



AGENDA

Meeting of the
Buller District Council

**Commencing at the Conclusion of the Risk
and Audit Committee Meeting.
Wednesday 26 June 2024**

To be held at the
Clocktower Chambers
Palmerston Street
Westport



CORE COUNCILLOR ROLE AND RESPONSIBILITIES

The Governance role entails:

- Strategic planning and decision-making;
- Policy and strategy review;
- Community leadership and engagement, and stewardship;
- Setting appropriate levels of service;
- Maintaining a financially sustainable organisation; and
- Oversight/scrutiny of Council's performance as one team.

The governance role focusses on the big picture of 'steering the boat' - management's role focusses on 'rowing the boat'

Our commitments to best support each other and meet the challenges and opportunities of 2024 include:

CLEAR AND RESPECTFUL COMMUNICATION

We are committed to:

Actively listening and not interrupting;

Remaining conscious of 'tone', body language, and amount of time speaking (allowing time for others);

Responding/answering in a timely manner; and

Being honest, reasonable, and transparent.

TRUST AND RESPECT

We recognise that trust and respect must be earned and that a team without trust isn't really a team. Trust can be built by:

Valuing long-term relationships; being honest; honouring commitments; admitting when you're wrong; communicating effectively; being transparent; standing up for what's right; showing people that you care; being helpful; and being vulnerable.

CONTINUOUS LEARNING AND IMPROVEMENT

Continuous learning and improvement are critical for growing together as a team.

We are committed to constantly reviewing what is going well and what needs to improve in relation to the way we work together, the processes we follow, and the outcomes we deliver.

NONE OF US IS AS SMART AS ALL OF US

Council

| | |
|---------------------------|---|
| Chairperson: | Mayor |
| Membership: | The Mayor and all Councillors |
| Meeting Frequency: | Monthly – or as required. |
| Quorum: | A majority of members (including vacancies) |

Purpose

The Council is responsible for:

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

Terms of Reference

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

2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
 - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
 - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
 - c) Adoption of governance level strategies, plans and policies which advance Council's vision and strategic goals.
 - d) Approval of the Triennial Agreement.
 - e) Approval of the local governance statement required under the Local Government Act 2002.
 - f) Approval of a proposal to the Remuneration Authority for the remuneration of Members.
 - g) Approval of any changes to the nature and delegations of the Committees.
 - h) Approval of funding to benefit the social, cultural, arts and environmental wellbeing of communities in Buller District
 - i) Ensuring Buller is performing to the highest standard in the area of civil defence and emergency management through:
 - i) Implementation of Government requirements
 - ii) Contractual service delivery arrangements with the West Coast Regional Group Emergency Management Office
 - j) All other powers and responsibilities not specifically delegated to the Risk and Audit Committee, subcommittees, independent hearing panels or Inangahua Community Board.

Buller District Council



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

26 June 2024 04:00 PM

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BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 1

Prepared by Simon Pickford
Chief Executive Officer

APOLOGIES

1. REPORT SUMMARY

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

2. DRAFT RECOMMENDATION

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

OR

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

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 2

Prepared by Simon Pickford
Chief Executive Officer

MEMBERS INTEREST

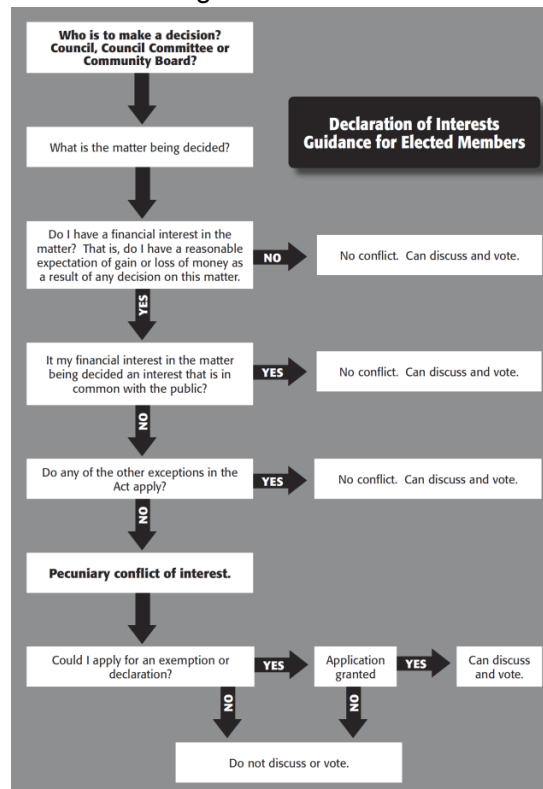
Members are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.

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

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

DRAFT RECOMMENDATION:

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



BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 3

Prepared by Simon Pickford
Chief Executive Officer

Attachments

1. Extraordinary Council Meeting Public Minutes 22 May 2024
2. Council Public Meeting Minutes 29 May 2024
3. Extraordinary Council Meeting Public Minutes 05 June 2024
4. Extraordinary Council Meeting Public Minutes 11 June 2024

CONFIRMATION OF MINUTES

1. DRAFT RECOMMENDATION

That Council receive and confirm the Public Minutes from:

- **Extraordinary Council Meeting 22 May 2024**
- **Council Meeting of 29 May 2024.**
- **Extraordinary Council Meeting 05 June 2024.**
- **Extraordinary Council Meeting 11 June 2024.**



**THE BULLER DISTRICT COUNCIL EXTRAORDINARY MEETING, HELD AT 1:00PM
ON WEDNESDAY 22 MAY 2024 AT THE CLOCKTOWER CHAMBERS,
PALMERSTON STREET, WESTPORT.**

PRESENT: Mayor J Cleine, DM A Basher, Councillors P Grafton, J Howard, T O'Keefe, A Pfahlert, G Neylon, R Sampson, G Weston, N Tauwhare (Iwi Representative)

IN ATTENDANCE: S Pickford (CEO), C McDonald (Governance Secretary), B Little (Policy Advisor), T Armstrong (Licensing Officer), T Judd (Team Leader Compliance), M Sutherland (Contractor Manger Infrastructure Planning), N Riley (GM Regulatory Services)

VIA ELECTRONIC LINK: Cr C Reidy, Cr L Webb

PUBLIC FORUM: N/A

MEDIA: Ellen Curnow (Westport News)

MEETING DECLARED OPEN AT: 1:06pm

1. APOLOGIES (Page 8)

Discussion:

Cr L Webb will be late and is attending via zoom

Cr A Pfahlert late due to a prior engagement

Cr T O'Keefe will not be attending the Gambling Hearing but will attend the Road Stopping Hearing.

RESOLVED That Buller District Council receives apologies from Cr L Webb, Cr A Pfahlert and Cr T O'Keefe.

Deputy Mayor A Basher / Cr G Neylon

8/8

CARRIED UNANIMOUSLY

2. MEMBERS INTEREST (Page 9)**Discussion:**

Item 4 - Cr G Neylon is a Reefton resident but does not believe he is conflicted in relation to Reefton items.

RESOLVED that members disclose any financial or non-financial interest in any of the agenda items.

Mayor J Cleine / Cr P Grafton

8/8

CARRIED UNANIMOUSLY

3. CLASS 4 GAMBLING VENUE APPLICATION FOR ADDITIONAL GAMING MACHINES AND SUBMISSIONS - CLUB BULLER (Page 10)

RESOLVED that Council

1. Receives the report for information
2. Hears verbal submissions from the applicant and objectors

Mayor J Cleine / Cr G Neylon

8/8

CARRIED UNANIMOUSLY

Cr L Webb joined the meeting at 1.10pm

Submissions:

Note -The questions from elected members are in red and the answer from the speaker follows in black.

| Name | Representing |
|---|---|
| Evan Fox (in person) | <u>Club Buller</u> Mr. Fox handed an information sheet to all Councillors. Mr Fox spoke to how the Club is community owned. Any profits made go back into the communities and are not involved in any Pub Charities. There is regular training and certification for staff around gambling machines. There are checks completed every hour for the gaming machine room. Exclusion forms are set by clubs new Zealand. Monthly exclusions (NZ Wide) are sent to the Club, and they must acknowledge that they have received this. |
| <p>Who monitors the computer system for the gaming machines? It is remotely monitored from Hastings.</p> <p>The profits from your gaming machines are effectively used to fund the club itself. Yes</p> <p>Currently the proceeds from any funds are used to run the club and support the community via use of the club? Yes</p> | |

In regard to exclusion, is this just for the club, or for every other site around town? Every other site around town.

Are you expecting more money from more machines? We are expecting a 10% uplift from five more machines

Is there currently a waiting time for people wanting to use gaming machines? No.

With people who have been on a machine for three hours, do you link in with other venues so that the person cannot move between venues? After three hours, the patron must take a ten minute break. The different venues do not communicate this with each other.

Do you have a time frame of when this extra money will be able to benefit the community? No, it is subject to the machines being approved and the license being granted.

You would need to increase the space to allow more machines. Would this result in a higher visibility? The intention is to put the entrance to the gaming room where it can (legally) be seen from the bar. To comply with the new rules and regulations, you must be able to see into the gaming room from the bar.

The gaming machines do not subsidise alcohol prices. No, they do not. The cheaper alcohol is a result of the membership fee.

| | |
|-----------------------------------|--|
| <p>Kristy Kang (via Zoom)</p> | <p><u>Problem Gambling Foundation (PGF) Group</u></p> <p>PGF is the only mainstream service that provides nationwide help and services for problem gambling. There is no opposition to the club itself. Oppose the increase on the machines. There is ample pokie machines and three other venues within walking distance. Class 4 gambling is classed as high risk and the most harmful form of gambling – it encourages continuous gambling. The clients from Buller that have worked with PGF are concerned about the problem gambling poses in the district. PGF strongly encourages Council to decline the application and adopt a ‘sinking lid’ policy when it comes time to review the current Gambling Policy.</p> |
|-----------------------------------|--|

The reference to clients not having staff managing their problem gambling well – were these generalised comments? It is not referring directly to Club Buller? The clients in Buller do not want to give specific examples as it is a small community and they do not want to be identified.

You have referenced Pokies, but what about online gambling and the likes of scratchies? Online gambling harm has increased in New Zealand over the years. When you look at the data of people who site their main form of gambling, Class 4 gambling makes up 45% of PGF’s clients. Those who prefer pokie gambling will go to the pokies. Pokie venues provide some degree of privacy. Online gambling is due to be regulated by Central Government in the next few years.

In terms of people who identify as problem gamblers – are they the same people that are being identified by the venues as problem gamblers? The people who come to

| | |
|---|--|
| PGF have to be ready to accept help. Exclusion by the venues is a way of prevention, but people who are excluded do not necessarily go to PGF. | |
| Trevor Wilson (via Zoom) | <p><u>Individual</u></p> <p>Lives in Mangere (Auckland) Council's current policy states that it wants to reduce harm from gambling. The application submitted by Club Buller was very sparse – there was no liquor license and no supporting documents (gambling checks, staff cert etc)</p> <p>Trevor spoke to the amount of money spent in the district and the amount of machines in the district compared to the national average. It is higher than in Mangere. Allowing Club Buller to have five more machines will not help to minimise gambling harm.</p> |
| <p>You spoke to the application and the venue. Have you visited the venue, or is this a remote submission? Expected there to be a higher number of objections. There have been no submissions of support by anyone from Club Buller. Trevor is a board member of an organisation called 'Feed Families Aotearoa' whose aim is to reduce gambling harm.</p> | |
| Hebe Gibson (via Zoom) | <p><u>Te Manu Ora – Branch of Te Whatu Ora</u></p> <p>Spoke to problem gambling and the harm that it causes. Machines are used in low income area (decile 9 or 10)</p> <p>Pokies are one of the most harmful forms of gambling in New Zealand. Other class 4 gambling venues must legally give 40% of their gaming profits each year back to the community. Club Buller is exempt from this – meaning that they can keep 100% of their gaming profits every year. Te Manu Ora are prepared to do a social impact assessment to help Council with the class four policy review.</p> |
| <p>You talk about increase in machines equals an increase in harm. Is there a definitive link between the two? More machines mean more chances to gamble and there is more exposure to gambling which can lead to more gambling harm.</p> | |

Cr A Pfahlert arrived at the meeting 1.37pm

RESOLVED that Council Considers all submissions via deliberation

Mayor J Cleine / Deputy Mayor A Basher

10/10

CARRIED UNANIMOUSLY

Tarsha Armstrong spoke to her report.
Buller has seven venues and 58 machines. Westport has 39 of these machines. McManus' had 15 machines and was a well frequented gambling venue. Some documentation has not been provided - the application met the bare minimum criteria of what was to be presented.

Deliberations:

Previous Councils have considered adopting a sinking lid policy. Now McManus' has closed, there are 15 less machines. It does not make very good reading for the amount of machines we have in our district.

There are benefits from the machines for the club. They will be able to make the facility better for community use. It is unclear of the level of harm that problem gambling causes in the Buller District.

From working with community groups, the harm does exist. It is particularly noticeable through the groups who do food distribution.

The applicant talked about wanting to add variety. This is obviously around keeping people engaged for longer and encouraging people to gamble more.

The stats on the machine averages could be open to interpretation as Buller has a very unique geography and the settlements are quite spread out. Club Buller is quite a modest venue in terms of its external presence. It is a venue you deliberately seek out. A few more machines could go largely unnoticed by the community.

In the last 30/40 years, the number of licensed premises with gaming machines has essentially halved. It's a self-levitating sinking lid.

Are more machines going to mean more gamblers? That is putting a bit of onus on the machine itself. People will gamble whether there is one machine or 50.

McManus' income being higher would have been a direct result of the number of machines they have. Number of machines definitely has an impact on the amount of people gambling.

With the closure of McManus', the 40% of their gaming profits going to the community is gone. Granting Club Buller five new machines does not guarantee that there will be more profit going back into the community as the club does not have an obligation to provide any of their profit.

This application unfairly targets the most vulnerable people in the community. Granting it would do more harm than good.

Cr P Grafton left the room 2.20pm
 Cr P Grafton returned 2.21pm
 Deputy Mayor A Basher left the room 2.21pm
 Deputy Mayor A Basher returned at 2.22pm

The application falls short. There is missing documentation, the floor plan is from 2021 and is signed by the old club manager. People can walk in off the street and play the gaming machines which is concerning.

There doesn't need to be more opportunity for Buller residents to gamble. Ten machines are plenty for this establishment.

If the establishment provides a good service and has effective monitoring/preventions in place then there should not be an issue with more machines.

RESOLVED that Council

a. ~~Grants the application by Club Buller Inc for the addition of 5 new machines to the Class 4 gambling venue at Club Buller in Westport. OR~~

b. Declines the application by Club Buller Inc for the addition of 5 new machines to the Class 4 gambling venue at Club Buller in Westport.

Cr A Pfahlert / Cr Joanne Howard

8/2

MOTION CARRIED

MEETING ADJOURNED: 2.27PM

MEETING RECOMMENCED: 3:02PM

**4. ROAD STOPPING APPLICATION – PART BOUNDARY ROAD REEFTON
(Page 75)**

RESOLVED that Council

1. Receives the report for information
2. Hears verbal submissions from the applicant and objectors

Mayor J Cleine / Cr G Neylon

10/10

CARRIED UNANIMOUSLY

Submissions:

Note -The questions from elected members are in red and the answer from the speaker follows in black.

| Name | Representing |
|--|--|
| Inger Perkins on behalf of Ric Cullnane (via Zoom) | <u>Herenga a Nuku Aotearoa</u> A large area of this organisation's work includes unformed legal roads. There is potential for public interest in the future. Unformed legal roads are managed on behalf of the public and consideration of future generations is essential. Much of what is being talked about can be viewed in the letter submitted. Private interest should not take precedent over public. |
| If the road was stopped, does the land have to be offered back to the crown before it can be offered for Private Ownership? Can find out this answer and let you know. Previously, it was to be offered to Ngai Tahu before private ownership could be considered. | |
| Joy Prebble (in person) | <u>Reefton Resident</u> Resident of Reefton. Last road at this built up end of town. Not in the best interest of the public of Reefton. It could possibly |

| | |
|---|--|
| | be used in the future and the region has a high probability of growth in the future. Walk/cycle way is a potential. |
| <p>Are there other access options for the Rural land behind this boundary road? There are terraces further along that would make this difficult.</p> <p>Are other alternatives for a walking track available? Yes, but it would have to be through the streets of Reefton.</p> <p>What condition is the track on the boundary road in? It is in good condition.</p> | |
| Karen Lippiatt (in person) | <p><u>Reefton Resident</u></p> <p>Spoke to Te Aroha (a town in the Waikato) and how unformed road access was kept and has since been converted to cycleways and this has improved visitation to the town. Reefton needs to keep its options open. It is more important to keep the land for future generations.</p> |
| Gwen and Simon Gardner (in person) | <p><u>Applicants</u></p> <p>Great grandparents moved to Reefton 1878 on Deemac Street. Lots of family history. Very proud of Reefton and keen for it to grow. She does not believe that the unformed legal road will ever be used as there are mine shafts and mine drives along it. There is a track in existence 300m away that is maintained by volunteers. Walking around Reefton is possible unless someone builds on the farmland and then it is not. Have been looking after their piece of boundary road for the last 20 years. This road was put on paper 150 years ago. Who is going to pay for it and who is going to maintain it if it was to be used as a legal road in the future?</p> |
| <p>Have you known since you brought the property that there was a paper road at the back of this section? Yes</p> <p>Would you be amenable (if this application was successful) to allowing an easement through the paper road for a walking track? Absolutely. There are options such as not purchasing it all to leave space for a walking track.</p> <p>Tell us about Bayfield Street (another paper road). Is it included in this road stopping application? No. This application is only for Boundary Road, not Bayfield Street.</p> <p>In one of the submissions there was a suggestion that only the area that has structures on it could be sold and public access would be retained. To clarify – do you have structures on the land? The section of the deck crosses the boundary.</p> <p>Would you be amenable to buying the small strip? Unsure.</p> <p>Why now? What has brought about the desire to change something that has been the same for almost 20 years? It was talked about years ago and everyone said don't worry about it – there are paper roads being used all over Reefton. Could be beneficial if selling the property.</p> | |

Cr T O'Keefe entered the meeting 3.31pm

The report is to be taken as read and further discussions can take place in Public Excluded.

There has not been an application for Road Stopping for some time.

Regarding the question of right of sale earlier - Under Schedule 10 of the Local Government Act, the Minister of LINZ has provided consent for this application to take place as the section of Boundary Road is right on the edge of the Rural Area. Once the surveying has been completed, it can be offered to the adjoining owner where it must be amalgamated onto their site (both sites must be on one title, it cannot stay as a separate piece of land)

5. PUBLIC EXCLUDED DELIBERATIONS

Discussion:

For clarity of all those involved – if the objections are upheld then the process stops here. If the objections are disallowed, the application will be referred to the Environment Court.

RESOLVED That the public be excluded from the following parts of the proceedings of this meeting:

| Item No. | Minutes/ Report of: | General Subject | Reason For Passing Resolution under LGOIMA | Release Details |
|----------|---------------------------------|---|---|---|
| 4 | Manager Infrastructure Delivery | Deliberation on application and submissions to application for the proposed Road Stopping of 6 Deemac Street, Reefton | Section 48 (2) (a) (i) To deliberate on matters relating to proceedings where a right of appeal lies to a court or tribunal against the final decision of the councils in those proceedings | The decision will be released immediately. Deliberations will be released once they are confirmed as true and correct before an Ordinary Council Meeting |

Mayor J Cleine / Deputy Mayor A Basher

11/11

CARRIED UNANIMOUSLY

Moved into Public Excluded at 3:43PM

**THE BULLER DISTRICT COUNCIL MEETING, HELD AT 5:00PM ON WEDNESDAY
29 MAY 2024 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET,
WESTPORT.**

PRESENT: Mayor J Cleine, DM A Basher, Councillors P Grafton, J Howard, T O'Keefe, R Sampson, G Weston, S Roche (Independent Chair Risk and Audit Committee)

IN ATTENDANCE VIA ELECTRONIC LINK: Cr C Reidy, Cr G Neylon, Cr A Pfahlert, Cr L Webb, Rick Barry (Contractor), Nick Logan (Quigg Partners),

IN ATTENDANCE: S Pickford (CEO), D Marshall (Chief Financial Officer), M Duff (GM Infrastructure Services), K Trigg (GM Community Services), C McDonald (Governance Secretary), M Sutherland (Contractor Manager Infrastructure Planning), Pete Graham, Ruth Vaega, Robert Thompson, Lyn Doncliff (Carnegie Cultural Centre Incorporated (CCC))

PUBLIC FORUM: Allan Donaldson – Speaking to the Westport Water Supply. Specifically, regarding the next stages and what stage it is currently at.

MEDIA: Ellen Curnow

MEETING DECLARED OPEN AT: 5.01PM

1. APOLOGIES (Page 7)

Discussion:

N Tauwhare (Iwi Representative)

Cr G Neylon to join via Zoom

RESOLVED that Buller District Council receives apologies from N Tauwhare (Iwi Representative)

Deputy Mayor A Basher / Cr P Grafton

10/10

CARRIED UNANIMOUSLY

2. MEMBERS INTEREST (Page 8)

Discussion:

Cr R Sampson Agenda Item 6. Cr Sampson is BDC representative on the Carnegie Cultural Centre Incorporated Society but this is not a conflict of interest.

Cr G Neylon joined 5.03PM via Zoom

Cr L Webb Agenda Item 7. Works for Sacred Heart School but no submissions to this from her school so there is no conflict of interest.

Cr G Neylon Agenda Item 5. Financial interests in a Reefton business, but this business has made no indication that it will be submitting a tender for any properties that may come up for sale as part of this Agenda Item. He will declare if/when this becomes a conflict.

RESOLVED that members disclose any financial or non-financial interest in any of the agenda items.

Mayor J Cleine / Cr T O'Keefe

11/11

CARRIED UNANIMOUSLY

LATE AGENDA ITEM – PUBLIC EXCLUDED ITEM 3 EMPLOYMENT RELATIONS MATTER UPDATE

Please refer to the document at the end of these minutes which was circulated to Council with relation to this Late Agenda Item.

The reason the item was not on the agenda is because it came to hand after the agenda had been distributed.

The reason the discussion of this item cannot be postponed to a later meeting due to the urgent need for Elected Members to be promptly informed of this confidential issue.

RESOLVED That Council allow the late agenda item titled 'Employment Relations Matter Update' to be heard at this meeting.

Mayor J Cleine / Cr P Grafton

11/11

CARRIED UNANIMOUSLY

RESOLVED That the public be excluded from the following parts of the proceedings of this meeting:

| Item No. | Minutes/ Report of: | General Subject | Reason For Passing Resolution under LGOIMA | When Report Can Be Released | Release Details |
|----------|----------------------|------------------------------------|--|---|----------------------------------|
| PE3 | Simon Pickford - CEO | Employment Relations Matter Update | Section 7(2)(a) to protect the privacy of natural persons. Section 7(2)(g) to maintain legal professional privilege. | This report will not be released to the Public as doing so would breach legal privilege | Click or tap here to enter text. |

Mayor J Cleine / Deputy Mayor A Basher

11/11

CARRIED UNANIMOUSLY

Meeting moved into Public Excluded at 5.08PM
Meeting returned to Public Session at 5.47PM
Meeting Adjourned at 5.47PM
S Roche departed 5.50PM
Meeting Recommenced at 5.51PM

PUBLIC FORUM: Allan Donaldson – Speaking to the Westport Water Supply. Specifically, regarding the next stages and what stage it is currently at. Spoke to the positive action going on with the water in Westport. Now is the right time to run a new pipe to the water supply's northern branch and Council should endorse this.

3. CONFIRMATION OF PREVIOUS MINUTES (Page 9)

Discussion: NIL

RESOLVED That Council receive and confirm the Public minutes from the:

- Regulatory and Hearings Committee Meeting Minutes 29 November 2023
- Council Public Meeting Minutes 24 April 2024

Cr Joanne Howard / Deputy Mayor A Basher

11/11

CARRIED UNANIMOUSLY

4. ACTION POINTS REPORT (Page 28)

Discussion:

D Marshall to confirm via email if Action Point 24 and 25 are to be carried forward into the 24/25 Enhanced Annual Plan

RESOLVED That Council receive the Action Point list for information.

Cr T O'Keefe / Mayor J Cleine

11/11

CARRIED UNANIMOUSLY

Agenda Item 6 was addressed next

5. STATUS REPORT – CARNEGIE LIBRARY (Page 40)

Discussion:

M Duff recognized the members of the Carnegie Cultural Centre Incorporated (CCC) and Council staff for their efforts

M Duff spoke to the report and how the process would work should Council go ahead.

Pete Graham spoke on behalf of the CCC, and they are wanting to know from Council if there was support for the project to continue.

Questions were asked and answered around the funding processes for this project.

Discussion was held around the implications of waiting to continue with this project and it was suggested that this project may not be a high priority for the community at this stage.

It was noted that this project has been ongoing for a number of years.

