearings Panel a Hearing Fee will also be charged.	3,690.00	3,800.00
Where any of the above fixed initial deposits are insufficient to cover the costs associated with the processing of an application the following fee charges will apply.	Actual fee for external professionals, postage and packaging. Staff 120.00 per hour	Actual fee for external professionals, postage and packaging. Staff 120.00 per hour
Combined Land Use and Subdivision Applications		
Fixed initial deposit for Non-Notified Combined Applications.	1,230.00	1,300.00
Fixed initial deposit for Non-Notified Applications Non-Notified Combined Applications which are decided by the Hearings Panel. A Hearing Fee will also be charged.	2,360.00	2,500.00
Fixed initial deposit for Combined Applications where notice is served under Section 95 B of the Resource Management Act 1991. Where the application is decided by the Hearings Panel a Hearing Fee will also be charged.	2,660.00	2,800.00
Fixed initial deposit for Notified Applications for combined Applications. Where the application is decided by the Hearings Panel a Hearing Fee will also be charged.	4,025.00	4,200.00
Monitoring		
Monitoring of Resource Consents (per hour)	120.00	120.00
Lodging of Objections		
Objections lodged under section 357 and 357A. Where a Hearing is required a Hearing Fee will also be charged.	725.00	750.00

<b>Peer Review of Applications returned under section 88 of the RMA</b>	<b>2016/17 \$</b>	<b>2017/18 \$</b>
Applicant requests a review of Council's decision to return the application under section 88 of the RMA.	Actual fee where Council's decision to return the application is upheld	Actual fee where Council's decision to return the application is upheld
<b>Independent person to chair pre-application meeting</b>		
Applicant requests an independent person chairs the pre-application meeting.	Actual fee	Actual fee
<b>Designations/Heritage Orders and Plan Changes</b>		
Fixed initial deposit for Notice of requirement for Designations (Section 168) and Heritage Order applications. Where a Hearing is required a Hearing Fee will also be charged.	5,595.00	6,200.00
Fixed initial deposit for the Alteration or Removal of a Designation or Heritage Order.	740.00	800.00
Request for a Plan Change (for minor requests for a Plan Change the costs could be significantly lower than this fee, in which case an appropriate fee would be negotiated). Where a Hearing is required a Hearing Fee will also be charged.	12,735.00	13,000.00
<b>Hearing Fees</b>		
Fixed Initial Deposit (To be paid prior to the Hearing)	1,500.00 for Hearings lasting up to 2 hours.	1,500.00 for Hearings lasting up to 2 hours.
Hearing Fee per hour after the first 2 hours	600.00	600.00
Hearings Commissioner	Where a commissioner hears and decides / recommends on an application the Commissioner's fee will be charged.	Where a commissioner hears and decides / recommends on an application the Commissioner's fee will be charged.
External Professionals (where required)	Actual fee	Actual fee
<b>Documents and Certificates</b>		
Certificates under Sections 10 and 139 of the Resource Management Act 1991 and other Certificates, eg. Local Authority Compliance Certificate under the Sale and Supply of Alcohol Act 2012.	390.00	400.00
Council Signing Under Seal of Legal Documents	315.00 and any associated legal fees	350.00 and any associated legal fees
Council Signatories for Legal Documents	260.00 and any associated legal fees	300.00 and any associated legal fees

## Resource management (continued)

Documents and Certificates continued	2016/17 \$	2017/18 \$
Council Signing of Survey Certification		
• Section 223	120.00	150.00
• Section 224(c) / Section 224(f) Note - Should a bond be requested and accepted, an administration fee will be charged.	170.00	200.00
• Section 221	170.00	200.00
• Combined 223 and 224(c) / 224(f)	170.00	200.00
• Section 226 application including Certification	400.00	500.00
Applications by Council Business Units, Council Controlled Organisations and Council Organisations		
All applications	Actual costs for processing, hearing and decision-making, including the cost of Hearings Commissioners and External Professionals when required.	Actual costs for processing, hearing and decision-making, including the cost of Hearings Commissioners and External Professionals when required.
Engineering Plans		
Lodgement of Engineering Plans and Specifications of Subdivision Including Checking and Inspection as Required Under the Council's Code of Land Development Bylaw.	1.5% of the estimated cost of the Engineering Works or \$1,000.00, whichever is the greater. (Estimated cost to be acceptable to Council.)	1.5% of the estimated cost of the Engineering Works or \$1,000.00, whichever is the greater. (Estimated cost to be acceptable to Council.)
Re-Inspection Fees - Additional inspections other than those required by the Code of Land Development Bylaw (per hour).	120.00	120.00
Infringement fees – Resource Management (Infringement Offences) Regulations 1999		
Section 338(1)(a) - Contravention of Section 9 (restrictions on use of land)	300.00	300.00
Section 338(1)(c) - Contravention of an abatement notice (other than a notice under 322(1)(c))	750.00	750.00
Section 338(2)(a) - Contravention of Section 22 (failure to provide certain information to an enforcement officer)	300.00	300.00
Section 338(2)(c) - Contravention of an excessive noise direction under Section 327.	500.00	500.00
Section 338(2)(d) Contravention of an abatement notice for unreasonable noise under Section 322(1)(c).	750.00	750.00

Other Legislation	2016/17 \$	2017/18 \$
Section 327A Revocation of Building Line Restriction.	500.00	600.00
Section 348 Right of Way Approval.	500.00	600.00
<b>District Plan</b>		
Invercargill City District Plan		
Within Southland	194.00	250.00
Remainder of New Zealand (including postage and packaging)	210.00	300.00
<b>Rapid Signs and Aerial Photos</b>		
<b>RAPID Number Sign Charges</b>		
• Single Flat Sign	41.00	41.00
• Range Sign	51.00	51.00
• Row Signs (each)	10.00	10.00
• Installation	50.00	75.00
<b>Supply of Aerial Photos</b>		
Customised projects	120.00 per hour	120.00 per hour
<b>Requests for Remittance of Fees and Charges</b>		
Requests for Remittance of Fees and Charges under Section 36(5) of the Resource Management Act 1991.	Written requests to the Director of Environmental and Planning Services, Invercargill City Council	Written requests to the Director of Environmental and Planning Services, Invercargill City Council

# Roading

Roading Fees	2016/17 \$	2017/18 \$
<b>Licence to occupy road - "Café licence" (No Alcohol Permitted) - Annual Charge</b>		
• Up to 15 square metres	125.00	125.00
• Per additional square metre	12.50	12.50
• Special designated area of footpath for Liquor Licence or similar (Annual Charge)	1,050.00	1,050.00
• Metered parking space removal (Annual Charge or pro rata for longer periods)	2,000.00	2,000.00
Restricted use of footpath, e.g. scaffolding permit (monthly fee - also requires CAR permit)	5.00 per calendar day (minimum 80.00)	Minimum of 80.00 (for up to 30 days) then 5.00 per calendar day thereafter
Overweight permit	Set by legislation	Set by legislation
Vehicle crossing application per crossing	Technical charge based on processing time (minimum 60.00)	Technical charge based on processing time (minimum 60.00)
Corridor Access Request (previously road opening permit) Excavation or similar	Technical charge based on processing time (minimum 55.00)	Technical charge based on processing time (minimum 55.00)
No Dig or minor event or similar approval	-	35.00
Approval for a Roadside Grazing permit or Dust Suppressant application permit or Demolition or removal of property or Placing of Shipping Container of Frontage or Approval for use of any Road Space.	Technical charge based on processing time (minimum 50.00)	Technical charge based on processing time (minimum 50.00)
<b>Parking</b>		
Esk Street Number 1 off street car park (per hour)	1.20	1.20
Esk Street Number 2 off street car park (per hour)	1.20	1.20
Esk Street Numbers 1 and 2 and Don Street off street carpark limited spaces (per month)	70.00	See Note 2
Don Street off street car park (per hour)	1.20	1.20
Tay Central off street car park (per hour)	1.20	1.20
Esk No 2 Carpark Reserved Permit Parking		55.00 - 70.00

Parking continued	2016/17 \$	2017/18 \$
<b>Park Zone Car Park Building (Leven Street)</b>		
• Casual parking (per hour)	1.20	1.20
• Business hours card (per month)	60.00	See Note 2
• 24 hour card (per month)	70.00	See Note 2
• Reserved card (per month)	105.00	See Note 2
Reserved Permit Space (Red Zone)		75.00
Reserved Space ( Level 7 - Blue Zone ) (limited numbers)		55.00
On street parking meters (per hour)	1.20-1.50	1.20
Coach parking (per hour)	2.50	2.50
Meter Bags		
• Per day	15.00	15.00
• Per calendar week	65.00	65.00

**Notes**

1. Meter bags previously in Environmental Health area.
2. Some of the carparking charges have been rationalised and substituted by a new charge of a similar nature.

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# Sewerage

Trade Waste Bylaw Fees		2016/17	2017/18
		\$	\$
<b>Reinspection Fee</b>	<b>Actual costs charged by accredited laboratory</b>		
Volume Charge (C <sub>v</sub> )		39.6c/m <sup>3</sup>	40.6c/m <sup>3</sup>
Biochemical Oxygen Demand Charge / Organic Loading (C <sub>B</sub> )		39.5c/Kg BOD	40.5c/Kg BOD
Suspended Solids Charge (C <sub>S</sub> )		35.9c/Kg SS	36.8c/Kg SS
<b>Tankered Waste (Clifton)</b>			
Plant influent (main sewer)		9.50/m <sup>3</sup>	9.50/m <sup>3</sup>
Digester		19.00/m <sup>3</sup>	19.00/m <sup>3</sup>
Other		9.50/m <sup>3</sup>	9.50/m <sup>3</sup>
<b>Connection Fees</b>			
Kennington Connection		-	7,000.00

# Solid waste

Invercargill Transfer Station	2016/17 \$	2017/18 \$
Cash minimum	5.00	5.00
Account minimum	10.00	10.00
General waste per tonne	172.00	192.00
Mixed waste > 80% green waste per tonne	137.00	157.50
Mixed waste < 80% green waste per tonne	172.00	192.00
Green waste only per tonne	73.00	78.00
Cleanfill only per tonne	86.00	88.50
Hazardous waste per tonne	86.00	88.50
Car tyres, each (weight charges also apply)	6.00	6.00
Truck tyres, each (weight charges also apply)	11.00	11.00
<b>Bluff Transfer Station</b>		
<b>Rubbish</b>		
• Car	10.00	10.00
• Station wagon	16.00	16.00
• Ute/large van	26.00	26.00
• Trailer - single axle	41.00	41.00
• Trailer - tandem axle	69.00	69.00
• Tyres - car, each (no bulk loads)	6.00	6.00
• Tyres - truck, each (no bulk loads)	11.00	11.00
<b>Greenwaste</b>		
• Car	5.50	5.50
• Station wagon	8.00	8.00
• Ute/large van	13.00	13.00
• Trailer - single axle	20.50	20.50
• Trailer - tandem axle	34.50	34.50

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# Southland Museum & Art Gallery

AV Theatre	2016/17 9.00am to 5.00pm	2016/17 After Hours	2017/18 9.00am to 5.00pm	2017/18 After Hours
Community Rate	Free	Free	Free	Free
Not for Profit Rate	\$30.00 per hour	\$60.00 per hour	\$30.00 per hour	\$60.00 per hour
Commercial Rate	\$50.00 per hour	\$100.00 per hour	\$50.00 per hour	\$100.00 per hour
Tuatara School Groups/Lectures	Free	N/A	Free	N/A
Exhibition Gallery Spaces	2016/17 9.00am to 5.00pm	2016/17 After Hours	2017/18 9.00am to 5.00pm	2017/18 After Hours
Community Rate	Free	N/A	Free	N/A
Not for Profit	30.00 per hour	60.00 per hour	30.00 per hour	60.00 per hour
Commercial Rate	\$50.00 per hour	\$100.00 per hour	\$50.00 per hour	\$100.00 per hour
Piano use/tuning	Free	Free	Free	Free
Community Gallery	2016/17		2017/18	
Gallery hire - four weeks	260.00		260.00	
Exhibition sales	2016/17		2017/18	
Commission	1/3 (33%) of the GST exclusive sale price, plus GST		1/3 (33%) of the GST exclusive sale price, plus GST	
Digital Services	2016/17		2017/18	
Photo emailed/printed (personal use)	25.00		25.00	
Photo emailed/printed to be published	\$25.00 + \$50.00 (acknowledgement fee)		\$25.00 + \$50.00 (acknowledgement fee)	
Request for photo of collection item	\$55.00		\$55.00	
Photo to be used on front cover	To be negotiated		To be negotiated	
Filming by prior arrangement per hour	\$250.00		\$250.00	
Other Southland Museums and Historical Societies	Cost only		Cost only	
Research	2016/17		2017/18	
Research fee (pro rata)	\$180.00 per hour		\$180.00 per hour	
Photocopying	2016/17		2017/18	
A4 Black and white	\$0.20		\$0.20	
A4 Colour	\$0.50		\$0.50	

Official Information Requests (per hour)	2016/17	2017/18
Executive Staff	\$220.00	\$220.00
Managers and Team Leaders	\$180.00	\$180.00
Professional and Technical Staff	\$120.00	\$120.00
Administrative Staff	\$80.00	\$80.00
<b>Photocopying</b>		
• A4 page	\$0.20	\$0.20
• A3 page	\$0.40	\$0.40
Travel per km	\$0.75	\$0.75
Museum Entry Fee	2016/17	2017/18
All Residents of Southland	-	Free
All Visitors to Southland:	-	Proposed new Entry Fee
Adult		\$10.00
Students (secondary, tertiary, adult)		\$5.00
Under 10 yrs of age		Free
Family		\$20.00

#### Alteration of Fees

Fees and charges may be refunded, remitted or waived by the Manager, Southland Museum and Art Gallery. The fees and charges listed were correct at the time of going to print. The Council reserves the right to alter fees and charges during the year. Any changes will be publicly notified for submissions. All fees and charges are GST inclusive unless otherwise stated.

# Water supply

Sale of water	2016/17 \$	2017/18 \$
Class A: Excess usage by Easement Grantors (by agreement) m <sup>3</sup>	0.0254	0.0254
<b>Class C: Extraordinary Consumers of Reticulation (non-residential rating units) Annual Consumption m<sup>3</sup>:</b>		
• 0 to 249	0	0
• 250 to 100,000	0.63	0.64
• 100,001 to 200,000	0.56	0.58
• 200,001 to 300,000	0.49	0.51
• 300,001 and above	0.41	0.45
Class D: Southland District Council consumers off Branxholme pipelines m <sup>3</sup>	1.35	1.40
Class G: Bulk water ex waterworks to tankers etc (minimum \$16.40) m <sup>3</sup>	2.05	2.10
Class H: Supplied per metered standpipe ex hydrants (minimum \$16.40) m <sup>3</sup>	2.05	2.10
• Plus standpipe hire per day	40.00	40.00
<b>Class I: Builders unmetered supply paid with permit fees</b>		
• Dwelling	40.00	40.00
• Commercial buildings	80.00	80.00
<b>Water connection charges</b>		
<b>Ordinary connections (Invercargill area)</b>		
• 20mm service each	1,750.00	1,750.00
• 25mm service each	2,350.00	2,350.00
Ordinary connections (Bluff area)	Quote	Quote
Extraordinary connections	Quote	Quote
Renewals (20mm diameter)	1,310.00	1,310.00
<b>Disconnection fee</b>		
• Up to and including 50mm each	700.00	700.00
• 25mm service each	Quote	Quote
Reconnection fee (up to 50mm diameter)	1,000.00	1,000.00
Service connection flow test each	300.00	300.00
<b>Backflow preventer fee</b>		
• Registration and installation	125.00	125.00
• Annual inspection	70.00	70.00
Fire protection water connection annual licence	70.00	70.00





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# FINANCIAL SUMMARY

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## 2017/18 FINANCIAL SUMMARY

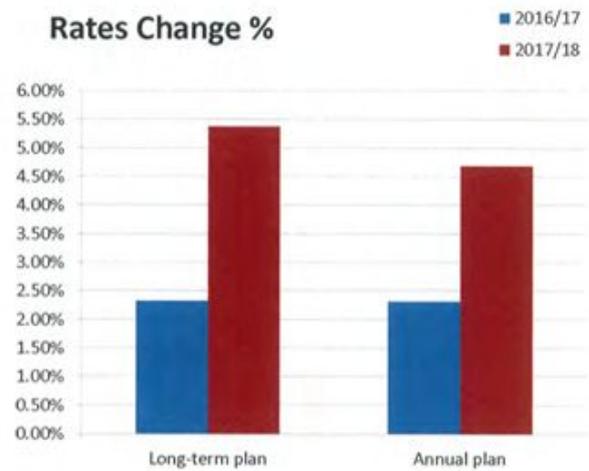
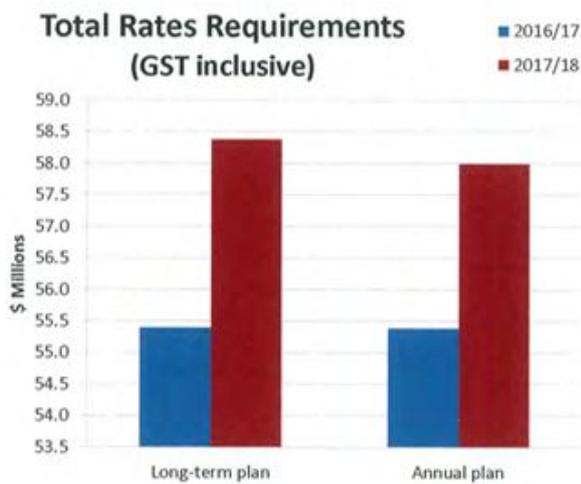
The Annual Plan 2017/18 incorporates a rates increase of 4.7%. This is a total rates draw of \$58 million.

The Council's Long-term Plan anticipated an increase of 5.39%. This was a total rates draw of \$58.4 million.

Total revenue will increase from \$85.4 million in 2016/17 to \$90 million in 2017/18, a 5.39% increase.

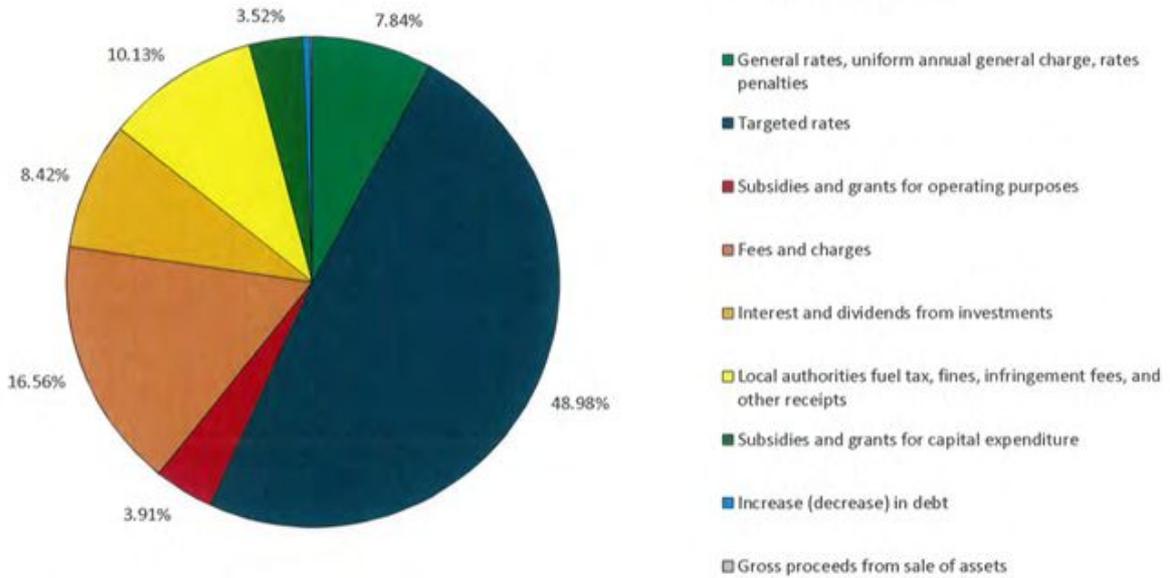
Total operating expenditure will increase from \$89.8 million in 2016/17 to \$92.5 million in 2017/18, a 3.01% increase.

Financial Summary	2016/17 Annual Plan \$000	2017/18 Long-term Plan \$000	2017/18 Annual Plan \$000
Rates Revenue (GST inclusive)	55,391	58,382	57,995
Rates Change	2.32%	5.39%	4.70%
Rates Revenue (GST exclusive)	48,166	50,767	50,430
Total Revenue	85,374	88,952	90,002
Operating Expenditure	89,755	93,052	92,490
Operating Surplus/(Deficit)	(4,381)	(4,100)	(2,488)
Total Assets	857,455	809,740	856,947
Total Liabilities (excluding External Debt)	14,876	14,051	15,260
External Debt	102,672	56,677	101,593
Total Equity	739,907	739,012	740,094



### 2017/18 FUNDING

Council funding comes from a number of sources including 57% from rates and 17% from fees and charges. Other funding is received from grants and subsidies, interest, dividends, loan and reserves. This is based on the 2017/18 year and is shown in the pie graph below.

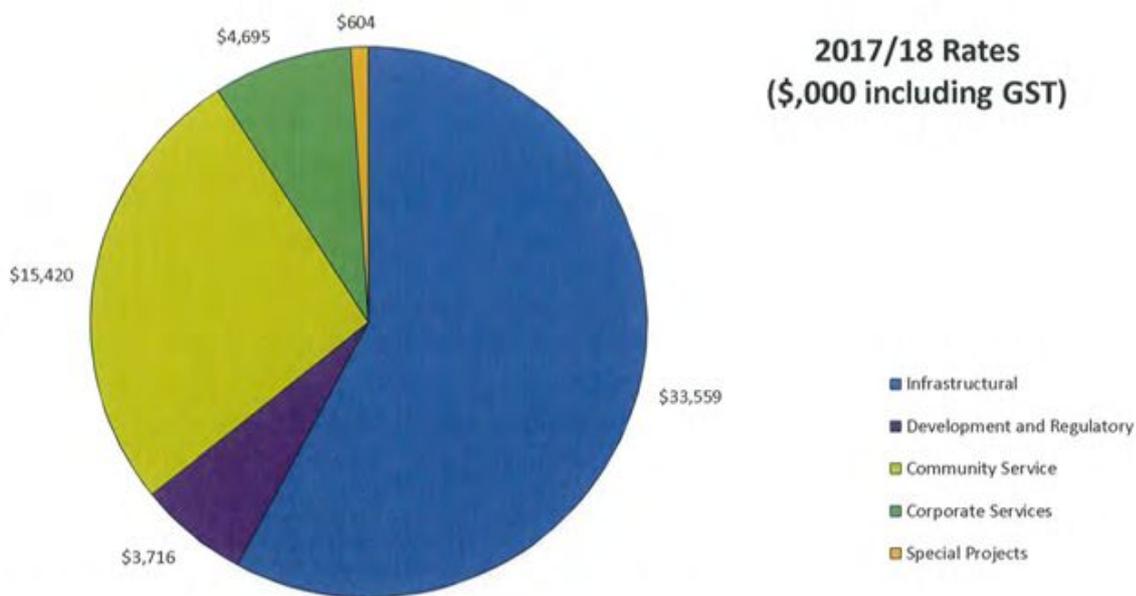


### 2017/18 RATES SUPPORT FOR ACTIVITIES

Most 2017/18 expenditure occurs within the Infrastructural Services group of activities (Roading, Sewerage, Solid Waste Management, Stormwater and Water Supply).

Financial forecasts reflect the cost associated with Council undertaking its activities. Changing the overall cost of Council activities can only be undertaken by reducing levels of service or reducing the maintenance on assets (which increases the risk of failure).

Rates support for activities may be reduced by increasing fees and charges for that activity. Council's Financial Strategy (Pages 33 - 54 of the LTP) will assist Council in refining the projects that the community considers to be essential and those which it would like to have but cannot afford.



The following table sets out proposed and current rating examples by property type.



# BENCHMARKS

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## BENCHMARKS

### What is the purpose of this statement?

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

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

Benchmark		Planned	Met
Rates affordability benchmark:			
Income	60%	57.4%	YES
Increases (LGCI + 3%)	4.9%	4.7%	YES
Debt affordability benchmark:	15%	11.9%	YES
Balanced budget benchmark:	100%	99.8%	NO
Essential services benchmark:	100%	88.5%	NO
Debt servicing benchmark:	10%	5.0%	YES

### Notes

#### Rates affordability benchmark

(1) For this benchmark,—

(a) the council's planned rates income for the year is compared with quantified limits on rates contained in the financial strategy included in the council's long-term plan; and

(b) the council's planned rates increases for the year are compared with quantified limits on rates increases for the year contained in the financial strategy included in the council's long-term plan.

(2) The council meets the rates affordability benchmark if—

(a) its planned rates income for the year equals or is less than each quantified limit on rates; and

(b) its planned rates increases for the year equal or are less than each quantified limit on rates increases.

#### Debt affordability benchmark

(1) For this benchmark, the council's planned borrowing is compared with quantified limits on borrowing contained in the financial strategy included in the council's long-term plan.

(2) The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

(3) The Council's 2015-2025 Long-Term Plan anticipated that our limit on borrowings would remain at or below 7% (being debt over assets), with an overall upper limit of 15%. In the 2017/18 Annual Plan we are now forecasting an 12% debt over asset ratio. This is mainly because of a \$30 million transaction with Invercargill City Holdings Limited (ICHL). In October 2015, Council approved a major transaction for ICHL, enabling Electricity Invercargill Limited to add further capital to the Southern Generation Partnership for the purchase of the Aniwhenua Power Station. The raising of \$30 million of debt was also approved for this transaction. In January 2016 Council approved that Council borrow \$30 million in its own name and on lend this to ICHL at a market interest rate ICHL would be able to obtain in its own right, thus making an interest margin to ICC. This interest margin has been calculated in the 2017/18 Annual Plan to be \$150,000 which has been used to offset rates.

**Balanced budget benchmark**

- (1) For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).
- (2) The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.
- (3) The council does not meet the balanced budget benchmark (is running a deficit) in 2017/18. This is due to Council underfunding depreciation for the Roading Activity (in particular footpaths).

**Essential services benchmark**

- (1) For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- (2) The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.
- (3) Although council does not meet the essential services benchmark in 2017/18, over time council's capital expenditure should equal its depreciation on network services. Council replaces its assets as they deteriorate therefore due to some projects being large, the benchmark will fluctuate above and below each year.

**Debt servicing benchmark**

- (1) For this benchmark, the council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).
- (2) Because Statistics New Zealand projects that the council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.



# FINANCIAL STATEMENTS

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**PROSPECTIVE STATEMENT OF FINANCIAL POSITION**

		Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>ASSETS</b>				
Cash and cash equivalents	1	4,368	6,280	8,385
Trade and other receivables	2	11,488	10,515	12,556
Inventories		669	704	676
Other financial assets - current	3	0	0	20,275
<b>Current assets</b>		<b>16,525</b>	<b>17,499</b>	<b>41,892</b>
Property, plant and equipment assets	4	715,473	719,998	711,838
Intangible assets		339	307	837
Forestry assets		2,481	2,135	3,093
Investment property	5	35,089	29,603	35,658
Other financial assets - Investments in CCO's		36,069	36,069	36,069
Other financial assets - Other	6	51,479	4,129	27,560
<b>Non-current assets</b>		<b>840,930</b>	<b>792,241</b>	<b>815,055</b>
<b>TOTAL ASSETS</b>		<b>857,455</b>	<b>809,740</b>	<b>856,947</b>
<b>LIABILITIES</b>				
Trade and other payables		10,291	9,896	9,608
Provisions - current portion		84	86	149
Employee benefit liabilities - current portion		2,296	2,131	2,497
Borrowings - current portion	7	3,649	3,796	3,842
Derivative Financial Instruments - current portion		6	7	11
<b>Current liabilities</b>		<b>16,326</b>	<b>15,916</b>	<b>16,107</b>
Employment benefit liabilities - non current portion		809	853	1,238
Borrowings - non current portion	7	99,023	52,881	97,751
Provisions - non current portion		743	704	646
Derivative Financial Instruments - non current portion		647	374	1,111
<b>Non-current liabilities</b>		<b>101,222</b>	<b>54,812</b>	<b>100,746</b>
<b>TOTAL LIABILITIES</b>		<b>117,548</b>	<b>70,728</b>	<b>116,853</b>
Retained earnings		397,502	400,898	396,522
Restricted reserves		20,484	15,768	21,865
Hedging reserves		(568)	(143)	(1,122)
Asset revaluation reserves		322,489	322,489	322,829
<b>TOTAL EQUITY</b>		<b>739,907</b>	<b>739,012</b>	<b>740,094</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>857,455</b>	<b>809,740</b>	<b>856,947</b>

**PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE**

	NOTE	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>Revenue</b>				
Rates revenue excluding targeted water supply rates		41,792	42,869	43,087
Rates revenue - targeted water supply rates		6,374	7,898	7,343
Other revenue	<b>1</b>	34,422	37,342	36,782
Gain on sale of assets		0	0	0
Investment property revaluations - gain/(loss)		696	723	720
Finance revenue	<b>2</b>	2,090	120	2,070
		<b>85,374</b>	<b>88,952</b>	<b>90,002</b>
<b>Expenditure</b>				
Employee benefit expenses		23,202	23,986	24,564
Depreciation and amortisation		23,897	22,864	22,081
Other expenses	<b>3</b>	38,814	42,791	41,472
Finance expenses	<b>4</b>	3,842	3,411	4,373
		<b>89,755</b>	<b>93,052</b>	<b>92,490</b>
<b>Operation surplus/(deficit)</b>		<b>(4,381)</b>	<b>(4,100)</b>	<b>(2,488)</b>
<b>Other Comprehensive Revenue</b>				
Property Plant and Equipment Revaluations -Gain/(Loss)		50,218	0	0
Less Taxation Expense		0	0	0
<b>Total Comprehensive Revenue &amp; Expense after Taxation</b>		<b>45,837</b>	<b>(4,100)</b>	<b>(2,488)</b>

**PROSPECTIVE STATEMENT OF CHANGES IN EQUITY**

	NOTE	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>Equity balance at 1 July</b>		694,070	743,112	742,582
Total Comprehensive Revenue & Expense after taxation		45,837	(4,100)	(2,488)
<b>Total Recognised Revenues and Expenses for year</b>		45,837	(4,100)	(2,488)
<b>Equity balance at 30 June</b>		739,907	739,012	740,094
<b>COMPONENTS OF EQUITY</b>				
<b>Retained earnings at 1 July</b>		400,324	405,369	395,916
Net surplus/(deficit) for the year		45,837	(4,100)	(2,488)
Transfers (to)/from Restricted reserves		1,559	(371)	3,094
Transfers (to) /from Hedging reserves		0	0	0
Transfers (to)/from Revaluation reserves		(50,218)	0	0
<b>Retained earnings at 30 June</b>		<b>397,502</b>	<b>400,898</b>	<b>396,522</b>
<b>Restricted reserves at 1 July</b>		22,043	15,397	24,959
Transfers to/(from) reserves		(1,559)	371	(3,094)
<b>Restricted reserves at 30 June</b>		<b>20,484</b>	<b>15,768</b>	<b>21,865</b>
<b>Hedging reserves at 1 July</b>		(568)	(143)	(1,122)
Transfers to/(from) reserves		0	0	0
<b>Hedging reserves at 30 June</b>		<b>(568)</b>	<b>(143)</b>	<b>(1,122)</b>
<b>Revaluation reserves at 1 July</b>		272,271	322,489	322,829
Transfers to/(from) reserves		50,218	0	0
<b>Revaluation reserves at 30 June</b>		<b>322,489</b>	<b>322,489</b>	<b>322,829</b>

**PROSPECTIVE STATEMENT OF CASHFLOWS**

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash was provided from</b>			
Rates revenue	48,166	50,767	50,430
Investment revenue	2,090	120	2,070
Dividend revenue	5,300	5,100	5,500
Other operating revenue	27,323	30,408	29,447
	<u>82,879</u>	<u>86,395</u>	<u>87,447</u>
<b>Cash was applied to</b>			
Operating expenditure	60,268	65,027	64,284
Interest expenditure	3,842	3,411	4,373
	<u>64,110</u>	<u>68,438</u>	<u>68,657</u>
<b>Net cash Inflow/(Outflow) from Operating Activities</b>	<b><u>18,769</u></b>	<b><u>17,957</u></b>	<b><u>18,790</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash was provided from</b>			
Redemption of investments	5,094	3,697	6,714
Sale of fixed assets	139	145	156
	<u>5,233</u>	<u>3,842</u>	<u>6,870</u>
<b>Cash was applied to</b>			
Purchase of fixed assets	27,752	19,920	22,045
Investments made	4,521	5,040	4,112
	<u>32,273</u>	<u>24,960</u>	<u>26,157</u>
<b>Net cash Inflow/(Outflow) from Investing Activities</b>	<b><u>(27,040)</u></b>	<b><u>(21,118)</u></b>	<b><u>(19,287)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash was provided from</b>			
Loans raised	11,189	6,637	3,595
	<u>11,189</u>	<u>6,637</u>	<u>3,595</u>
<b>Cash was applied to</b>			
Loan principal repaid	2,969	3,560	3,181
	<u>2,969</u>	<u>3,560</u>	<u>3,181</u>
<b>Net cash Inflow/(Outflow) from Financing Activities</b>	<b><u>8,220</u></b>	<b><u>3,077</u></b>	<b><u>414</u></b>
<b>Net (Decrease) Increase in cash and cash equivalents</b>	<b><u>(51)</u></b>	<b><u>(84)</u></b>	<b><u>(83)</u></b>
Cash and cash equivalents at the beginning of the year	4,419	6,364	8,468
<b>Cash and cash equivalents at end of the year</b>	<b><u>4,368</u></b>	<b><u>6,280</u></b>	<b><u>8,385</u></b>

**RATES REVENUE RECONCILIATION FROM FUNDING IMPACT STATEMENTS  
TO STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
Roading	8,115	8,349	8,041
Sewerage	4,836	5,704	5,580
Solid Waste Management	4,162	4,032	4,295
Stormwater	3,384	3,308	3,453
Water Supply	6,374	7,898	7,327
<b>Infrastructural Services</b>	<b>26,871</b>	<b>29,291</b>	<b>28,696</b>
Animal Services	268	197	284
Building Services	755	652	753
Civil Defence Emergency Management	263	270	270
Compliance (Parking)	(128)	(123)	(133)
Environmental Health	719	900	738
Resource Management	1,185	1,170	1,218
<b>Development and Regulatory Services</b>	<b>3,062</b>	<b>3,066</b>	<b>3,130</b>
Community Development	298	335	430
Housing Care Services	0	0	0
Libraries and Archives	3,999	4,167	4,035
Parks and Reserves	6,098	6,163	6,181
Passenger Transport	761	817	681
Pools	2,097	1,949	2,184
Public Toilets	344	371	345
Theatre Services	946	971	967
Southland Museum & Art Gallery	0	0	0
Southland Regional Heritage Committee	838	757	865
Provision of Specialised Community Services	2,736	2,563	2,680
<b>Community Services</b>	<b>18,117</b>	<b>18,093</b>	<b>18,368</b>
Democratic Process	3,061	3,130	3,113
Enterprise (including Destination Marketing)	1,770	1,806	1,805
Investment Property	(211)	(660)	(311)
<b>Corporate Services</b>	<b>4,620</b>	<b>4,276</b>	<b>4,607</b>
CBD Redevelopment	183	400	168
Urban Rejuvenation	284	277	306
Earthquake Buildings	50	105	50
Invercargill Development Strategy	0	0	0
<b>Special Projects</b>	<b>517</b>	<b>782</b>	<b>524</b>
Non significant activities	(4,406)	(4,153)	(4,265)
<b>Total General rates, uniform annual general charges, targeted rates, and rates penalties - per FIS</b>	<b>48,781</b>	<b>51,355</b>	<b>51,060</b>
Less Rates Penalties (Disclosed in Other Revenue in Statement of Comprehensive Revenue and Expense)	(615)	(588)	(630)
<b>Total Rates (excluding rates penalties) - per FIS</b>	<b>48,166</b>	<b>50,767</b>	<b>50,430</b>
<b>Per Statement of Comprehensive Revenue and Expense:</b>			
Rates revenue excluding targeted water supply rates	41,792	42,869	43,087
Rates revenue - targeted water supply rates	6,374	7,898	7,343
<b>"Rates Revenue" (SOCRAE "Rates" excludes Rates Penalties)</b>	<b>48,166</b>	<b>50,767</b>	<b>50,430</b>

**OPERATING REVENUE RECONCILIATION FROM FUNDING IMPACT STATEMENTS  
TO STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
Roading	11,679	12,018	11,893
Sewerage	5,451	6,334	6,255
Solid Waste Management	8,204	8,473	8,569
Stormwater	3,384	3,308	3,453
Water Supply	7,620	9,249	8,766
<b>Infrastructural Services</b>	<b>36,338</b>	<b>39,382</b>	<b>38,936</b>
Animal Services	1,169	1,152	1,246
Building Services	2,831	3,184	2,946
Civil Defence Emergency Management	413	424	424
Compliance (Parking)	750	772	758
Environmental Health	1,111	1,338	1,305
Resource Management	1,420	1,425	1,428
<b>Development and Regulatory Services</b>	<b>7,694</b>	<b>8,295</b>	<b>8,107</b>
Community Development	300	337	432
Housing Care Services	1,797	1,864	1,797
Libraries and Archives	4,926	5,179	4,973
Parks and Reserves	15,880	16,200	16,476
Passenger Transport	2,311	2,362	2,067
Pools	5,506	6,010	5,751
Public Toilets	344	371	345
Theatre Services	1,846	1,967	1,887
Southland Museum & Art Gallery	2,658	2,665	2,985
Southland Regional Heritage Committee	1,164	1,089	1,197
Provision of Specialised Community Services	2,885	2,715	2,845
<b>Community Services</b>	<b>39,617</b>	<b>40,759</b>	<b>40,755</b>
Democratic Process	3,628	3,518	3,766
Enterprise (including Destination Marketing)	3,093	3,155	3,154
Investment Property	846	1,775	1,632
<b>Corporate Services</b>	<b>7,567</b>	<b>8,448</b>	<b>8,552</b>
CBD Redevelopment	183	400	168
Urban Rejuvenation	287	277	376
Earthquake Buildings	150	210	50
Invercargill Development Strategy	0	0	0
<b>Special Projects</b>	<b>620</b>	<b>887</b>	<b>594</b>
Non significant activities	17,948	16,473	18,943
<b>Total Operating Funding - Per Activity FIS's</b>	<b>109,784</b>	<b>114,244</b>	<b>115,887</b>