Note that Recommendation Two has been amended from: '2. Agrees to continue with the project planning or stop the project.' To: '2. Agrees to continue with the project planning.'

Note that Recommendation Five was withdrawn and will be addressed as part of the Enhanced Annual Plan.

Note Recommendation Six and Seven were left on the table

RESOLVED That Council

1. Receives this status report.

Cr R Sampson / Cr G Weston
10/0/1
Cr Joanne Howard abstained.
CARRIED UNANIMOUSLY
2. Agrees to continue with the project planning.

Cr R Sampson / Cr G Weston
10/0/1
Cr Joanne Howard abstained.
CARRIED UNANIMOUSLY
3. If the project is to continue, works collaboratively with the Carnegie Cultural Centre Incorporated Society and return to Council for subsequent approval the following:
 - a. Agree the terms of Draft Memorandum of Understanding based on Attachment 1.
 - b. Identify and develop a roles and responsibilities matrix between the parties, to be included in the Memorandum of Understanding.
 - c. Identify and develop a project plan based on the required steps for the project, based on Attachment 2.
 - d. Identify and develop external funding criteria, deliverable and final applications.
 - e. Identify and develop resource consent criteria, deliverables, and a final application.

Cr R Sampson / Cr G Weston
10/0/1
Cr Joanne Howard abstained.
CARRIED UNANIMOUSLY
4. Notes that the estimated project cost has increased from the original \$1.02M to \$1.6M.

Mayor J Cleine / Cr R Sampson
11/11
CARRIED UNANIMOUSLY

- ~~5. Agrees to retain the provisioned seed funding of \$510,000 and carry forward funds into the 2024/25 Enhanced Annual Plan~~
 - ~~6. Notes if the project were not to proceed and not alternative option was found to save the building the demolition costs are estimated to be \$150,000.00.~~
 - ~~7. Notes the current deadline for completing seismic work is 28 December 2026.~~
 8. Engage with the Carnegie Cultural Centre Incorporated Society regarding item 3b
- Cr G Neylon / Cr R Sampson**
11/11
CARRIED UNANIMOUSLY

6. PROPERTY RATIONALISATION PROJECT (Page 30)

Discussion:

Cr A Pfahlert departed the Zoom 6.59pm and was not present for the vote of Recommendation 3

Cr A Pfahlert returned 7.00pm

Note that Recommendation Four has been amended from: '4. With regard to the Reefton Service Centre building and associated land (sections 178-179 Town of Reefton NL 8B/1024) instructs the Chief Executive to either proceed.

a. with the disposal of the property subject to legal advice; or' to:

'4. With regard to the Reefton Service Centre building and associated land (sections 178-179 Town of Reefton NL 8B/1024) instructs the Chief Executive to either proceed.

a. with the disposal of the property subject to legal advice and any resulting profit from the sale be allocated to the Inangahua Community Board Area for projects to be prioritised by the Inangahua Community Board.'

RESOLVED That Council:

1. Notes the progress made in the property rationalisation project.
Mayor J Cleine / Deputy Mayor A Basher
11/11
CARRIED UNANIMOUSLY
2. With regard to the former Reefton Depot:
 - a) Consents to the stopping of the legal road adjoining Sections 845 to 854 Town of Reefton (Reefton Depot) as both owner of the adjoining land

and the territorial authority in accordance with Section 116 of the Public Works Act 1981; and

b) Instructs the Chief Executive Officer to proceed with the requirements of Section 116 of the Public Works Act 1981 to request the Minister of Land Information to stop the legal road adjoining Sections 845 to 854 Town of Reefton.

Mayor J Cleine / Cr Joanne Howard
11/11

CARRIED UNANIMOUSLY

3. With regard to 13 Plaskett Street, Reefton (Lot 3 DP 16814) either:
- a) ~~instructs the Chief Executive Officer to bring a report to Council outlining the Section 82 Local Government Act 2002 requirements for consultation for consideration and resolution; or~~
 - b) removes the property from the list of Council owned properties to be disposed of under the Property Rationalisation Project and rescinds the resolution of 27 April 2022 in Agenda Item 7 Property Rationalisation Project:
 - 1. *Instructs the Chief Executive Officer to proceed with the process of disposal of the following council owned properties, subject to legal advice:*
 - d. *Plaskett Street (Lot 3 DP 16814 NL13C/404)'*

Mayor J Cleine / Cr T O'Keefe
10/10

Cr A Pfahlert not present for the vote.
CARRIED UNANIMOUSLY

4. With regard to the Reefton Service Centre building and associated land (sections 178-179 Town of Reefton NL 8B/1024) instructs the Chief Executive to either proceed.
- a. with the disposal of the property subject to legal advice and any resulting profit from the sale be allocated to the Inangahua Community Board Area for projects to be prioritised by the Inangahua Community Board.'
 - ~~b. to lease the building at a commercial rate; or~~
 - ~~c. to lease the building for a community use at a commercial rental amount; or~~
 - ~~d. to lease the building for a community use at a peppercorn rental amount.~~

Mayor J Cleine / Cr R Sampson
3/8

Cr C Reidy against
MOTION LOST

A Recommendation was proposed that relates to Resolution 4. It is considered Recommendation 5 and reads as follows:

5. With regard to the Reefton Service Centre Building that Council refer the Report to the Inangahua Community Board for recommendation at their July meeting and that Council supports the Community Group to develop a Feasibility Study for presentation alongside the staff report for presentation at the July Inangahua Community Board Meeting.

Cr C Reidy / Cr A Pfahlert
11/11
CARRIED UNANIMOUSLY

6. With regard to 119 and 212 Broadway, Reefton (Part of Lot 1 DP 11987 Town of Reefton NL10D/406) the two senior housing units currently under care and maintenance at the eastern end of the site being instructs the Chief Executive Officer to either:
- a. ~~proceeds with the process of disposal of the portion of land containing the two units subject to legal advice – including demolition of the buildings, and subdivision of the site – with proceeds from the sale of the property to be allocated to the senior housing upgrade and maintenance programme; or~~
 - b. proceeds with the process of disposal of the portion of land containing the two units subject to legal advice and subdivision of the site - with proceeds from the sale of the property to be allocated to the senior housing upgrade and maintenance programme; or
 - c. ~~Further investigate and report back to Council on the alternatives including the costs of building new unit/s and refurbishment of existing units to healthy homes standards.~~

Cr Joanne Howard / Deputy Mayor A Basher
6/5

Cr C Reidy against
MOTION CARRIED

7. DRAFT WEST COAST SPEED MANAGEMENT PLAN FEEDBACK FROM PUBLIC CONSULTATION (Page 57)

Discussion:

M Sutherland answered questions that were asked around this report and proposed Speed Management Plan and gave direction on potential changes that could be made within the confines of the proposal.

Cr T O'Keefe departed 7.45PM
Cr T O'Keefe returned 7.47pm
Cr A Pfahlert departed 7.47pm
Cr R Sampson departed 7.48pm
Cr A Pfahlert returned 7.49pm
Cr R Sampson returned 7.50pm
Cr A Pfahlert departed 8.05pm
Cr A Pfahlert returned 8.08pm
Cr G Neylon departed 8.08pm
Cr G Neylon returned 8.10pm

Note that Recommendation 2b has been amended from 'b) After consideration of the submissions as summarised in Table A (Attachment 1); agrees and adopts the recommended changes detailed in Table A, to the Do Minimum Option, as well as to the West Coast Speed Management Plan and Buller District Council Maps, subject to any further Council amendments.' to:

'b) After consideration of the submissions as summarised in Table A (Attachment 1); agrees and adopts the recommended changes detailed in Table A, to the Do Minimum Option, as well as to the West Coast Speed Management Plan and Buller District Council Maps.'

Note that Recommendation One did not have a seconder and was left on the table.

Note that Recommendations Three and Four were left on the table.

RESOLVED That Council

1. ~~Receives this report.~~

Cr Joanne Howard moved / No Seconder

2. ~~Either~~

~~a) After consideration of the submissions as summarised in Table A (Attachment 1); decides to confirm the Do Minimum Option as presented in the West Coast Speed Management Plan and Buller District Council Map without any amendments.~~

OR

b) After consideration of the submissions as summarised in Table A (Attachment 1); agrees and adopts the recommended changes detailed in Table A, to the Do Minimum Option, as well as to the West Coast Speed Management Plan and Buller District Council Maps.

Cr Joanne Howard / Cr G Weston

5/6

MOTION LOST

3. ~~Forwards the recommended changes to the Do Minimum Option as presented in Table A (Attachment 1) with any further amendments, together with this report to the Regional Transport Committee for inclusion in the West Coast Speed Management Plan.~~

4. ~~Requests that the Regional Transport Committee confirms it has included the Do Minimum Option into the Regional Speed Management Plan and advises Council of any amendments.~~

Meeting adjourned at 8.10pm

Meeting reconvened at 8.20pm

**8. DRAFT PROPOSAL – BULLER DISTRICT COUNCIL REPRESENTATION REVIEW FOR 2025 LOCAL AUTHORITY ELECTIONS (Page 521)
Discussion:**

Cr A Pfahlert returned 8.23PM

Note that the underlined words have been added to the below recommendations for clarity and spelling correctness.

RESOLVED That Council that the Council adopt a draft proposal for community engagement for Buller District governance arrangement from the October 2025 triennial elections for local government:

- (a) Divided into 3 wards being the
 - (i) Seddon Ward
 - (ii) Inangahua Ward
 - (iii) Westport Ward
- (b) The Council will comprise the Mayor and 10 Councillors elected as follows:
 - I. 2 Councillors elected by the electors of the Seddon ward.
 - II. 2 Councillors elected by the electors of the Inangahua Ward
 - III. 6 Councillors elected by the electors of the Westport Ward
- (c) There will be an Inangahua Community Board, comprising the area of the Inangahua Ward
- (d) The Inangahua Community Board will comprise of 4 elected members and two members appointed by the Council representing the Inangahua Ward
- (e) That the district and ward boundaries will be as those used for the 2019 and 2022 triennial elections
- (f) That for clarity, this the same governance structure as has been used by the Council for the 2019 and 2022 triennial elections.

Mayor J Cleine / Cr P Grafton
11/11
CARRIED UNANIMOUSLY

9. BULLER HOLDINGS CANCELLATION OF SHARES (Page 540)

Discussion:

D Marshall spoke to the report and explained to Council why this report was needed.

RESOLVED That Council advises BHL that in regard to the purchase of land for the proposed yard development that they support the:

- transaction to cancel shares held by BHL in WSL, and
- forgiveness of debt held by WSL in BHL.

Cr C Reidy / Cr T O'Keefe
11/11
CARRIED UNANIMOUSLY

10. REEFTON CAMPGROUND ACCOMMODATION PROJECT (Page 546)

Discussion:

Cr G Neylon is project lead on this but can still vote on this matter.

R Barry answered questions around the report

RESOLVED That Council...

1. Approve the Project Group's proposed public notice and proceed to consultation, as per Lawyers recommendation outlined in this report.
2. Approve the Project Group to advance funding discussions with external funders, subject to any funding agreement approval being contingent upon appropriate legal advice and formal Council approval.
3. Agree to make timely formal decisions on consulted matters, following the public notice consultation process.

Mayor J Cleine / Deputy Mayor A Basher

11/11

CARRIED UNANIMOUSLY

11. MAYORS REPORT APRIL 2024 (Page 570)

Discussion:

Mayor's Taskforce For Jobs is to continue being funded for one more year under the new Central Government.

RESOLVED That Council:

1. Receive the report for discussion and information.
2. Notes Inwards and Outwards Correspondence and provide direction for any responses required.

Cr G Weston / Cr T O'Keefe

11/11

CARRIED UNANIMOUSLY

12. CEO REPORT MAY 2024 (Page 617)

Discussion:

RESOLVED That the Council receive the Chief Executive Officers Report.

Cr L Webb / Cr A Pfahlert

11/11

CARRIED UNANIMOUSLY

13. PORTFOLIO LEADS VERBAL UPDATES (Page 620)

Discussion:

- a. **Inangahua Community Board – Cr L Webb** deferred to Cr G Neylon as he chaired last meeting. Old Reefton Service Centre and John Bougen spoke to all the organisations that he is involved with. This will become a regular feature for people in the community. Inangahua Community Hall has had funding to complete their project. ICB has a submission into the EAP
- b. **Regulatory Environment & Planning - Councillors Neylon and Basher** Had a Resource Consent hearing and few more to come mainly subdivisions. Chaired a prehearing meeting for TTPP plan in regard to Alma Road. There will be a second prehearing meeting. There are hearings coming up for Liquor Licensing.
- c. **Community Services - Councillors Howard and Pfahlert** Met regarding the grants. Staff are going to revamp the grants website. Looking at the dates to be more in line with the winter/summer community groups. Attended the Job Fare with the Mayor. Cr Joanne Howard to email a stakeholder list
- d. **Infrastructure - Councillors Grafton and Weston** No update since last meeting.
- e. **Corporate Policy and Corporate Planning - Councillors Reidy and Sampson** Nothing to update
- f. **Smaller and Rural Communities - Councillors O’Keefe and Webb** Northern Buller – working with SC training on Governance. Changing their meeting structures. Hector Ngakawau water supply negotiations have commenced. Helping with Civil Defence Planning.
- g. **Iwi Relationships - Ngāti Waewae Representative Ned Tauwhare and Mayor Cleine** Nothing to update.
- h. **Te Tai o Poutini Plan – Mayor J Cleine and Cr G Neylon** TTPP meeting is in Westport 19 June. Mayor J Cleine chairing the meeting.
- i. **Joint Committee Westport Rating District – Mayor J Cleine, Cr J Howard and Cr C Reidy** Refer to the Mayor’s Report. Very good presentation that is due to go onto West Coast Regional Council website.
- j. **WC Health Localities Project - Cr G Neylon** Te Whatu Ora met with Reefton Health Action Group about what in home services are available in the Reefton area and what Public Health services will look like on the West Coast in the next few years. Ziman House won’t be re-opened.
- k. **Regional Transport Committee – Cr Phil Grafton** Still awaiting a meeting. West Coast Road Safety Committee met, and it was concerning with the public service cuts, the funding for committee is potentially under threat.

RESOLVED That Council receive verbal updates from the following Chairs and Council Representatives, for information:

- a. Inangahua Community Board – Cr L Webb
- b. Regulatory Environment & Planning - Councillors Neylon and Basher
- c. Community Services - Councillors Howard and Pfahlert
- d. Infrastructure - Councillors Grafton and Weston
- e. Corporate Policy and Corporate Planning - Councillors Reidy and Sampson
- f. Smaller and Rural Communities - Councillors O’Keefe and Webb
- g. Iwi Relationships - Ngāti Waewae Representative Ned Tauwhare and Mayor Cleine
- h. Te Tai o Poutini Plan – Mayor J Cleine and Cr G Neylon

- i. Joint Committee Westport Rating District – Mayor J Cleine, Cr J Howard and Cr C Reidy
- j. WC Health Localities Project - Cr G Neylon
- k. Regional Transport Committee – Cr Phil Grafton

Mayor J Cleine / Deputy Mayor A Basher

11/11

CARRIED UNANIMOUSLY

Public Forum Response:

Infrastructure Services to bring report to Council regarding the concept of what the north branch could offer in regard to water and what the options are going forward.

M Duff confirmed that the report would include resilience options for the entirety of Westport – not just northern branch alone.

RECOMMENDATION REQUIRED TO MOVE RAC MEETING TO 26 JUNE 2024

Due to the Enhanced Annual Plan and Waste Consultations/Deliberations that are due to commence, Council is asked to amend the date of the June Risk and Audit Committee Meeting. The Recommendation reads as follows:

RESOLVED That Council agree to hold the Risk and Audit Committee Meeting previously scheduled for 3.30PM 12 June 2024 on 26 June 2024 at 1.30PM

Cr T O'Keefe / Cr Joanne Howard

11/11

CARRIED UNANIMOUSLY

14. PUBLIC EXCLUDED REPORT (Page 621)

Discussion:

RESOLVED That the public be excluded from the following parts of the proceedings of this meeting:

| Item No. | Minutes/Report of: | General Subject | Reason For Passing Resolution Section 7 LGOIMA 1987 |
|-----------------|---|-----------------------------------|--|
| PE 2 | Eric de Boer – Acting Group Manager Infrastructure Services | Delivery of Local Public Services | Section 7 A2 (2) (b) ii, (h) and (i) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to: (b) Protect information where the making available of the information would: (ii) Be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. (h) Enable any council holding the information to carry out, without prejudice or |

| Item No. | Minutes/Report of: | General Subject | Reason For Passing Resolution Section 7 LGOIMA 1987 |
|----------|--------------------|-----------------|--|
| | | | disadvantage, commercial activities; or (i) Enable any council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); |

Mayor J Cleine / Cr T O'Keefe
11/11
CARRIED UNANIMOUSLY

Moved into PE 9.14PM

Notification of a Late Agenda Item to the Buller District Council Meeting 29 May 2024.

A report titled Employment Relations Matter Update will be coming before Council as a public excluded item and is considered as a major late item at this meeting.

Section 46A(1)-(6) of the Local Government Official Information and Meetings Act 1987 and Standing Order 9.8 require that agendas are distributed with the associated reports. As this report was not distributed with the agenda for this meeting, it must be treated as a major late item to be considered at this meeting.

In accordance with section 46A(7) of the Local Government Official Information and Meetings Act 1987 and Standing Order 9.12, a procedural resolution is required before a major item that is not on the agenda for the meeting may be dealt with.

In accordance with section 46A(7)(b)(i) the reason why the item was not on the agenda is because it came to hand after the agenda had been distributed.

In accordance with section 46A(7)(b)(ii) the discussion of this item cannot be postponed to a later meeting due to the urgent need for Elected Members to be promptly informed of this confidential issue.



THE BULLER DISTRICT COUNCIL EXTRAORDINARY MEETING, HELD AT 9:00AM ON WEDNESDAY 5, THURSDAY 6, AND FRIDAY 7 JUNE 2024 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT.

PRESENT: Mayor J Cleine, Councillors P Grafton, J Howard, T O'Keefe, R Sampson, G Weston, Cr A Pfahlert, Cr G Neylon

IN ATTENDANCE VIA ELECTRONIC LINK: Cr C Reidy, Cr L Webb, Deputy Mayor A Basher,

IN ATTENDANCE: S Pickford (CEO), E de Boer (Manager Infrastructure Delivery), J Ruiz (Waste Management Coordinator), M Duff (GM Infrastructure Services), K Trigg (GM Community Services), J Salmond (Senior Project Lead) C McDonald (Governance Secretary)

PUBLIC IN ATTENDANCE: Allen Morris

PUBLIC FORUM: Not Applicable

MEDIA: Ellen Curnow (Westport News)

MEETING DECLARED OPEN AT: 9.02AM

1. APOLOGIES (Page 8)

Discussion:

N Tauwhare (Iwi Representative)

RESOLVED That Buller District Council receives apologies from N Tauwhare (Iwi Representative)

Cr A Pfahlert / Cr P Grafton
8/8

CARRIED UNANIMOUSLY

2. MEMBERS INTEREST (Page 9)

Discussion:

Cr L Webb joined via Zoom 9.04am

Cr G Neylon Inangahua Community Board Submission Number 623 of Enhanced Annual Plan

Deputy Mayor A Basher joined via Zoom 9.04am

RESOLVED that members disclose any financial or non-financial interest in any of the agenda items.

Mayor J Cleine / Cr T O'Keefe
8/1
Cr Joanne Howard against
MOTION CARRIED

SUSPENSION OF STANDING ORDERS

As this meeting is expected to be longer than six hours, a resolution is needed to suspend the standing order that relates to this.

RESOLVED That Council suspend Standing Order 4.2 which reads (in part) "A meeting cannot continue more than six hours from when it starts (including any adjournments) or after 10.30pm, unless the meeting resolves to continue."

Mayor J Cleine / Cr G Neylon
10/10
CARRIED UNANIMOUSLY

3. ZONE 1 RUBBISH COLLECTION CONSULTATION – SUBMISSIONS REPORT (Page 10) **Discussion: Nil**

RESOLVED That Council:

1. Receives this report for Information.

Mayor J Cleine /Cr P Grafton
10/10
CARRIED UNANIMOUSLY

2. Hears verbal submissions from submitters who wish to speak to their submissions.

Mayor J Cleine / Cr T O'Keefe
10/10
CARRIED UNANIMOUSLY

WASTE SUBMISSION SPEAKING SCHEDULE

| Time | Name | Submission Number | Present/Did Not Arrive |
|-------------|---------------------|--------------------------|-------------------------------|
| 9.10 - 9.20 | Mary McGill Andrews | 134 | Present |
| 9.20 - 9.30 | Graham Howard | 132 | Present |
| 9.30 - 9.40 | Kair Lippiat | 86 | Present |

| | | | |
|---------------|-------------------------------|-----|----------------|
| 9.40 - 9.50 | Fiona MacDonald (via Zoom) | 82 | Did Not Arrive |
| 9.50 - 10.00 | Paul Reynolds | 113 | Present |
| 10:00 – 10:10 | Frida Inta (via Zoom) | 91 | Did Not Arrive |
| 10:10 – 10:20 | Lynne Duncan | 115 | Did Not Arrive |
| 10:20 – 10:40 | Morning Tea Break | | |
| 10:40 – 10:50 | Tony Harrington | 123 | Present |
| 10:50 – 11.00 | Joanne Smith | 85 | Did Not Arrive |
| 11:00 – 11:10 | Jan & Mike Furze | 133 | Present |

Cr R Sampson arrived at the meeting 9.07am

Cr L Webb left the meeting 9.12am

Cr L Webb returned 9.14am

There was a gap of twenty minutes between 9.30am and 9.50am as speakers did not arrive.

There was a gap of twenty minutes between 10:00am and 10:20am as speakers did not arrive.

Meeting adjourned 10:18am

Meeting reconvened 10:41am

Deputy Mayor A Basher departed Zoom 10:58am

Meeting adjourned at 11.04am

Meeting reconvened at 12:59pm

Deputy Mayor A Basher present for the meeting (was previously on Zoom)

4. HEARING FOR THE DRAFT ENHANCED ANNUAL PLAN (Page 254)

Discussion: Nil

RESOLVED That Council...

1. Receives the report for information.
2. Hears verbal submissions from submitters who wish to speak to their submissions.

Mayor J Cleine / Cr P Grafton

10/10

CARRIED UNANIMOUSLY

Cr L Webb joined the meeting via Zoom at 1.03pm

Cr G Neylon left the room at 1.24pm
Cr G Neylon returned at 1.25pm

There was a twenty minute gap between 1:30pm and 1:50pm as speakers did not arrive.

Meeting adjourned at 3.44pm
Meeting reconvened at 4:19pm

ENHANCED ANNUAL PLAN SPEAKING SCHEDULE

| WEDNESDAY 5 JUNE 2024 SPEAKING SCHEDULE | | | |
|---|---|-------------------|------------------------|
| Time | Name | Submission Number | Present/Did Not Arrive |
| 1:10pm | Keith Carter | 14 | Present |
| 1:20pm | Clint and Vanessa Tamatea | 17 | Did Not Arrive |
| 1:30pm | Peter Gibson (Market Cross Community Group) | 18 | Present |
| 1:40pm | Toni O'Keefe (Seddonville Reserve Committee) | 587 | Present |
| 1:50pm | David Orchard | 44 | Did Not Arrive |
| 2:00pm | John Bougen | 68 | Present |
| 2:10pm | John Bougen | 68 | Present |
| 2:20pm | John Bougen | 68 | Present |
| 2:30pm | Linda Grammer and Ian Mulholland | 144 | Present |
| 2:40pm | Linda Grammer (Buller Tramping Club) | 199 | Present |
| 2:50pm | Nicki Singleton (Youth Voice) | 130 | Present |
| 3:10pm | Margaret Montgomery (Westport Kiwi Holiday Park and Motels) | 106 | Present |
| 3:20pm | Margaret Montgomery (Westport Kiwi Holiday Park and Motels) | 110 | Present |
| 3:30pm | Christina Alfeld | 641 | Present |
| 3.40pm | AFTERNOON TEA | | |
| 4:20pm | Graeme Neylon (Deputy Chair ICB) | 623 | Present |

| | | | |
|--------|--|-----|----------------|
| 4:30pm | Brian & Hamish Jones and MacBeth (Karamea Waste Management Group) Via Zoom | 140 | Present |
| 4:40pm | Chris Reynolds | 194 | Present |
| 5.00pm | John McIlroy | 573 | Did Not Arrive |

Meeting adjourned at 5:00pm Wednesday 5 June 2024
Meeting reconvened at 9:11am Thursday 6 June 2024

PRESENT: Mayor J Cleine, Councillors P Grafton, J Howard, T O'Keefe, R Sampson, Cr A Pfahlert, Cr G Neylon

IN ATTENDANCE VIA ELECTRONIC LINK: Cr C Reidy, Cr L Webb, Deputy Mayor A Basher

IN ATTENDANCE: S Pickford (CEO), K Trigg (GM Community Services), J Salmond (Senior Project Lead) C McDonald (Governance Secretary)

PUBLIC IN ATTENDANCE: Allen Morris, Aaron Intemann

PUBLIC FORUM: Not Applicable

MEDIA: Ellen Curnow (Westport News)

APOLOGIES

Cr G Weston – Apology

N Tauwhare (Iwi Representative) - Apology

Deputy Mayor A Basher 10:30am until 11:30am

Cr A Pfahlert to depart at 4:30pm

RESOLVED That Buller District Council receives apologies from N Tauwhare (Iwi Representative) and Cr G Weston.