LESS: Internal charges and overheads recovered - Per FIS	(28,555)	(29,429)	(29,765)
<b>Total Operating Funding - Per Council FIS</b>	<b>81,229</b>	<b>84,815</b>	<b>86,122</b>
PLUS: Capital Funding - "subsidies and grants for capital expenditure" - Roothing activity	3,449	3,414	3,160
PLUS: Investment Property Revaluation Gain/(Loss)	696	723	720
<b>Total Revenue Funding - per Statement of Comprehensive Revenue and Expense</b>	<b>85,374</b>	<b>88,952</b>	<b>90,002</b>
<b>Per Statement of Comprehensive Revenue and Expense:</b>			
Rates revenue excluding targeted water supply rates	41,792	42,869	43,087
Rates revenue - targeted water supply rates	6,374	7,898	7,343
Other revenue	34,422	37,342	36,782
Gain on sale of assets	0	0	0
Investment property revaluations - gain/(loss)	696	723	720
Finance revenue	2,090	120	2,070
<b>Total Revenue</b>	<b>85,374</b>	<b>88,952</b>	<b>90,002</b>

**OPERATING EXPENDITURE RECONCILIATION FROM FUNDING IMPACT STATEMENTS  
TO STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
Roading	7,094	7,275	7,166
Sewerage	3,165	3,546	3,443
Solid Waste Management	8,104	8,368	8,469
Stormwater	1,505	1,306	1,471
Water Supply	4,923	5,316	5,262
<b>Infrastructural Services</b>	<b>24,791</b>	<b>25,811</b>	<b>25,811</b>
Animal Services	1,095	1,072	1,175
Building Services	2,792	3,139	2,916
Civil Defence Emergency Management	413	424	424
Compliance (Parking)	738	757	746
Environmental Health	1,124	1,306	1,315
Resource Management	1,415	1,421	1,424
<b>Development and Regulatory Services</b>	<b>7,577</b>	<b>8,119</b>	<b>8,000</b>
Community Development	296	306	427
Housing Care Services	1,572	1,547	1,613
Libraries and Archives	4,234	4,455	4,273
Parks and Reserves	14,733	15,036	15,388
Passenger Transport	2,076	2,048	2,042
Pools	5,259	5,726	5,456
Public Toilets	298	323	297
Theatre Services	1,440	1,270	1,447
Southland Museum & Art Gallery	2,625	2,660	2,719
Southland Regional Heritage Committee	1,164	1,089	1,197
Provision of Specialised Community Services	2,776	6,544	2,731
<b>Community Services</b>	<b>36,473</b>	<b>41,004</b>	<b>37,590</b>
Democratic Process	3,587	3,515	3,737
Enterprise (Including Destinalional Marketing)	3,093	3,155	3,154
Investment Property	1,570	1,620	3,033
<b>Corporate Services</b>	<b>8,250</b>	<b>8,290</b>	<b>9,924</b>
CBD Redevelopment	125	278	108
Urban Rejuvenation	247	243	326
Earthquake Buildings	150	210	50
Invercargill Development Strategy	0	0	500
<b>Special Projects</b>	<b>522</b>	<b>731</b>	<b>984</b>
Non significant activities	16,800	15,662	17,865
<b>Total Applications of Operating Funding - Per Activity FIS's</b>	<b>94,413</b>	<b>99,617</b>	<b>100,174</b>

LESS: Internal charges and overheads recovered - Per FIS	(28,555)	(29,429)	(29,765)
<b>Total Applications of Operating Funding - Per Council FIS</b>	<b>65,858</b>	<b>70,188</b>	<b>70,409</b>
<b>Per Statement of Comprehensive Revenue and Expense:</b>			
Employee benefit expenses	23,202	23,986	24,564
Other expenses	38,814	42,791	41,472
Finance expenses	3,842	3,411	4,373
	<b>65,858</b>	<b>70,188</b>	<b>70,409</b>
Plus Depreciation expenses (not in FIS)	23,897	22,864	22,081
<b>Total Operating Expenditure - per Statement of Comprehensive Revenue and Expense</b>	<b>89,755</b>	<b>93,052</b>	<b>92,490</b>

**EXPLANATION OF MAJOR VARIANCES BETWEEN  
2017/18 LONG-TERM PLAN AND 2017/18 ANNUAL PLAN**

**STATEMENT OF FINANCIAL POSITION**

- 1 Cash and cash equivalents are higher than anticipated in the Long-Term Plan due to 2015/16 actual closing balance being different to the balance assumption used in the Long-Term Plan.
- 2 Trade and other receivables are higher than anticipated in the Long-Term Plan due to 2015/16 actual closing balance being different to the balance assumption used in the Long-Term Plan.
- 3 Other financial assets - current are higher than anticipated in the Long-Term Plan due to some reserve funds being placed into short term investments.
- 4 Property, plant and equipment assets are lower than anticipated in the Long-Term Plan due to the deferral of a number of capital projects.
- 5 Investment property is higher than anticipated in the Long-Term Plan due to the larger Don Street investment property development plans compared to early initial details used in the Long-Term Plan.
- 6 Other financial assets - Other are higher than anticipated in the Long-Term Plan due to the investment advance of \$30m in the 2015/16 year to Invercargill City Holdings Limited for capital investment.
- 7 Borrowings are higher than anticipated in the Long-Term Plan due to: A) the issue of \$30m debt bonds in the 2015/16 year to fund the investment loan into Invercargill City Holdings Limited; B) the issue of \$20m debt bonds in the 2015/16 year to fund the repayment of internally funded loans and repay some existing bank loan debt.

## EXPLANATION OF MAJOR VARIANCES BETWEEN 2017/18 LONG-TERM PLAN AND 2017/18 ANNUAL PLAN

### STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE

- 1 Other revenue is lower than anticipated in the Long-Term Plan due to: A) lower refuse fees received prompted by the reduction of solid waste volumes collected from commercial users; B) lower building service fees received caused by less than expected levels of work related to post Christchurch earthquakes building services; C) lower rental income received following the delay in the commencement of construction of the Don Street investment property development; D) Removal of gym membership fees received following the decision made in May 2016 to cancel the Splash Palace Dry Gym project; E) lower milk solids payments reflecting the current market expectations. This has partly been offset by an increase in the dividend received from Invercargill City Holdings Limited.
- 2 Finance revenue is higher than anticipated in the Long-Term Plan due to: A) increased interest income earned from having additional reserve funds held from the repayment of internally funded loans in 2015/16; B) additional income earned from the \$30m advance loan issued to Invercargill City Holdings Limited in 2015/16.
- 3 Other expenses are lower than anticipated in the Long-Term Plan due to the delay of \$4m grant required by the Southland Museum and Art Gallery Trust Board for a museum redevelopment. This has been partly offset by: A) additional contractors and maintenance required to complete current planned projects; B) increase grant amount requested by Southland Museum & Art Gallery Trust Board (for the Southland Regional Heritage rate) to go towards cataloguing and preserving the museum's extensive collection.
- 4 Finance expenses is higher than anticipated in the Long-Term Plan due to increased interest expenses from: A) the issue of \$30m debt bonds in the 2015/16 year to fund the investment loan into Invercargill City Holdings Limited; B) the issue of \$20m debt bonds in the 2015/16 year to fund the repayment of internally funded loans and repay some existing bank loan debt.

## EXPLANATION OF MAJOR VARIANCES BETWEEN 2017/18 LONG-TERM PLAN AND 2017/18 ANNUAL PLAN

### FUNDING IMPACT STATEMENT

- 1 Fees and charges are lower than anticipated in the Long-Term Plan due to: A) lower refuse fees received prompted by the reduction of solid waste volumes collected from commercial users; B) lower building service fees received caused by less than expected levels of work related to post Christchurch earthquakes building services; C) lower rental income received following the delay in the commencement of construction of the Don Street investment property development (scope of this development has changed after initial investigation); D) Removal of gym membership fees received following the decision made in May 2016 to cancel the Splash Palace Dry Gym / Changing Rooms project.
- 2 Interest and dividends from investments are higher than anticipated in the Long-Term Plan due to: A) increased interest income earned from having additional reserve funds held from the repayment of internally funded loans in 2015/16; B) additional income earned from the \$30m advance loan issued to Invercargill City Holdings Limited in 2015/16; C) increase dividend received from Invercargill City Holdings Limited.
- 3 Payments to staff and suppliers are lower than anticipated in the Long-Term Plan due to the delay of \$4m grant required by the Southland Museum and Art Gallery Trust Board for a museum redevelopment. This has been partly offset by: A) additional contractors and maintenance required to complete current planned projects; B) increase grant amounts requested by Southland Museum & Art Gallery Trust Board (for the Southland Regional Heritage rate); C) reintroduction of the Central Business District Co-ordinator in 2016/17.
- 4 Finance costs is higher than anticipated in the Long-Term Plan due to increased interest expenses from: A) the issue of \$30m debt bonds in the 2015/16 year to fund the investment loan into Invercargill City Holdings Limited; B) the issue of \$20m debt bonds in the 2015/16 year to fund the repayment of internally funded loans and repay some existing bank loan debt.
- 5 Increase (decrease) in debt is lower than anticipated in the Long-Term Plan due to the delay of \$4m funds required by the Southland Museum and Art Gallery Trust Board for a museum redevelopment. This are partly offset by the completion of some previously deferred capital projects.
- 6 Capital expenditure is higher than anticipated in the Long-Term Plan due to: A) improvements to the Stead Street stop-bank and Civic Administration Building which were not included in the Long-Term Plan. These are partly offset by the deferral of a number of other capital projects.
- 7 Increase/(decrease) in reserves is lower than anticipated in the Long-Term Plan due to lower forecast fund contributions to reserves and higher withdrawals. This includes funds withdrawn from reserve for the improvements to the Stead Street stop-bank, investment property demolition work and to undertake feasibility studies on Invercargill development projects.



# FUNDING IMPACT STATEMENTS

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**FUNDING IMPACT STATEMENT - ICC**

	NOTE	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charge, rates penalties		6,893	6,781	7,048
Targeted rates		41,888	44,574	44,012
Subsidies and grants for operating purposes		3,488	3,500	3,514
Fees and charges	1	13,290	15,907	14,878
Interest and dividends from investments	2	7,390	5,220	7,570
Local authorities fuel tax, fines, infringement fees, and other receipts		8,280	8,833	9,100
<b>Total operating funding (A)</b>		<b>81,229</b>	<b>84,815</b>	<b>86,122</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	3	62,016	66,777	66,036
Finance costs	4	3,842	3,411	4,373
Other operating funding applications		0	0	0
<b>Total applications of operating funding (B)</b>		<b>65,858</b>	<b>70,188</b>	<b>70,409</b>
<b>Surplus (deficit) of operating funding (A – B)</b>		<b>15,371</b>	<b>14,627</b>	<b>15,713</b>
<b>SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure		3,449	3,414	3,160
Development and financial contributions		0	0	0
Increase (decrease) in debt	5	8,220	3,076	414
Gross proceeds from sale of assets		139	146	156
Lump sum contributions		0	0	0
Other dedicated capital funding		0	0	0
<b>Total sources of capital funding (C)</b>		<b>11,808</b>	<b>6,636</b>	<b>3,730</b>
<b>APPLICATION OF CAPITAL FUNDING</b>				
Capital expenditure				
- to meet additional demand	6	8,425	42	377
- to improve the level of service	6	1,217	1,457	3,211
- to replace existing assets	6	18,110	18,421	18,457
Increase (decrease) in reserves	7	(1,559)	370	(3,093)
Increase (decrease) of investments		986	973	491
<b>Total applications of capital funding (D)</b>		<b>27,179</b>	<b>21,263</b>	<b>19,443</b>
<b>Surplus (deficit) of capital funding (C - D)</b>		<b>(15,371)</b>	<b>(14,627)</b>	<b>(15,713)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>		<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)		23,897	22,864	22,081

**FUNDING IMPACT STATEMENT - ROADING**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	386	389	344
Targeted rates	7,729	7,960	7,697
Subsidies and grants for operating purposes	2,108	2,139	2,203
Fees and charges	295	302	335
Internal charges and overheads recovered	258	286	336
Local authorities fuel tax, fines, infringement fees, and other receipts	903	942	978
<b>Total operating funding (A)</b>	<b>11,679</b>	<b>12,018</b>	<b>11,893</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	6,607	6,775	6,658
Finance costs	229	214	172
Internal charges and overheads applied	258	286	336
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>7,094</b>	<b>7,275</b>	<b>7,166</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>4,585</b>	<b>4,743</b>	<b>4,727</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	3,449	3,414	3,160
Development and financial contributions	0	0	0
Increase (decrease) in debt	(181)	(753)	(565)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>3,268</b>	<b>2,661</b>	<b>2,595</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	41	42	40
- to improve the level of service	918	920	778
- to replace existing assets	6,902	6,383	6,384
Increase (decrease) in reserves	(8)	59	120
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>7,853</b>	<b>7,404</b>	<b>7,322</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(4,585)</b>	<b>(4,743)</b>	<b>(4,727)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	11,246	10,102	9,938

The Roothing activity rates draw is lower than anticipated in the Long-term Plan. The variations with the Long-term Plan includes lower NZTA funding towards capital expenditure projects and the delay of bus shelter improvements, which has meant a reduction in capital expenditure.

**FUNDING IMPACT STATEMENT - SEWERAGE**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	4,836	5,704	5,580
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, infringement fees, and other receipts	615	630	675
<b>Total operating funding (A)</b>	<b>5,451</b>	<b>6,334</b>	<b>6,255</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,757	3,127	3,093
Finance costs	408	419	350
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>3,165</b>	<b>3,546</b>	<b>3,443</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>2,286</b>	<b>2,788</b>	<b>2,812</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(736)	(665)	(655)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(736)</b>	<b>(665)</b>	<b>(655)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	1,550	2,123	2,157
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>1,550</b>	<b>2,123</b>	<b>2,157</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(2,286)</b>	<b>(2,788)</b>	<b>(2,812)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	2,432	2,399	2,357

The Sewerage activity rates draw is lower than anticipated in the Long-term Plan. The variations with the Long-term Plan includes the reallocation of staff resourcing within Sewerage, Stormwater & Water activities and savings from lower market interest rates & operational expenditure.

**FUNDING IMPACT STATEMENT - SOLID WASTE MANAGEMENT**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	4,162	4,032	4,295
Subsidies and grants for operating purposes	0	0	0
Fees and charges	2,380	2,763	2,443
Internal charges and overheads recovered	1,587	1,594	1,762
Local authorities fuel tax, fines, infringement fees, and other receipts	75	84	69
<b>Total operating funding (A)</b>	<b>8,204</b>	<b>8,473</b>	<b>8,569</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	6,517	6,774	6,707
Finance costs	0	0	0
Internal charges and overheads applied	1,587	1,594	1,762
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>8,104</b>	<b>8,368</b>	<b>8,469</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>100</b>	<b>105</b>	<b>100</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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
<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	100	105	100
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>100</b>	<b>105</b>	<b>100</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(100)</b>	<b>(105)</b>	<b>(100)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	337	345	339

The Solid Waste Management activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes a reduction in the volume of refuse collection from commercial users which lowers the fees and charges income received.

**FUNDING IMPACT STATEMENT - STORMWATER**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	3,384	3,308	3,453
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, infringement fees, and other receipts	0	0	0
<b>Total operating funding (A)</b>	<b>3,384</b>	<b>3,308</b>	<b>3,453</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,452	1,277	1,423
Finance costs	53	29	48
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>1,505</b>	<b>1,306</b>	<b>1,471</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>1,879</b>	<b>2,002</b>	<b>1,982</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(31)	(17)	(32)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(31)</b>	<b>(17)</b>	<b>(32)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	130	144	1,471
- to replace existing assets	1,718	1,841	1,809
Increase (decrease) in reserves	0	0	(1,330)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>1,848</b>	<b>1,985</b>	<b>1,950</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(1,879)</b>	<b>(2,002)</b>	<b>(1,982)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	2,283	2,291	2,252

The Stormwater activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes the reallocation of staff resourcing within Sewerage, Stormwater & Water activities. Capital expenditure has increase for Stead Street Stopbanks improvements, which is funded from reserve.

**FUNDING IMPACT STATEMENT - WATER SUPPLY**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	6,374	7,898	7,327
Subsidies and grants for operating purposes	0	0	0
Fees and charges	1,246	1,351	1,439
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0
<b>Total operating funding (A)</b>	<b>7,620</b>	<b>9,249</b>	<b>8,766</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	4,160	4,422	4,298
Finance costs	763	894	964
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>4,923</b>	<b>5,316</b>	<b>5,262</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>2,697</b>	<b>3,933</b>	<b>3,504</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(522)	(652)	(691)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(522)</b>	<b>(652)</b>	<b>(691)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	1,975	3,088	3,013
Increase (decrease) in reserves	200	193	(200)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>2,175</b>	<b>3,281</b>	<b>2,813</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(2,697)</b>	<b>(3,933)</b>	<b>(3,504)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	3,430	3,496	3,231

The Water Supply activity rates draw is lower than anticipated in the Long-term Plan. The variations with the Long-term Plan includes the change of some existing debt funding from internally sourced to externally; the reallocation of staff resourcing within Sewerage, Stormwater & Water activities; and a \$200,000 uplift from reserve for the Asbestos Cement Watermain renewal project which was contributed in the 2016/17 year to smooth the rates draw increase.

**FUNDING IMPACT STATEMENT - DEVELOPMENT AND REGULATORY SERVICES**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	1,877	1,896	1,912
Targeted rates	1,185	1,170	1,218
Subsidies and grants for operating purposes	0	0	0
Fees and charges	3,210	3,771	3,432
Internal charges and overheads recovered	214	238	205
Local authorities fuel tax, fines, infringement fees, and other receipts	1,208	1,220	1,340
<b>Total operating funding (A)</b>	<b>7,694</b>	<b>8,295</b>	<b>8,107</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	7,355	7,872	7,788
Finance costs	8	9	7
Internal charges and overheads applied	214	238	205
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>7,577</b>	<b>8,119</b>	<b>8,000</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>117</b>	<b>176</b>	<b>107</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(6)	(6)	(6)
Gross proceeds from sale of assets	29	21	30
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>23</b>	<b>15</b>	<b>24</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	108	71	92
Increase (decrease) in reserves	32	120	39
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>140</b>	<b>191</b>	<b>131</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(117)</b>	<b>(176)</b>	<b>(107)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	120	140	115

**FUNDING IMPACT STATEMENT - ANIMAL SERVICES**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	268	197	284
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	667	736	736
Internal charges and overheads recovered	114	65	121
Local authorities fuel tax, fines, infringement fees, and other receipts	120	154	105
<b>Total operating funding (A)</b>	<b>1,169</b>	<b>1,152</b>	<b>1,246</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	973	998	1,047
Finance costs	8	9	7
Internal charges and overheads applied	114	65	121
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>1,095</b>	<b>1,072</b>	<b>1,175</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>74</b>	<b>80</b>	<b>71</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(6)	(6)	(6)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	12	13	2
Increase (decrease) in reserves	56	61	63
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>68</b>	<b>74</b>	<b>65</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(74)</b>	<b>(80)</b>	<b>(71)</b>
<b>FUNDING BALANCE ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	40	45	45

The Animal Services activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes lower infringement fees issued due to better compliance and increased contractor payments

**FUNDING IMPACT STATEMENT - BUILDING SERVICES**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	755	652	753
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	1,976	2,416	2,122
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	100	116	71
<b>Total operating funding (A)</b>	<b>2,831</b>	<b>3,184</b>	<b>2,946</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,792	3,139	2,916
Finance costs	0	0	0
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>2,792</b>	<b>3,139</b>	<b>2,916</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>39</b>	<b>45</b>	<b>30</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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	20	21	30
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>20</b>	<b>21</b>	<b>30</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	51	54	86
Increase (decrease) in reserves	8	12	(26)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>59</b>	<b>66</b>	<b>60</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(39)</b>	<b>(45)</b>	<b>(30)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	38	45	29

The Building Control activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes lower fees and charges income received due to the post Christchurch earthquakes related work no longer coming through.

**FUNDING IMPACT STATEMENT - CIVIL DEFENCE EMERGENCY MANAGEMENT**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	263	270	270
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, infringement fees, and other receipts	150	154	154
<b>Total operating funding (A)</b>	<b>413</b>	<b>424</b>	<b>424</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	413	424	424
Finance costs	0	0	0
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>413</b>	<b>424</b>	<b>424</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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
<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
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	0
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	0	0	0

The Civil Defence and Emergency Management activity rates draw is the same as what was anticipated in the Long-term Plan and has no significant or material variations.

**FUNDING IMPACT STATEMENT - COMPLIANCE**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	(128)	(123)	(133)
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	105	89	103
Internal charges and overheads recovered	0	55	0
Local authorities fuel tax, fines, infringement fees, and other receipts	773	751	788
<b>Total operating funding (A)</b>	<b>750</b>	<b>772</b>	<b>758</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	738	702	746
Finance costs	0	0	0
Internal charges and overheads applied	0	55	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>738</b>	<b>757</b>	<b>746</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>12</b>	<b>15</b>	<b>12</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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
<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	2	2	2
Increase (decrease) in reserves	10	13	10
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>12</b>	<b>15</b>	<b>12</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(12)</b>	<b>(15)</b>	<b>(12)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	12	15	12

The Compliance (Parking) activity contribution to rates is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes a higher volume of fees, charges & fines revenue expected, offset by an increase in operational expenditure from the reallocation of staff resourcing within Development and Regulatory Services.

**FUNDING IMPACT STATEMENT - ENVIRONMENTAL HEALTH**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	719	900	738
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	271	319	290
Internal charges and overheads recovered	75	93	74
Local authorities fuel tax, fines, infringement fees, and other receipts	46	26	203
<b>Total operating funding (A)</b>	<b>1,111</b>	<b>1,338</b>	<b>1,305</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,049	1,213	1,241
Finance costs	0	0	0
Internal charges and overheads applied	75	93	74
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>1,124</b>	<b>1,306</b>	<b>1,315</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>(13)</b>	<b>32</b>	<b>(10)</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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	9	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>9</b>	<b>0</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	41	0	0
Increase (decrease) in reserves	(45)	32	(10)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>(4)</b>	<b>32</b>	<b>(10)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>13</b>	<b>(32)</b>	<b>10</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	25	32	25

The Environmental Health activity rates draw is lower than anticipated in the Long-term Plan. The variations with the Long-term Plan includes increased receipts from offering food audit services to Clutha District Council and lower fees and charges income due to the past Council's decision to reduce the Alcohol Licensing risk rating levels.

**FUNDING IMPACT STATEMENT - RESOURCE MANAGEMENT**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	1,185	1,170	1,218
Subsidies and grants for operating purposes	0	0	0
Fees and charges	191	211	181
Internal charges and overheads recovered	25	25	10
Local authorities fuel tax, fines, infringement fees, and other receipts	19	19	19
<b>Total operating funding (A)</b>	<b>1,420</b>	<b>1,425</b>	<b>1,428</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,390	1,396	1,414
Finance costs	0	0	0
Internal charges and overheads applied	25	25	10
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>1,415</b>	<b>1,421</b>	<b>1,424</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>5</b>	<b>4</b>	<b>4</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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
<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	2	2	2
Increase (decrease) in reserves	3	2	2
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>5</b>	<b>4</b>	<b>4</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(5)</b>	<b>(4)</b>	<b>(4)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	5	4	4

The Resource Management activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes lower applications expected, which lowers fees and charges.

**FUNDING IMPACT STATEMENT - COMMUNITY SERVICES**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	4,204	4,172	4,216
Targeted rates	13,913	13,921	14,152
Subsidies and grants for operating purposes	1,377	1,361	1,241
Fees and charges	5,557	6,105	5,721
Internal charges and overheads recovered	12,429	13,013	12,966
Local authorities fuel tax, fines, infringement fees, and other receipts	2,137	2,187	2,459
<b>Total operating funding (A)</b>	<b>39,617</b>	<b>40,759</b>	<b>40,755</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	23,484	27,296	23,998
Finance costs	560	695	626
Internal charges and overheads applied	12,429	13,013	12,966
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>36,473</b>	<b>41,004</b>	<b>37,590</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>3,144</b>	<b>(245)</b>	<b>3,165</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(53)	3,425	(306)
Gross proceeds from sale of assets	51	53	52
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(2)</b>	<b>3,478</b>	<b>(254)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	600	0	337
- to improve the level of service	169	393	149
- to replace existing assets	2,593	2,788	2,512
Increase (decrease) in reserves	(220)	52	(87)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>3,142</b>	<b>3,233</b>	<b>2,911</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(3,144)</b>	<b>245</b>	<b>(3,165)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	3,339	3,262	3,136

**FUNDING IMPACT STATEMENT - OTHER GRANTS**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	2,406	2,300	2,378
Targeted rates	330	263	302
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	149	152	165
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0
<b>Total operating funding (A)</b>	<b>2,885</b>	<b>2,715</b>	<b>2,845</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,531	6,286	2,464
Finance costs	96	106	102
Internal charges and overheads applied	149	152	165
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>2,776</b>	<b>6,544</b>	<b>2,731</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>109</b>	<b>(3,829)</b>	<b>114</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	232	3,930	(86)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>232</b>	<b>3,930</b>	<b>(86)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	300	0	0
Increase (decrease) in reserves	41	101	28
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>341</b>	<b>101</b>	<b>28</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(109)</b>	<b>3,829</b>	<b>(114)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	9	9	14

The Provision of Specialised Community Services activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes A) the delay of the \$4m grant to the Southland Museum and Art Gallery Trust Board for a museum redevelopment which was to be funded by debt; B) an increase of \$50,000 in grants towards events.

**FUNDING IMPACT STATEMENT - SOUTHLAND REGIONAL HERITAGE COMMITTEE**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	838	757	865
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, infringement fees, and other receipts	326	332	332
<b>Total operating funding (A)</b>	<b>1,164</b>	<b>1,089</b>	<b>1,197</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,164	1,089	1,197
Finance costs	0	0	0
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>1,164</b>	<b>1,089</b>	<b>1,197</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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
<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
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	0
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	0	0	0

The Southland Regional Heritage Committee activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes an increase in funding to the Southland Museum and Art Gallery Trust Board to go towards cataloguing and preserving the Museum's extensive collection.

**FUNDING IMPACT STATEMENT - COMMUNITY DEVELOPMENT**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	298	335	310
Targeted rates	0	0	120
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, infringement fees, and other receipts	2	2	2
<b>Total operating funding (A)</b>	<b>300</b>	<b>337</b>	<b>432</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	290	300	422
Finance costs	6	6	5
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>296</b>	<b>306</b>	<b>427</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>4</b>	<b>31</b>	<b>5</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(4)	(3)	(4)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(4)</b>	<b>(3)</b>	<b>(4)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	0	21	0
Increase (decrease) in reserves	0	7	1
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>28</b>	<b>1</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(4)</b>	<b>(31)</b>	<b>(5)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	0	7	1

The Community Development activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes the re-introduction of the City Centre Co-ordinator and the delay of capital renewals.

**FUNDING IMPACT STATEMENT - HOUSING CARE SERVICES**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
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	1,022	1,050	1,022
Internal charges and overheads recovered	775	814	775
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0
<b>Total operating funding (A)</b>	<b>1,797</b>	<b>1,864</b>	<b>1,797</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	795	692	838
Finance costs	2	41	0
Internal charges and overheads applied	775	814	775
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>1,572</b>	<b>1,547</b>	<b>1,613</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>225</b>	<b>317</b>	<b>184</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(1)	188	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(1)</b>	<b>188</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	19	19	19
- to replace existing assets	0	545	20
Increase (decrease) in reserves	205	(59)	145
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>224</b>	<b>505</b>	<b>184</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(225)</b>	<b>(317)</b>	<b>(184)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	299	306	293

The Housing Care Services activity rates draw is the same as anticipated in the Long-term Plan. The variations with the Long-term Plan includes the removal of some capital expenditure work and increasing maintenance repairs on Housing Care properties.

**FUNDING IMPACT STATEMENT - LIBRARIES AND ARCHIVES**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	3,999	4,167	4,035
Subsidies and grants for operating purposes	5	5	5
Fees and charges	154	155	151
Internal charges and overheads recovered	735	822	751
Local authorities fuel tax, fines, infringement fees, and other receipts	33	30	31
<b>Total operating funding (A)</b>	<b>4,926</b>	<b>5,179</b>	<b>4,973</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	3,399	3,434	3,375
Finance costs	100	199	147
Internal charges and overheads applied	735	822	751
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>4,234</b>	<b>4,455</b>	<b>4,273</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>692</b>	<b>724</b>	<b>700</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	277	(158)	(108)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>277</b>	<b>(158)</b>	<b>(108)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	50	72
- to replace existing assets	817	485	441
Increase (decrease) in reserves	152	31	79
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>969</b>	<b>566</b>	<b>592</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(692)</b>	<b>(724)</b>	<b>(700)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	1,334	1,124	1,109

The Libraries and Archives activity rates draw is lower than anticipated in the Long-term Plan. The variations with the Long-term Plan includes lower finance costs from delays in the RFID project along with general savings in operational expenditure.

**FUNDING IMPACT STATEMENT - PARKS AND RESERVES**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	6,098	6,163	6,181
Subsidies and grants for operating purposes	9	10	10
Fees and charges	1,058	1,085	1,052
Internal charges and overheads recovered	7,811	8,015	8,138
Local authorities fuel tax, fines, infringement fees, and other receipts	904	927	1,095
<b>Total operating funding (A)</b>	<b>15,880</b>	<b>16,200</b>	<b>16,476</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	6,890	6,990	7,224
Finance costs	32	31	26
Internal charges and overheads applied	7,811	8,015	8,138
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>14,733</b>	<b>15,036</b>	<b>15,388</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>1,147</b>	<b>1,164</b>	<b>1,088</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(79)	(84)	(82)
Gross proceeds from sale of assets	51	53	52
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(28)</b>	<b>(31)</b>	<b>(30)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	600	0	0
- to improve the level of service	0	0	0
- to replace existing assets	1,215	1,483	1,527
Increase (decrease) in reserves	(696)	(350)	(469)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>1,119</b>	<b>1,133</b>	<b>1,058</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(1,147)</b>	<b>(1,164)</b>	<b>(1,088)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	757	774	770

The Parks and Reserves activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes additional staff resourcing to meet current service requirements which includes a ranger at Sandy point/Oreti Beach.

**FUNDING IMPACT STATEMENT - PASSENGER TRANSPORT**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	210	195	216
Targeted rates	551	622	465
Subsidies and grants for operating purposes	1,194	1,172	1,051
Fees and charges	308	323	287
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	48	50	48
<b>Total operating funding (A)</b>	<b>2,311</b>	<b>2,362</b>	<b>2,067</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,076	2,048	2,042
Finance costs	0	0	0
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>2,076</b>	<b>2,048</b>	<b>2,042</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>235</b>	<b>314</b>	<b>25</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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
<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	150	289	0
- to replace existing assets	85	25	25
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>235</b>	<b>314</b>	<b>25</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(235)</b>	<b>(314)</b>	<b>(25)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	34	35	34

The Passenger Transport activity rates draw is lower than anticipated in the Long-term Plan. The variations with the Long-term Plan includes a decrease in capital expenditure from the delay to the Bus Smart Central Terminus improvements.

**FUNDING IMPACT STATEMENT - POOLS**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	2,097	1,949	2,184
Subsidies and grants for operating purposes	129	132	135
Fees and charges	798	1,265	829
Internal charges and overheads recovered	1,679	1,841	1,812
Local authorities fuel tax, fines, infringement fees, and other receipts	803	823	791
<b>Total operating funding (A)</b>	<b>5,506</b>	<b>6,010</b>	<b>5,751</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	3,475	3,594	3,484
Finance costs	105	291	160
Internal charges and overheads applied	1,679	1,841	1,812
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>5,259</b>	<b>5,726</b>	<b>5,456</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>247</b>	<b>284</b>	<b>295</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(105)	(89)	94
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(105)</b>	<b>(89)</b>	<b>94</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	212
- to improve the level of service	0	0	21
- to replace existing assets	20	123	42
Increase (decrease) in reserves	122	72	114
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>142</b>	<b>195</b>	<b>389</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(247)</b>	<b>(284)</b>	<b>(295)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	492	579	477

The Pools activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes lower income and expenditure related to the Splash Palace Dry Gym project which was cancelled in May 2016.

**FUNDING IMPACT STATEMENT - PUBLIC TOILETS**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	344	371	345
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, infringement fees, and other receipts	0	0	0
<b>Total operating funding (A)</b>	<b>344</b>	<b>371</b>	<b>345</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	279	302	280
Finance costs	19	21	17
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>298</b>	<b>323</b>	<b>297</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>46</b>	<b>48</b>	<b>48</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(20)	(21)	104
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(20)</b>	<b>(21)</b>	<b>104</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	125
- to improve the level of service	0	0	0
- to replace existing assets	55	57	57
Increase (decrease) in reserves	(29)	(30)	(30)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>26</b>	<b>27</b>	<b>152</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(46)</b>	<b>(48)</b>	<b>(48)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	23	30	24

The Public Toilets activity rates draw is lower than anticipated in the Long-term Plan. The variations with the Long-term Plan includes additional capital expenditure funded by debt for public toilets at Waikiwi along with saving from operational expenditure.

**FUNDING IMPACT STATEMENT - THEATRE SERVICES**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	946	971	967
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	900	996	920
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0
<b>Total operating funding (A)</b>	<b>1,846</b>	<b>1,967</b>	<b>1,887</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	340	274	358
Finance costs	200	0	169
Internal charges and overheads applied	900	996	920
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>1,440</b>	<b>1,270</b>	<b>1,447</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>406</b>	<b>697</b>	<b>440</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(353)	(338)	(224)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(353)</b>	<b>(338)</b>	<b>(224)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	35	0
- to replace existing assets	47	21	213
Increase (decrease) in reserves	6	303	3
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>53</b>	<b>359</b>	<b>216</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(406)</b>	<b>(697)</b>	<b>(440)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	381	390	399

The Theatre Services activity rates draw is lower than anticipated in the Long-term Plan. The variations with the Long-term Plan includes the change of some existing debt funding from internally sourced to externally.

**FUNDING IMPACT STATEMENT - CORPORATE SERVICES**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	4,548	4,200	4,535
Targeted rates	72	76	72
Subsidies and grants for operating purposes	0	0	0
Fees and charges	434	1,465	1,052
Internal charges and overheads recovered	584	394	670
Local authorities fuel tax, fines, infringement fees, and other receipts	1,929	2,313	2,223
<b>Total operating funding (A)</b>	<b>7,567</b>	<b>8,448</b>	<b>8,552</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	7,157	7,533	8,298
Finance costs	509	363	956
Internal charges and overheads applied	584	394	670
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>8,250</b>	<b>8,290</b>	<b>9,924</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>(683)</b>	<b>158</b>	<b>(1,372)</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	6,574	(50)	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>6,574</b>	<b>(50)</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	7,784	0	0
- to improve the level of service	0	0	0
- to replace existing assets	151	157	100
Increase (decrease) in reserves	(2,044)	(49)	(1,472)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>5,891</b>	<b>108</b>	<b>(1,372)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>683</b>	<b>(158)</b>	<b>1,372</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	110	76	118

**FUNDING IMPACT STATEMENT - DEMOCRATIC PROCESS**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	2,989	3,054	3,041
Targeted rates	72	76	72
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	559	383	645
Local authorities fuel tax, fines, infringement fees, and other receipts	8	5	8
<b>Total operating funding (A)</b>	<b>3,628</b>	<b>3,518</b>	<b>3,766</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	3,028	3,132	3,092
Finance costs	0	0	0
Internal charges and overheads applied	559	383	645
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>3,587</b>	<b>3,515</b>	<b>3,737</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>41</b>	<b>3</b>	<b>29</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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
<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	50	47	50
Increase (decrease) in reserves	(9)	(44)	(21)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>41</b>	<b>3</b>	<b>29</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(41)</b>	<b>(3)</b>	<b>(29)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	86	50	94

The Democratic Process activity rates draw is within 10% of what was anticipated in the Long-term Plan and has no significant or material variations.

**FUNDING IMPACT STATEMENT - ENTERPRISE**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	1,770	1,806	1,805
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, infringement fees, and other receipts	1,323	1,349	1,349
<b>Total operating funding (A)</b>	<b>3,093</b>	<b>3,155</b>	<b>3,154</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	3,093	3,155	3,154
Finance costs	0	0	0
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>3,093</b>	<b>3,155</b>	<b>3,154</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
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
<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
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	0
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	0	0	0

The Enterprise activity rates draw is within 10% of what was anticipated in the Long-term Plan and has no significant or material variations.

**FUNDING IMPACT STATEMENT - INVESTMENT PROPERTY**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	(211)	(660)	(311)
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	434	1,465	1,052
Internal charges and overheads recovered	25	11	25
Local authorities fuel tax, fines, infringement fees, and other receipts	598	959	866
<b>Total operating funding (A)</b>	<b>846</b>	<b>1,775</b>	<b>1,632</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,036	1,246	2,052
Finance costs	509	363	956
Internal charges and overheads applied	25	11	25
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>1,570</b>	<b>1,620</b>	<b>3,033</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>(724)</b>	<b>155</b>	<b>(1,401)</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	6,574	(50)	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>6,574</b>	<b>(50)</b>	<b>0</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	7,784	0	0
- to improve the level of service	0	0	0
- to replace existing assets	101	110	50
Increase (decrease) in reserves	(2,035)	(5)	(1,451)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>5,850</b>	<b>105</b>	<b>(1,401)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>724</b>	<b>(155)</b>	<b>1,401</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	24	26	24

The Investment Property activity contribution to rates is lower than anticipated in the Long-term Plan. The variations with the Long-term Plan includes prior delays in the commencement in construction of the Don Street investment property development lowering the amount of rental income generated; additional operational expenditure for Lower Esk Street demolition.