Mayor J Cleine / Cr A Pfahlert

9/9

CARRIED UNANIMOUSLY

MEMBERS INTERESTS

Cr R Sampson Karamea Information Centre and Karamea Historical Society.

RESOLVED that members disclose any financial or non-financial interest in any of the agenda items.

Mayor J Cleine / Cr A Pfahlert
10/10
CARRIED UNANIMOUSLY

Deputy Mayor A Basher departed Zoom at 10:30am
 Cr G Neylon departed the room at 10:59am and returned after the morning tea break.

Meeting adjourned at 10:59am
 Meeting reconvened at 11:20am

Cr T O'Keefe returned to the meeting at 11:21am
 Cr L Webb departed Zoom at 11:45am
 Deputy Mayor A Basher rejoined via Zoom at 11:45am
 Cr L Webb rejoined via Zoom at 11:45am

Meeting adjourned at 12:04pm
 Meeting reconvened at 1:00pm
 Deputy Mayor A Basher present for the meeting in person (was previously on Zoom)

Meeting adjourned at 2:55pm
 Meeting reconvened at 3:12pm

There was a gap of twenty minutes from 3:40pm until 4:00pm as speakers did not arrive.

Cr A Pfahlert departed the meeting at 4:20pm
 Cr L Webb departed the meeting at 4:30pm

| THURSDAY 6 JUNE 2024 SPEAKING SCHEDULE | | | |
|--|--|-------------------|--|
| Time | Name | Submission Number | Present/Did Not Arrive |
| 9:10am | | | |
| 9:20am | Adriana James | 166 | Present |
| 9:30am | Hilary Ladds (Written Submission to be read) | 153 | Read by Mayor at request of submitter. |
| 9:40am | | | |
| 9:50am | Lynne Duncan | 190 | Present |
| 10:00am | John Botma | 155 | Present |
| 10:10am | Allen Morris | 221 | Present |

| | | | |
|---------|--|-----|----------------|
| 10:20am | Shane Goodhoe | 207 | Present |
| 10:30am | Ray Curnow | 219 | Present |
| 10:40am | | | |
| 10:50am | Marg Willis and Marilyn Berendt - Charleston-Waitakere Community Group | 222 | Present |
| 11:00am | MORNING TEA | | |
| 11:20am | Paul Reynolds | 224 | Present |
| 11:30am | Buller Promotion Group - Rochelle | 225 | Present |
| 11:40am | Jesse and Jessica Paley - Atkins | 230 | Present |
| 11:50am | Murray Dellaca | 243 | Present |
| 12:00pm | LUNCH | | |
| 1:00PM | Peter Mackie | 254 | Did Not Arrive |
| 1:10PM | Stan and Carroll Campbell | 629 | Did Not Arrive |
| 1:20pm | Kair Lippiatt (Via Zoom) | 149 | Present |
| 1:30pm | Kevin Smith | 260 | Present |
| 1:40pm | Raymond and Vicki Head | 288 | Present |
| 1:50pm | Tony Bartley | 291 | Present |
| 2:00pm | Graham Howard (snr) | 105 | Present |
| 2:10pm | Jeanette Saxby | 376 | Did Not Arrive |
| 2:20pm | Marilyn Wearing | 321 | Did Not Arrive |
| 2:30pm | Paul Colyer | 330 | Did Not Arrive |
| 2.30pm | Rosalie Sampson | 609 | Present |
| 2:40pm | Zinnia Foster (via Zoom) | 622 | Present |
| 2:50pm | Chanyapak Sirikulsupakon | 360 | Did Not Arrive |
| 3:00pm | AFTERNOON TEA | | |
| 3:10pm | Frida Inta (via Zoom) - Speaking to Waste | 91 | Present |
| 3:20pm | Annette Rugg | 378 | Did Not Arrive |

| | | | |
|--------|---|-----|----------------|
| 3:30pm | Joanne Smith | 391 | Did Not Arrive |
| 3:40pm | P Grant | 417 | Present |
| 3:50pm | | | |
| 4:00pm | Dave Gibson | 461 | Did Not Arrive |
| 4:10pm | Arthur Alloway | 458 | Did Not Arrive |
| 4:20pm | Steve Philpott | 332 | Did Not Arrive |
| 4:30pm | Andreas Koenig | 601 | Did Not Arrive |
| 4:40pm | Barry Lightbown (Waimangaroa Reserve and Hall Subcommittee) | 44 | Present |

Meeting adjourned at 4:46pm Thursday 6 June 2024
Meeting reconvened at 09:00am Friday 7 June 2024

PRESENT: Mayor J Cleine, Councillors P Grafton, J Howard, T O'Keefe, R Sampson, Cr A Pfahlert, Cr G Neylon, Deputy Mayor A Basher

IN ATTENDANCE VIA ELECTRONIC LINK: Cr C Reidy, Cr L Webb

IN ATTENDANCE: S Pickford (CEO), J Salmond (Senior Project Lead) C McDonald (Governance Secretary)

PUBLIC IN ATTENDANCE: Nil

PUBLIC FORUM: Not Applicable

MEDIA: Ellen Curnow (Westport News)

APOLOGIES

N Tauwhare (Iwi Representative)
 Cr L Webb has intermittent availability

RESOLVED That Buller District Council receives apologies from N Tauwhare (Iwi Representative).

Mayor J Cleine / Cr A Pfahlert
 11/11

CARRIED UNANIMOUSLY

MEMBERS INTERESTS

Cr R Sampson - Karamea Information and Resource Centre

RESOLVED that members disclose any financial or non-financial interest in any of the agenda items.

Mayor J Cleine / Cr P Grafton
11/11
CARRIED UNANIMOUSLY

Cr L Webb departed the meeting 09:02am
 Deputy Mayor A Basher departed the meeting at 9:38am
 Deputy Mayor A Basher joined the meeting via Zoom at 9:50am
 Deputy Mayor A Basher departed the meeting at 10:15am
 Deputy Mayor A Basher rejoined the meeting at 10:17am

Meeting adjourned at 11:00am
 Meeting reconvened at 11:20am

Deputy Mayor A Basher rejoined the meeting via Zoom at 11:23am

There was a gap between 11:40am and 12:10pm as speakers did not arrive.

Cr L Webb rejoined the meeting via Zoom at 12:05pm

| FRIDAY 7 JUNE 2024 SPEAKING SCHEDULE | | | |
|--------------------------------------|---|-------------------|------------------------|
| Time | Name | Submission Number | Present/Did Not Arrive |
| 9:10am | Rae Reynolds | 492 | Present |
| 9:20am | Rae Reynolds | 493 | Present |
| 9:30am | Ronald Williams | 488 | Did Not Arrive |
| 9:40am | Ronald Williams | 489 | Did Not Arrive |
| 9:50am | Jennifer Collins | 545 | Present |
| 10:00am | David G Collins | 512 | Did Not Arrive |
| 10:10am | Graeme Russ | 519 | Did Not Arrive |
| 10:20am | Murray Hammond | 523 | Did Not Arrive |
| 10:30am | Debs Martin (via Zoom) | 533 | Present |
| 10:40am | Susan Waide | 550 | Present |
| 10:50am | Susan Waide – Karamea Information and Resource Centre | 555 | Present |
| 11:00am | MORNING TEA | | |

| | | | |
|---------|---|-----|----------------|
| 11:20am | Sean Casey – St Canice’s Parish Trust Board | 621 | Present |
| 11:30am | Sean Casey – Buller Chartered Accountants Ltd | 145 | Present |
| 11:40am | Neil Mouat | 586 | Did Not Arrive |
| 11:50am | Neil Mouat | 630 | Did Not Arrive |
| 12.00pm | | | |
| 12.10pm | Carissa And Shaun du Plessis (via Zoom) | 650 | Present |
| 12.20pm | Emma (Rusty Weka) | 531 | Present |
| 12:30pm | Lunch | | |

- There being no further business the meeting concluded at 12:28pm
- **Next meeting:** 1:00pm 11 June 2024, Clocktower Chambers, Palmerston Street, Westport.

Confirmed: **Date:**.....



THE BULLER DISTRICT COUNCIL EXTRAORDINARY MEETING, HELD AT 1:00PM ON TUESDAY 11 AND WEDNESDAY 12 JUNE 2024 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT.

PRESENT: Mayor J Cleine, Councillors P Grafton, J Howard, T O'Keefe, R Sampson, Cr A Pfahlert, Cr G Neylon, Deputy Mayor A Basher

IN ATTENDANCE VIA ELECTRONIC LINK: Cr C Reidy, Cr L Webb

IN ATTENDANCE: S Pickford (CEO), M Duff (GM Infrastructure Services), K Trigg (GM Community Services), J Salmond (Senior Project Lead), P Numan (GM Corporate Services), N Riley (GM Regulatory Services), D Marshall (Finance Support) C McDonald (Governance Secretary)

PUBLIC IN ATTENDANCE: Allen Morris

PUBLIC FORUM: Not Applicable

MEDIA: Ellen Curnow (Westport News)

MEETING DECLARED OPEN AT: 1:00PM

1. APOLOGIES (Page 6)

Discussion:

N Tauwhare (Iwi Representative)
Cr G Weston

RESOLVED That Buller District Council receives apologies from Cr G Weston and N Tauwhare (Iwi Representative)

Mayor J Cleine / Deputy Mayor A Basher

10/10

CARRIED UNANIMOUSLY

2. MEMBERS INTEREST (Page 7)

Discussion:

The below members interests pertain to Agenda Item 4

Cr T O'Keefe - Seddonville Hall application for funding

Cr R Sampson - Karamea Information Centre, Market Cross Community Group, Karamea Historic Society.

Cr T O'Keefe - Waimangaroa Subcommittee Hall

RESOLVED that members disclose any financial or non-financial interest in any of the agenda items.

Cr P Grafton / Cr T O'Keefe

10/10

CARRIED UNANIMOUSLY

3. 2024-2025 ENHANCED ANNUAL PLAN DELIBERATIONS REPORT – CONSULTATION TOPIC 2 – PROPOSED CHANGES TO WATER AND WASTEWATER RATES (Page 8)

Discussion:

D Marshall spoke to the report and answered Councillors questions.

It was suggested that this is not going to be viable straight away and perhaps this could be deferred for 12 months to allow for all those ratepayers who could potentially be affected to have their information corrected.

Many submitters said they wanted change when it comes to water, but many of them indicated they did not agree with the proposed policy.

It was noted that if this policy is not adopted, there will be financial impact on all ratepayers who are connected to the water and wastewater supply.

It was suggested that there could be a policy put forward that states from xx date anyone who builds a multi residential property will need to pay separate charges for each property. Those who have previously developed a multi residential unit will not be charged as they built these units with the charges already in mind and it is unfair to expect them to pay this now.

As a society, we expect landlords to adhere to the healthy homes standard (insulation etc) so why would we not charge everyone for extra water/wastewater connections going forward?

If we do not adopt this policy, everything will be adopted as it was written 1 July 2023 (with numbers adjusted)

It was suggested that if this is going to be postponed for 12 months, then a Full Rate Review should take place.

Council is asking for a revision back to status quo in the system for water and wastewater rates. Would like staff to give them some steer around the idea of still pursuing a potential policy change in 2025. Ensuring all high use commercial properties have water metres installed.

It was decided to keep this agenda item tabled and return to it when staff are able to provide more information to councillors around the above.

4. ISSUES AND FUNDING REQUESTS TO CONSIDER FOLLOWING THE 2024-2025 ENHANCED ANNUAL PLAN SUBMISSION HEARINGS PROCESS – DELIBERATIONS (Page 20)

Discussion:

K Trigg spoke to the funding requests and answered Councillor's questions.

Cr A Pfahlert departed the room at 2:41pm

Cr A Pfahlert returned to the room at 2:42pm

A copy of the Reserves Contribution Fund was requested.

It was noted that if all of the additional funding applied for was granted, there would be a 0.8% increase to the total rates.

Funding Applications through the Enhanced Annual Plan:

The decisions for each funding request were discussed then decided through a majority show of hands.

It was confirmed that Northern Buller Communities Society has the full \$9,432.00 as part of the existing budget.

Market Cross Community Group Inc \$500.00 (\$2,500.00 in existing budget)

Cr R Sampson abstained – Additional Funding Approved.

Waimangaroa Subcommittee \$39,796.00

Cr T O'Keefe abstained. Funding approved through Reserves Contribution Fund, not the Enhanced Annual Plan. Anything that is not funded by the Reserves Contributions Fund will need to have the money sourced elsewhere (such as Community Grants)

Te Reo a Te Taiohi \$10,000.00 in existing budget

Funding remains the same as budgeted.

Karamea Community Incorporated \$1,500.00 in existing budget

Funding remains the same as budgeted.

Buller Promotion Group \$5,000.00 (\$5,000.00 in existing budget)

Cr C Reidy against – Additional Funding approved.

Meeting adjourned at 3:02pm
Meeting reconvened at 3:19pm

Northern Buller Communities Society Inc \$9,432.00 in existing budget

Funding remains the same as budgeted.

The Lyric Theatre \$3,000.00

Cr C Reidy against – Funding request approved.

Northern Buller Museum Granity \$12,000.00

Funding request declined.

Karamea Information and Resource Centre \$10,300.00 in existing budget. Noting that:

1. That Council agrees to renew the Annual Grant of \$8000 towards maintenance of the Love Binz.
 - 2 That Council agrees to renewing the Annual Grant of \$8000 for the public toilets.
 - 3 That Council considers agreeing to the request for an additional \$1,500 to repaint the inside of the public toilets or a lesser sum, to be funded from the Community Grants scheme.
- Cr R Sampson abstained - Funding remains the same as budgeted.

Karamea Information and Resource Centre \$3,000.00 (\$25,000.00 in existing budget)

Cr R Sampson abstained – Additional funding approved.

Seddonville Reserve Committee \$60,720.00

Cr. T O'Keefe abstained - Funding not approved.

Karamea Historical Society \$5,000.00 (\$5,000.00 in existing budget)

Additional funding not approved – referred to Community Grants
Existing funding remains the same as budgeted.

Coaltown Trust \$120,776.00 in existing budget

Funding remains the same as budgeted.

Mokihinui-Lyell Backcountry Trust \$30,000.00 in existing budget

Funding revoked and contributed towards Community Grants.

Inangahua Community Board \$20,000.00 (\$5,000.00 in existing budget)

Cr G Neylon abstained. Existing funding in the budget remains the same.
Other funding to come from Reserves Contribution Fund.
The funding requests that do not qualify through the Reserves Contribution Fund could be added to a Work Plan, Reserve Management Plan or Long Term Plan 2025-34.

Cr L Webb departed the meeting at 3:44pm

Cr L Webb returned at 3:45pm

Other Funding Requests Through the Enhanced Annual Plan:

| Request | Impact on rates |
|--|---|
| De Delmanches Road Upkeep | \$20k per annum - 0.10% increase to total rates – Funding request declined |
| Sealing roads through Russell Street, Wakefield, and Lyndhurst | Wakefield and Lyndhurst would have an impact on rates – This roading |

| | |
|------------------------------|--|
| Street | work plan will be updated once NZTA funding is confirmed. |
| Public Toilets in Charleston | Referred for consideration in the Long Term Plan 2025-34 |

Cr T O'Keefe departed 3:54pm

Cr T O'Keefe returned at 3:58pm

D Marshall and M Duff spoke to 3.3 (Reduction In All Costs Excluding Transportation And Costs Of Staff By 2%) and 3.5 (Cost Of Staff Remuneration Costs) of the report and answered Councillor's questions. There were no resolutions suggested by Councillors

Cr A Pfahlert departed the room at 4:27pm

Cr A Pfahlert returned at 4:29pm

D Marshall spoke to 3.4 of the report (Carry Forwards Schedule Of Projects From 2023/2024 Financial Year To 2024/2025 Financial Year) and answered Councillors questions. There were no resolutions suggested by Councillors

D Marshall spoke to 3.6 of the report (Cost Of Consultants) and answered Councillors questions. There were no resolutions suggested by Councillors

D Marshall spoke to 3.7 of the report (Other Key Topics) and answered Councillor's questions. There were no resolutions suggested by Councillors

RESOLVED That Council:

1. Consider the submissions as well as the key topics raised.
2. Consider which grant funding requests are to be included in the final Enhanced Annual Plan Document.

Mayor J Cleine / Cr P Grafton

10/10

CARRIED UNANIMOUSLY

The meeting adjourned at 5:19pm

The meeting reconvened at 5:45pm

Cr A Pfahlert returned at 5:46pm

The total rates increase currently sits at 14.6% with everything resolved so far.

5. **2024-2025 ENHANCED ANNUAL PLAN DELIBERATIONS REPORT – CONSULTATION TOPIC 1 - WHAT DO BULLER DISTRICT COUNCIL DO IF THE NEW ZEALAND TRANSPORT AGENCY (NZTA) DO NOT FUND AS MUCH AS WE APPLIED FOR? (Page 34)**

Discussion:

J Salmond spoke to the report.

M Duff spoke to the report and answered Councillor's questions.

The four options for Roading are as follows:

Option 1 - Reduce the programme to match the Waka Kotahi – New Zealand Transport Agency Approved Funding.

Option 2 - Continue with the submitted programme, and Council rate funds any difference for local roads and commits to higher rates for the next two rating years. The quantum of \$ and rates % increase is variable depending on the funding shortfall/work programme delivered.

Option 3 - Keep Council's level of funding as contained in the draft AP but reduce the overall programme to reflect Waka Kotahi's level of investment.

Cr P Grafton departed the room at 6:04pm

Cr P Grafton returned at 6:05pm

Recommendation two has been amended from 'Provide guidance on what option should be put into the final plan.' to 'Recommend Option One to be included in the final plan'

RESOLVED That Council:

1. Consider the submissions.
2. Recommend Option One to be included in the final plan.

Deputy Mayor A Basher / Mayor J Cleine

10/10

CARRIED UNANIMOUSLY

Agenda Item Three is to be addressed again.

It was decided to adjourn deliberations here to allow Councillors time to go over Agenda Item Three and Agenda Item Six.

Meeting adjourned at 6:30pm 11 June 2024

Meeting reconvened at 1:01pm 12 June 2024

PRESENT: Mayor J Cleine, Councillors P Grafton, J Howard, T O'Keefe, R Sampson, Cr A Pfahlert, Cr G Neylon, Deputy Mayor A Basher

IN ATTENDANCE VIA ELECTRONIC LINK: Cr C Reidy, Cr L Webb

IN ATTENDANCE: S Pickford (CEO), M Duff (GM Infrastructure Services), K Trigg (GM Community Services), J Salmond (Senior Project Lead), P Numan (GM Corporate Services), E de Boer (Manager Infrastructure Delivery), D Marshall (Finance Support), J Ruiz (Waste Management Coordinator), C McDonald (Governance Secretary)

PUBLIC IN ATTENDANCE: Allen Morris

PUBLIC FORUM: Not Applicable

MEDIA: Ellen Curnow (Westport News)

APOLOGIES

Discussion:

N Tauwhare (Iwi Representative)

Cr G Weston

Cr T O'Keefe has a departure time of 5:25pm

Cr A Pfahlert has a departure time of 6:30pm

RESOLVED

That Buller District Council receives apologies from N Tauwhare (Iwi Representative) and Cr G Weston.

Cr P Grafton / Deputy Mayor A Basher

9/9

CARRIED UNANIMOUSLY

MEMBERS INTEREST

Discussion:

NIL

RESOLVED that members disclose any financial or non-financial interest in any of the agenda items.

Mayor J Cleine / Cr A Pfahlert

9/9

CARRIED UNANIMOUSLY

Agenda Item Six was addressed next.

6. ZONE 1 RUBBISH COLLECTION CONSULTATION – DELIBERATIONS REPORT (Page 40)

Discussion:

Cr L Webb joined the meeting via Zoom at 1:06pm

M Duff spoke to the report and answered Councillor's questions.

It was noted that there is not tendered pricing for all the waste options and the figures are based on a market estimate.

All options are subject to procurement pricing and tender process.

A question was asked around the difference between private contractors vs private contracting through council. A council-controlled contractor is still a contractor and there is some element of control through council. A contractor alone does not allow council control.

E de Boer came to the table to speak to the Councillor's questions.

Option one and two are private sector driven.

Option three and four are Council driven with a contractor employed to deliver the service.

The estimates provided indicated that a council driven option would provide around a 30% saving

The cost of the bins in option three are factored into the pay as you go rate over ten years and transfer fees.

A question was asked around the Council controlled options and whether council be employing any staff? The answer is yes, primarily the staff involved are the staff we already have and there will need to be some more employed. The cost of these staff will be covered by the cost of service.

There is a 5% difference in public opinion between option one and option four and with the cost of bag always increasing, the public needs to be looked after financially.

Would option 3 be viable with different bins sizes? Adding different bin sizes adds a level of complexity for charging and ticketing. The other council's that are doing pay as you throw are using one bin size only.

A question was raised around what other Council's on the West Coast do. They are standardised to option four.

Cr T O'Keefe departed the room at 1:40pm

Cr T O'Keefe returned at 1:42pm

A question was asked about the length of contract in regard to option three. Staff would seek a ten year contract. Westland and Grey are currently procuring their contracts on option four.

A question was asked around Council's obligations under Central Government Waste Minimisation and if Council should be angling for smaller bins to try and reduce waste. The standard size bin through the country is 120L.

A question was asked if Council wanted to go with option three whether that would prevent coalition between Regional Partners? Option three and four align with Regional Partners as they are both Council led. Option four provides the same service level across the West Coast and a Service Provider can be assured of routing etc.

A question was asked about the Regional Connection in relation to Waste. Grey District Council and Westland District Council have already decided on joint procurement for a Service Provider, and Buller District Council has behind on this time frame. Buller District Council have until June to conclude this service level conversation and would need rapid advancements for a Regional Procurement. In waste services, size matters particularly when it comes to attracting larger contractors.

It was clarified that under option three, a household that amasses more than 120L of waste in the fortnight would have to take the excess to the transfer station and pay the disposal fee.

Recommendation two has been amended from 'Provides guidance on what option should be put forward for Council decision making at its June 2024 meeting.' To

'Council recommends Option Three 'Council, through a private contractor provides a fortnightly wheelie bin collection with a single 120 litre bin size, Pay As You Throw. Council sets pricing and charges for the service (each household will receive a 120-litre wheelie bin).'

RESOLVED That Council:

1. Considers the submissions.

Mayor J Cleine / Deputy Mayor A Basher

10/10

CARRIED UNANIMOUSLY

2. Council recommends Option Three 'Council, through a private contractor provides a fortnightly wheelie bin collection with a single 120 litre bin size, Pay As You Throw. Council sets pricing and charges for the service (each household will receive a 120-litre wheelie bin).

Mayor J Cleine / Cr A Pfahlert

6/4

**Cr C Reidy against
MOTION CARRIED**

Agenda Item Three was addressed next.

3. **2024-2025 ENHANCED ANNUAL PLAN DELIBERATIONS REPORT – CONSULTATION TOPIC 2 – PROPOSED CHANGES TO WATER AND WASTEWATER RATES (Page 8)**

Discussions:

Recommendations four through ten were added as part of the meeting, after Staff considered Councillor feedback from day one of the deliberations.

Recommendations two and three were left on the table.

Cr T O'Keefe departed the room at 2:40pm

Cr T O'Keefe returned at 2:42pm

Cr A Pfahlert departed the room at 2:42pm and was not present for the vote on recommendation eight and nine.

Cr A Pfahlert returned 2:44pm

Deputy Mayor A Basher departed the room at 2:45pm

Deputy Mayor A Basher returned at 2:47pm

Councillors other topics they wanted clarified as part of the Enhanced Annual Plan Consultation Document were addressed after recommendation nine before recommendation ten. There were no resolutions suggested by Councillors in relation to any of these additional discussion topics.

Kotahitanga mō te Taiao Alliance (KMTT) – K Trigg spoke to this and answered Councillor's questions.

Meeting adjourned at 2:54pm

Meeting reconvened at 3:16pm

Kawatiri Dredge Capex – D Marshall spoke to this and answered Councillors questions.

Water Trunk Main Capex – M Duff spoke to this and answered Councillor's questions.

North Branch Water Supply – M Duff spoke to this and answered Councillor's questions.

Feedback was provided by Councillor's around the readability of the Enhanced Annual Plan, and it was suggested to use pictorials going forward to help public understand how their rates are broken down. This is something for Council to consider when the next consultation plan is drafted.

OPEX Savings – D Marshall spoke to this to give clarity and answered Councillor's questions.

RESOLVED That Council:

1. Consider the submissions.

Mayor J Cleine / Cr A Pfahlert

10/10

CARRIED UNANIMOUSLY

- ~~2. Consider the attached Remissions Policy.~~
- ~~3. Provide guidance on what option should be put into the final plan, including considering changing the application of the serviceability rate from per Separately Used or Inhabited Part of a rating unit (SUIP) to per rating unit.~~

4. Continue to levy rates for water and wastewater services from 1 July 2024 on the same basis as it currently levies rates for these services.

Cr A Pfahlert / Deputy Mayor A Basher

10/10

CARRIED UNANIMOUSLY

5. Review the proposed rating system for water and wastewater services to be included in the Long Term Plan 2025-2034, and in doing so will consider the following:
 - a) The principles of the Government's Local Water done well policy/legislation.
 - b) The proposal for water and wastewater rating included in the draft 2024/2025 enhanced annual plan and the submissions received.
 - c) Review the Rating Information Database (RID) objections received until 30 June 2024 and any other objections that come to the attention of the council.
 - d) The development of remission policies.

Mayor J Cleine / Cr G Neylon

10/10

CARRIED UNANIMOUSLY

6. Review of the general rate differential system to allow for consideration of proposed changes to be considered as part of the Long Term Plan 2025 – 2034.

Mayor J Cleine / Cr P Grafton

9/1

**Cr R Sampson against
MOTION CARRIED**

7. That the Uniform Annual General Charge from 1 July 2024 will be levied at \$580 per rating unit

Cr G Neylon / Deputy Mayor A Basher
9/1

Cr C Reidy against
MOTION CARRIED

- 8. Document the methodology by which the Uniform Annual General Charge is calculated from 1 July 2025

Cr G Neylon / Cr Joanne Howard
9/9

Cr A Pfahlert not present for the vote.
CARRIED UNANIMOUSLY

- 9. Document the methodology for how the management fee payable to Buller Recreation Limited is calculated from 1 July 2025

Cr G Neylon / Cr Joanne Howard
9/9

Cr A Pfahlert not present for the vote.
CARRIED UNANIMOUSLY

- 10. Notes Deliberations held 11 and 12 June 2024 has achieved a reduction in proposed Total Rates from 19.7% as consulted on to approximately 14.6% Total Rates. This indicative rate will inform preparation of the final Enhanced Annual Plan Document for adoption on 26 June 2024.

Mayor J Cleine / Cr P Grafton
8/2

MOTION CARRIED

- There being no further business the meeting concluded at 4:17pm
- **Next meeting:** 26 June 2024, Clocktower Chambers, Palmerston Street, Westport.

Confirmed: **Date:**.....

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 4

Prepared by Simon Pickford
Chief Executive Officer

COUNCIL ACTION POINT LIST

1. REPORT SUMMARY

A summary of council resolutions requiring actions.

2. DRAFT RECOMMENDATION

That Council receive the Action Point list for information.

Council Action Points - CURRENT

| No | Meeting Date / Action Point | Responsible | Update | Date Required By |
|----|--|--|--|---|
| 24 | 29 November 2023 Punakaiki Campground Update on progress with upgrading the Punakaiki Wastewater Treatment Plant | D-Marshall M Sutherland | <p>A budget of \$796,000 was included in the 2023/2024 annual plan for this project. The project has funding of \$398,000 from the TIF fund, \$198,000 from various council sources and \$200,000 from other funds - external funding.</p> <p>Current estimates to undertake the project are \$496,000. Staff have a number of matters to complete before the project commences including:</p> <ul style="list-style-type: none"> • Decision to proceed or not with a propriety system and sole supplier. • The level of TIF funding if the project cost is lower (approved application was based on a 50% contribution at cost estimate of \$796,000) • External funding - indications are that funding may not be available <p><u>Update 16 April 2024</u></p> <p>Council staff have engaged with staff managing the TIF fund. We have noted that we expect to have a much lower claim than they are funding us for due to lower project costs but that we are now unlikely to receive the \$200,000 of external funding.</p> <p>TIF have advised that the saving on the grant claim can be used to fund this shortfall if it occurs as they will still get a saving based on our forecasts.</p> <p><u>Update 26 June 2024</u></p> <p>Council staff received confirmation from TIF on 13 June 2024 that the Funding Agreement is now being prepared based on the proposed project timeline targeting project completion by mid-September 2024. Project status reports will be provided through RAC once initiation phase completed.</p> | 26 June 2024 25 September 2024 |
| 25 | 28 February 2024 Punakaiki Campground Lease D Marshall to bring back reports to April Council regarding proposal from the Leasee | D-Marshall M Sutherland | <p>Staff have been focused on achieving the additional funding from TIF during the last month and on preparing the draft enhanced annual plan.</p> <p>Staff will be contacting the leasee over the effluent system installation in the coming month and will engage and report back on their proposal by end of June.</p> <p><u>Update 26 June 2024</u></p> <p>Once the TIF Funding Agreement has been received and approved by Council, staff will contact the leasee regarding the effluent system project and report back to the August 2024 meeting.</p> | 26 June 2024 28 August 2024 |
| 26 | 28 February 2024 Brougham House Update Staff will report back in December 2024 on progress update on options being considered for Brougham House, EOC and Library. | K Trigg | | 18 December 2024 |

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 5

Prepared by - Paul Numan
- Group Manager Corporate Services

Reviewed by - Simon Pickford
- Chief Executive Officer

Attachments 1. Enhanced Annual Plan 2024-2025

2024-2025 ENHANCED ANNUAL PLAN ADOPTION REPORT

1. REPORT SUMMARY

The purpose of this report is for the Council to adopt the Enhanced Annual Plan 2024 - 2025 and associated documents.

Council adopted the Draft Enhanced Annual Plan 2024-2025 and Consultation Document at an extraordinary Council meeting held 10 April 2024. Those documents were made publicly available, and a consultation period was held between 12 April to 20 May 2024.

The most significant matter for consultation included in the Draft Enhanced Annual Plan 2024-2025 was a proposal to change the rates policy around application of water and wastewater fixed charges. Many ratepayers were affected by that proposal. Council wrote to each ratepayer about the potential changes and sought their feedback on the data held for their property. Council decided to extend the consultation period for the proposed change to water and wastewater rating policy to 4 June 2024, thereby providing greater time for ratepayers to review their individual letters they had been sent.

As part of the submissions and deliberations process from the public consultation, the elected members directed staff as to how to proceed for the final budget which is included in this Final Enhanced Annual Plan.

A summary of the key decisions made at the Council Deliberations Meeting are as follows:

- 1 Option One of reducing the roading programme to match the NZTA approved funding to be included in the final plan.
- 2 Do not adopt a revised rating policy for water and wastewater, continue to levy rates for those services from 1 July 2024 on the same basis used for the 2023-2024 Annual

Plan. The only change to be made to the policy is that revised fixed annual charges per connection or metered connection are to be applied, being an increase on the 2023-2024 charges for each supply.

- 3 Review the proposed rating system for water and wastewater services to be included in the nine-year Long-Term Plan 2025-2034, and in doing so consider the following:
 - (a) The principles of the Government's Local Water done well policy/legislation;
 - (b) The proposal for water and wastewater rating included in the draft 2024/2025 enhanced annual plan and the submissions received;
 - (c) Review the Rating Information Database (RID) Request to Amend Rating Information Forms received until 30 June 2024 and any other information that has come to the attention of the Council;
 - (d) The development of remission policies; and
 - (e) Review of the general rate differential system to allow for consideration of proposed changes as part of the Long-Term Plan 2025– 2034.
- 4 The Uniform Annual General Charge from 1 July 2024 will be levied at \$580 including GST per rating unit
- 5 Council staff will document the methodology for how the management fee payable to Buller Recreation Limited is calculated from 1 July 2025 and provide this as part of the 2025-2034 Long Term Plan supporting information.
- 6 Deliberations held 11 and 12 June 2024 has achieved a reduction in proposed Total Rates from 19.7% as consulted on, to approximately 14.6% Total Rates. This indicative rate shall inform the preparation of the final Enhanced Annual Plan Document for adoption on 26 June 2024.

2. DRAFT RECOMMENDATIONS

That Council:

- 1. Receives the Enhanced Annual Plan 2024-2025 adoption report.**
- 2. Confirms that the total rates revenue increase of 14% in the Enhanced Annual Plan 2024-2025 is 9.2% higher than the same year of the 2021-2031 Long Term Plan and exceeds the 2.2% Long Run Local Government Cost Index limit set in the Financial Strategy.**
- 3. Confirms that the increase in the net debt in the Enhanced Annual Plan 2024-2025 of \$36.9 million exceeds the net debt limit of \$25 million set in the Financial Strategy, and exceeds the net debt forecast for the year end 2024-2025 in the 2021-2031 Long Term Plan of \$23.8 million.**

4. **Agrees that exceeding both the total rates revenue increase and net debt limits which are set in the Financial Strategy are required to ensure that the Council appropriately funds its operating and capital expenditure activities for 2024/2025, and that these decisions have been explained and are not considered significant enough to warrant an LTP amendment.**
5. **Approves the list of proposed fees and charges to be included in the Buller District Council Enhanced Annual Plan 2024-2025.**
6. **In accordance with section 95 of the Local Government Act 2022, adopts the Final Buller District Council Enhanced Annual Plan 2024-2025 on 26 June 2024; and**
7. **Authorises the Chief Executive Officer Simon Pickford to approve any minor editorial amendments to the Final Enhanced Annual Plan 2024 - 2025 document, prior to being printed and made available online on the Council's website.**

3. ISSUES & DISCUSSION

3.1 Why Council Has Prepared An Enhanced Annual Plan For 2024-2025 Instead Of A Long Term Plan For 2024-2034

Under section 95 and section 95A of the local Government Act 2002, Council is required to adopt an Annual Plan using a consultative procedure.

For the 2024-2025 year, Central Government water reforms created revised legislation which gave three different options as to when the council will be required to adopt the Long-Term Plan (LTP):

- (f) Option 1 – Adopt a Long Term Plan by 30 June 2024
- (g) Option 2 – 3-month deferral to adopt a Long Term Plan by 30 September 2024
- (h) Option 3 – Defer the Long Term Plan to be adopted by 30 June 2025 which will mean a reduced 9-year long term plan, from this date until June 2034 and the Council having to adopt an 'enhanced' annual plan for the 2024-2025 financial year.

Council made the decision to defer the adoption of a new Long Term Plan until 30 June 2025 which will mean a reduced 9-year Long Term Plan, from that date.

The council therefore needed to adopt an Enhanced Annual Plan for the 2024-2025 financial year.

The Enhanced Annual Plan 2024-2025 highlights the activities the Council will be involved in including major issues and projects and where there are variations from original estimates from year four of the Long Term Plan 2021-

2031. It details what the Council plans to spend in the year ahead and how it will be paid for.

3.2 The Purpose Of The Enhanced Annual Plan Is To:

- contain the proposed annual budget and funding impact statement (rates policy) for the year to which the annual plan relates; and
- identify any variation from the financial statements and funding impact statement (rates policy) included in the local authority's long-term plan in respect of the year; and
- provide integrated decision making and co-ordination of the resources of the local authority; and
- contribute to the accountability of the local authority to the community.

3.3 Significant Variances In This Annual Plan Compared To Year 4 Of The 2021- 2031 Long Term Plan, And Other Matters To Note:

The final Enhanced Annual Plan 2024-2025 document includes some significant changes compared to year 4 of the 2021-2031 Long Term Plan, and other matters to note, which are set out below:

Rates Increase Affordability - Benchmark Not Met in the Enhanced Annual Plan

Planned rates increases are more than the Long Run Cost Local Government Cost Index increase which was planned to be 2.2% in the Long-Term Plan and Financial Strategy.

The forecast rates increase measure has risen from 4.8% in year 4 of the 2021-2031 Long Term Plan to 14% in the final Enhanced Annual Plan.

3.4 Debt Affordability - Benchmark Not Met In The Enhanced Annual Plan

Forecast net debt breaches the limit set in the Long-Term Plan financial strategy by \$11.9 million.

The Long-Term Plan forecast net debt to be \$23.8 million at 30 June 2025, made up of \$37.5 million of external debt less term deposits of \$13.7 million. The 2024-2025 Annual Plan forecasts net debt to be \$36.9 million made up of \$45.4 million of external debt less term deposits of \$8.4 million.

Subsequent Annual Plans, and this Enhanced Annual Plan resulted in new external debt requirements of \$7.9 million more than predicted by year 4 of the Long Term Plan. This is due to the increase reflected in the changes made to the capital programme along with loan funding associated with the increase in capital expenditure in the three waters activities.

The change in term debt also considers prior year budget changes for projects not yet completed. The budgeted debt considers the 2022-2023 Annual Plan which included new loans for the Westport water trunk main extension of \$1.65m revised down to \$1m, and the Westport Wastewater resource consent renewal and discharge upgrade \$2.24m revised down to \$1.8m.

The 2023-2024 Annual Plan saw \$1.3m of loan funding for Westport Water resilience work, an increase in Stormwater upgrades of \$1m, and the carryover loan for the Waimangaroa Water Supply treatment project of \$1.45m in the Long-Term Plan after the floods became a resilience project with loan funding of \$2m.

The current plan includes new external debt for Westport water supply proposed capital of \$3.8m mainly for completing the trunk main renewal project and an increase in Council's loan for share purchases in Buller Holdings Limited (BHL) of \$1.6m to fund past capital investment into the Pulse Recreation Facility by BHL.

These new external loans are offset by the \$1.9m loan for the Brougham House upgrade being reduced to \$0.7m funded from term deposits due a reduction in scope of this project, and a local solid waste re-processor plant of \$1.4m not proceeding in 2024-2025 as signalled in the Long-Term Plan.

Cash investments are predicted to be \$5.3m lower in the Annual Plan than the Long-Term Plan. The reduction in cash investments is due to several factors including:

- utilising term deposits as internal loans to fund a forecast \$2.3m more capital works than provided for in the Long-Term Plan.
- the decision in the 2023-2024 Annual Plan to fund \$1.75m of flood response and recovery costs out of term deposits that were not able to be funded out of the central government flood recovery funding package.
- along with the \$1.2m deficits in the three waters activities from holding the targeted rates static in 2023-2024.

3.5 Impact of Changes:

Change to Total Rates

After completing the final revised operational budgets and capital expenditure programme for the 2024-2025 year, the total rates increase is 14% for the 2024-2025 rating year.

This total rate increase is made up of a 7.24% General Rates increase as a percentage of the total rates collected, and 6.73% of Targeted Rates increase as a percentage of total rates collected.

Drivers for the general rates portion of the increase are:

- a) Increase in external loan interest \$0.6m due to higher than forecast interest rates and higher facility fees.
- b) Increase in NZTA roading programme bid net of higher funding from NZTA \$0.25m.
- c) Increase in contractors' fees \$0.1m.
- d) Increase in insurance \$0.1m.
- e) Offset by increase in external investment income (\$0.5m).
- f) Offset by the use of Paparoa Way leasehold properties revenues to reduce requirement for general rates (\$0.2m).
- g) Employee remuneration has increased by \$816k compared to the budget for the 2023-2024 Annual Plan. This increase is funded from General Rates, Target Rates the rest from external revenue sources such as increased fees and charges, revenue and external subsidies or funded from capital project budgets not directly from rates. Since the Long-Term Plan 2021-2031 was adopted in June 2021, Council has employed new staff funded from rates to help maintain its levels of service and business as usual activity while meeting increased demand for those services, to resource its increased work programme, and ensure it meets statutory and new requirements for local government. Cumulative salary market movements have been greater than BERL predicted at the time the Long-Term Plan was prepared.

Drivers for the Targeted rates portion of the increase are:

- h) Increase in interest expenses of \$0.8m due to higher forecast interest rates combined with higher forecast debt in these schemes.
- i) WestReef Services Ltd contract review resulting in a net increase of \$0.7m in contracted works, and general repairs and maintenance across the wastewater and water supply schemes.
- j) Increase in depreciation of \$0.37m due to infrastructural revaluation gains and unplanned works funded from external grants for these activities.
- k) Offset by rates funding \$0.9m in net capital costs in the Long Term Plan, whereas loans have been used to fund these costs in the Annual Plan.

3.6 The Enhanced Annual Plan will be Made Available for Public Distribution When the Document Is Adopted by Council, at the Following Locations:

- Council Offices, Brougham Street, Westport
- Sue Thomson Casey Memorial Library, Palmerston Street, Westport
- Reefton Visitor and Service Centre and Library, Broadway Reefton
- Karamea Information and Resource Centre, Bridge Street, Karamea
- Northern Buller Information and Resource Centre, Ngakawau
- Visitor Information Centre, Punakaiki
- Council's website

4. CONSIDERATIONS

4.1. Strategic Impact

The Enhanced Annual Plan document is an integral part of the planning and delivery of Councils Strategic vision and obligations. The principal role of an Annual Plan is to allow for budgeted adjustments to Councils principal planning document the Long-Term Plan. This year is slightly different due to the Council's decision to defer the long-term plan by 1 year and agree to a reduced 9-year Long Term Plan for 2025-2034.

4.2. Significance Assessment

The significance and engagement policy sets out the criteria and framework for a matter or transaction to be deemed significant.

The Annual Plan is of high significance as it contains the Council's budget for the financial year ending 30 June 2025, including its financial forecasts, capital programme, operational plans, and rates.

However, as Council continues to follow the original strategy set out in the Long-Term Plan that was audited and publicly consulted on, and this Enhanced Annual Plan contains no significant variances from that plan excluding the cost changes, the significance of the decisions recommended in this report is low.

Any decision not to adopt the Annual Plan would be of a higher level of significance.

4.3. Risk Management Implications

Risk is assessed by considering the likelihood of an event occurring, and the result of that event.

The annual plan process and adoption of the relevant documents is a statutory requirement of local authorities. Adoption of the final Annual Plan enables the legal process for setting rates and consequently the operation of local authorities.

4.4. Policy / Legal Considerations

The Local Government Act 2002 governs the activities of Buller District Council and sets out the requirement for consulting and adoption on the Enhanced Annual Plan.

This report assists with two key purposes of that Act (located at section 3) stating the purpose of the act is to promote the accountability of local authorities to their communities and provide for local authorities to play a broad role in meeting the current and future needs of their communities for good-quality local infrastructure, local public services, and performance of regulatory functions.

4.5. Tangata Whenua Consultation Considerations

The Enhanced Annual Plan document provides an opportunity for consultation with Tangata Whenua.

4.6. Costs

There are no extraordinary costs for other than already budgeted for in production and consultation with respect to the process.

4.7. Benefits

Adoption of the Enhanced Annual Plan within statutory time limits enables Council to set and collect the required amount of rates to deliver the services outlined in the plan.

4.8. Media / Publicity

There are expected to be media and public interest with this report, once the Enhanced Annual Plan is adopted.



Enhanced Annual Plan

2024/2025

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INTRODUCTION

Welcome

Message from the Mayor and Chief Executive Officer

Welcome to Buller's 2024-2025 Enhanced Annual Plan which will be the guiding document for our district over the next financial year. This plan is the output of a mighty effort from our community, elected members, and Council staff.

This plan outlines Council's goals and what Council aims to do in the coming year and how we plan to pay for this. It is based on year 4 of the 2021-2031 Long-Term Plan (LTP), after Council voted unanimously to defer the adoption of the 2024-2034 LTP.

The input we received during our early engagement of the deferred Long-Term Plan has been incredibly valuable. It has provided our Councillors and staff with insightful guidance to help us make well-informed decisions. As much as we strive to fulfil all community desires, we recognise the importance of taking a practical and thoughtful approach in managing our critical infrastructure and essential services.

Since the adoption of the 2021 Long-Term Plan the Buller community has stood up to the challenges it has been dealt with across the district. We have been well supported by Central Government agencies as we sought a strong recovery for our people. However, the recovery period is nearing an end and we as a community need to shift our collective focus from recovery to growth.

There is no doubt that planning for the social, cultural, environmental, and economic future of the entire Buller District is a significant responsibility. Significantly, this year our Council will lead the master planning for the future of Westport – a once in a generation opportunity to set the future direction of the district's main hub. However, we are also undertaking this work in the context of significant reform and the current level of legislative uncertainty, especially surrounding the Local Water Done Well policy of the government. Under this approach we are required to lift our levels of compliance to meet the new standards around water supplies and the need to better manage and address our critical Infrastructure backlog, whilst balancing the affordability for our community.

This plan represents our commitment to striking a balance between meeting pressing community needs and allowing flexibility and more time to address ongoing challenges, such as future water service considerations and Westport flood protection. Your perspectives are vital in ensuring that the priorities we have identified align with your vision for how the council should invest your hard-earned rate payer funds and external funding on behalf of the community. We encourage you to submit on the plan and the key issues identified.

Ngā mihi
Jamie and Simon




Your Elected Representatives

| MAYOR | DEPUTY MAYOR |
|--|---|
| <p>Jamie Cleine jamie.cleine@bdc.govt.nz Mob: 027 423 2629</p> | <p>Andrew Basher andrew.basher@bdc.govt.nz Mob: 027 759 9176</p> |

| WESTPORT WARD COUNCILLORS | INANGAHUA WARD COUNCILLORS | SEDDON WARD COUNCILLORS |
|---|--|---|
| <p>Andrew Basher andrew.basher@bdc.govt.nz Mob: 027 759 9176</p> | <p>Linda Webb linda.webb@bdc.govt.nz Mob: 027 331 2090</p> | <p>Rosalie Sampson rosalie.sampson@bdc.govt.nz Mob: 027 356 7388</p> |
| <p>Phil Grafton phil.grafton@bdc.govt.nz Mob: 021 027 83568</p> | <p>Graeme Neylon graeme.neylon@bdc.govt.nz Tel: 03 732 8382</p> | <p>Toni O'Keefe Toni.okeefe@bdc.govt.nz Mob: 027 367 1315</p> |
| | <p>INANGAHUA COMMUNITY BOARD MEMBERS</p> | |
| <p>Annelise Pfahlert annelise.pfahlert@bdc.govt.nz Mob: 027 233 5706</p> | <p>Robyn Abbey robynabbey@reefton.nz Phone 021 0899 7494</p> | |
| <p>Joanne Howard joanne.howard@bdc.govt.nz Mob: 02 744 74370</p> | <p>Alun Bollinger albol@kinect.co.nz Phone 03 732 8123</p> | <p>NON-ELECTED NGĀTI WAEWAE REPRESENTATIVES</p> |
| <p>Grant Weston grant.weston@bdc.govt.nz Mob: 022 155 0367</p> | <p>Ashleigh Neil ah.neil@outlook.com</p> | <p>Ned Tauwhare ned.tauwhare@ngatiwaewae.org.nz</p> |
| <p>Colin Reidy Colin.reidy@bdc.govt.nz Mob: 027 461 6644</p> | <p>Dean Gibbens bcfs@reefton.nz Phone 022 591 0717</p> | |
| | <p>Councillor representatives: Councillor Linda Webb Councillor Graeme Neylon</p> | |

Strengthening Partnerships with Mana Whenua

Under the Crown’s obligations arising from Te Tiriti o Waitangi, Te Rūnanga o Ngāti Waewae as mana whenua are always going to be heavily engaged in future direction setting for the West Coast Te Tai Poutini in general, and, specifically, for the Buller District. For Council a strong and positive relationship with Te Rūnanga Ngāti Waewae is important on every level. Notwithstanding, the relationship with Rūnanga, Council will consult with Ngāti Apa on matters pertaining to the Buller District and that the input of Māori not associated with Ngāti Waewae may from time to time be received for consideration of the Council. Under Section 81 of the Local Government Act 2002, Council must establish and maintain processes to provide opportunities for Maori to contribute to the decision-making processes of the local authority. Council is also required to look at ways to foster the development of Māori capacity to have input into these processes. The Buller District Council recognises and acknowledges that Ngai Tahu is the tangata whenua of Te Tai Poutini. The papatipu runanga for the Buller District is Te Rūnanga o Ngāti Waewae. A relationship has been established with Te Runanga O Ngāti Waewae and is continuing to strengthen.

Buller Council resolved in May 2021, that one Iwi representative will have voting rights at Buller District Council committee meetings from 1 July 2021 and now holds a portfolio. The addition of voting rights was a logical step to further enhance Council and Iwi partnership. It also further strengthens, develops and extends the Council relationship with Te Rūnanga o Ngāti Waewae especially across Council’s wider cultural, social, economic, environmental and legal interests regarding its district's obligations.

About the Enhanced Annual Plan

We are required to update our ten-year plan (also known as our Long-Term Plan) every three years. This plan sets out our direction and budgets for the next ten years. Usually, in the two years between the long-term plans, we produce an annual plan.