**FUNDING IMPACT STATEMENT - CITY CENTRE REVITALISATION**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	183	400	168
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, infringement fees, and other receipts	0	0	0
<b>Total operating funding (A)</b>	<b>183</b>	<b>400</b>	<b>168</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	13	12	10
Finance costs	112	266	98
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>125</b>	<b>278</b>	<b>108</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>58</b>	<b>122</b>	<b>60</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	2,303	1,102	1,164
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>2,303</b>	<b>1,102</b>	<b>1,164</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	2,361	1,224	1,224
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>2,361</b>	<b>1,224</b>	<b>1,224</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(58)</b>	<b>(122)</b>	<b>(60)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	0	0	0

The CBD Redevelopment activity rates draw is lower than what was anticipated in the Long-term Plan. The variations with the Long-term Plan includes lower finance costs due to prior year delays to the CBD redevelopment capital programme.

**FUNDING IMPACT STATEMENT - URBAN REJUVENATION**

For the year ended June 30, 2018

	Annual Plan 2016/17 (\$,000)	Long-Term Plan 2017/18 (\$,000)	Annual Plan 2017/18 (\$,000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charge, rates penalties	284	277	306
Targeted rates	0	0	0
Subsidies and grants for operating purposes	3	0	70
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0
<b>Total operating funding (A)</b>	<b>287</b>	<b>277</b>	<b>376</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	222	223	301
Finance costs	25	20	25
Internal charges and overheads applied	0	0	0
Other operating funding applications	0	0	0
<b>Total applications of operating funding (B)</b>	<b>247</b>	<b>243</b>	<b>326</b>
<b>Surplus (deficit) of operating funding (A – B)</b>	<b>40</b>	<b>34</b>	<b>50</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(40)	(34)	(50)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding (C)</b>	<b>(40)</b>	<b>(34)</b>	<b>(50)</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
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	0
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(40)</b>	<b>(34)</b>	<b>(50)</b>
<b>FUNDING BALANCE ((A – B) + (C – D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation expense (not included in the above FIS)	0	0	0

The Urban Rejuvenation activity rates draw is higher than anticipated in the Long-term Plan. The variations with the Long-term Plan includes Department of Internal Affairs funding & payments.



# RESERVES

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## RESERVE FUNDS

Reserves are held to ensure that funds received for a particular purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest. The Council holds \$21.9 million reserves, with \$12.4 million being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that the Council may put the funds towards. The remaining Council created reserves are discretionary reserves which the Council has established for the fair and transparent use of monies.

Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates, together with summary financial information across the year of the Annual Plan.

### RESTRICTED RESERVES

*The reserves can only be used for the purpose designated.*

	Opening Balance 2017/18 (\$,000)	Transfers In 2017/18 (\$,000)	Transfers Out 2017/18 (\$,000)	Closing Balance 2017/18 (\$,000)
<b>Category A (Legal Restriction)</b> The restriction is designated from a statute or legal document. These reserves restrictions include the capital and interest or revenue generated. This reserve is related to the parks activity and is to maintain the Feldwick Gates at Queens Park.	120	-	-	120
<b>Category B (Capital only restriction)</b> These reserves are invested in property that provides a financial return to ratepayers (Investment Property, Library and Infrastructure Activities)	3,164	10	-	3,174
<b>Category C (Specific Purpose)</b> These reserves are to maintain and provide for improvements to separately identifiable areas. (Parks Crematorium and Cemetary, Community Centres, Waste and Infrastructure Activities)	9,129	267	(309)	9,087

### NON RESTRICTED RESERVES

*The reserves can only be used for the purposes other than the purpose currently specified.*

	Opening Balance 2017/18 (\$,000)	Transfers In 2017/18 (\$,000)	Transfers Out 2017/18 (\$,000)	Closing Balance 2017/18 (\$,000)
<b>Loss of Service Potential</b> To set aside funds for the replacement of assets in the future. (All Activities)	8,859	3,062	(3,503)	8,418
<b>Development</b> To maintain and provide assets in identifiable areas. (Parks, roading, and Water Activities)	4,415	-	(521)	3,894
<b>Property</b> To provide for the purchase of properties. (Investment Property, and Infrastructure Activities)	1,050	-	-	1,050
<b>Amenities</b> To provide funding for the ongoing operations of amenity areas. (Library, Museum, Pools, and Parks Activities)	246	-	(26)	220
<b>Financial</b> To provide ongoing funding in a consistent manner for Council Operations. (All Activities)	7,408	28	(680)	6,756
<b>Community Board</b> To provide funding for community Board Areas for their activities and development of assets. (Democratic Process Activity)	115	-	-	115
<b>Economic Development</b> To develop economic growth in the city which will be funded by future activity (Investment Property Activity)	(9,547)	214	(1,636)	(10,969)
	24,959	3,581	(6,675)	21,865



2017-2018

Statement of Accounting Policies





# Statement of Accounting Policies

## REPORTING ENTITY

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

The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to the users. The main purpose of prospective financial statements in the Annual Plan is to provide users with information about core services that the Council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much the Invercargill City Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries, except to the extent that Invercargill City Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements presented.

The primary objective of the Council is to provide goods or services for the Community or social benefit rather than making a financial return. Accordingly, the Council is classified as a Tier 1 Public Sector Public Benefit Entity ("PBE").

## BASIS OF PREPARATION

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 95 and Part 2 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. These prospective financial statements prepared under Tier 1 PBE International Public Sector Accounting Standards (IPSAS).

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

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

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

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Statement of Comprehensive Revenue and Expense.

The Council plans to adopt the prospective financial statements on 23 May 2017.

The Council and Management of the Invercargill City Council accept responsibility for the preparation of their prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

No actual financial results have been incorporated within the prospective financial statements.

## SUBSIDIARIES

The Council consolidates as subsidiaries in the group financial statements all entities where the 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 the Council

controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by the Council or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

The 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 directly attributable to the business combination.

Any excess of the cost of the business combination over the Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill.

### **BASIS OF CONSOLIDATION**

The purchase method is 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 intragroup balances, transactions, revenue and expenses are eliminated on consolidation.

The Council's investment in its subsidiaries are carried at deemed cost in the Council's own "parent entity" financial statements. Deemed cost is based on the net asset value of the subsidiary on conversion to NZ IFRS.

### **ASSOCIATES**

The Council accounts for investments in associates in the group financial statements using the equity method. An associate is an entity over which the Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The

investments in associates is initially recognised at cost and the carrying amount is increased or decreased to recognise the Council's share of the surplus or deficit of the associates after the date of acquisition. The Council's share of the surplus or deficit of the associates is recognised in the Council's Statement of Comprehensive Revenue and Expense at the group level. Distributions received from associates reduce the carrying amount of the investment.

The Council's share in the associate's surplus or deficit resulting from unrealised gains on transactions between the Council and its associates is eliminated.

The Council investments in associates are carried at cost in the Council's own financial statements.

### **JOINT VENTURES**

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

### **REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Council and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

PBE IPSAS 23.106(a) requires, either in the statement of financial position or the notes, that entities disclose the amount of revenue from non-exchange transactions by major classes, showing separately:

i) taxes, showing separately major classes of taxes; and ii) transfers, showing separately major classes of transfer revenue. Due to the difficulty in classifying revenue as either an exchange or non-exchange transaction and the separate labelling of revenue as exchange or non-exchange generally does not provide any additional useful information (and is therefore unlikely to be material), we have decided to not label revenue as exchange or non-exchange in the prospective Statement of Comprehensive Revenue and Expense.

#### **Revenue from non-exchange transactions:**

##### ***General and targeted rates***

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

##### ***Government grants and funding***

The Council receives government grants from the New Zealand Transport Agency, which subsidises part of the Council's costs in maintaining the local roading infrastructure.

Revenues from non-exchange transactions with the Government and government agencies is recognised when the Council obtains control of the transferred asset (cash, goods, services, or property), and:

- it is probable that the economic benefits or service potential related to the asset will flow to the Council

and can be measured reliably; and

- the transfer is free from conditions that require the asset to be refunded or returned to the Government if the conditions are not fulfilled.

Revenue from government grants and funding is measured at the fair value of the assets (cash, goods, services, or property) transferred over to the Council at the time of transfer.

To the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only when the Council has satisfied these conditions.

New Zealand Units (NZU's) allocated by the Crown represent non-monetary government grants and are initially recognised at nil value. Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These are included in the surplus/deficit in the Statement of Comprehensive Revenue and Expense.

##### ***Fines***

Traffic and parking infringements are recognised when tickets are issued.

##### ***Direct charges - subsidised***

(i) Rendering of services - subsidised

Rendering of services at a price that is not approximately equal to the value of the service provided by the Council is considered a non-exchange transaction. This includes rendering of services where the price does not allow the Council to fully recover the cost of providing the service (such as resource consents, building consents, water connections, dog licensing, etc.), and where the shortfall is subsidised by revenue from other activities, such as rates.

Generally there are no conditions attached to such revenue.

Revenue from such subsidised services is recognised when the Council issues the invoice or bill for the service. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the service. Revenue is recognised by reference to the stage of completion of the service to the extent that the Council has an obligation to refund the cash received from the service (or to the extent that the customer has the right to withhold payment from the Council for the service) if the service is not completed.

Contributions from customers in relation to the construction of new lines for the network are accounted for as revenue in the year which they have been received.

(ii) Sale of goods - subsidised

The sale of goods at a price that is not approximately equal to the value of the goods provided by the Council is considered a non-exchange transaction. This includes the sale of goods where the price does not allow the Council to fully recover the cost of producing the goods, and where the shortfall is subsidised by revenue from other activities such as rates.

Revenue from the sale of such subsidised goods is recognised when the Council issues the invoice or bill for the goods. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the goods.

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 the Council are recognised as revenue when control over the asset is obtained.

**Revenue from exchange transactions:**

***Direct charges - full cost recovery***

(i) Rendering of other services - full cost recovery  
Revenue from the rendering of services is recognised by reference to the stage of completion of the

transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

(ii) Sale of goods - full cost recovery

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be reliably estimated and there is no continuing management involvement with the goods.

***Interest revenue***

Interest revenue is recognised using the effective interest method.

***Dividends***

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

**CONSTRUCTION CONTRACTS**

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract at balance date. The stage of completion is measured by reference to the contract costs incurred up to balance date as a percentage of total estimated costs for each contract.

Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract and an allocation of overhead expenses incurred in connection with the group's construction activities in general.

An expected loss on construction contracts is recognised immediately as an expense in the Statement of Comprehensive Revenue and Expense.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred, and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Construction work in progress is stated at the aggregate of contract costs incurred to date plus recognised profits less recognised losses and progress billings. If there are contracts where progress billings exceed the aggregate costs incurred plus profits less losses, the net amounts are presented under other liabilities.

### **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 when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the 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 on investments in subsidiaries and associates, and interests in joint ventures, except where the company 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 to the statement of comprehensive revenue and expense, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

## LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. The substance of the arrangement depends on whether fulfilment of the arrangement is dependent on the use of a specific asset, or assets, or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

### Finance leases

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

At the commencement of the lease term, the Council 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 the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### Operating leases

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

## INVENTORIES

Inventories (such as spare parts and other items) 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 Statement of Comprehensive Revenue and Expense.

## FINANCIAL ASSETS

The Council classifies its financial assets into the following four categories: available for sale investments, loans and receivables, held-to-maturity investments and financial assets at fair value through surplus or deficit. 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.

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

The four categories of financial assets are:

- **Loans and receivables**

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

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the Statement of Comprehensive Revenue and Expense. Loans and receivables are classified as "other financial assets" in the Statement of Financial Position. Investments in this category include fixed term deposits and loans to associates.

- **Hold-to-maturity investments**

Hold-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

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

This category has two sub-categories: financial assets held for trading, and 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 remeasurement are recognised in the Statement of Comprehensive Revenue and Expense.

- **Available for sale investments**

Available for sale investments are those that are designated as being held to maturity or are not classified in any of the other categories above. This category encompasses investments that the Council intends to hold long-term but which may be realised before maturity. After initial

recognition these investments are measured at their fair value. Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the Statement of Comprehensive Revenue and Expense. In the event of impairment, any cumulative losses previously recognised in equity will be removed from equity and recognised in Statement of Comprehensive Revenue and Expense even though the asset has not been derecognised. Investments in this category include shares in Local Government Insurance Corporation.

**Shareholdings that Invercargill City Council holds for strategic purposes**

Invercargill City Council's investments in its subsidiaries and associate companies are not included in this category as they are held at cost (as allowed by PBE IPSAS 6 Consolidated and Separate Financial Statements and PBE IPSAS 7 Investments in Associates) whereas this category is to be measured at fair value.

**Non-current assets held for sale**

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

**Impairment of financial assets**

At each balance sheet date the Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Statement of Comprehensive Revenue and Expense.

**FINANCIAL INSTRUMENTS**

- **Trade and other receivables**

Trade and other receivables are initially measured at fair value and subsequently measured at

method, less any provision for impairment.

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

A provision for impairment of receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of receivables.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

- **Cash and cash equivalents**

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

Bank overdrafts are shown separately in current liabilities in the Statement of Financial Position.

- **Borrowings**

Borrowings are initially recognised at their fair value, net of any transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability at least 12 months after the balance date.

- **Trade and other payables**

Trade and other payables are initially measured

at fair value, and subsequently measured at amortised cost using the effective interest method.

Accounting for derivative financial instruments and hedging activities

The Council uses derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date. However, where derivatives qualify for hedge accounting, recognition for any resultant gain or loss depends on the nature of the hedging relationship.

- **Cash flow hedge**

Changes in the fair value of the derivatives hedging instruments designated as a cashflow hedge are recognised directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in surplus or deficit.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised directly in equity will be reclassified into surplus or deficit in the same period or periods during which the asset acquired or liability assumed affects surplus or deficit.

However, if Invercargill City Council expects that all or a portion of a loss recognised directly in equity will not be recovered in one or more future periods, it will reclassify into surplus or deficit the amount that is not expected to be recovered.

When a hedge of a forecast transaction subsequently results in the recognition of a

non-financial asset or a non-financial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, then the associated gains and losses that were recognised directly in equity will be included in the initial cost or carrying amount of the asset or liability.

For cash flow hedges other than those covered above, amounts that had been recognised directly in equity will be recognised in surplus or deficit in the same period or periods during which the hedged forecast transaction affects surplus or deficit (for example, when a forecast sale occurs).

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs. The amount recognised in equity is transferred to surplus or deficit in the same period that the hedged item affects the surplus or deficit.

## PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of:

- Operational assets - These include land, buildings, library books, plant and equipment, and motor vehicles.
- Restricted assets - Restricted assets are parks and reserves owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
- Infrastructure assets - Infrastructure assets are the fixed utility systems owned by the Council.

Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

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

## ADDITIONS

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

## DISPOSALS

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset.

Gains and losses on disposals are included in the Statement of Comprehensive Revenue and Expense. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

## SUBSEQUENT COSTS

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

## DEPRECIATION

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

been estimated as follows:

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

<b>Buildings</b>	
▪ Structures	2% - 3% SL
▪ Roof	2% - 3% SL
▪ Electrical	2% - 3% SL
▪ Plumbing	2% - 3% SL
▪ Internal Fitout	2% - 3% SL
▪ Plant	2% - 3% SL
<b>Furniture and Fittings</b>	
▪ Furniture and Fittings	6.7% - 50% DV
<b>Office Equipment</b>	
▪ Office Equipment	14.4% - 60% SL/DV
<b>Infrastructural Assets</b>	
Drainage	2.96% - 7.14% SL
Bridges	1.3% SL
Traffic Services	4.98% - 22.22% SL
Footpaths and Crossings	8.96% - 13.95% SL
Features and Structures	5.75% - 6.28% SL
<b>Roads</b>	
▪ Formation	0%
▪ Shoulder and Pavements	3.17% - 6.74% SL
▪ Top Surface	11.54% SL
<b>Drainage and Stormwater</b>	
▪ System	1.7% - 2.65% SL
▪ Plant	5.15% - 5.83% SL
▪ Buildings	2.65% - 5.83% SL
<b>Water</b>	
▪ System	1% - 11.34% SL
▪ Plant and Buildings	4.21 - 5.63% SL

<b>Plant</b>	
Plant	5% - 50% SL/DV
<b>Tools</b>	
Tools	10% SL where applicable
<b>Motor Vehicles</b>	
Motor Vehicles	12.0% - 33.0% SL/DV
<b>Library Collections</b>	
Library Collections	14.28% - 30.68% SL
<i>The non fiction collection is not depreciated.</i>	

## REVALUATION

Those asset classes that are revalued are valued on a valuation cycle as described below on the 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.

## VALUATION

All assets are valued at historic cost less accumulated depreciation and impairment costs, except the following:

- Operational land and buildings have been valued at fair value. Valuations are completed three yearly.
- Investment land and buildings have been valued annually at net realisable value. Any adjustment to the values has been accounted for as an increase (decrease) in the Statement of Comprehensive Revenue and Expense.
- Restricted land (excluding forestry land) and buildings have been valued at net current value by Quotable Value New Zealand (Registered Valuers) as at 30 June 1992.

- Library collections are valued at depreciated replacement cost. Valuations are completed three yearly.

### ▪ **Infrastructural Assets**

#### **Land under Roads**

Land under roads has been valued at deemed cost at transition to NZIFRS. Deemed cost is the fair value being the current valuation at 30 June 2005.

#### **Roads and Bridges**

Roads and Bridges are valued at depreciated replacement cost, being gross replacement cost less accumulated depreciation to date, based on the Current Age Profile compared to Useful Life. Valuations are completed three yearly.

#### **Stormwater, Wastewater and Water Systems**

Assets are valued at depreciated replacement cost, being gross replacement cost less accumulated depreciation to date, based on the Current Age Profile compared to Useful Life. Valuations are completed three yearly.

### ▪ **Forestry Land**

Forestry Land is revalued with sufficient regularity to ensure carrying value does not differ materially

from that which would be determined as fair value. It is anticipated that the Forestry Land revaluation will occur with the revaluation of other Property Plant and Equipment assets that are revalued every three years, unless circumstances require otherwise. Land has been revalued based on its best use. In determining the highest and best use consideration is given as to whether the land has been registered under the New Zealand Emissions Trading Scheme and hence whether there are restrictions on the land use. New Zealand units received from the government are recognised at cost in the financial statements, which is nil value.

#### **Accounting for revaluations**

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

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Comprehensive Revenue and Expense.

Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the Statement of Comprehensive Revenue and Expense will be recognised first in the Statement of Comprehensive Revenue and Expense up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

#### **INTANGIBLE ASSETS**

##### **Software**

Other intangible assets that are acquired by the Group, which have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged to the Statement of Comprehensive Revenue and Expense on a straight-line basis over the estimated useful economic lives of the intangible assets. The amortisation rates for the current period are as follows:

Software 20-48% Straight Line/Diminishing Value

#### **FORESTRY ASSETS**

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the Statement of Comprehensive Revenue and Expense.

The costs to maintain the forestry assets are included in the Statement of Comprehensive Revenue and Expense.

#### **INVESTMENT PROPERTY**

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

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

After initial recognition, the Council measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the Statement of Comprehensive Revenue and Expense.

## **IMPAIRMENT OF NON-FINANCIAL ASSETS**

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

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

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

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

For assets not carried at a revalued amount, the total impairment loss is recognised in the Statement of Comprehensive Revenue and Expense.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve.