Unlike in the past, we are producing an Enhanced Annual Plan that continues the implementation of year four, which was set out in the Long-term Plan 2021-2031. The Minister for Local Government (Hon Simeon Brown) highlighted on Tuesday 13 February 2024 the coalition government’s plan for the next 12-18 months to implement Local Water done Well into legislation and to repeal the Water Services Legislation. As part of that announcement, Central Government have given three different options as to when the council will be required to adopt the Long-Term Plan:

- **Option 1** – Adopt by 30 June 2024
- **Option 2** – 3-month deferral to adopt by 30 September 2024
- **Option 3** – Defer the LTP to be adopted by 30 June 2025 which will mean a reduced 9-year long term plan, from this date until June 2034 and the Council having to adopt an ‘enhanced’ annual plan for the 2024-2025 financial year.

The Council took the decision to Defer the LTP to be adopted by 30 June 2025 which will mean a reduced 9-year long term plan, from this date, until June 2034 and the Council having to adopt an ‘enhanced’ annual plan for the 2024-2025 financial year.

This document highlights the activities the Council will be involved in for 2024-2025 including major issues and projects and where there are variations from our original estimates from Year four of the LTP 2021-2031. It details what the Council plans to spend in the year ahead and how it will be paid for.

Specific projects and issues have been highlighted against each of the Council's activities and the performance targets that will enable you to monitor progress over time.

Our Main Challenges

Buller District Council face significant challenges in our long-term planning in terms of ensuring compliance with the regulatory expectations whilst maintaining a financially sustainable and affordable future.

At present, there are several significant uncertainties which have a fundamental impact on the borrowing levels, the rates levels, and the financials of Council. Of note, and in terms of the level of uncertainty, the answers will not be known before the 30 September 2024. The key challenges which staff believe have most relevance and impact on the community are the following:

- a. **The potential creation of a Regional Water Entity**
- b. **Westport Flood Protection**
- c. **Taumata Arowai Regulations**
- d. **New Zealand Transport Agency (NZTA) funding**

Compliance with the Local Government Act 2002

As part of the Local Government Act 2002, this statement precedes the detailed proposal for the Buller District Council's 2024-2025 Draft Enhanced Annual Plan. The following pages outline our strategic initiatives, budgetary considerations, and engagement activities for the year ahead. This preface ensures complete transparency and legal compliance, providing a framework within which the subsequent plan is presented.

Community Engagement

Engagement on the Enhanced Annual Plan 2024/25 was undertaken in accordance with the provisions of the Local Government Act 2002. The Draft Annual Plan was adopted for community engagement on 10 April 2024, and the consultation period was open between 12 April to 20 May 2024.

The Draft Annual Plan document was available through Council facilities and online. Drop-in sessions with local councillors were held during this period.

Our Strategic Direction

Our strategic direction includes our core purpose, vision, mission, values, and our community outcomes.

CORE PURPOSE

To service the residents of the Buller District, conscious of their needs, by providing facilities and services and creating an environment for progress and develop while preserving the distinctive natural environment as well as the cultural and historical environment.

| OUR VISION | | | | |
|---|----------------------------------|--|--|-------------------------|
| For the Buller district to grow and for the district to become a thriving community where families enjoy a great quality of life and the distinctive nature, cultural and historical environment are treasured | | | | |
| OUR MISSION | | | | |
| To serve the residents of the Buller district, conscious of their needs, by providing facilities and services and creating an appropriate environment for progress and development while preserving the distinctive natural environment, as well as the cultural and historical environment | | | | |
| OUR VALUES | | | | |
| COMMUNITY DRIVEN | ONE TEAM | FUTURE FOCUSED | INTEGRITY | WE CARE |
| We are committed to making a difference in the community we call home. | Shared direction, shared effort. | We seek solutions that are fit for the future. | Open and honest in decisions and action. | About people and place. |

| OUR COMMUNITY OUTCOMES | |
|--|---|
| This activity within this plan supports our community outcomes as defined in the LTP 2021-2023 | |
| SOCIAL | <ul style="list-style-type: none"> Provide essential services to residents and businesses to support a healthy environment. Ensure environmental health standards are met, so food offered for sale is prepared appropriately and safe for consumption. Provide and develop safe public places. Emergency management is a key function in ensuring that injury to people and damage to property is minimised in the event of natural disasters. Council is ready to respond in an emergency and empowers residents to be better prepared physically and psychologically for a Civil Defence event. |
| AFFORDABILITY | <ul style="list-style-type: none"> By applying bylaws and other legal mechanisms to ensure facilities and services are fit for purpose. Ensure quality assurance requirements for building consent authorities are met. |
| PROSPERITY | <ul style="list-style-type: none"> Make information easily available about Council, its functions, and services. Recognise and support education excellence and opportunity in the district. Provide essential services to residents and businesses to support a healthy environment. |

| | |
|--------------------|---|
| | <ul style="list-style-type: none"> • Develop policies and implement practices that enhance our environmental sustainability and natural diversity. • Ensure appropriate management and promotion of the district’s natural and physical resources. |
| ENVIRONMENT | <ul style="list-style-type: none"> • By providing essential services to residents and businesses to support a healthy environment. • Develop policies and implement practices that enhance our environmental sustainability and natural diversity. • Ensure appropriate management and promotion of the district’s natural and physical resources. |

CONSULTATION TOPICS

Council consulted on two key consultation issues

Consultation Issue 1 – Roading

Buller District Council considered the options if the New Zealand Transport Agency (NZTA) did not fund as much as was applied for. There were three options to choose from.

At the time of preparing the draft enhanced annual plan Council had submitted a programme of works to NZTA Waka Kotahi. This programme of works made up the bid for the next three years of funding for the road network maintenance and operations activity which is provided by NZTA Waka Kotahi. At the same time the Annual Plan Deliberations were being undertaken, Waka Kotahi NZTA released their indicative budget allocations. The final budget allocations are not expected until 31 August 2024.

NZTA Waka Kotahi did not support Council’s full bid for the programme of works, indicating they will fund less.

However, there is an improvement because NZTA have confirmed the Funding Assistance Rate (FAR) for our local roads will be 75% for the next 3 years (2022-2024 was 72%). In addition, it has also been confirmed that the Karamea Special Purpose Road (SPR) will maintain its current 100% funding assistance. Despite NZTA Waka Kotahi not funding all of the request that BDC put forward, they have indicated they will fund \$10.08m more (78% increase) than has been provided in prior years for the three years the funding round covers. And \$1.2m more (29% increase) will be provided for the Karamea Special Purpose Road over the next three years.

Because NZTA Waka Kotahi advised they will not fund Council as much as Council requested, Council had three options:

1. The first was to revise down our ratepayer contribution in conjunction with the reduced funding from NZTA Waka Kotahi. This would mean Council needed to revise the work

programme to match NZTA Waka Kotahi approved funding.

2. The second was for Council to continue with the submitted programme and use rate funding to top up the difference for local roads. This would mean higher rates for this Annual Plan year and would commit to higher rates for the next two rating years. The quantum of the dollar cost and the rates percentage increase would be dependent on what the final funding shortfall/work programme delivered is.
3. The third was to keep Council's level of funding as contained in the Draft AP, but reduce the overall programme to reflect NZTA Waka Kotahi level of investment.

OUR OPTIONS:

OPTION ONE

THIS WAS THE OPTION THAT COUNCIL CHOSE FOR THE ENHANCED ANNUAL PLAN

Reduce The Programme to match The Waka Kotahi – New Zealand Transport Agency Approved Funding.

Focus : Programme of works

Advantages:

- The advantage here is that there will be no increase in the rates contribution and potentially there will be a rate saving.

Disadvantages:

- Council may have to reduce the programme of works to match the funding. This may have implications for the levels of service delivery, that is doing less work.
- May increase the risks of the main assets being affected by an under investment which could lead to further issues, impacts further on resilience and asset preservation (backlog gap will widen).
- Roading was the communities' number one priority in the pre-engagement.

Changes to levels of service

With this increased investment council staff and contractors will be working to deliver efficiencies by better managing existing infrastructure to improve performance and deliver value for money outcomes so that the level of service is not impacted.

Financial Impact

The NZTA Waka Kotahi indicative approval for the Local Roads programme is a reduction of \$1.5m across the three years of the funding. Because Council has chosen to match their share of the spending in line with the reduced programme, there is a rates saving of 1% on general rates, and 0.6% saving on total rates.

Any reductions to the Special Purpose Roads (SPR) (Karamea Highway) has no impact on rates as this work is fully funded by Waka Kotahi meaning only revenue from subsidies will reduce.

At the time of completing the Enhanced Annual Plan 2024-2025, NZTA Waka Kotahi have not yet announced what funding they will provide for the following activity classes: Low Cost Low Risk (LCLR), Road Safety Programmes, Walking and Cycling, and Activity Planning. Buller District Council approach for these outstanding items is to retain the Draft Enhanced Annual Plan budgets set for those activities.

OPTION TWO – THIS OPTION WAS NOT CHOSEN BY COUNCIL

Continue with submitted programme and council rate funds any difference for local roads and commits to higher rates for the next two rating years - quantum of \$ and rates % increase variable depending on what the funding shortfall/work programme delivered is.

Focus is on asset preservation and current levels of service.

Advantages:

- Roading was the communities' number one priority in the pre-engagement.
- Current levels of service delivery will be maintained.
- Reduces the main risks of assets being affected by an under investment which could lead to further issues.
- Helps to preserve assets, sustain, and improve resilience.
- Helps to keep pace with inflation.

Disadvantages

- Council would need to increase the rates portion over and above the indicative rates increase to retain the submitted programme.
- Would impact further on rates affordability.
- Would impact on other non-roading high priority projects.
- Council locks in rates increases in the next two financial years to meet the funding shortfall, \$ and % increase is dependent on the final funding agreed, but could be significant

Changes to levels of service

The outcome of the Waka Kotahi (NZTA) decision will determine the way forward.

Council assumes under Option 2 that only local roads would be considered for additional rates funding by Council so the proposed levels of service for local roads remains the same.

Karamea Highway (SPR) would be excluded as these roads are 100% funded by Waka Kotahi (NZTA).

Financial Impact

If the Local Roads programme approved by Waka Kotahi was reduced by \$1m per annum Waka Kotahi's share at 75% would reduce subsidies by \$0.75m. To continue with the

submitted programme Council would have to fund this shortfall either by a direct increase in general rates or through borrowings.

Loan servicing costs for a \$0.75m ten-year loan at the forecast rate for the Annual Plan are \$0.09m per annum from 2025/2026. As the programme would need to be funded for three years of shortfalls, cumulatively this will add \$0.28m per annum to general rates by 2027/2028.

Any reductions to SPR has no impact on rates as this work is fully funded by Waka Kotahi meaning revenue from subsidies will reduce in accordance with a reduction in the level of spend budgeted for SPR.

Potential change to rates increases contained in the Draft Annual Plan.

| Potential change to rates increases if this option was chosen | | | |
|---|-----------------------------|------------------------------|---------------|
| Example below stated for \$1m less work on the Local Roads, increasing \$750k Council Contribution | | | |
| | In Draft Annual Plan | Option 2 Rates funded | Change |
| General rates increase | 16.7% | 23.3% | +6.7% |
| Total rates increase | 19.7% | 23.7% | +4.0% |

OPTION THREE - THIS OPTION WAS NOT CHOSEN BY COUNCIL

Keep Council's level of funding as contained in the Draft AP, but reduce the overall programme to reflect Waka Kotahi (NZTA) level of investment

Advantages:

- Rooding was the communities' number one priority in the pre-engagement.
- Level of service won't be reduced as much.
- Will have less of an impact on the assets, however the investment would still not be what is required.
- Helps to preserve assets but won't maintain them fully, sustain, and improve resilience.

Disadvantages

- Council will have to reduce the programme of works but will still take on some more than funded.
- May increase the risks of the main assets being affected by an under investment which could lead to further issues, impacts further on resilience and asset preservation (backlog gap will widen).
- Rooding was the communities' number one priority in the pre-engagement so will need to be considered.
- Our assets will not have the required investment

Changes to levels of service

The outcome of the Waka Kotahi (NZTA) decision will determine the way forward, and what the impact is on the future level of service on our roading network. The outcome in terms of

the programme will not be known until Waka Kotahi (NZTA) confirms the budget allocations.

Financial Impact

As the proposal is to leave Council's level of funding the same there is no impact to rates under Option 3. Any reductions to SPR has no impact on rates as this work is fully funded by Waka Kotahi meaning revenue from subsidies will reduce in accordance with a reduction in the level of spend budgeted for SPR.

Consultation Issue 2 Water and Waste Water Rates

Buller District Council considered the options if a revised rating policy should be introduced from 1 July 2024. This looked at making the water and waste water policy more closely aligned to the provisions in the Local Government (Rating) Act 2002.

There were two options to choose from, either adopt a new policy or continue using the existing policy. Council chose not to change the way water and sewer rates were applied for the wastewater and water schemes.

OPTION ONE - THIS OPTION WAS NOT CHOSEN BY COUNCIL

Adopt a revised policy on how water and wastewater targeted rates are charged

Council considered changing the way "multi residential" and "multi commercial" "differentials" for water and wastewater targeted rates, as well as "major users" rates are charged, and aligning the policy more closely with the methods for charging targeted rates as set out in the Local Government (Rating) Act 2022.

Advantages:

- Clear, compliant policy applied consistently across all water and wastewater schemes in the Buller District
- Policy application driven from external valuer information collated in the Rates Information Database so is therefore not subject to interpretation and application of many different targeted rates policies as per the current policy.
- Rates charges would be on a one-for-one basis which is more impartial/equitable.
- Amount collected benefits ratepayers who do not need to pay as much targeted rates as otherwise would need to be set to meet the costs of each water or wastewater supply.

Disadvantages:

- Changed policy means that some ratepayers who have two or more separately used or inhabited portions of a rating unit would be charged more targeted rates than in the past.
- The policy will be driven from external valuer information collated in the Rates Information Database and the data may need to be updated for a selected group of properties. This will require a valuer to visit each property to assess units of use, and urinal/pan count, therefore consistent application of a new rating system may need to

be phased in over two years, this may be seen as inequitable for those consumers who are captured in the first year of transition.

- Rates charges will increase for some water and wastewater ratepayers because in the past they paid for one charge or a reduced charge for many units or separately used or inhabited portions or did not pay for availability of use.
- The amount collected redistributes the targeted rates burden to ratepayers who have historically been charged reduced or nil rates, the impact to those ratepayers may be significant.

Changes to level of service

The levels of service would not change if this policy was adopted.

OPTION TWO

THIS WAS THE OPTION THAT COUNCIL CHOSE FOR THE ENHANCED ANNUAL PLAN

Keep the policy the same on how water and wastewater targeted rates are charged

The proposed change considered a per "Separately Used or Inhabited Part of a rating unit" application of charges, using District Valuation Roll data instead of the "charges tables" in the current water and wastewater charges section of the 2023-2024 rating policy.

Council did not adopt a revised rates policy and the prior year (2023-2024). Rates policy has been used for the 2024-2025 Enhanced Annual Plan, the only changes being the targeted rates have been increased for each scheme to take into account the higher costs to provide these services.

Environmental Scan - What is affecting 2024-2025 and beyond

Central Government funded projects

Several projects are underway to reduce the impact of flooding on Westport and plan. A Steering Group which includes members of both the Buller District and West Coast Regional Councils, Ngāti Waewae and Central Government has been established to provide governance, oversight, and assurance of the deployment of \$22.9m of Government funding towards building a Resilient Westport.

The work programmes include several projects across the PARA framework (Protect, Avoid, Retreat/Relocate and Accommodate) to deliver a Resilient Westport for the future. The work programmes need to carefully balance moving things along at pace with the need for good process and transparency.

The community's voice is central to the programmes of work and there will be opportunities for engagement and feedback.

Actions that are part of increasing the districts and Westport's resilience for future generations include:

Flood protection assessments (protect)

- Organs Island reforestation – Land transfer process underway and planning for planting.
- Floating Lagoon and Averys – geotechnical groundwater monitoring is underway. A plan for a stop bank on the Avery's stretch of the Orowaiti River is estimated to provide protection from a one-in-100-year flood for the next 30 years of climate change.
- Abattoir Drain at Railway Bridge & McKenna Road - geotechnical groundwater monitoring underway. Assessment of environmental effects are underway. All going well, these are aimed to be completed these by the end of June 2024.

Flood protection structures (protect)

- Peer reviews of the Multi Tool Business Case that was submitted to government in June 2022 have now been completed. Next stage is preliminary design phase.
- While these initiatives will help deliver flood protection, they are not a guarantee of prevention of damage from future flooding. These measures are buying time to enable Westport to plan a more resilient future.

Civil defence emergency management (accommodate)

- Recruit for capability; delivery; sustainability – underway

Water and sea level gauge (accommodate)

- Funding has been approved for sea level monitoring and tide gauging to improve flood warning information.
- WCRC are completing assessments of the tidal and land monitoring requirements, auditing best practical options so the steering group can be assured of design before progressing to purchase of equipment.

Westport master planning (retreat/relocate)

- Stage one of the master planning process has begun. BDC has engaged Isthmus Urban Design team (based in Christchurch) to develop a set of vision plans with which to engage with the community in early 2024.
- Isthmus has worked on projects around New Zealand and internationally.
- The Master Planning project will ensure we're planning for a future focused on social, environmental, affordability, prosperity, and culture.
- We're working in a partnership of community, iwi, business, local government, and national government.

Westport Water Resilience

Westport Water Supply remains in need of critical investment to mitigate risk of “no water” scenarios. During the February 2022 severe weather event, significant damage was sustained to both infrastructure and the Giles Creek south branch catchment. Whilst the infrastructure was quickly repaired via government funding, the event showed the vulnerability of this essential lifeline.

As a result, Council worked closely with the Department of Internal Affairs (DIA) to identify the most important infrastructure needed to improve resilience for the Westport Water Supply, culminating in a business case highlighting the prioritised Resilience Options. This was endorsed by Council and submitted through the previous governments National Transition Unit as part of the Three Waters Reform programme. As we await further direction from the new governments Local Water Done Well plan, critical investment in Westport Water Supply must continue to ensure the safe, reliable and adequate drinking water supply for our district’s largest population.

Currently there is no back up water supply for Westport. The alternative pump station constructed downstream of the primary intake in 2005 has been rendered unusable due to the poor water quality. In the event of regular or prolonged rainfall events, raw water cannot be treated with the existing water treatment plant due to excessive turbidity levels. Even a series of smaller rainfall events occurring in close succession may stop or restrict refilling of the reservoir ponds, resulting in storage reducing to empty. Another severe weather event could damage critical infrastructure causing an instant supply loss. In either scenario, Westport could face a “no water” crisis.

The prioritised Resilience Options investigation and report recommended several short, medium, and long-term responses to secure the Westport Water Supply and improve reliability and availability. The most critical of the short to medium term investments is to complete replacement of the Trunk Main from the current location near McKenna Rd into Queen St finish point and associated network capacity improvements. The estimated cost of this key project is \$2.8 million.

Solid Waste

A public consultation on proposed changes to the waste management system was held between August and September 2023. The consultation was focused on switching from ‘pay as you throw’ rubbish bags, in waste and recycling zone 1, to wheelie bins for rubbish collected fortnightly, funded via a targeted rate.

Elected members met in an early November 2023 to discuss waste management going forward and as part of a workshop for the Long Term Plan. They decided to go back to the community to consult on three options how waste could be managed in Buller in the future. This consultation ran parallel to the 2024-2025 Enhanced Annual Plan consultation. This consultation revealed some support for wheelie bins, but there were concerns from residents over making costs mandatory and the impact it would have on minimal waste producers.

Creation of a Regional Water CCO

With the repeal of the Affordable Waters Legislation, Minister, Hon Simeon Brown has spelt out a three-step process to implement Local Water Done Well (LWDW) over the next 12-18 months. Stage one of that process has already occurred with the repeal of the Water Services Legislation in February 2024.

The Minister has established a technical advisory group to develop exact details of the next steps of LWDW. The indications from Central Government are that in June 2024 legislation will be introduced and enacted that set a framework to enable councils to self-determine future service delivery arrangements. It is also expected that councils will be required to produce a funded plan within 12 months as to how water will be delivered.

This legislation will include streamlining of requirements to establish Council Controlled Organisations to enable more financially sustainable service delivery.

The final piece of legislation in LWDW is planned for enactment mid-2025 which is expected to introduce greater central government oversight, economic and quality regulation and developing a new class of financially separate council-owned organisations.

Council has identified and shared with the community the current and potential future cost to ratepayers of water and wastewater services which are unaffordable to the community. It seems unlikely a “go it alone” water services model would be affordable for our communities in future and meet the LWDW requirement to show financial sustainability, where financial sustainability means revenue sufficiency, balance sheet separation, ring-fencing, and funding for growth.

However, it has been made clear in recent correspondence from the minister the expectation that councils should be voluntarily seeking collaborative solutions to long term water services delivery with neighbouring councils if that aids a financially sustainable model. Council unanimously voted on the 27 March 2024 to allow the Mayor to write to every Council in the South Island of NZ to understand if they would be keen on starting discussions around the creation of a CCO.

The commercial analysis and development of a regional CCO is likely to be a major project requiring significant resources and take considerable time to prepare.

Financial Overview

Overall Result

The 2024-2025 Annual Plan (the Annual Plan) is the third Annual Plan following the 2021-2031 Long Term Plan (the Long-Term Plan). Council continues to follow the original strategy set out in the Long-Term Plan and as such this Annual Plan does not materially or significantly differ from the Long-Term Plan.

The following commentary explains the variations to the budgets for 2024-2025 that are arising from matters that Council was not aware of in preparing the Long-Term Plan such as changes in economic conditions, the impact of extreme weather events on Council's financials, and the impact of Three Waters reform and other Central Government reforms.

One of the requirements of the Enhanced Annual Plan Option Council chose to take was that Council must consult on the 2024-2025 Enhanced Annual Plan. Council acknowledges under the normal Annual Plan legislative requirements it would have chosen to consult given the material changes in the Long-Term plan. These have been driven via new capital projects identified that are subsequent to the Long Term Plan meaning that the net debt limit of \$25m set out in the Financial Strategy would be breached, with predicted net debt at 30 June 2025 being \$37m and rates increases of 14% compared to 4.8% in the same period of the Long Term Plan.

Overall, Council is proposing a 14% increase in total rates revenue compared to 4.8% in the same year in the Long-Term Plan. The increase in total rates compared to the Long-Term Plan reflects the significantly higher interest and inflation rates being experienced compared to market predictions available at the time of preparing Long Term Plan. It also includes a 5.2% jump in water and wastewater rates as these were not increased in the 2023-2024 year, this is a significant driver of the total rates increase. The increase also reflects the impacts of Central Government reforms and regulations requiring greater Local Government Investment, particularly in the Three Waters activities and the cost of continuing to invest in our roading network, an area that the community indicated during the latest round of consultation was an area of importance for Council to focus on.

As a comparison the long run Local Government cost index applicable at the time of preparing the Long-Term Plan was 2.2%, the Business and Economics Research Ltd (BERL) cost adjusters 2023 update saw this increase to 2.4%. Council's weighted average inflation increase for the Annual Plan is closer to 4.3% due to the outcome of infrastructure maintenance contract reviews with major suppliers, and significant expenditure items such as insurance, electricity and employee expenses all experiencing actual increases greater than the BERL cost adjusters, and those real revised rates have been used as the basis for the 2024-2025 Annual Plan.

At the time of preparing the Long-Term Plan Westpac economic forecasts had predicted the Official Cash Rate (OCR) would remain at 0.25% until December 2025. Updated forecasts prepared in March 2024 predict for the 2024-2025 financial year the OCR will remain at 5.5% until June 2024 reducing to 4.5% by June 2025, with the current rate being 5.5% and market commentators expecting no cuts until at least February 2025.

| BULLER DISTRICT FINANCIAL HIGHLIGHTS | |
|---|----------------|
| Total Rates Increase | 14.0% |
| Forecast Net Debt | \$37.0m |
| Forecast Capital Spend | \$17.9m |

Impact of roading bid

New Zealand Transport Agency Waka Kotahi (NZTA) has announced 7 June 2024 their indicative funding for Buller's road network maintenance and operations for the 2024-2027 period through the National Land Transport Programme.

The funding announced is specific to the Local Road Pothole Prevention, Operations, Bridge and Structure Renewals, and Public Transport Services Activity Classes. NZTA now provides 75% of the funding for this expenditure, an increase from the 72% current financial assistance rate for the 2021-24 period.

Compared to the current programme, Council sought \$24.45m of funding for enhanced network maintenance and operations, seeking to achieve improved asset condition and levels of service, road safety outcomes, network resilience, and economic productivity for local roads. NZTA has announced an indicative allocation of \$22.95m for the next three years, a reduction of \$1.5m below the bid, but \$10m increase on the current 2021-24 programme.

NZTA also announced \$5.5m indicative funding for maintenance of the Karamea Highway Special Purpose Road, which remains 100% funded by NZTA until 2027. While this is an increase from the current 2021-24 programme, it is substantially less than Council requested, and staff are working with NZTA Investment Advisors to understand why.

Yet to be announced are the funding lines for Walking and Cycling, Low-Cost Low-Risk capital projects, Road Safety Promotion initiatives and Activity Planning Improvements. Council has chosen to retain the amounts bid for in the final EAP. NZTA will release indicative allocations over the coming months with final budgets announced in late August 2024.