However, to the extent that an impairment loss for that class of asset was previously recognised in Statement of Comprehensive Revenue and Expense, a reversal of the impairment loss is also recognised in the Statement of Comprehensive Revenue and Expense.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the Statement of Comprehensive Revenue and Expense.

## **EMPLOYEE BENEFITS**

### ***SHORT-TERM BENEFITS***

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

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

### ***LONG-TERM BENEFITS***

#### ***Long service leave and retirement leave***

The Group's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

**Superannuation schemes**

Defined contribution schemes:

- Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the Statement of Comprehensive Revenue and Expense as incurred.

Defined benefit schemes:

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

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

**PROVISIONS**

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

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

**LANDFILL POST CLOSURE COSTS**

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

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

**EQUITY**

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

The components of equity are:

- Retained earnings
- Council reserves (includes sinking funds, special reserves and endowment reserves)
- Fair value and hedging reserves
- Asset revaluation reserves

**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

## COST ALLOCATION

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

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

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

## CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

### **Properties**

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

### **Infrastructural Assets**

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

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth.
- If useful lives do not reflect the actual consumption of the benefits of the asset, then Invercargill City Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Revenue and Expense.

To minimise this risk, Invercargill City Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Invercargill City Council's asset management planning activities, which gives Invercargill City Council further assurance over its useful life estimates.

Experienced independent valuers review the Council's infrastructural asset revaluations.

Classification of non-financial assets as cash-generating assets or non-cash-generating assets  
For the purpose of assessing impairment indicators and impairment testing, the Council classifies non-financial assets as either cash-generating or non-cash-generating assets. The Council classifies a non-financial asset if the primary objective of the asset is to generate a commercial return. All other assets are classified as non-cash-generating assets.

All property, plant and equipment and intangible assets (excluding goodwill) held by Council are classified as non-cash-generating assets, except for rental properties that are earning a market rental. This includes assets that generate fee revenue or other cash flows for Council as these cash flows are generally not sufficient to represent commercial return on the assets.

### **PROSPECTIVE FINANCIAL INFORMATION**

The financial information contained within this document is prospective financial information in terms of accounting standard FRS42 and complies with this standard. The purpose for which it has been prepared is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flow of the Invercargill City Council. The actual results achieved for any particular financial

year are also likely to vary from the information presented and may vary materially depending on the circumstances that arise during the period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

### **CHANGES IN ACCOUNTING POLICIES**

There have been no significant changes to accounting policies.





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# 2017-2018 Rating Policy



# Rating Policy

This Rating Policy should be read in conjunction with the Revenue and Financing Policy and the funding principles included in the Long-Term Plan. Figures in this Policy are GST inclusive.

The following rates will be set by Council for the financial year commencing 1 July 2017 and ending 30 June 2018.

The following are the details for each of the rates to be set for each financial year. All rates set by way of a rate in the dollar are based on capital value. All rates are charged on the basis of Rating Unit, except for the Residential Multi Unit category where it is stated in the policy following as charged on the basis of separately used or inhabited part of the rating unit (SUIP).

SUIP is defined as any part of a rating unit separately occupied by the owner or any other person who has the right to occupy that part by virtue of a tenancy, lease, licence or other agreement.

## DIFFERENTIALS APPLIED IN SETTING GENERAL AND TARGETED RATES

In order to maintain an equitable rating impact and preserve the relationship which exists between residential, rural, commercial, utilities and large industrial rating units, differentials have been applied to the residential rating unit base rate, as follows:

Differentials applied in setting Rates		%
Residential	Base Rate	100.00
Residential - Multi Units		
• For the first unit	Base Rate	100.00
• For each additional unit	Base Rate	- 25.00
Commercial	Base Rate	100.00
Industrial	Base Rate	100.00
Rural-Farming	Base Rate	- 30.00

## GENERAL RATE

The general rate is to fund the activities of Environmental Health, Building Control, Emergency Services, Grants, Total Mobility, Civic Theatre, Democratic Process, Destination Marketing, Enterprise and 15% of both street lighting and

footpaths. It is based on the capital value of that rating unit. This is the base rate.

Differentials will be applied to the general rate as outlined above. No uniform annual general charge is applied.

	2016/17 \$	2017/18 \$
General Base Rate	0.00110183	0.00107611

## UNIFORM ANNUAL CHARGE AND TARGETED RATE

A uniform annual charge on all ratepayers will be levied for both the Parks and Reserves Activity and the Pools Activity. The remaining revenue required from rates will be gathered from a targeted rate on residential and lifestyle properties only.

- **Parks and Reserves Rate** is to fund provision of Parks and Reserves in the District.
- **Pools Rate** is to fund provision of Aquatic Facilities in the District.

	2016/17 \$	2017/18 \$
Parks and Reserves Uniform Annual Charge	57.50	57.50
Parks and Reserves Base Rate	0.00107317	0.00107102
Pools Uniform Annual Charge	28.75	28.75
Pools Base Rate	0.00034411	0.00036035

## TARGETED RATES

### Targeted Rates Payable on All Rating Units

The following rates are payable on all rateable land by applying a rate in the dollar based on the capital value of the rating unit and are subject to the differentials as outlined.

- **Resource Management Rate** is to fund the function of Resource Management.
- **Roading Rate** is to fund the provision of Roothing Services.
- **Cemeteries Rate** is to fund the operation of Council's Cemeteries.

	2016/17 \$	2017/18 \$
Resource Management Base Rate	0.00020797	0.00021149
Roothing Base Rate	0.00088111	0.00090925
Cemeteries Base Rate	0.00004031	0.00004822

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The following rates are set on all rating units by applying a fixed charge with differentials applied as outlined.

- **Residential** - Multi units are charged on the basis of SUIP.
- **Libraries Rate** is to fund provision of Library Services in the District.
- **Regional Heritage Rate** is to fund Council's contribution to the operation of Southland museums and heritage.
- **Regional Facilities Rate** is to fund Council's contribution to the operation of Southland regional facilities.

	2016/17 \$	2017/18 \$
Libraries Base Rate	186.58	187.93
Regional Heritage Base Rate	39.10	40.34
Regional Facilities Base Rate	0	0

The following rate applies to those rating units which have a land use as shown in the Rating Information Database of commercial only. This differential has the objective of applying a nil rate to all other categories of land use.

The rate is detailed below:

- **Business Development Rate** is to fund all costs associated with the redevelopment of commercial areas.

	2016/17 \$	2017/18 \$
Business Development Base Rate	0.00064869	0.00061115

The following rate applies to those rating units which have a land use as shown in the Rating Information Database of commercial or industrial only. This differential has the objective of applying a nil rate to all other categories of land use.

The rate is detailed below:

- **Economic Development Rate** is to fund economic, sporting and cultural development initiatives.
- **City Centre Co-ordinator Rate** (Map H).

	2016/17 \$	2017/18 \$
Economic Development Base Rate	0.00019070	0.00023447
City Centre Co-ordinator Base Rate	0.00020873	0.00030919

▪ **Targeted Rates Payable by Groups of Ratepayers**

*Payable by Ratepayers Within a Specified Location*

The following rates are payable on all rateable land within a specified location. A general description of the area is given in each case. Maps defining the areas are attached as Maps A - G and I.

1. **Rateable Land Within the Invercargill City and Bluff Urban Areas** (Map A). These targeted rates will be set for each rating unit by applying a rate in the dollar based on the capital value of the rating unit. Differentials will be applied to these targeted rates as outlined earlier. 85% of the rates for footpaths and street lighting will be targeted and 15% general rate.
  - **Footpaths Rate** to fund provision of footpaths in the Invercargill City and Bluff areas.
  - **Street Lighting Rate** to fund provision of street lighting in Invercargill City and Bluff.

	2016/17 \$	2017/18 \$
Footpaths Base Rate	0.00039872	0.00038230
Street Lighting Base Rate	0.00012209	0.000077639

2. **Rateable Land within the Invercargill City Area Only** (Map B). This targeted rate will be set for each rating unit by applying a rate in the dollar based on the capital value of the rating unit. Differentials will be applied to these targeted rates as outlined.

- **Transport Rate** to fund the cost of subsidised passenger transport in the Invercargill City area.

	2016/17 \$	2017/18 \$
Transport Base Rate	0.00013261	0.00016242

3. **Rateable Land Within the Makarewa Drainage Area** (Map C). The Makarewa targeted drainage rate will be set for each rating unit on a fixed charge per rating unit basis.

- **Drainage - Makarewa Rate** to fund costs in the Makarewa Drainage area.

	2016/17 \$	2017/18 \$
Drainage Makarewa Base Rate	82.58	79.93

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4. **Rateable Land Within the Myross Bush Drainage Area** (Map D). The Myross Bush targeted drainage rate will be set for each rating unit on a fixed charge per rating unit basis.

- **Drainage - Myross Bush Rate** to fund costs in the Myross Bush Drainage area.

	2016/17 \$	2017/18 \$
Drainage Myross Bush Base Rate	80.73	79.49

5. **Rateable Land Within the Specified Locations for Community Centres** (Map E). These targeted rates will be set for each rating unit on a fixed charge per rating unit basis to fund the cost of operating a Community Centre in each location.

- **Community Centre - Myross Bush Rate**
- **Community Centre - Otatara Rate**
- **Community Centre - Awarua Rate**
- **Town Hall - Bluff Rate**

	2016/17 \$	2017/18 \$
Community Centre - Myross Bush Rate	30.00	30.00
Community Centre - Awarua Rate	30.00	30.00
Community Centre - Otatara Rate	15.00	15.00
Town Hall - Bluff Rate	15.00	16.50

6. **Rateable Land Within the Bluff Ward** (Map F). This targeted rate will be set for all rateable land by applying a rate in the dollar based on the capital value of the rating unit. Differentials will be applied to this rate as outlined.

- **Community Board - Bluff Rate** to fund costs within the Bluff Community Board.

	2016/17 \$	2017/18 \$
Bluff Community Board Base Rate	0.00036286	0.00035774

**7. Land Within the Redmayne Road Drainage District (Map G).**

- **Drainage Rate - Redmayne Road** to fund drainage operational costs.

	2016/17 \$	2017/18 \$
Drainage Redmayne Road Board Base Rate	80.15	80.30

**8. Land Within the Inverurie Rating Area (Map I).**

- **Inverurie Maintenance Rate.** Requested by developer of Inverurie Subdivision.

	2016/17 \$	2017/18 \$
Inverurie Maintenance Rate	0	0

- **Targeted Rates Payable Where a Service is Provided or Available for Provision by Council**

The following rates are payable on all rateable land where the service is provided or available to be provided. In the provision of water, sewerage and refuse disposal services these rates also apply to those non-rateable rating units as specified in Section 9 and Parts 1 and 2 of Schedule 1, Local Government (Rating) Act 2002. There are two categories for each rate - Residential and Non-Residential.

Non-residential means rateable land included in the Rating Information Database as rating units being used for Commercial, Industrial or Other purposes. Rest Homes, Hospitals, Schools, Kindergartens and Playcentres, Halls, Services and Sports facilities are included in the Non-residential category. Residential Multi Units are charged on the basis of SUIP.

	2016/17 \$	2017/18 \$
Water Base Rate	313.19	359.35
Sewerage Base Rate	200.82	231.27
Drainage Base Rate	141.91	144.58

The following differentials will be applied to these targeted rates:

- **Water** - those rating units designated residential will meet 84% of the total water rate. Non-residential rating units will meet 16%.
- **Sewerage** - those rating units designated residential will meet 75% of the total sewerage rate. Non-residential rating units will meet 25%.
- **Drainage** - those rating units designated residential will meet 75% of the total drainage rate. Non-residential rating units will meet 25%.
- **All rateable land designated residential** will be set a fixed charge for each of the water, sewerage and drainage rates.
- **Vacant rating units** which are able to be connected to a water, sewerage or drainage system but have not been connected will be charged half the amount of the above charge.
- **All rateable land designated as non-residential** will be set a fixed charge for each of the water, sewerage and drainage rates based on a range of capital values as follows:

			%
Less Than \$50,000	= Base Fixed Charge		-20
From \$50,001 - \$100,000	= Base Fixed Charge		100
\$100,001 - \$200,000	= Base Fixed Charge		+ 20
\$200,001 - \$400,000	= Base Fixed Charge		+ 40
\$400,001 - \$1,000,000	= Base Fixed Charge		+ 100
\$1,000,001 - \$3,000,000	= Base Fixed Charge		+ 200
\$3,000,001 - \$5,000,000	= Base Fixed Charge		+ 300
\$5,000,001 +	= Base Fixed Charge		+ 400

**Refuse Collection Rate** is to fund the provision of refuse removal and kerbside recycling services in the serviced area. This targeted rate will be set by applying a fixed charge for each rate on all rateable land within the serviced area which receives or is able to receive the service.

The **General Waste Management Rate** is 17% of the total solid waste service cost and is the education and administration service provided to all ratepayers. This rate is borne by all ratepayers. Differentials will be applied to these targeted rates as outlined. Each additional wheelie bin provided for refuse or recycling costs \$191.74 per annum.

	2016/17 \$	2017/18 \$
Refuse Collection Base Rate	186.17	191.74
Additional Wheelie Bin	186.17	191.74
General Waste Management Rate	33.87	34.88

## ADDITIONAL RATING POLICIES

In addition to the Policy and method of collecting rates as outlined above the following additional policies will also be applied.

### Rating of Utilities

Utilities as specified in the Rating Information Database will be charged only the following rates:

- *General Rate*
- *Resource Management Rate*
- *Roading Rate*
- *Parks and Reserves Rate*
- *Cemeteries Rate*
- *Libraries Rate*
- *Pools Rate*
- *Regional Heritage Rate*

All utilities are rated as industrial properties at their full capital value.

### Rating of Non-Rateable Land

Rating units which are deemed to be non-rateable under the Local Government (Rating) Act 2002 will be rateable for water, sewerage and refuse collection where these services are provided (Section 9 of that Act).

These rating units will be assessed in the same manner as other ratepayers and according to their residential or non-residential status. Churches, community groups, residential homes and pensioner housing will be classified as residential for this purpose. All other non-rateable rating units will be classified as non-residential.

### Water Charge

Water user charges based on metered consumption may also be made for water consumed by rating units, other than private residential rating units. This targeted rate will be charged by invoice, on a three monthly basis.

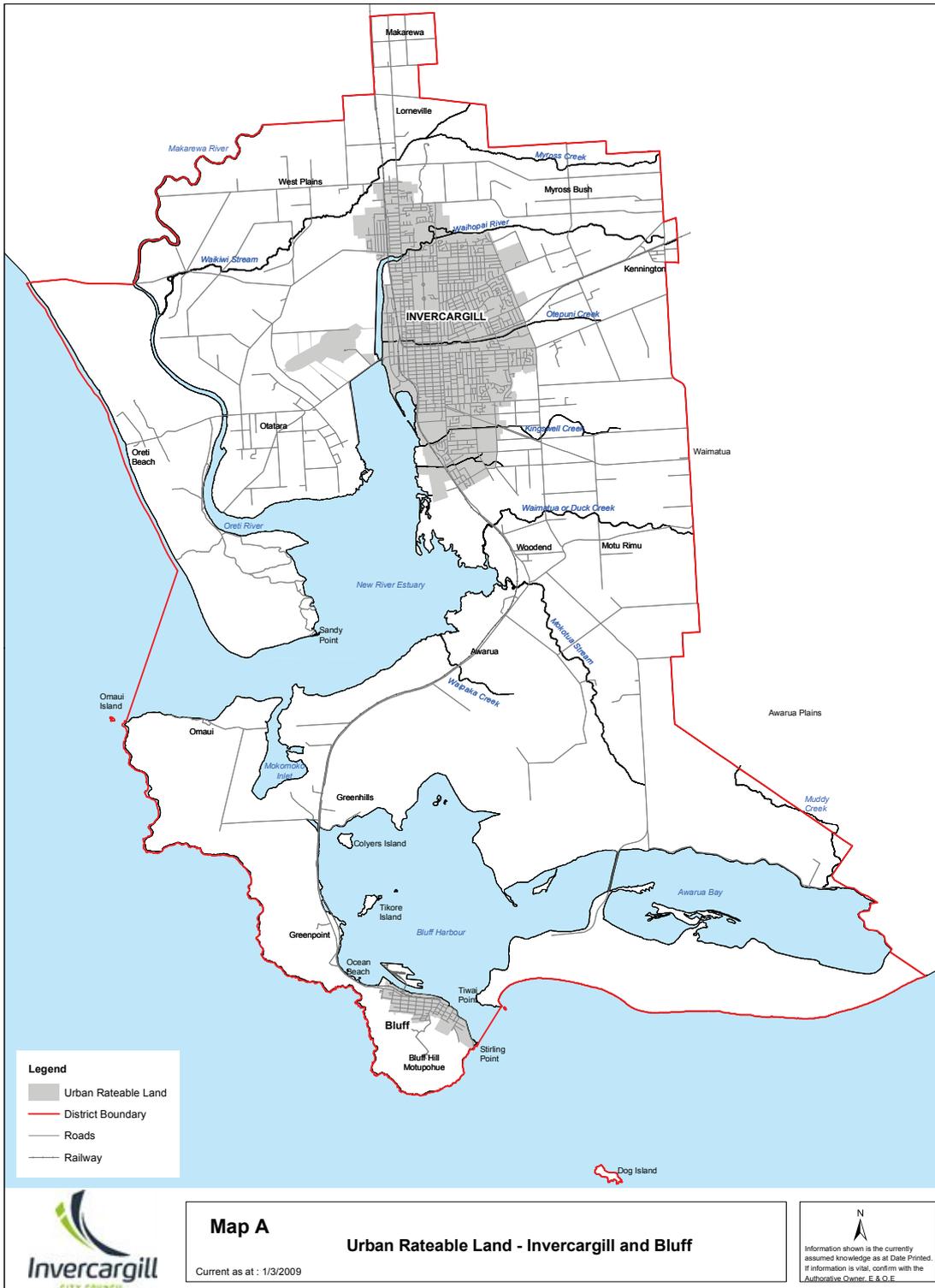
### Industrial

The maximum value on which an industrial property is rated is \$21,000,000.

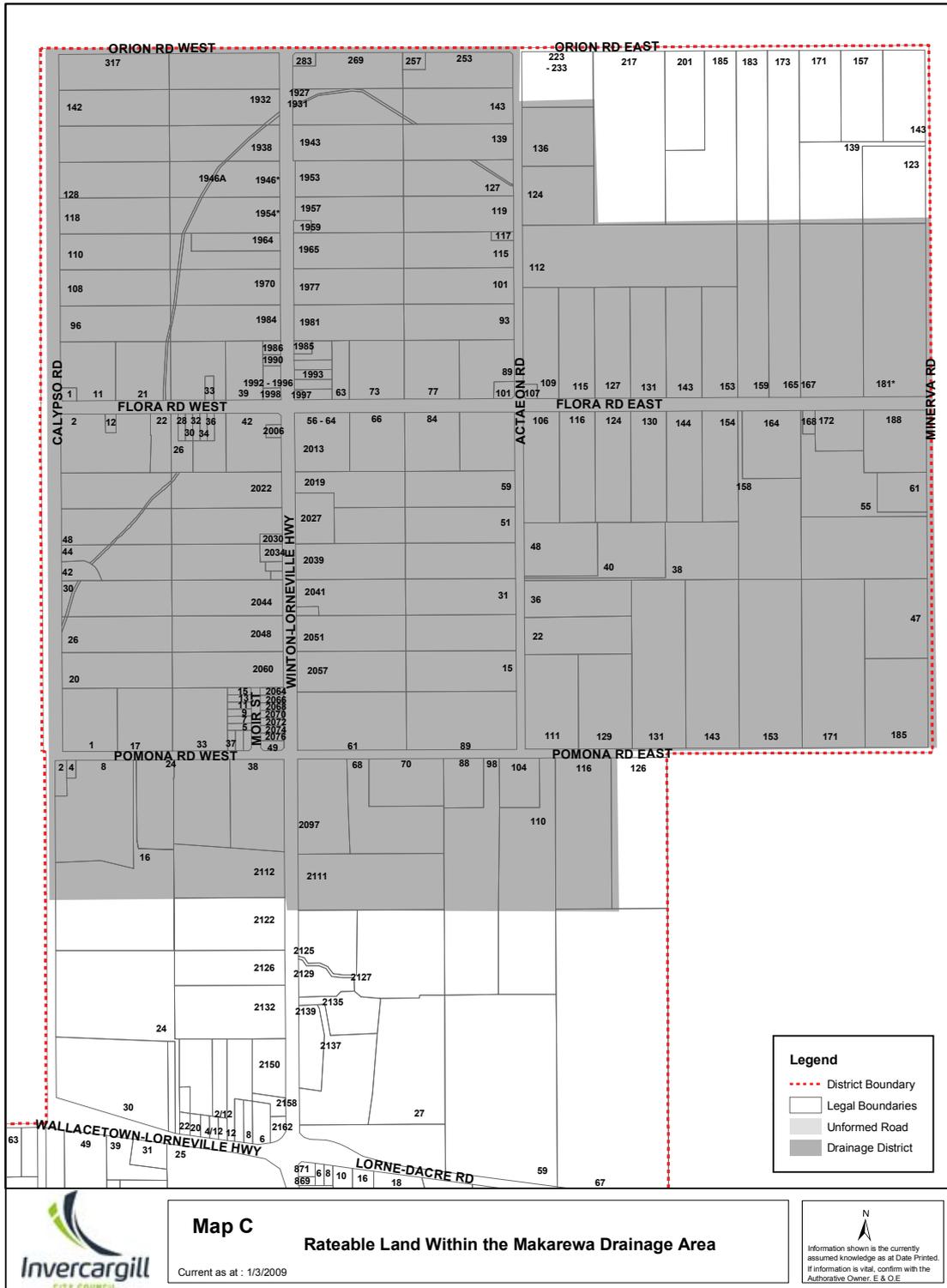
**TOTAL RATES TO BE COLLECTED**

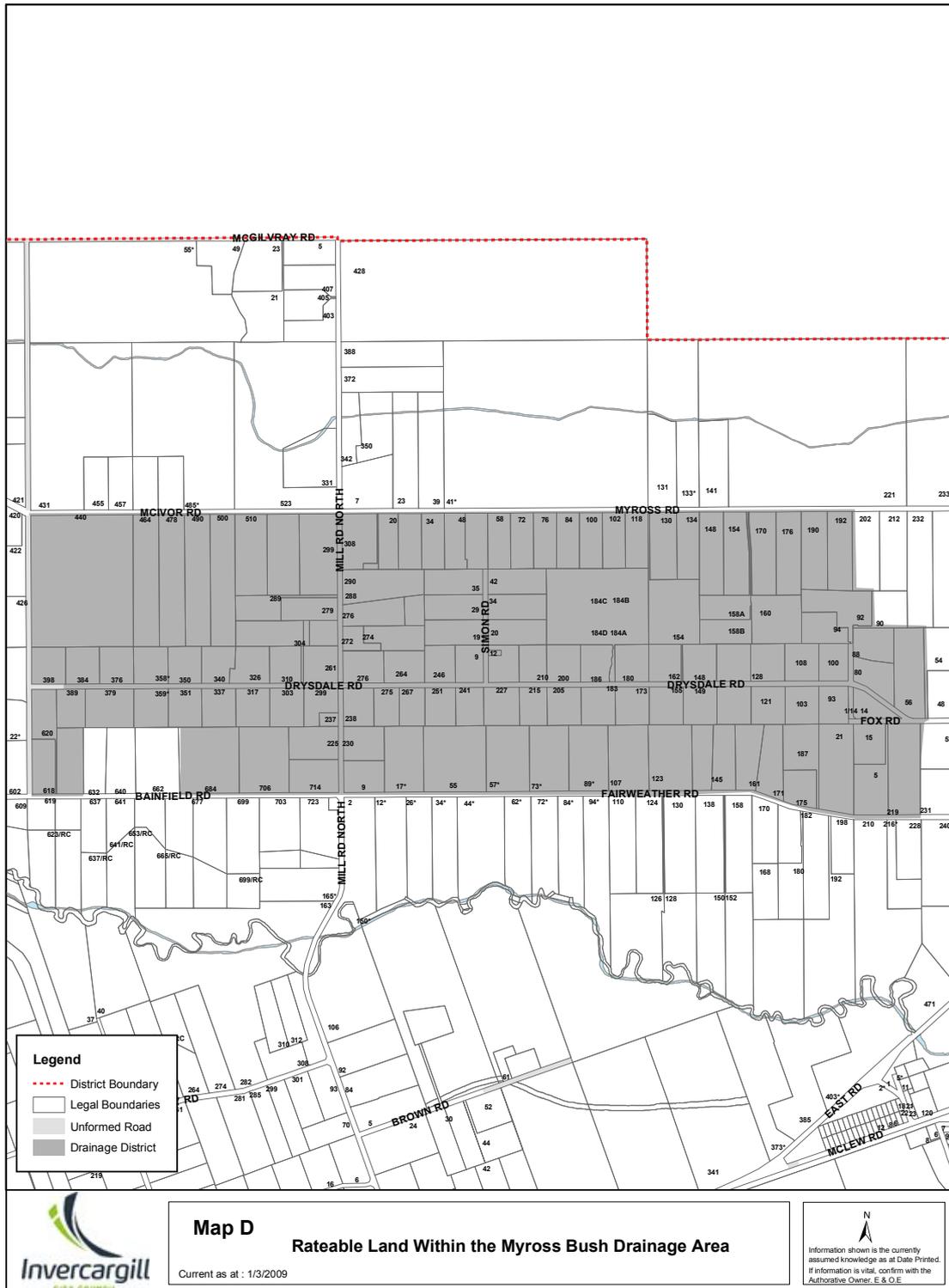
The table below shows the total rates to be collected for Council's activities for 2017/18 compared to 2016/17

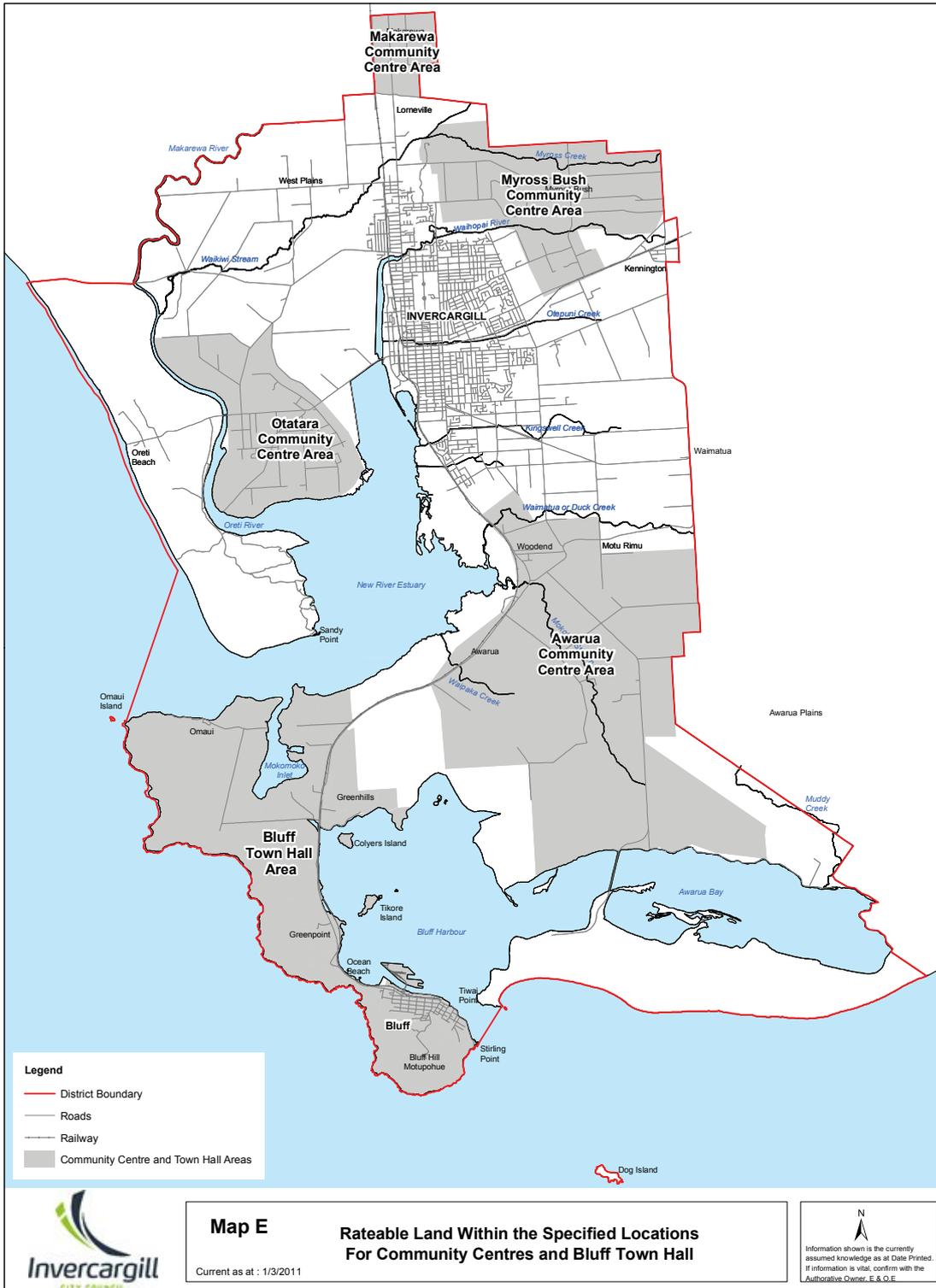
Total increase in rates	2016/17 (\$ GST inclusive)	2017/18 (\$ GST inclusive)
General Rate	7,219,759	7,379,043
Resource Management	1,362,703	1,401,327
Roading	5,773,479	6,024,774
Parks and Reserves	6,748,676	6,790,183
Cemeteries	264,149	319,488
Libraries	4,599,233	4,640,356
Pools	2,411,778	2,510,992
Regional Heritage	963,759	995,841
Footpaths	1,928,341	1,866,145
Street Lighting	587,461	376,853
Transport	633,046	533,970
Sewerage	5,561,231	6,416,964
Drainage	3,865,543	3,946,834
Drainage - Makarewa	13,213	12,868
Drainage - Myross Bush	10,011	9,778
Drainage - Redmayne Road	2,645	2,731
Refuse Collection	3,972,675	4,099,516
General Waste Management	813,680	839,660
Water	7,330,212	8,425,389
Economic Development	230,000	287,500
Business Development	866,862	834,047
City Centre Co-ordinator	92,000	137,762
Community Centres		
• Awarua	3,541	3,510
• Myross Bush	15,780	15,780
• Otatara	19,221	19,260
Bluff Town Hall	19,410	21,219
Bluff Community Board	82,890	82,634
<b>Net Rates</b>	<b>55,391,298</b>	<b>57,994,424</b>