The cost to undertake the indicative programme in 2024-2025 increases by \$5.3m from the 2023-2024 Annual Plan budgets.

\$2.2m relates to work to be undertaken on the 100% funded Karamea Highway, so has no impact on rates.

The remainder is to be spent on local roads and Waka Kotahi NZTA have increased its share of funding from 72% to 75% from 2024-2027. The impact of the roading programme is an additional \$0.45m of general rates required in 2024-2025 to fund Council's share that represents a 4% increase on general rates, a 2.4% increase on total rates revenue.

Flood Recovery impact

After the adoption of the Long Term Plan the district experienced two significant weather events, one in July 2021 and the other in February 2022.

Council did not create a contingency fund for severe weather events when preparing the Long-Term Plan and while over \$50m of the costs related to the response to and recovery from these have been funded by subsidies and grants from government agencies, it is estimated some \$1.75m in costs will not be met by these external funds.

Council has determined that the unfunded costs be funded out of existing cash reserves. The financial impact of reducing Council's cash reserves is a corresponding increase in Council's net debt position and a reduction of external interest revenue that would otherwise be generated from the money being invested on a term deposit.

The foregone interest revenue equates to \$96,250 per annum at the forecast investment interest rate of 5.5%. As Council's policy is to use external interest revenue to offset general rates it means the general rates increase is 0.9% higher in the Annual Plan than it would otherwise be.

Affordable Water Reform impact

The Long-Term Plan followed a strategy of increasing the annual investment into the three waters activities across the ten years of the plan, with a view to meeting compliance with the Waters Services Act 2021, and to undertake condition assessments to remedy issues in the existing wastewater and stormwater network and investigate options for improved flood protection and separation of wastewater and stormwater.

During 2022-2023 a review of Council's contract with its main external contractor WestReef Services Ltd has seen an increase of \$0.71m in contracted works and general repairs and maintenance within the Wastewater/Sewerage, Stormwater and Water Supplies activities, compared to the same year of the Long-Term Plan. This increased cost was absorbed by Council and not rated for in the 2023-2024 Annual Plan. The decision was made to hold the rates at the 2022-2023 year levels because the government of the day had set out a transition plan for all of Council drinking water and wastewater to be transferred to a new entity on 1 July 2024 – however this did not occur and a 13.1% increase in the water and sewer rates is required for the 2024-2025 Annual Plan from not running the same level of cash deficits in these activities. This increase does not attempt to recover the rates shortfall of the prior year, the increase is set to cover the operating costs of each water and sewer scheme for the current year, and Council now carries cash deficits into the 2024-2025 year and future years.

The financial impact of not rating for the required water and wastewater increases, and reducing Council's cash reserves is a corresponding increase in Council's net debt position and a reduction of external interest revenue that would otherwise be generated from the money being invested on a term deposit. The foregone interest revenue equates to \$77,000 per annum at the forecast investment interest rate of 5.5%. As Council's policy is to use external interest revenue to offset general rates carrying these deficits forward means general rates are 0.7% higher than they otherwise would be.

Capital investment in these activities has also increased by \$1.32m compared to the same year in the Long-Term Plan. The additional work is not externally funded and increases the level of borrowings required for Council. Council planned to spend \$6.84m when setting the Long-Term Plan, and the Annual Plan has revised capital expenditure of \$8.16m. The main differences are:

- \$0.34m increase in Westport Wastewater for pipeline & pumpstations, and other capital
- \$0.36m increase in Reefton Wastewater for treatment plant and other capital
- \$2.83m increase in Westport Drinking Water including \$3.15m for the completion of the trunk main renewal which was originally planned to be fully completed and externally funded in the Long-Term Plan, less a reduction in other capital of \$0.32m
- \$0.51m reduction in Little Wanganui Drinking Water upgrade to meet drinking water compliance
- \$0.42m reduction in Mokihinui Drinking Water upgrade to meet drinking water compliance
- \$1.73m reduction in Punakaiki Drinking Water upgrade to meeting drinking water compliance

The remaining \$0.45m increase relates to Council's regular work programme. A portion of the increase is due to the impact of increased inflation on the Long-Term Plan work programme. The remainder is due to a combination of additional investment required to after condition assessments on drinking water schemes has been completed, and work identified as urgently being required as part of the ongoing condition assessments being conducted by Council on its wastewater and stormwater network.

After the results of the 2023 general election, the newly formed coalition government repealed the affordable waters reform, and water and wastewater assets could not transfer to the new Water Services Entity as expected on 1 July 2025. The impact of this change in legislative approach is significant to this Enhanced Annual Plan, and for future years requiring increased debt for water and wastewater projects, as well as uncertainty around who will fund essential stormwater projects which work in tandem with the planned flood protection of Westport town. Because the drinking water and wastewater schemes are now retained by Council, the impact to targeted rates for those supplies will need to increase significantly to meet the ongoing running costs and to fund essential capital upgrades.

Key Highlights

| | 2023-2024 Annual Plan \$000 | 2024-2025 Long Term Plan \$000 | 2024-2025 Enhanced Annual Plan \$000 |
|------------------------------------|-----------------------------------|--------------------------------------|--|
| Operating Revenue | \$54,449 | \$34,694 | \$41,579 |
| Operating Expenses | \$36,152 | \$32,221 | \$39,804 |
| Operating Surplus/(Deficit) | \$18,297 | \$2,473 | \$1,775 |

Operating Result

Council is budgeting an operating surplus of \$1.78m in the 2024-2025 Annual Plan compared to an operating surplus of \$2.47m proposed for the same year in the 2021-2031 Long Term Plan, a reduction of \$0.7m.

The \$0.7m minor decrease in forecast surplus is made up of a \$2.4m increase in grants and subsidies for the increased roading programme, combined with a \$2.6m increase in rates revenue and \$1.9m increase in other operating revenue, offset by a \$7.6m increase in operating expenditure.

The detail of what makes up each of these movements is outlined below.

Operating Revenue

Operating revenue is predicted to increase \$6.9m compared to the Long-Term Plan (\$41.6m compared to \$34.7m) due to a predicted \$2.4m increase in grants and subsidies for roading, a \$2.6m increase in rates revenue and \$1.9m increase in other operating revenue.

The predicted \$2.6m increase in subsidies and grants is a result of:

- Waka Kotahi subsidies are \$4.3m higher in this Annual Plan compared the same year in the Long-Term Plan.
- \$2.4m relates to the Karamea Highway work programme bid that is 100% funded by Waka Kotahi NZTA.
 - \$1.4m relates to low-cost low risk improvements that Waka Kotahi NZTA reduced as part of the last three-year work programme.
 - \$0.4m relates to structures component replacements that were not approved as part of the last three-year work programme.
- \$1.9m relates to the Local Roads bid that is 75% funded by Waka Kotahi NZTA.
 - \$1.3m of the increase is in capital expenditure, of which \$0.5m relates to low cost/low risk improvements programme that Waka Kotahi NZTA reduced as part of the last three-year work programme, \$0.4m to bridge renewals and structures component replacements, and \$0.4m to sealed road resurfacing.
 - \$0.6m of the increase is in maintenance and operations, of which \$0.3m relates to network and asset management including the addition of two new Council staff to assist in the delivery of the work programme as well as an increase in consultants and contractors to deliver specialist work streams, and \$0.3m to sealed and unsealed pavement maintenance.
- Less \$2.2m provided for in the Long-Term Plan for a new water treatment plant and intake source at Punakaiki that was assumed to be funded externally, that has since been put on hold and replaced with chlorination of the existing supply and additional storage.

Predicted \$1.9m increase in other operating revenue:

Senior housing and Paparoa Way rental income is predicted to be \$0.5m that was not included in the Long-Term Plan. The Long-Term Plan had proposed divesting the Council Senior Housing portfolio, Council has not taken this approach and is instead undertaking a strategic review of its portfolio. As part of the flood recovery, Council in conjunction with the Ministry of Business and Innovation located 20 houses in Paparoa Way for flood affected residents. Twelve of these houses have been leased by Council for 18 months, which then tenants are able to use them for general purpose housing. The revenue (less maintenance and outgoing expenses) anticipated for 2024-2025 has been included in the Enhanced Annual Plan and the net cash surplus of this is offsetting Council's general rate requirement.

Investment income is predicted to be \$0.7m higher due to rising forecast interest rates. At the time of preparing the Long-Term Plan Westpac economic forecasts had predicted the Official Cash Rate (OCR) would remain at 0.25% until December 2025. Updated forecasts prepared in March 2024 predict for the 2024-2025 financial year the OCR will remain at 5.5% till June 2024 reducing to 4.5% by June 2025, with the current rate being 5.5%.

Building fees and charges revenue is predicted to be \$0.3m higher due to the uplift in building activity since the adoption of the Long-Term Plan and the level this is forecast to remain at for 2024/25. The increase in revenue is offset by higher operating expenses for this activity.

Land information memorandum and resource consent fees revenue is predicted to increase by \$0.1m for the same reason as building revenue. Operating expenses are predicted to increase at a higher rate within this activity.

General and Targeted Rates

The total general and targeted rates budgeted increase is 9.2% higher than for the same year in the Long-Term Plan with an overall predicted 2024-2025 Annual Plan increase of 14%.

The impact of the cumulative change in inflation compared to the rates assumed in the Long-Term Plan has had a significant impact on rates.

Revenue from general rates is \$1.4m higher than the same year in the LTP.

Changes to budgets compared to the same year in the Long-Term Plan impacting general rates:

- Employee remuneration has increased by \$2m, around \$1m of this is funded by general rates, \$0.2m from targeted rates and the rest from external revenue sources such as increased fees and charges revenue and external subsidies or funded from capital project budgets not directly from rates. \$0.6m is due to the cumulative salary market movements being greater than BERL predicted at the time the Long-Term Plan was prepared. Council has also employed new staff funded from rates to help maintain its levels of service and business as usual activity while meeting increased demand for those services, to resource its increased work programme, and ensure it meets statutory and new requirements for local government.
- Increase in external loan interest \$0.6m due to higher than forecast interest rates and higher facility fees.
- Increase in NZTA roading programme bid net of higher funding from NZTA \$0.25m
- Increase in contractors' fees \$0.1m
- Increase in insurance \$0.1m
- Increase in external investment income (\$0.5m)
- Use of Paparoa Way leasehold properties to offset general rates (\$0.2m)

Revenue from targeted rates is set to increase by \$1.2m compared to the same year in the Long-Term Plan.

Water Supply scheme rates revenue is proposed to increase by \$0.7m and Wastewater scheme rates \$0.3m.

The additional \$1m in targeted rates revenue required to fund these schemes compared to the same year in the Long-Term Plan is due to:

- Increase in interest expenses of \$0.8m due to higher forecast interest rates combined with higher forecast debt in these schemes.
- WestReef Services Ltd contract review resulting in a net increase of \$0.7m in contracted works, and general repairs and maintenance across the wastewater and water supply schemes.

- Increase in depreciation of \$0.37m due to infrastructural revaluation gains and unplanned works funded from external grants for these activities.
- Offset by rates funding \$0.9m in net capital costs in the Long Term Plan, whereas loans have been used to fund these costs in the Annual Plan.

The remaining increase of \$0.2m is in the Solid Waste targeted rate funded activities. \$0.17m of the increase is required in the Zone 1 Waste Management activity due to an increase in contractors fees (\$28 including GST per property), and \$11,400 (\$106 including GST per property) is required in the Maruia Solid Waste activity and \$8,200 in the Karamea Solid Waste activity (\$7 including GST per property) to cover an increase in operating costs.

Operating Expenditure

Operating expenditure is predicted to increase \$7.6m compared to the Long-Term Plan (\$39.8m compared to \$32.2m) due to predicted increases in other expenses of \$2.7m, employee benefit expenses of \$2.0m, depreciation of \$1.4m, and finance costs \$1.3m.

Key highlights making up the increase of \$2.7m in other expenses include:

- the bid to Waka Kotahi NZTA operational component is \$0.8m higher than the same year of the Long-Term Plan.
- a net increase of \$0.7m in contracted works and general repairs and maintenance within the three waters activities Wastewater, Water Supplies and Stormwater.
- Consultants and contractors fees are up \$0.5m, recoverable resource consent processing contractors are up \$0.1m due to an increased level of consent applications and internal staff time being directed to increased demands in the Council's planning function, \$0.1m is required to manage ongoing project accounting systems, \$0.08m relates to the project management office covered by capital project budgets, \$0.07m for consultants to continue Council's property rationalization project and \$0.05m a requested increase by Buller Holdings Limited for the management of the Pulse Energy Recreation Centre.
- insurance is predicted to increase \$0.3m, the general rates funded share being \$0.12m, \$0.05m from targeted rates and \$0.14m from self-funding activities.
- \$0.15m relates to increased contractor costs for the collection of recycling waste funded by the Zone 1 targeted rate.
- \$0.12m relates to the Coaltown museum grant that the Long-Term Plan had anticipated would be gone with the introduction of the Pounamu Pathway acquisition of the museum, this did not eventuate, and Council is still proposing to fund this grant.
- Electricity costs have risen \$0.1m due to increase in the Buller Electricity Network lines charges arising from asset reclassifications by Transpower.

Employee benefit expenses are forecast to increase \$2.0m compared to the same year in the Long-Term Plan, \$0.8m compared to the 2023-2024 Annual Plan.

The cumulative general movement in remuneration relating to inflation and market adjustments accounts for \$0.6m due to inflation movements not forecast at the time the Long-Term Plan was prepared.

Since adopting the Long Term Plan, the council has created a permanent project management office for the delivery of capital projects, the costs of which are assumed to be fully recovered from capital project costs

and are not funded directly from rates, Council also received funding for staff to respond to the additional workload from the proposed three waters transition. The staff costs of these activities total \$0.5m.

In response to the increased roading programme Council staff are proposing to employ two new roles in the delivery team totalling \$0.2m that will be 75% funded by Waka Kotahi NZTA.

Since the Long-Term Plan council has also employed several new roles that ensure Council:

- maintains its levels of service and business as usual activity while meeting increased demand for those services.
- resources its increased work programme
- meets statutory and new requirements on local government.
- can respond to reform programmes and other changes in its operating environment like the Three Waters Reform, flood recovery and Te Tai O Poutini Plan.

Some of the new roles are funded by increases in external revenues and do not directly impact rates.

Infrastructural assets were revalued 30 June 2022 with a resulting revaluation gain of \$54.8m compared to a budgeted gain of \$12.8m in year one of the Long-Term Plan, which in turn has resulted in higher annual depreciation against these assets.

Roading has the highest increase in budgeted depreciation of \$1.0m. As Council's policy is to rate fund its share of the roading capital programme instead of depreciation this increase has no impact on rates.

The three waters activities have seen an increase in depreciation of \$0.4m compared to the same period in the Long-Term Plan.

Finance costs have increased as Council's portion of debt not covered by swaps is higher than the same year of the Long-Term Plan and is exposed to increasing floating interest rates.

At the time of preparing the Long-Term Plan Westpac economic forecasts had predicted the Official Cash Rate (OCR) would remain at 0.25% until December 2025. Updated forecasts prepared in March 2024 predict for the 2024-2025 financial year the OCR will remain at 5.5% till June 2024 reducing to 4.5% by June 2025, with the current rate being 5.5%.

Based on the latest economic forecasts the predicted floating interest rate applied to debt not covered by swaps is 6.0% in the Annual Plan compared to 2.13% in the same year of the Long-Term Plan.

Capital Expenditure

Forecast capital expenditure is \$17.9m compared with \$12.4m in the same year of the Long-Term Plan, an increase of \$5.5m.

The Waka Kotahi NZTA roading programme bid makes up \$4m of the proposed increase. The remaining increase relates to delivering Council's regular programme of work with an increase in forecast spend for the Drinking Water Supplies, Wastewater and Stormwater activities totalling \$1.5m.

A list of significant projects and their associated funding sources is contained on page 25 and 26.

Statement of Financial Position

Council's term debt is expected to be \$7.9m higher in the 2024-2025 Annual Plan than predicted in the Long-Term Plan (\$45.4m compared to \$37.5m).

The increase reflects the changes made to the capital programme subsequent to the Long-Term Plan, along with loan funding associated with the increase in capital expenditure in the three waters activities.

The change in term debt also takes into account prior year budget changes for projects not yet completed. The budgeted debt takes into account the 2022-2023 Annual Plan which included new loans for the Westport water trunk main extension \$1.65m revised down to \$1m, and the Westport Wastewater resource consent renewal and discharge upgrade \$2.24m revised down to \$1.8m.

The 2023-2024 Annual Plan saw \$1.3m of loan funding for Westport Water resilience work, an increase in Stormwater upgrades of \$1m, and the carryover loan for the Waimangaroa Water Supply treatment project of \$1.45m in the Long-Term Plan after the floods became a resilience project with loan funding of \$2m.

The current plan includes new external debt for Westport water supply proposed capital of \$3.8m mainly for completing the trunk main renewal project and an increase in Council's loan for share purchases in Buller Holdings Limited (BHL) of \$1.6m to fund past capital investment into the Pulse Recreation Facility by BHL.

These new external loans are offset by the \$1.9m loan for the Brougham House upgrade being reduced to \$0.7m funded from term deposits due a reduction in scope of this project, and a local solid waste re-processor plant of \$1.4m not proceeding in 2024-2025 as signaled in the Long-Term Plan.

Cash investments are predicted to be \$5.3m lower in the Annual Plan than the Long-Term Plan. The reduction in cash investments is due to several factors including:

- utilising term deposits as internal loans to fund a forecast \$2.3m more capital works than provided for in the Long-Term Plan.
- the decision in the 2023-2024 Annual Plan to fund \$1.75m of flood response and recovery costs out of term deposits that were not able to be funded out of the central government flood recovery funding package.
- along with the \$1.2m deficits in the three waters activities from holding the targeted rates static in 2023-2024.

The result is a net debt position of \$36.9m in the Annual Plan, \$13.2m higher than the \$23.8m predicted in the same year in the Long-Term Plan, and \$11.9m more than the net debt limit of \$25m set by Council as part of its Financial Strategy.

Council considers the net debt limit breach necessary to provide core services to the community.

Significant capital expenditure

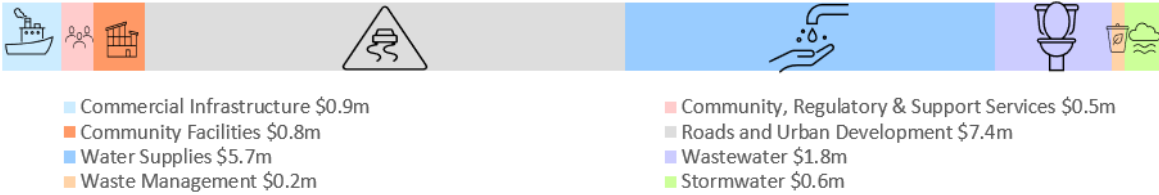
| | Draft Enhanced Annual Plan 2024 -2025 | Funding Source |
|---|---------------------------------------|--|
| Roading | | |
| Local Roads: | | |
| Renewals | \$4.3m | 75% Waka Kotahi subsidies 25% general rates |
| Karamea Highway: | | |
| <ul style="list-style-type: none"> Renewals | \$3.1m | 100% Waka Kotahi subsidies |
| Water | | |
| Westport Water | | |
| <ul style="list-style-type: none"> Trunk main Renewal | \$2.8m | external loan \$0.25m depreciation funding \$0.75m; funded from targeted rates |
| <ul style="list-style-type: none"> Renewals | \$0.6m | |
| <ul style="list-style-type: none"> Supply Upgrades | \$0.3m | |
| <ul style="list-style-type: none"> Raw water bypass and bulk flow meters | \$0.3m | |
| <ul style="list-style-type: none"> Water resilience upgrade and assessments and strategies | \$0.4m | |
| Reefton Water | | |
| <ul style="list-style-type: none"> Renewals | \$0.3m | internal loan \$0.3m depreciation funding \$0.1m; funded from targeted rates. |
| <ul style="list-style-type: none"> Supply Upgrades | \$0.1m | |
| Little Wanganui Water easement for private property intake and drinking water standards compliance improvements | \$0.1m | internal loan funded from targeted rates |
| Mokihinui Water repairs to leaking pipes and access track, easement for private property intake and drinking water standards compliance improvements | \$0.1m | internal loan funded from targeted rates |
| Waimangaroa Water security fencing and drinking water standards compliance improvements | \$0.1m | internal loan funded from targeted rates |
| Punakaiki Water complete chlorination, and finalisation of private land access | \$0.4m | internal loan funded from targeted rates |

| | | |
|---|----------------|--|
| Inangahua Junction Water main renewals and generator | \$0.1m | internal loan funded from targeted rates |
| Sewerage | | |
| Westport Sewer renewals and upgrades | \$1.2m | internal loan \$0.8m depreciation funding \$0.5m; funded from targeted rates |
| Reefton Sewer renewals and upgrades | \$0.5m | internal loan \$0.4m depreciation funding \$0.1m; funded from targeted rates |
| Stormwater | | |
| Stormwater Upgrades and Replacements | \$0.6m | external loan \$0.3m depreciation funding \$0.3m; funded from general rates |
| Solid Waste | | |
| Contracted Refuse (litter bins and transfer stations) | \$0.1m | Depreciation funding funded from general rates |
| Community Facilities | | |
| Civil Defence EOC upgrade investigations | \$0.2m | depreciation funding funded by general rates |
| Sue Thomson Casey Memorial Library exterior repaint | \$0.2m | depreciation funding funded from general rates |
| Commercial Infrastructure | | |
| Kawatiri Dredge DOP pump installation and engine upgrades | \$0.8m | Self-funding |
| Total externally funded | \$6.3m | includes Waka Kotahi subsidies |
| Total Council funded | \$10.3m | |
| Total Significant Capital | \$16.6m | |

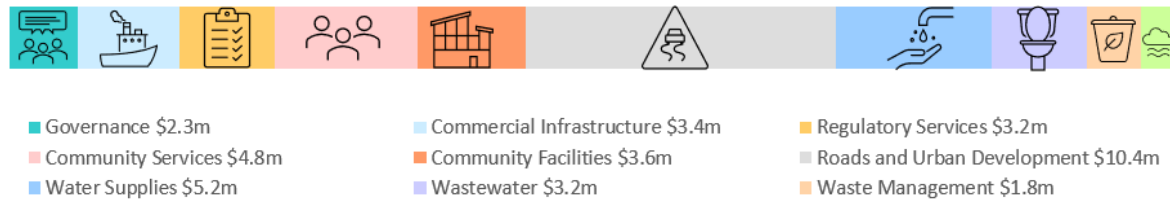
Note: the table above details \$16.6m of the total planned capital expenditure \$17.9m. The remaining budgeted capital expenditure of \$1.3m is across Council’s business as usual functions for items that individually are planned to be less than \$100,000 for the year.

Where the money goes

Capital Expenditure - to purchase or create assets



Operational Expenditure – the costs of providing ongoing services



Funded by Rates – how much rates contribute to each activity



Rate increases

| | 2023-2024 Annual Plan \$000 | 2024-2025 Long Term Plan \$000 | 2024-2025 Enhanced Annual Plan \$000 |
|---------------------|-----------------------------------|--------------------------------------|--|
| Total rates | \$18,990 | \$19,053 | \$21,461 |
| Rateable properties | 7,525 | 7,517 | 7,566 |
| Average rates | \$2,492 | \$2,506 | \$2,967 |
| Rate movements | +9.5% | +4.8% | +14.0% |

Note:








- Total rates include metered water charges.
- The annual average rate is the sum of the general and targeted rates, divided by the number of ratepayers.
- There will be properties that pay less and others that pay more, depending on the services they receive.
- Total forecast rates revenue to be collected increased by 14.0% but due to growth in the number of rateable properties the increase in average rates per property is lower at 12.7%.

Rates examples by location and sector are included at the end of this document.

Financial prudence measures

Draft Annual Plan Disclosure Statement for the year ending 30 June 2025.

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.

| Financial Prudence Benchmarks | | Planned | Achieved |
|---|---|--------------|---|
| Rates increases affordability benchmark | Planned rates increases are no more than the long run cost local government cost index increase (2.4% BERL update 2023; 2.2% in LTP). | 14.0% |  |
| Debt affordability benchmark | Planned net debt (debt less term deposits) is less than \$25m. | \$37.0m |  |
| Balanced budget benchmark | Planned total revenue less excluded items is equal to or greater than operating expenditure less excluded items. | 103.8% |  |
| Essential services benchmark | Planned capital expenditure on network services is equal to or greater than depreciation on network services. | 213.4% |  |
| Debt servicing benchmark | Planned borrowing costs are equal or less than 10% of planned revenue. | 5.0% |  |
| | | Achieved |  |
| | | Not achieved |  |

The Council is required to include this statement in its Draft 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.

Council is predicting to not meet the rates affordability and debt affordability benchmarks in its 2024- 2025 Annual Plan.