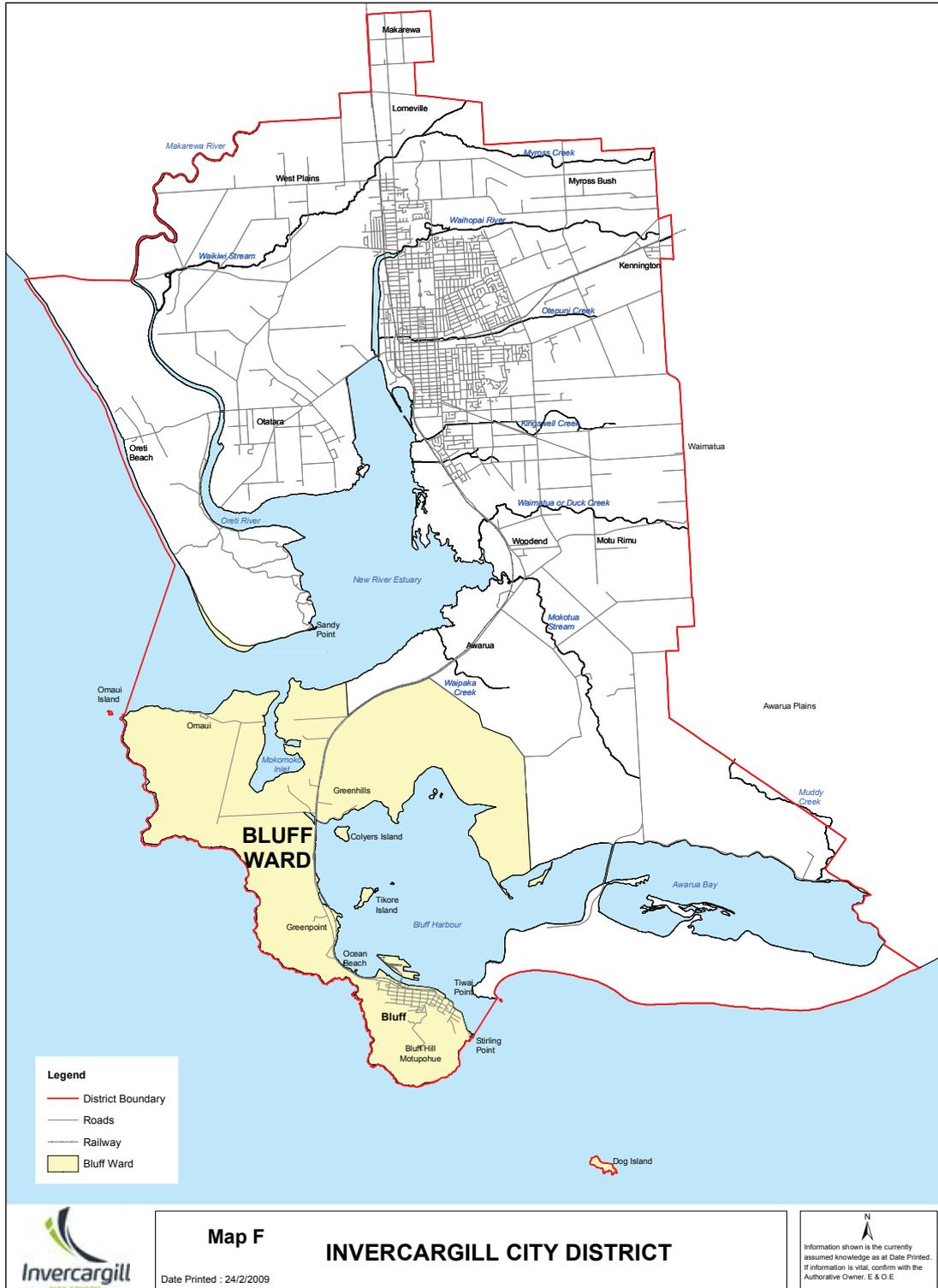


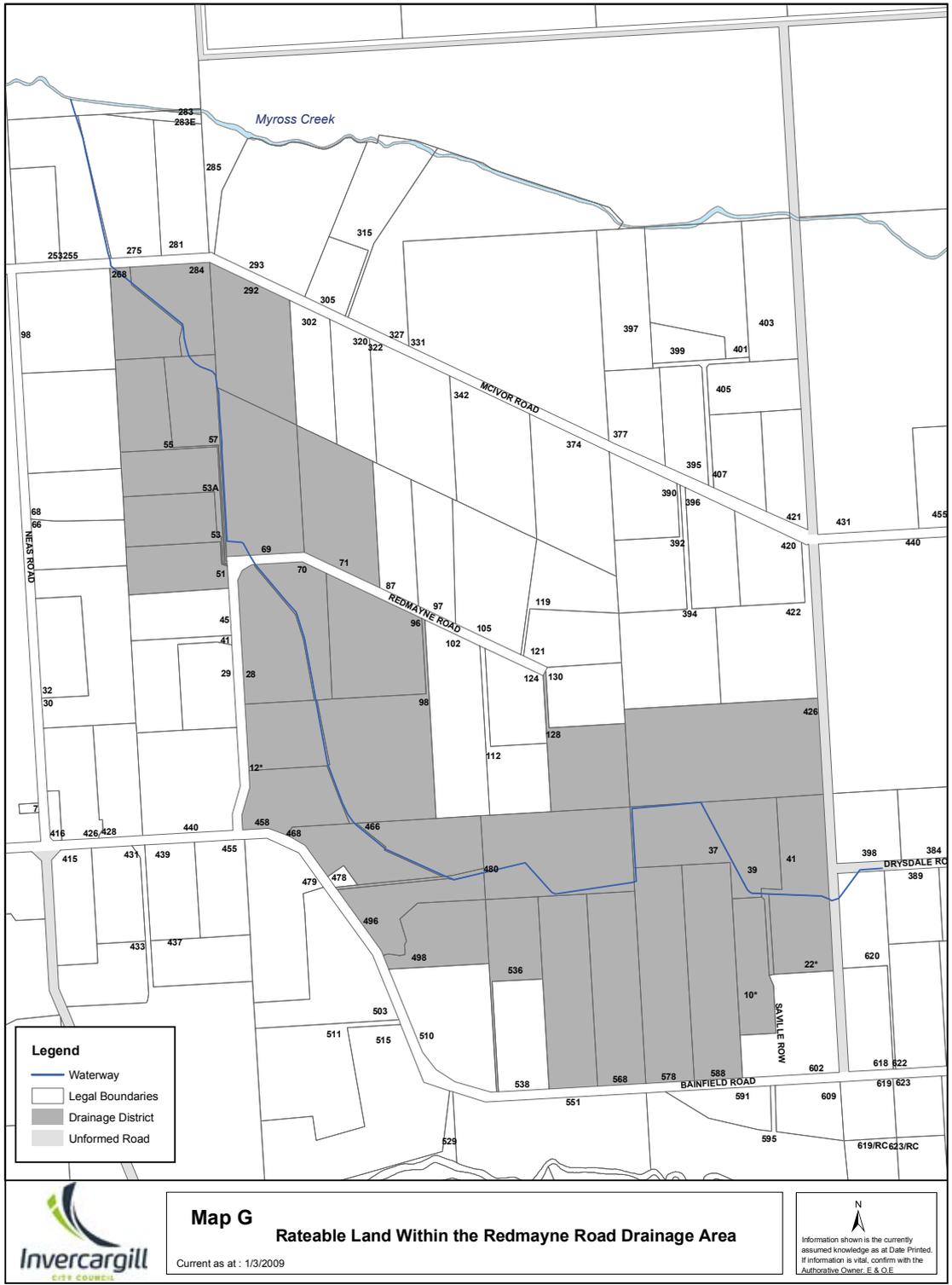




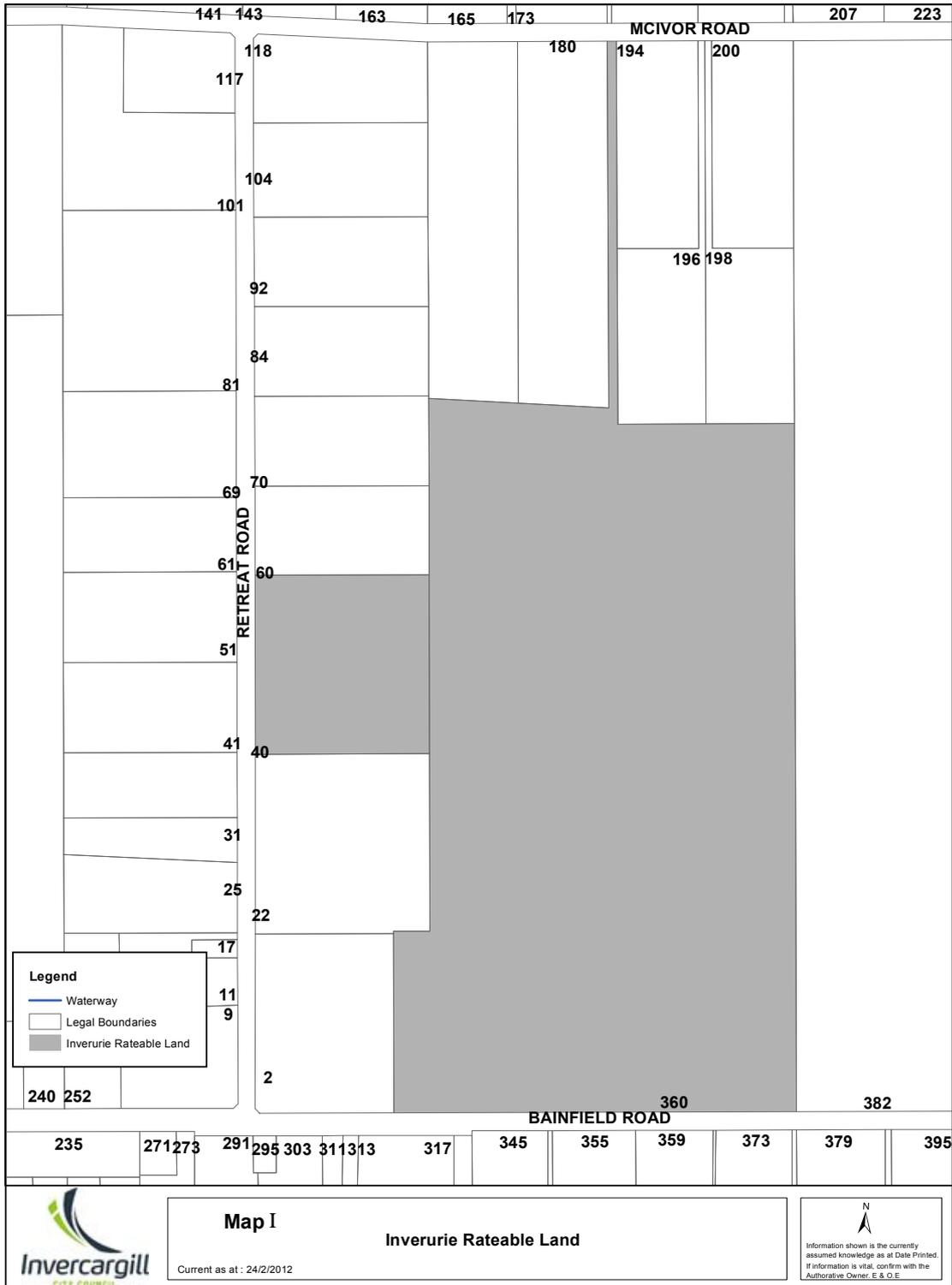






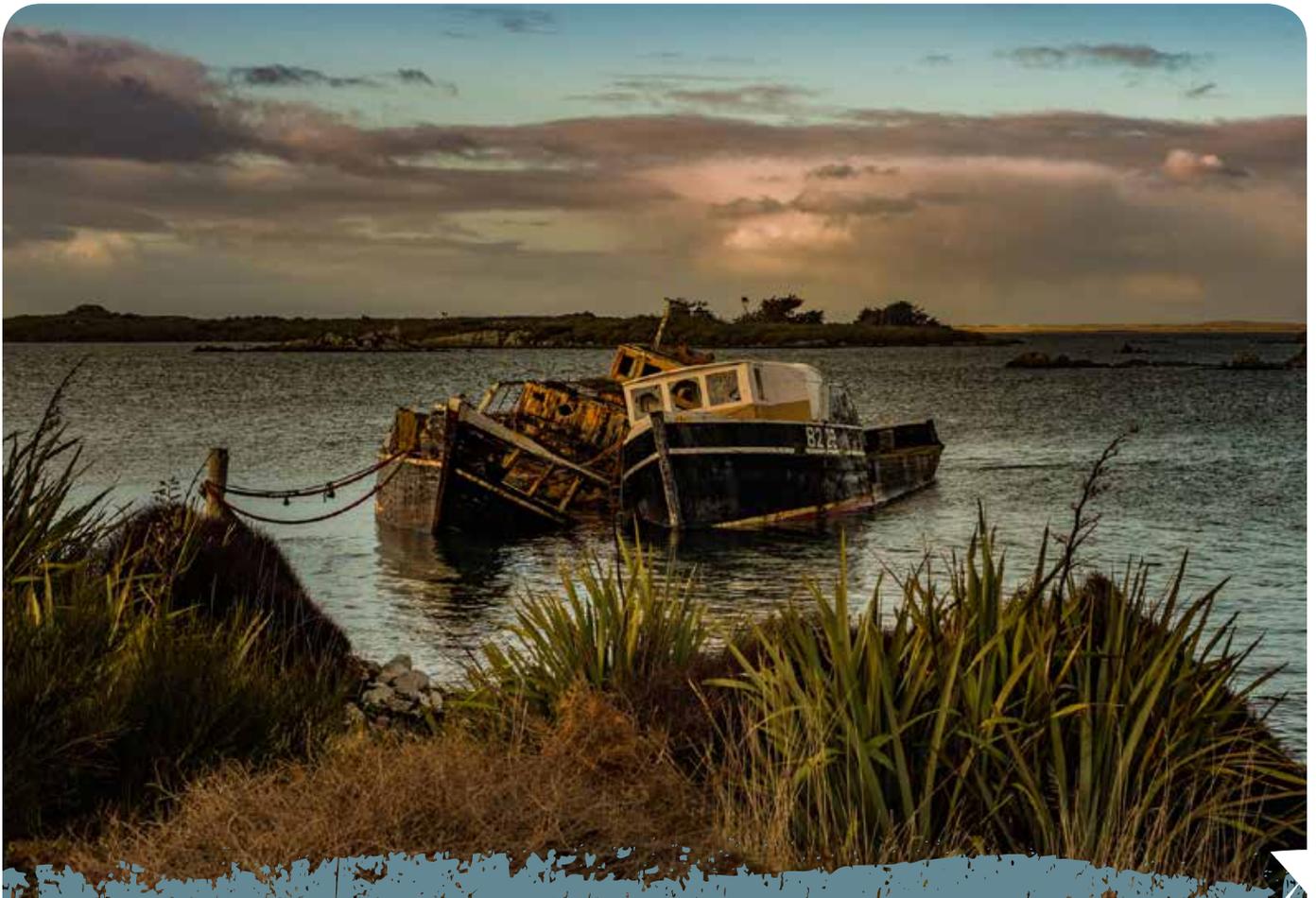








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# 2017-2018

## Council Activities and Projects



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# Roading



Refer Long-Term Plan page 101.

Two targets within the performance measure framework have been amended. The first is the traffic signals measure that has been amended to clarify and align to the existing contractual arrangement with contractors. The important response measure is to respond to emergencies. The second is due to the wording in the Long-Term Plan being inaccurate and the new measure addresses this.

Measure	LTP Target 2017/18	Target 2017/18
Traffic signals are "responded to" within one hour for emergency works, four hours for serious faults and 12 hours for minor faults.	92%	Greater than 92% of emergency requests responded to within one hour. Urgent and routine requests not included in target.
Footpaths The percentage of footpaths within a Council's district that fall within the level of service or service standard for the condition of footpaths as set out in the Asset Management Plan.	90% of sealed footpaths have a condition of good or better.	Less than 10% of sealed footpaths have a condition of very poor.

There are also four changes in the Planned Works Projects table. The changes are due to expenditure being aligned to the New Zealand Transport Agency's agreed programmes.

Project	LTP 2017/18 Proposed Expenditure (\$000)	Annual Plan 2017/18 Proposed Expenditure (\$000)
Road surface renewals and rehabilitation	3,744	2,707
Footpath renewals and rehabilitation.	1,308	1,380
Kerb and channel and culvert replacement	670	530
Street lighting	769	553

# Sewerage

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Refer Long-Term Plan page 117.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Solid Waste Management

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Refer Long-Term Plan page 128.

There have been no changes to the non-financial information contained in the Long-Term Plan.

## Consultation Point

There have been a number of Central Government changes to the New Zealand Emission Trading Scheme (ETS) and WasteNet Southland is committed to meeting these ETS obligations. This means that Council has to pay a further \$21.11 per tonne of waste. In order to pay the extra, WasteNet needs to increase their per tonnage general waste charge at

the Transfer Station. This will offset their increased disposal expenditure and lower volumes going through the Transfer Station. Council's preferred option is to increase fees by \$20 per tonne to offset the cost, which will not have a rates impact. The Council is consulting on this and you can read more in the Consultation Document.

# Stormwater



Refer Long-Term Plan page 134.

There have been no changes to the non-financial information contained in the Long-Term Plan.

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# Water Supply



Refer Long-Term Plan page 143.

One target within the performance measure framework has been amended. The target was inaccurately entered in the Long-Term Plan and the target in the Annual Plan reflects this.

Measure	LTP Target 2017/18	Target 2017/18
Customer satisfaction  The total number of complaints received by Council about drinking water taste.  Expressed per 1,000 connections to the Council's network reticulation system.	No more than 0.43 per month.	No more than 0.45 per month.

There is also a minor change in the Planned Works Projects table.

Measure	LTP Target 2017/18	Target 2017/18
Asbestos Cement Watermain Renewals	3,065	3,034

# Animal Services



Refer Long-Term Plan page 159.

The measures within the performance measure framework have been amended. The two existing measures contained in the Long-Term Plan have been replaced with three new measures outlined below.

Measure	LTP Target 2017/18	Target 2017/18
An increase in new dog registrations.		5% increase in new dog registrations from the 2015/16 registration period.
Complaints relating to barking dogs are investigated within five days.		80% of barking dog complaints are investigated within five days.
Notification of a dog attack is attended to immediately.		All notifications of a dog attack are responded to within thirty minutes.

The Animal Services activity considers that these measures are more meaningful than those included in the Long-Term Plan. Although there is no change in the level of service offered by the activity, the measures will assist in better showing where the

activity is making a difference. They will ensure Council offers a quality system and that the public know what they can expect. They will assist in assuring the public that when a complaint is made, it is responded to or investigated in a timely manner.

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# Building Control

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Refer Long-Term Plan page 164.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Civil Defence Emergency Management



Refer Long-Term Plan page 170.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Compliance including parking services



Refer Long-Term Plan page 176.

The measures within the performance measure framework have been amended. An existing measure contained in the Long-Term Plan has been replaced with two new measures and the parking patrol measure has had its target updated. These changes are outlined below.

Measure	LTP Target 2017/18	Target 2017/18
Parking patrols of Council managed parking spaces.	Average 80 hours patrolling per week.	Average 100 hours patrolling per week.
Reduction in the number of infringements being sent to the Courts for collection. <i>(Number of tickets paid as a percentage of the total issued).</i>		75% of all tickets issued are paid without the need to refer to the courts for collection.
Reduction in number of ticket exemptions. <i>(Ratio of waivers to tickets issued).</i>		Reducing trend in the number of waivers granted.

The changes to the measures are to ensure that the public can be assured that a quality service is being provided. The measures help to show how Council is progressing toward the goal that every ticket written out is not only valid, but also enforceable. The community will see a service level increase through efficiencies being found within the activity.

# Environmental Health



Refer Long-Term Plan page 183.

The measures within the performance measure framework have been amended. The three existing measures contained in the Long-Term Plan have been replaced with three new measures outlined below.

Measure	LTP Target 2017/18	Target 2017/18
Excessive noise complaints are investigated and responded to within one hour.		95% of all noise complaints are responded to within one hour from the time of receipt.
Overgrown sections are monitored in Invercargill and Bluff areas from 1 September - 31 March each year.		100% of all empty sections are audited and action taken where necessary, with a reducing trend in the number of sections having to be cleared by the Council.
Food businesses operating under a Food Control Plan are verified or audited annually.		An increasing trend in number of Food Premises operating with a Food Control Plan and 70% of businesses under this category are audited annually.

The Environmental Health Activity considers that these measures are more meaningful than those included in the Long-Term Plan. Although there is no change in the level of service offered by the Activity, the measures will assist in better showing where the Activity is making a difference. The changes also reflect the new legislation around food which requires food businesses to move from an inspection regime (tick box) to operating as per a Food Control Plan. Under a Food Control Plan a business will be audited to verify that they are operating and providing safe food as per their Plan.

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# Resource Management

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Refer Long-Term Plan page 211.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Provision of Specialised Community Services

Refer Long-Term Plan page 198.

The name of the entity and the level of financial support proposed from Council in the 2017/18 year are listed in the table below.

Entity	Contribution towards the service provided	Level of Financial Support \$ 2017/18
<b>Service Contracts</b>		
Anderson Park Art Gallery Trust Board	Operation and promotion of the Anderson Park Art Gallery and care of the extensive collection.	184,238
Invercargill Venue and Events Management Limited	Managing operation of the Civic Theatre and Outdoor Stadium.	112,750
Southland Indoor Leisure Centre Charitable Trust	Operation and maintenance of Stadium Southland.	400,000
Southland Museum and Art Gallery Trust Board.	Operation of the Southland Museum and Art Gallery.	634,410
Southland Regional Heritage Committee	Preserving the Regional Heritage of Southland.	865,949
<b>Grants</b>		
Awarua Museum	Towards operating costs	5,000
Bluff Hill Motupohue Environment Trust	Supporting the Pest Control Programme.	10,000
Bluff Maritime Museum Trust Board	Operation of the Bluff Maritime Museum.	20,000
Bluff Pool Trust	Operation of the Bluff Community Pool.	180,000
Child, Youth and Family Friendly Sub-Committee	Enhancing the 'Friendly' brand within Invercargill.	10,000
Citizens Advice Bureau	Operation of the Citizens Advice Bureau.	26,000
Community Ratepayers Group	Contribution towards administration costs for ratepayers groups.	5,000
Environment Southland	Contribution towards the completion of the Invercargill - Bluff Walkway / Cycleway.	50,000
Events Fund	Contribution towards event creation / promotion.	150,000

Entity	Contribution towards the service provided	Level of Financial Support \$ 2017/18
<b>Grants</b>		
Facilities Maintenance Fund	Contribution to the ongoing maintenance of Council owned regional facilities utilised by Community Groups and Sports Clubs.	250,000
Football for all weathers	Loan interest and principle repayments.	11,727
Iconic Events Fund	Contribution towards the holding of iconic events or performances in Invercargill.	100,000
Invercargill Grief and Loss Awareness Centre	Towards operating costs	15,000
Safe in the South	To fund a local co-ordinator	10,000
Santa Parade Charitable Trust	Storage of floats for parade.	10,000
Southland Indoor Leisure Centre Charitable Trust	Loan interest for the 2017/18 year resulting from the contribution to Stadium Southland rebuild.	80,705
Southland Multicultural Council	Operation of the Southland Multicultural Council.	5,000
Southland Warm Homes Trust	Providing subsidies on Healthy Homes initiatives for citizens.	50,000
Southland Youth One Stop Shop Trust	Contribution towards building rental.	27,000
SPCA	Operation of the Southland SPCA	12,000
Sport Southland	Contribution towards a South City Kiwisport programme and contribution toward Sport Southland.	20,000
St John	Towards new facility	34,000

# Community Development



Refer Long-Term Plan page 205.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Housing Care Services

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Refer Long-Term Plan page 211.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Libraries & Archives



Refer Long-Term Plan page 217.

Two targets within the performance measure framework have been amended. The changes from the Long-Term Plan targets for the measures are shown below.

Measure	LTP Target 2017/18	Target 2017/18
Number of issues per year.	665,000	615,000
Number of visits per year.	530,000	525,000

The changes in the targets reflect the changing use of Invercargill City Libraries and Archives. These targets reflect the increasing use of online resources and reference enquiries, rather than physical visits to the Library.

There are also changes in the Planned Works Projects table.

Project	LTP 2017/18 Proposed Expenditure (\$000)	Annual Plan 2017/18 Proposed Expenditure (\$000)
Autodoor Renewal	-	47

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# Parks & Reserves

including cemeteries & crematorium

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Refer Long-Term Plan page 222.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Passenger Transport



Refer Long-Term Plan page 230.

Two targets within the performance measure framework have been amended. The changes from the Long-Term Plan targets for the measures are shown below.

Measure	LTP Target 2017/18	Target 2017/18
Farebox Recovery Percentage	37%	35%
All members of the Community have the opportunity to use the public transport.	Total Mobility Scheme is administered.	Total Mobility Scheme is administered to the satisfaction of the Total Mobility Annual Combined Committee meeting.

The lower than LTP target for Farebox recovery has been requested due to a decrease in passenger numbers having been experienced over the last 15 months. This is a nationwide trend seen in most provincial areas. Fares have also not been increased which was anticipated to assist in maintaining farebox revenue, but would be seen to have a negative effect on growing passenger numbers.

The Total Mobility Scheme administration has been clarified as to how it is to be measured.

# Pools



Refer Long-Term Plan page 236.

One target within the performance measure framework has been slightly amended to clarify what is being measured. The change from the Long-Term Plan target for the measure is shown below.

Measure	LTP Target 2017/18	Target 2017/18
All water quality standards are within limits set in NZS 5876:2010.	100%	All water quality standards are within the operational limits set in NZS 5826:2010 - 99%.

# Public Toilets



Refer Long-Term Plan page 242.

There have been no changes to the non-financial information contained in the Long-Term Plan.

There has been one change to the Planned Works Projects table.

Measure	LTP Target 2017/18	Target 2017/18
Toilet in Waikiwi	-	125

# Theatre Services

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Refer Long-Term Plan page 247.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Democratic Process



Refer Long-Term Plan page 254.

There have been no changes to the non-financial information contained in the Long-Term Plan.

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# Destinational Marketing & Enterprise

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Refer Long-Term Plan page 260.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Investment Property



Refer Long-Term Plan page 268.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# City Centre Revitalisation

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Refer Long-Term Plan page 281.

There have been no changes to the non-financial information contained in the Long-Term Plan.

# Urban Rejuvenation



Refer Long-Term Plan page 284.

There have been no changes to the non-financial information contained in the Long-Term Plan.



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