- Council forecast that it would meet all financial prudence measures in the Long-Term Plan except for the rates increase measure forecasted to be 4.8%.
- The forecast rates increase measure has risen from 4.8% in year 4 of the 2021-2031 Long Term Plan to 14% in this Annual Plan. Drivers for the 14% rates increase are:
 - the largest increase of 5.2% is due to the decision to hold the 3 Waters targeted rates in the 2023-2024 Annual Plan and running \$1.2m of deficits compared to only \$0.2m of deficits in the 2024-2025 Draft Annual Plan,
 - Council is facing a weighted inflationary increase of around 4.3% on its costs, with local pressures over and above what is forecast by BERL,
 - 2.4% relates to the NZTA work programme identified to preserving Council's roading network and for some key safety improvements,
 - 1.6% relates to increasing depreciation and loan servicing costs relating to Council's increased capital programme and revaluations,
 - 1.5% relates to new staff roles required to meet Council's compliance requirements, and
 - 0.7% increase in 3 Waters repairs and maintenance and routine maintenance contracts.
- Forecast net debt breaches the limit set in the Long-Term Plan financial strategy by \$11.9m. The Long-Term Plan forecast net debt to be \$23.8m at 30 June 2025, made up of \$37.5m of external debt less term deposits of \$13.7m. The 2024-2025 Annual Plan forecasts net debt to be \$36.9m made up of \$45.4m of external debt less term deposits of \$8.4m.
 - Subsequent Annual Plans saw new external debt requirements totalling \$7.9m being required.
 - The 2022-2023 Annual Plan included new loans for the Westport water trunk main extension \$1.65m revised down to \$1m, and the Westport Wastewater resource consent renewal and discharge upgrade \$2.24m revised down to \$1.8m.
 - The 2023-2024 Annual Plan saw \$1.3m of loan funding for Westport Water resilience work, an increase in Stormwater upgrades of \$1m, and the carryover loan for the Waimangaroa Water Supply treatment project of \$1.45m in the Long-Term Plan after the floods became a resilience project with loan funding of \$2m.
 - The current plan includes new external debt for Westport water supply proposed capital of \$3.8m mainly for completing the trunk main renewal project and an increase in Council's loan for share purchases in Buller Holdings Limited of \$1.6m to fund past capital investment into the Pusle Recreation Facility by BHL. These new external loans are offset by the \$1.9m loan for the Brougham House upgrade being reduced to \$0.7m funded from term deposits due a reduction in scope of this project, and local re-processor plant of \$1.4m not proceeding in 2024-2025 as signaled in the Long-Term Plan.
 - Term deposits are forecast to be \$5.3m lower than the same period in the Long-Term Plan due to:
 - utilising term deposits as internal loans to fund a forecast \$2.3m more capital works than provided for in the Long Term Plan,
 - the decision in the 2023-2024 Annual Plan to fund \$1.75m of flood response and recovery costs out of term deposits that were not able to be funded out of the central government flood recovery funding package,
 - along with the \$1.2m deficits in the three waters activities from holding the targeted rates static in 2023-2024.

OUR ACTIVITIES

The work Council undertakes on behalf of its ratepayers includes, but is not limited to, each of the following activities:

| REGULATORY SERVICES | ROADING AND TRANSPORT | WATER SUPPLIES | WATER SUPPLIES | WASTEWATER/ SEWERAGE |
|---|--|--|---|---|
| <ul style="list-style-type: none"> Animal and stock control • Plans, policies and guidance documents • Provision of consents • Building control • Compliance and enforcement management • Alcohol licensing • Emergency management/civil defence • Environmental health | <ul style="list-style-type: none"> • Sealed and unsealed roads • Culverts • Bridges • Footpaths • Seats and shelters • Road signs and markings • Street lighting • Urban development | <ul style="list-style-type: none"> • Westport • Reefton • Waimangaroa • Ngakawau-Hector • Inangahua Junction • Litle Wanganui • Cape Foulwind • Punakaiki • Mokihinui | <ul style="list-style-type: none"> • Westport • Reefton • Waimangaroa • Ngakawau-Hector • Inangahua Junction • Litle Wanganui • Cape Foulwind • Punakaiki • Mokihinui • Hector • Ngakawau • Seddonville • Granity • Waimangaroa • Westport • Carters Beach • Reefton | <ul style="list-style-type: none"> • Westport • Reefton • Litle Wanganui |
| PROFESSIONAL SERVICES BUSINESS UNIT | SOLID WASTE | COMMUNITY SERVICES | CUSTOMER SERVICES, SUPPORT SERVICES | GOVERNANCE, REPRESENTATION |
| <ul style="list-style-type: none"> • Engineering services • Preparation of contracts • Monitor contractors performance • Organise work to be carried out | <ul style="list-style-type: none"> • Waimangaroa • Westport • Carters Beach • Reefton • Collection, transfer and final disposal of waste materials • Recycling • Landfill sites • Monitors groundwater quality at landfill's | <ul style="list-style-type: none"> • Community grants and funding • Sports, recreation and cultural facilities and services • Libraries • Communications • Theatre/cinema • Economic development | <ul style="list-style-type: none"> • Corporate planning • Financial and accounting operations • Rating operations • Health and safety • Asset management • Management functions • Human resources management | <ul style="list-style-type: none"> • Leadership • Advocacy • Accountable stewardship of Council's assets and resources |

| | | | | |
|---|---|--|--|--|
| | •Waste minimisation | | | |
| COMMUNITY FACILITIES | COUNCIL CONTROLLED ORGANISATIONS | OTHER COUNCIL CONTROLLED ORGANISATIONS | | |
| <ul style="list-style-type: none"> •Westport Harbour Public toilets •Amenities and reserves •Property management Cemeteries •Housing for the elderly | <ul style="list-style-type: none"> •Buller Holdings Limited • WestReef Services Limited •Buller Recreation Limited | <ul style="list-style-type: none"> •Buller Health Trust •Denniston Heritage Trust •Westport Airport | | |

Regulatory Services

What we do

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

Why we do it

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

- The animal management service aims to provide a safer district by reducing dog-related offences through the registration of dogs, educating their owners, and investigating complaints.
- The planning service ensures the district can promote development to support a prosperous community without compromising the rights of residents and the district's physical and natural assets/resources. It achieves this aim by appropriate application of the Resource Management Act, through the review and implementation of the District Plan and its resource consent and monitoring functions.
- Council's building control services ensures that the district's buildings and other associated structures (such as swimming pools) are safe, habitable, and meet national legislative requirements. Of particular importance is Council's role in advising on and where necessary enforcing the statutory provisions relating to earthquake prone buildings.
- Compliance and enforcement management activities focus on working with the community to ensure the district remains a peaceful and attractive place to live and work. By the application of bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping, and respond to noise nuisances, as well as encouraging residents to maintain tidy sections.

- Alcohol licensing ensures that the statutory requirements and the objectives of the Sale and Supply of Alcohol Act 2012 are being met, in that the sale and supply of alcohol should be undertaken safely and responsibly, and any harm caused by excessive or inappropriate consumption of alcohol should be minimised.
- Under the Civil Defence Emergency Management Act 2002, Council must be prepared to provide readiness, response, and recovery in the event of an emergency. The Buller District has a full time Emergency Management Officer based in Westport after a west-coast wide shared services arrangement was agreed with Grey District Council, Westland District Council, and West Coast Regional Council. Council provides staff and resources in the event of a Civil Defence emergency.
- Environmental health ensures that operators meet required public health standards, in particular the safe preparation and service of food.

Considerations and impact

Te Tai o Poutini Plan

The Local Government Commission decided to transfer the statutory powers associated with district plan making to the regional Council. This concept is called The Te Tai o Poutini Plan (One District Plan) and is subject to community consultation.

The plan development process will be governed by a joint committee of elected members from all the Council's with support from staff across the region. The transfer of statutory power is for plan making only and Buller would still require a planning team to process consents and administer the plan. As the Council is involved in developing and administering the plan, we have maintained the status quo in terms of planning resource.

Freedom camping bylaw and the bylaw reviews

Council is undertaking a review of its by-laws due to be completed throughout the implementation of the Enhanced Annual Plan, which is a significant workload - Joint compliance and monitoring between all West Coast Councils for freedom camping is being considered.

Civil defence and climate change

Council will continue to review the risks of climate change for the district in the short and long term. Recent natural hazard events impacting the District and indeed New Zealand have highlighted how climate change may seriously impact Council infrastructure and provision of services, as well as our wider community. Climate change issues have a link with the Civil Defence activity that is budgeted for and undertaken by Council because climate change must be factored into future emergency planning.

In prior years Council used to fund direct staff costs for the emergency management officer. These costs are now met by the West Coast Regional Council. Buller District Council provides funding for emergency preparedness throughout the district including training and sundry administration costs.

Negative effects

There are no potential negative impacts from this activity.

Significant capital expenditure

- To replace existing assets
- \$50,000 specialised vehicle

Significant Variances

Annual Plan vs Long Term Plan

General rates, uniform annual general charge, rates penalties

The increase is due to the increase in payments to staff and suppliers below.

Fees and charges

Expected revenue from fees and charges is higher than the Long-Term Plan largely due to an uplift in building and consenting activity in the region.

Payments to staff and suppliers

The increase is due to the staff and other costs associated with an increase in building and consenting activity in the region.

Funding allocations

| Activity | Funding Mechanism | | |
|---|------------------------|--------|---|
| | General rate | Fees | Capital Spend |
| Resource Management Planning | 90-98% | 2-10% | <ul style="list-style-type: none"> • Depreciation reserves • Loans |
| Resource Consents | 30-40% | 60-40% | <ul style="list-style-type: none"> • Depreciation reserves • Loans |
| Building consents | 35-45% | 55-65% | <ul style="list-style-type: none"> • Depreciation reserves • Loans |
| Dog licensing | 30-40% | 60-70% | <ul style="list-style-type: none"> • Depreciation reserves • Loans |
| Animal control | 90-98% | 2-10% | <ul style="list-style-type: none"> • No Capital spend |
| Environmental Health - Food Premises | 60-70% | 30-40% | <ul style="list-style-type: none"> • No Capital spend |
| Environmental Health - Liquor Licensing | 75-90% | 10-25% | <ul style="list-style-type: none"> • No Capital spend |
| Environmental Health - Noise | 90-95% | 5-10% | <ul style="list-style-type: none"> • No Capital spend |
| Environmental Health - General Inspection | 100% | | <ul style="list-style-type: none"> • No Capital spend |
| Environmental Health - Freedom Camping | 100% externally funded | | <ul style="list-style-type: none"> • No Capital spend |
| Emergency Management | 100% | | <ul style="list-style-type: none"> • Depreciation reserves • Loans • Investments |

Key performance indicators - regulatory Services

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2025 |
|---|--|---|--|--|
| Building Consent Authority | <ul style="list-style-type: none"> ▪ Social ▪ Economic | Ensure quality assurance requirements for building consent authorities are met, as required by Regulation 17 of the Building Consent Authorities Regulation 2006. | Process building consent applications within the statutory timeframes. | 100% of building consents are technically correct and granted within statutory timeframes. Continue to retain accreditation by passing the biennial IANZ Audits. Next audit due end of 2025. |
| Resource Consent Planning | <ul style="list-style-type: none"> ▪ Social ▪ Economic | Ensure appropriate management and promotion of the district's natural and physical resources. | Process non-notified resource consents within statutory timelines. | Process 100% of non-notified resource consents within statutory timeframes. |
| Food premises Public Health and Safety | <ul style="list-style-type: none"> ▪ Social ▪ Economic | Ensure environmental health standards are met, so food offered for sale is prepared appropriately and safe for consumption. | Inspect all food premises, hairdressers, funeral homes, camping grounds and offensive traders, ensuring they meet the Food Hygiene Regulations 1974 and the Food Act 2014. | All food premises are inspected according to their status of 9, 12 or 18-month frequency. Inspect 100% of all hairdressers, funeral homes, camping grounds and offensive traders once annually for compliance. |

Key performance indicators - Emergency Management

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2025 |
|---|---|--|---|---|
| Civil Defence Emergency Management | <ul style="list-style-type: none"> Social Affordability | <p>Allows the community to have confidence in Council's ability to respond in an emergency as well as empowering residents to be better prepared physically and psychologically for a civil defence event.</p> <p>Facilitates better preparation leading to a better response and a quicker and more effective recovery.</p> <p>Ensure adequate staff are trained to respond to civil defence emergencies and EOC activations.</p> | <p>Co-ordinate civil defence readiness, response, and recovery and reduction.</p> <p>Education about flood evacuation plan is socialised.</p> <p>Buller Emergency Operation Centre (EOC) is operationally ready, resilient, and equipped to respond to all civil defence emergencies.</p> <p>Provide communication equipment to support operational communications networks, i.e., sat phones, VHF and UHF radios.</p> <p>Buller District Council staff are adequately trained to respond to a civil defence emergency attend training as required.</p> | <p>Council carries out its legislative functions as part of the West Coast CDEMG.</p> <p>One annual education campaign happens to communicate the key points of the Buller District Flood Plan.</p> <p>Council maintains a dedicated Emergency Operations Centre facility.</p> <p>Communities have access to suitable emergency communications equipment to ensure connectivity during civil defence emergencies.</p> <p>Council will ensure it has adequately trained staff available to immediately respond to and run the EOC for a minimum period of 48hrs.</p> |

Funding Forecast Impact Statement for Regulatory Services

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 1,927 | 1,635 | 1,885 |
| Targeted rates | | 0 | 0 | 0 |
| Subsidies and grants for operating purposes | | 0 | 0 | 0 |
| Fees and charges | | 1,202 | 970 | 1,333 |
| Internal charges and overheads recovered | | 0 | 0 | 0 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 3 | 2 | 2 |
| Total operating funding | A | 3,132 | 2,607 | 3,220 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 2,216 | 1,783 | 2,269 |
| Finance costs | | 1 | 1 | 1 |
| Internal charges and overheads applied | | 860 | 781 | 875 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 3,077 | 2,565 | 3,145 |
| Surplus/ (deficit) of operating funding | A-B | 55 | 42 | 75 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 0 | 0 | 0 |
| Development and financial contributions | | 55 | 55 | 256 |
| Increase/(decrease) in debt | | (10) | (10) | (10) |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 45 | 45 | 246 |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 0 | 0 | 0 |
| - to replace existing assets | | 0 | 11 | 60 |
| Increase/ (decrease) in reserves | | 100 | 76 | 261 |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 100 | 87 | 321 |
| Surplus/ (deficit) of capital funding | C-D | (55) | (42) | (75) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Transport

Roading

What do we do?

The roading activity provides for planning, operations, maintenance, development and improvements to the roading network so that it is affordable, integrated, safe, responsive and sustainable.

Council provides, maintains and renews sealed and unsealed roads, bridges and culverts to enable people to move around for employment, recreation, shopping, social activities and business purposes. It also provides road signs, markings and street lighting to ensure that travel is safe and convenient. Council reviews the road network in response to changing needs and develops forward work plans to ensure the road network can cater for future growth.

Why are we involved in this activity?

The roading activity provides people with access to employment, services, education and recreation, as well as providing for the movement of goods and services to support the local economy. The road corridor also provides access for critical services such as electricity, telecommunications, water supply and waste disposal.

Assumptions

Waka Kotahi NZTA will provide funding for local roads at 75% from 2024/2027. Funding for the Karamea Highway which is a Special Purpose Road is confirmed to remain at 100% until 30 June 2027.

Council and Waka Kotahi NZTA have agreed to leave Special Purpose Roads as 100% FAR supported for the 2024/2027 National Land Transport Programme. For the duration of the AP, it is Council's assumption that the Karamea Highway will remain fully funded by Waka Kotahi NZTA into the future.

Council continues to plan for areas of the region that are experiencing residential developments and growth. Council will look to conclude the Omau – Star Tavern intersection improvement project at the ex-Holcim cement haul road intersection at Cape Foulwind. Further impacts on the transport network of any other significant subdivisions or land use changes will be managed via consenting processes (e.g. resource consent conditions, financial contributions).

Council assumes that revenue from fuel taxes remains the same at current level (fuel tax received helps to offset the cost of providing roading throughout the District).

Negative effects

Roads can disrupt natural drainage patterns, introduce contaminants into the stormwater and change the landscape. The purpose of the road management systems is to minimise these effects, while still providing a safe platform for development. There can be significant negative effects if the roading network is inadequate or under maintained. Inadequately maintained roads are an increased safety risk and they significantly increase travel and renewal costs. This risk is mitigated by ensuring that renewals are undertaken in line with the Roding Asset Management Plan. This plan ensures that road maintenance is undertaken at the optimum level to maintain the current level of service provided.

Significant capital expenditure

- \$1.9m roadside drainage and wet weather resilience improvement on the Karamea Special Purpose Roads
- \$1.8m Full bridge replacements and bridge component replacements. \$1.1m Local Roads and \$0.7m Special Purpose Roads
- \$0.3m pavement rehabilitation Special Purpose Roads
- \$1.5m road reseals. \$1.3m Local Roads and \$0.2m Special Purpose Roads
- \$0.7m Omau intersection Stage 2 of a three-stage improvement

Aspects of the increased expenditure relates to improvements on the Karamea Highway which currently attracts 100% subsidy from Waka Kotahi NZTA.

Significant Variances**Annual Plan vs Long Term Plan****General rates, uniform annual general charge, rates penalties**

An increase is required for the 25% Council funded portion of the local roads programme.

Subsidies and grants for operating purposes

This is greater than the Long-Term Plan as the cost of the proposed programme of works for 2024-2025 has increased compared to the Long-Term Plan, and therefore the corresponding funding from Waka Kotahi NZTA will be greater also. Just over half of this increase is 100% funded by NZTA.

Payments to staff and suppliers

Due to price escalation in labour and materials and the work required to preserve assets and maintain levels of service, the cost to undertake the roading work in 2024-2025 has increased compared to the Long-Term Plan.

Internal charges and overheads applied

Increased internal costs relating to the volume submitted in the programme of works for inclusion in the tri annual NZTA National Land Transport Programme (NLTP).

Subsidies and grants for capital expenditure

The subsidies from NZTA will increase in line with the increased programme of works.

Capital expenditure to improve the level of service and to replace existing assets

The work required to preserve assets and maintain levels of service and price escalations in labour and materials means the cost of capital works submitted in the tri-Annual investment bid to NZTA was greater than the programme originally budgeted for in Year 4 of the 2021 – 2031 Long Term Plan. More than half this increase is 100% funded by NZTA.

Funding allocations

| Activity | Funding Mechanism | | Capital Spend |
|--|-------------------|--------------|--|
| | General rate | NZTA Subsidy | |
| Roading – Local Roads | 25% | 75% | <ul style="list-style-type: none"> • General Rates • NZTA Subsidy • Loans |
| Roading – Special Purpose Road (Karamea Highway) | - | 100% | |

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|----------------------|---|
| SOCIAL | ✓ By providing a safe roading system. |
| AFFORDABILITY | <ul style="list-style-type: none"> ✓ By providing everyone easy access to the roading network. ✓ By providing links to sustain rural communities. |
| ENVIRONMENT | ✓ By helping reduce energy consumption in our community. |

Significant issues

SPECIAL PURPOSE ROAD – KARAMEA HIGHWAY

In northern Buller, the 49km section of road over the Karamea Bluff between Mokihinui and Karamea forms the majority of the Karamea SPR. A 12km section from Karamea to Kohaihai completes the 61km of special purpose road designation in our district.

The SPR is historically known as the Karamea Highway, and was originally constructed, operated and funded by Waka Kotahi NZTA as part of State Highway 67. In the early 1990's, the designation was changed by Waka Kotahi NZTA to special purpose as part of a wider review and state highway strategy. At that time, SPR's attracted 100% of funding for their maintenance and upgrading from Waka Kotahi NZTA.

In 2003, the legislative power to create SPR's was removed leaving Waka Kotahi NZTA with a process of gradually phasing them out. All affected road controlling authorities have been developing transition plans to agree the terms for this process and how these SPR's will be funded into the future. Buller has continued to advocate against the return of this road to the district to fund and manage. Waka Kotahi NZTA has agreed to keep the 100% FAR funding support in place for the next tri-annual investment period 2024-2027.

The challenges we need to address...

There are many challenges related to managing the Karamea Highway, especially the Karamea Bluff section. This goes back to its original corduroy construction, which included using organic materials such as trees, brush, and soil, to build its foundation. Decomposition over time has caused instability, which together with slips and washouts due to the natural terrain, leads to what has been described as significant risk and safety concern, as well as high repair and maintenance costs.

Significant weather events experienced throughout 2021 and 2022 have resulted in widespread damage across the Karamea Highway. This road damage has been repaired under the work category 141 which enables funding from the National Land Transport Fund (NLTF) in response to a defined, major, short-duration natural event (a qualifying event) that has directly reduced customer levels of transport service significantly below those that existed prior to a storm event that resulted in the unforeseen and significant expenditure.

Key facts of the Karamea Highway:

- Karamea Highway is the only road access north of Mokihinui and services a population of approximately 700 people.
- There is no commercial access to the region by sea and the airport at Karamea is limited to small charter flights with a maximum of 12 seats.
- Records indicate that approximately 252 vehicles use the highway daily, of which, approximately 60 people from Karamea Township stated that they commute in or out using Karamea Highway daily.
- The Karamea Highway provides access to the Heaphy Track and Oparara Arches which are major tourist attractions for this area and part of the new Pounamu Pathway.
- Costs of emergency works have proven to be highly variable and unpredictable. Recent extreme weather events are proven to have caused multi-million dollars' worth of direct road damage and a large indirect business, transport access and community impact.

Council's view remains that any work programme and financial investment going forward on the Karamea Highway will need to remain 100% funded by Waka Kotahi NZTA.

This 2024/2027 Tri-Annual investment bid to Waka Kotahi NZTA includes a significant investment in resilience upgrades for roadside drainage to ensure the Karamea Highway is more resilient to extreme weather events.

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|--------------------|---|
| SOCIAL | ✓ By providing a safe footpath system. By promoting cycleways and walkways, signs and wayfinding and parking infrastructure. |
| ENVIRONMENT | ✓ By helping reduce energy consumption in our community. By creating relationships within the community that contribute to the overall beautification of our transport spaces and ensure that mobility issues are addressed for all stakeholders. |
| PROSPERITY | ✓ By providing everyone easy access to the greater roading network by providing links to sustain rural communities. By providing assistance with public transport. |



Significant Capital Expenditure

- \$0.5m footpath renewals. (Waka Kotahi NZTA co-funded at 75%)

Significant Variances

Annual Plan vs Long Term Plan

No significant variances.

Funding allocations

| Activity | Funding Mechanism | | |
|-----------|-------------------|------|--|
| | General rate | Fees | Capital Spend |
| Transport | 25% | 75% | <ul style="list-style-type: none"> • General Rates • NZTA Subsidy • Loans |

Key performance indicators - Roading and Transport

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2025 |
|----------------------------|---------------------------------------|---|---|---|
| Roads and Transport | Social Affordability Prosperity | Roads, footpaths, and transport links help to achieve an integrated, safe, responsive, and sustainable land transport system. | No change or reduction in the safety quality of the road network from the previous financial year in the number of fatalities and serious injury crashes. Ensure district roads remain safe. | ≥ No change or reduction in the safety quality of the roading network from the previous financial year |
| Roads and Transport | Social Affordability Prosperity | Roads, footpaths, and transport links help to achieve an integrated, safe, responsive, and sustainable land transport system. | The sealed and unsealed roads are fit-for-purpose and provide for comfortable, efficient, and safe travel. Smooth Travel Exposure (STE - system scoring count) is measured on our sealed road network. Sealed and unsealed roading network is being maintained. | ≥ STE is greater than 90 STE performance per km of road roughness. ≥ The ten-year average for sealed local road that is resurfaced is greater than 5.3% per annum based on network length. ≥ Unsealed network surfacing renewal annual target of greater than 2,500m ³ . |
| Roads and Transport | Social Affordability Prosperity | Roads, footpaths, and transport links help to achieve an integrated, safe, responsive, and | Footpaths are fit-for-purpose and provide for comfortable and efficient travel | ≥ Continue to achieve 75% of district footpaths ranked as grade 1 and 2 (satisfactory). ≥ Continue to achieve 95% of district footpaths ranked as |

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| | | | | |
|----------------------------|---------------------------------------|---|--|---|
| | | sustainable land transport system. | Footpaths are maintained within the level of service standard for the condition of footpath. | grade 1 through to 3 (satisfactory – fair). |
| Roads and Transport | Social Affordability Prosperity | Roads, footpaths, and transport links help to achieve an integrated, safe, responsive, and sustainable land transport system. | Responsive to, and focus on, the customer. Ensure that customers' service requests relating to road and footpaths are acknowledged and placed into the forward works programme (as appropriate in relation to priority). | ≥ Service requests are managed through the service request systems and 85% of requests are planned for action, in line with level of service criticality, within 15 working days. |

Forecast Funding impact statement for Roading and Transport

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 2,155 | 2,336 | 2,752 |
| Targeted rates | | 0 | 0 | 0 |
| Subsidies and grants for operating purposes | | 2,690 | 3,114 | 3,786 |
| Fees and charges | | 0 | 0 | 0 |
| Internal charges and overheads recovered | | 0 | 0 | 0 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 135 | 171 | 120 |
| Total operating funding | A | 4,980 | 5,621 | 6,658 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 3,189 | 3,587 | 3,999 |
| Finance costs | | 23 | 20 | 26 |
| Internal charges and overheads applied | | 998 | 1,224 | 1,707 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 4,210 | 4,831 | 5,732 |
| Surplus/ (deficit) of operating funding | A-B | 770 | 790 | 926 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 2,705 | 2,613 | 6,285 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | 239 | (40) | 151 |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 2,944 | 2,573 | 6,436 |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 605 | 0 | 2,315 |
| - to replace existing assets | | 3,106 | 3,363 | 5,048 |
| Increase/ (decrease) in reserves | | 3 | 0 | (1) |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 3,714 | 3,363 | 7,362 |
| Surplus/ (deficit) of capital funding | C-D | (770) | (790) | (926) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Water Supplies

Drinking Water

What do we do?

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

Why are we involved in this activity?

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

Assumptions

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

There will be no major infrastructure failures.

The Water Services Act 2021 has been introduced, together with Taumata Arowai as the national regulator for drinking water. The Government has confirmed council ownership and control of water assets, under its Local Water Done Well Policy. Council has several drinking water supplies that require extensive investment to meet the Drinking Water legislation and Quality Assurance Rules. Council will continue to engage and consult with the community on the financial impact and timing for upgrades based on affordability.

Significant projects

Westport water supply

The Westport water catchment was damaged in the February 2022 severe weather event. Elements of the supply have remained vulnerable. This Annual Plan proposes investment to ensure ongoing resilience and provide a safe, reliable and adequate drinking water supply for our district's largest population. This includes water loss and water resilience upgrade work on the intake, treatment processes and distribution networks. Major projects include network valve replacements, on-going backflow prevention and trunk main replacement (Stage 2). Resource consenting for water abstraction will be renewed.

Reefton water supply

Reefton water supply will have an on-going backflow prevention and mains replacement programme.

Punakaiki

Continued investment in water safety compliance and water treatment via the installation and operation of chlorination in the supply. Council will continue to work with others to seek external funding for a new Punakaiki drinking water supply project.

Negative effects

There are no negative effects to upgrading drinking water supplies when seen through a lens of community health; drinking water supplies will need to ensure they are on a pathway towards compliance and meeting the requirements of the water safety plans to provide safe drinking water to all consumers.

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|----------------------|---|
| SOCIAL | <ul style="list-style-type: none"> ✓ By providing safe drinking water to support a healthy community. ✓ By providing water for sanitary services. ✓ By maintaining sufficient water for firefighting purposes. |
| ENVIRONMENT | <ul style="list-style-type: none"> ✓ By conserving water and encouraging others to do the same. |
| AFFORDABILITY | <ul style="list-style-type: none"> ✓ By meeting commercial and community needs at an affordable cost with equal access to water. |

Levels of service

Levels of service have been summarised into a number of more specific target performance standards as below:

- To ensure that all supplies have sufficient water at the source, and within the system, to meet the reasonable needs of the consumers.
- To ensure that connections are provided with adequate water pressure under normal use.
- To maintain the service to the consumer with a minimum of disruption and inconvenience.
- To minimise the quantity of unaccounted water.
- To ensure that supplies are managed in a cost-effective manner.
- To ensure that supplies are managed in an environmentally sensitive manner.
- The corresponding levels of service established as a means of achieving the performance standards.

Funding allocations

Funding allocations are as per the Revenue and Finance Policy Activity.

| Activity | Funding Mechanism | | |
|--------------------------------|-------------------|------|--|
| | Targeted rate | Fees | Capital Spend |
| Drinking Water Supplies | 100% | - | <ul style="list-style-type: none"> • Targeted rates • Subsidies • Investments • Depreciation reserves • Loans |

Significant Capital Expenditure

- \$2.8m Westport Trunk main replacement – Stage 2
- \$0.6m Westport mains replacement and north branch connection to south branch of intake source
- \$0.3m Westport supply upgrades
- \$0.3m Westport raw water bypass - Increased LOS
- \$0.4m Westport water resilience upgrades and assessments & strategies.
- \$0.3m Reefton renewals
- \$0.1m Reefton supply upgrades
- \$0.1m Little Wanganui easement for intake on private property and drinking water standards compliance improvements
- \$0.1m Mokihinui repairs, easement for intake and drinking water standards compliance improvements
- \$0.1m Waimangaroa Water security fencing and drinking water standards compliance improvements
- \$0.4m Punakaiki chlorination completion and private land access

- \$0.1m Inangahua Junction main renewals and generator

There is no provision for upgrades to achieve full drinking water standards compliance for Waimangaroa, Mokihinui, Ngakawau-Hector, Inangahua Junction, Little Wanganui and Punakaiki. Allowance for investigation work has been included in the Enhanced Annual Plan 2024/2025. The Drinking Water Supplies capital expenditure shall be less than the projects listed above because it is subject to an 8% scope adjustment, therefore 8% of the value of the projects cannot proceed.

Significant Variances

Annual Plan vs Long Term Plan

Targeted Rates

The increase in targeted rates compared to the Long-Term Plan is largely due to the increase in loan interest rates and inflationary pressures reflected in the increase in operating expenses such as contractor costs.

Payments to Staff and Suppliers

Council renegotiated its contracts with its main sub-contractor, WestReef. The new rates started part way through the 2022-2023 financial year and are higher than was budgeted in the 2021-2031 Long Term Plan.

Finance Costs

Loan interest rates have increased since the Long-Term Plan and this impacts the Westport, Waimangaroa, Punakaiki, Reefton schemes.

Subsidies and grants for capital expenditure

The 2021-2031 Long Term Plan allowed for an externally funded water treatment plant and intake for the Punakaiki Water Supply. The improvements required for drinking water compliance will now be loan funded and include completion of the water chlorination project in 2024-2025.

Increase/(decrease) in debt

The increase is mainly due to Loans for Westport Water Trunk Main renewal and Punakaiki drinking water compliance not budgeted in the Long-Term Plan. The loan for Little Wanganui and Mokihinui water treatment plant improvements reduced for 2024-2025.

Capital expenditure to improve the level of service and to replace existing assets

The main variance is the Westport Trunkmain renewal that was originally planned to be fully completed and externally funded in the Long-Term Plan. The final stage will now be completed in 2024-2025. The externally funded water treatment plant and intake planned for Punakaiki Water Supply has been put on hold and replaced with chlorination of the existing supply. Other variances of note are reductions in capital expenditure planned for Little Wanganui and Mokihinui to meet drinking water standards.

Targeted Rates

| Water Supplies | 2023-2024 Annual Plan | 2024-2025 Long Term Plan | 2024-2025 Annual Plan |
|----------------|--------------------------|-----------------------------|--------------------------|
| Westport | \$1,101 | \$1,121 | \$1,401 |
| Reefton | \$1,093 | \$1,323 | \$1,350 |

| | | | |
|--|---------|---------|---------|
| Little Wanganui | \$317 | \$265 | \$381 |
| Mokihinui | \$368 | \$518 | \$478 |
| Ngakawau-Hector | \$357 | \$357 | \$357 |
| Waimangaroa | \$1,093 | \$1,323 | \$1,311 |
| Punakaiki | \$1,193 | \$1,840 | \$1,431 |
| Inangahua Junction | \$995 | \$1,380 | \$1,194 |
| South Granity tank supply Fee (administered by Buller District Council) | \$288 | \$288 | \$288 |

These targeted rates include GST.

Key Performance Indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2025 |
|---|--|---|--|--|
| Provide an adequate quality of drinking water | <ul style="list-style-type: none"> Social Affordability Prosperity Environment | Safe drinking water supports the health of our community. | Council water supplies conform to part 4 and part 5 of the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 and the Drinking Water Quality Assurance Rules | <ul style="list-style-type: none"> ≥ Full compliance (100%) with part 4 (bacteria compliance criteria). ≥ Full compliance (100%) with part 5 (protozoa compliance criteria). |
| Provide a reliable supply of drinking water | <ul style="list-style-type: none"> Social Affordability Prosperity Environment | A reliable supply of drinking water is provided through a maintained network. | No more than a 30% of real water loss from the networked reticulation system. | ≥ No more than 30% water loss from the reticulation system. |
| Provide a reliable supply of drinking water - fault response times | <ul style="list-style-type: none"> Social Affordability Prosperity Environment | A reliable supply of drinking water is provided through a maintained network. | Response to network outages, faults and unplanned interruptions are measured. | ≥ Resolution of urgent callouts: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be three working days at the most. |

| | | | | |
|--|--|---|---|---|
| | | | | <p>≥ Resolution of non-urgent callouts: Priority B & C: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be five working days at the most.</p> <p>≥ Resolution of non-urgent callouts: Priority D: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be twenty working days at the most.</p> |
| <p>Provide a reliable supply of drinking water – demand management</p> | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | <p>Demand on the drinking water supply is managed through a maintained network.</p> | <p>Meet the average consumption of drinking water per day per resident within the Buller District.</p> | <p>≥ 700 litres per resident per day.</p> |
| <p>Provide an acceptable supply of drinking water – customer satisfaction</p> | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | <p>An acceptable supply of drinking water is provided through a maintained network to communities</p> | <p>Stated performance delivery of the supply does not exceed the total complaints received target on the following aspects of the drinking water:</p> <ul style="list-style-type: none"> • Clarity • Taste • Odour • Pressure or flow • Continuity of supply | <p>≥ Less than 5 valid complaints per 1,000 connections for these measures.</p> |

Table 1: (Plant Compliance)

Drinking Water Quality Assurance Rules and WSA 2021

| Drinking Water Supply (plant compliance) | Population (WINZ) | Bacterial Compliance | | Protozoal Compliance (%) | |
|---|-------------------|----------------------|--------|--------------------------|--------|
| | | Current Performance | Target | Current Performance | Target |
| South Granity Tank Supply (administered by Council) | 30 | No * | No | No * | No |
| Hector/Ngakawau (administered by Council) | 219 | No* | No | No * | No |
| Inangahua Junction | 70 | Yes | Yes | No**** | Yes |
| Little Wanganui | 150 | No* | No | No * | No |
| Mokihinui | 100 | No* | No | No * | No |
| Punakaiki | 230 | No**** | Yes | No**** | Yes |
| Reefton | 951 | Yes | Yes | Yes | Yes |
| Waimangaroa | 300 | No * | No | No* | No |
| Westport (including Carters Beach) | 4974 | No **** | Yes | No**** | Yes |

* No treatment plant to enable compliance ** E Coli detection in supply

Table 2: (Zone compliance)

Drinking Water Quality Assurance Rules and WSA 2021

| Drinking Water Supply (zone compliance) | Population (WINZ) | Bacterial Compliance | |
|---|-------------------|----------------------|--------|
| | | Current Performance | Target |
| South Granity Tank Supply (administered by Council) | 30 | No * | No |
| Hector/Ngakawau (administered by Council) | 219 | No* | No |
| Inangahua Junction | 70 | Yes | Yes |
| Little Wanganui | 150 | No* | No |
| Mokihinui | 100 | No* | No |
| Punakaiki | 230 | Yes | Yes |
| Reefton | 951 | Yes** | Yes |
| Waimangaroa | 300 | No* | No |
| Westport | 4617 | Yes | Yes |
| Carters Beach | 357 | Yes | Yes |

* No treatment plant to enable compliance ** E Coli detection in supply

Table 3:

Water leakage

| Drinking Water Supply | Connections | Actual Performance | Target | Method |
|--|--------------------|---------------------------|---------------|---------------|
| South Gravity Tank Supply (administered by Council) | 23 | 2022/2023: not measured | 30% | MNF |
| Hector/Ngakawau | 176 | 2022/2023: not measured | 30% | MNF |
| Inangahua Junction | 33 | 2022/2023: not measured | 30% | MNF |
| Little Wanganui | 78 | 2022/2023: not measured | 30% | MNF |
| Mokihinui | 50 | 2022/2023: not measured | 30% | MNF |
| Punakaiki | 93 | 2022/2023: not measured | 30% | MNF |
| Reefton | 663 | 2022/2023: not measured | 30% | MNF |
| Waimangaroa | 137 | 2022/2023: not measured | 30% | MNF |
| Westport | 2694 | 2022/2023: not measured | 30% | MNF |

MNF = Minimum Night Flow Water leakage is not measured in some supplies as those supplies have no treatment plant therefore there is no way of determining leakage.

Forecast Funding Impact Statement for Drinking Water Supplies

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 0 | 0 | 0 |
| Targeted rates | | 3,907 | 4,145 | 4,879 |
| Subsidies and grants for operating purposes | | 0 | 0 | 0 |
| Fees and charges | | 0 | 0 | 0 |
| Internal charges and overheads recovered | | 0 | 0 | 0 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 0 | 0 | 0 |
| Total operating funding | A | 3,907 | 4,145 | 4,879 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 2,030 | 1,551 | 2,239 |
| Finance costs | | 1,012 | 346 | 1,030 |
| Internal charges and overheads applied | | 641 | 555 | 701 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 3,683 | 2,452 | 3,970 |
| Surplus/ (deficit) of operating funding | A-B | 224 | 1,693 | 909 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 650 | 2,214 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | 903 | 1,338 | 4,493 |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 1,553 | 3,552 | 4,493 |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 1,072 | 3,839 | 1,814 |
| - to replace existing assets | | 1,618 | 1,301 | 3,873 |
| Increase/ (decrease) in reserves | | (913) | 105 | (285) |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 1,777 | 5,245 | 5,402 |
| Surplus/ (deficit) of capital funding | C-D | (224) | (1,693) | (909) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Wastewater

What do we do?

Council provides these activities to support the health and well-being of the community and the environment. Council currently provides for the collection and transportation of the wastewater from residential and commercial properties of the townships of Westport, Little Wanganui and Reefton through a network of underground piping infrastructure to treatment facilities. The rest of the district is serviced by on-site domestic effluent disposal systems that property owners install and maintain.

Assumptions

It has been assumed that there will be no significant capacity change required for infrastructure to meet demands from industry or population growth. Wastewater and storm water separation work will continue to ensure that storm water flow impact is reduced on the wastewater networks.

Freshwater legislation for wastewater discharge will provide continued compliance challenges. Resource consent to discharge primary treated and untreated wastewater effluent to our rivers during storm overflow events are in place or in the process of renewal to allow continued operation.

A further assumption is that there will be no major wastewater infrastructure failures.

Without Three Waters reform transition, all wastewater assets will remain with Council.

Wastewater systems

Council continues a routine sewer mains replacement programme throughout Westport, Carters Beach, Little Wanganui and Reefton, as well as any resource consent compliance related treatment plant upgrades as required. Wastewater modelling for Westport will inform aspects of storm water and wastewater separation. This will continue to address the level of stormwater inflow and infiltration into the network and provide information to enable the reduction of stormwater volume, improving capacity across the network. There will be a continued focus on ensuring network integrity at locations where sewerage and drinking water pipes are co-located within close proximity.

Significant negative effects

There is potential for the discharge of domestic effluent from wastewater systems to result in significant negative effects to public health and the receiving environment. However, domestic effluent discharges are subject to a resource consent process and the effects of each discharge are identified. Where risks exist, there are conditions placed on that discharge to manage the potential effects. The primary purpose of the wastewater treatment and network system is to reduce the negative effects from wastewater discharges that would otherwise impact on communities.

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|----------------------|---|
| SOCIAL | ✓ By providing a sanitary wastewater collection and treatment service. |
| ENVIRONMENT | ✓ By protecting the environment through the treatment of wastewater. |
| AFFORDABILITY | ✓ By meeting commercial wastewater needs and meeting community needs at an affordable cost. |

Changes in level of service

- Mains upgrades resulting in increased levels of service.
- Sewer modelling informs stormwater separation prioritisation.

Significant Capital Expenditure

- \$1.3m Westport mains replacements
- \$0.5m Reefton wastewater renewals and upgrades

The Wastewater Supplies capital expenditure shall be less than the projects listed above because it is subject to an 8% scope adjustment, therefore 8% of the value of the projects cannot proceed.

Significant Variances

Annual Plan vs Long Term Plan

Targeted Rates

The increase in targeted rates compared to the Long-Term Plan is largely due to the increase in loan interest rates and inflationary pressures reflected in the increase in operating expenses such as contractor costs.

Payments to Staff and Suppliers

Council renegotiated its contracts with its main sub-contractor, WestReef. The new rates started part way through the 2022-2023 financial year and are higher than was budgeted in the 2021-2031 Long Term Plan.

Finance Costs

Increase/(Decrease) in Debt

The increase is due to Loans for all three wastewater schemes not budgeted in the Long-Term Plan.

Capital expenditure to improve the level of service and to replace existing assets

There are increases in all capital expenditure categories for this activity, mainly relating to pipeline & pumpstations and other capital in Westport, treatment plant and wastewater mains in Reefton, and mains renewals and access in Little Wanganui.

Funding allocations

Funding allocations are as per the Revenue and Finance Policy Activity.

| Activity | Funding Mechanism | Fees | Capital Spend |
|------------|-------------------|------|---|
| Wastewater | 100% | - | <ul style="list-style-type: none"> ✓ Investments ✓ Depreciation reserves ✓ Loans |

Targeted Rates

| Wastewater | 2023-2024 Annual Plan | 2024-2025 Long Term Plan | 2024-2025 Draft Annual Plan |
|-----------------|--------------------------|-----------------------------|-----------------------------------|
| Westport | \$1,103 | \$1,093 | \$1,146 |
| Reefton | \$817 | \$748 | \$874 |
| Little Wanganui | \$886 | \$1,380 | \$950 |

These targeted rates include GST.

Key performance indicators

| Activity | Community Outcome | Activity contribution | Performance measures 2028-2034 |
|---|--|--|--|
| Provide adequate wastewater and sewerage systems | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | Wastewater and sewerage systems contribute to maintaining public health. | ≥ less than five sewerage overflows per 1,000 connections. |
| Wastewater and sewerage discharge compliance | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | Provision of wastewater and sewerage collection and disposal systems that contribute to ensuring minimal environmental impact. | ≥ less than five abatement notices. ≥ 0 infringement notices. ≥ 0 enforcement orders. ≥ No convictions received. |
| Provide reliable wastewater and sewerage systems – fault response time | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | Fault response provides a reliable wastewater and sewerage collection and disposal systems | ≥ Resolution of urgent callouts: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be three working days at the most. ≥ Resolution of non-urgent callouts: Priority B&C: from the time Council receives notification to the time that service personnel confirm resolution |

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| | | | |
|--|--|---|---|
| | | | <p>of the fault or interruption is to be five working days at the most.</p> <p>≥ Resolution of non-urgent callouts: Priority D: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption is to be twenty working days at the most</p> |
| <p>Provide acceptable wastewater and sewerage systems – customer satisfaction</p> | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | <p>An acceptable wastewater and sewerage collection and disposal systems is maintained.</p> | <p>≥ less than five complaints per 1,000 connections for each of these measures.</p> |

Forecast Funding Impact Statement for Wastewater

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|----------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 0 | 0 | 0 |
| Targeted rates | | 2,919 | 2,848 | 3,122 |
| Subsidies and grants for operating purposes | | 0 | 0 | 0 |
| Fees and charges | | 26 | 25 | 59 |
| Internal charges and overheads recovered | | 0 | 0 | 0 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 5 | 6 | 0 |
| Total operating funding | A | 2,950 | 2,879 | 3,181 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 1,449 | 1,455 | 1,524 |
| Finance costs | | 257 | 52 | 176 |
| Internal charges and overheads applied | | 463 | 444 | 429 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 2,169 | 1,951 | 2,129 |
| Surplus/ (deficit) of operating funding | A-B | 781 | 928 | 1,052 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 0 | 0 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | 703 | (425) | 790 |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 703 | (425) | 790 |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 295 | 74 | 348 |
| - to replace existing assets | | 1,429 | 994 | 1,495 |
| Increase/ (decrease) in reserves | | (240) | (565) | (1) |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 1,484 | 503 | 1,842 |
| Surplus/ (deficit) of capital funding | C-D | (781) | (928) | (1,052) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Stormwater

What do we do?

Stormwater management systems are a set of procedures and physical assets designed to manage the disposal of surface water after a rainfall event. Council manages open drain stormwater systems in Hector, Ngakawau, Seddonville, Granity, Waimangaroa, Westport, Carters Beach and Reefton. In addition, there are piped stormwater systems in Westport, Waimangaroa, Carters Beach and Reefton. Sections of the older Westport piped wastewater systems and majority of the Reefton piped wastewater system also conveys stormwater. In Punakaiki, public stormwater drainage is maintained by Waka Kotahi NZTA as part of the State Highway Road network and there is Regional Council drainage assets as well. In other townships, such as Mokihinui and Little Wanganui, there are no formal stormwater systems and all stormwater soaks to ground naturally or utilises overland flow paths.

Why are we involved in this activity?

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

Assumptions

It has been assumed that there will be negligible population growth in urban areas requiring further extensions to the existing stormwater reticulation. Any future significant subdivisions will need to address stormwater disposal through the development. Freshwater legislation for stormwater will provide continued compliance challenges and this will directly affect Council's ability to retain current discharge resource consents and any future conditions that will need to be met.

There is no provision in the Annual Plan for the significant stormwater upgrades relating to an integrated Westport flood protection scheme, which would also incorporate new flood walls and new pump out stations in collaboration with the West Coast Regional Council. We have commissioned a concept study to identify the overall project attributes for an integrated scheme to ensure clarity on solution design and cost estimates.

Negative effects

Storm and rain events of a severity which exceed design capability may result in short term negative effects such as localised flooding. Impacts on freshwater values from stormwater discharge. Stormwater flooding can result in inundation of wastewater networks and result in negative health outcomes resulting from cross contamination and overflows of contaminated stormwater.

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|----------------------|---|
| SOCIAL | ✓ By providing stormwater systems reduces the risk of death or injury resulting from flooding on private property. |
| ENVIRONMENT | ✓ The adverse environmental effects of stormwater runoff and disposal can be addressed with appropriate management. |
| AFFORDABILITY | ✓ The service is deemed to provide a public benefit, through the protection of property. |

Significant Capital Expenditure

- \$0.6m district wide upgrades and replacements

The Wastewater Supplies capital expenditure shall be less than the projects listed above because it is subject to an 8% scope adjustment, therefore 8% of the value of the projects cannot proceed.

Significant Variances

Annual Plan vs Long Term Plan

Increase/(decrease) in debt

An increase in loan funding for this activity.

Council has chosen to utilise internal borrowings to fund the capital costs of this activity that are in excess of the depreciation funding collected through the general rates for the year as funding these costs 100% through the depreciation reserves is not sustainable.

Funding Allocations

Stormwater Services funding

Stormwater is funded from General rates as this activity is seen as benefiting the community as a whole, rather than a particular individual or group of individuals.

| Activity | Funding Mechanism | | |
|------------|-------------------|------|--|
| | General rate | Fees | Capital Spend |
| Stormwater | 100% | - | <ul style="list-style-type: none"> ✓ Depreciation reserves ✓ Loans |

Levels of Service

Levels of service have been summarised into a number of more specific target performance standards as below:

- To ensure that all stormwater systems have sufficient capacity to meet the reasonable needs of the consumers.
- To ensure that stormwater within urbanised areas meets Council's engineering standard for Infrastructure.
- To ensure that secondary flow paths are identified for events exceeding the capacity of the primary systems.
- To ensure that stormwater systems are maintained at or beyond the minimum capacity required.
- To ensure that stormwater systems are managed in a cost-effective manner.
- To ensure that stormwater discharges are managed in an environmentally sensitive manner.

It can be costly to undertake the necessary investigations to quantify what the capacity of an existing system actually is, and there can be significant costs associated with upgrading to achieve that capacity. Therefore, while it is appropriate to apply these performance standards to all new stormwater systems, a more pragmatic approach is taken towards the management of existing stormwater systems. The system wide design parameters will be informed by stormwater modelling. This will inform a programme of investment on a needs-based approach.

Key Performance indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2027 |
|---|--|---|---|--|
| Provide adequate stormwater drainage capacity | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | Stormwater systems contribute to maintaining public safety | The number of flooding events in the stormwater systems are managed to a target level of service set in the performance measure | <p>≥ No target has been set for the number of flooding events as it is deemed that flooding events are outside of Council control.</p> <p>≥ For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected Councils stormwater system) is not more than five houses flooded for each event</p> |
| Stormwater environmental discharge compliance | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | Provision of stormwater collection and disposal systems that contribute to ensuring minimal environmental impact through its discharge. | Stormwater systems are managed within resource consent parameters, with no abatement notices, infringement notices, enforcement orders, or convictions in relations to those resource consents. | <p>≥ 0 abatement notices.</p> <p>≥ 0 infringement notices.</p> <p>≥ 0 enforcement orders.</p> <p>≥ No convictions received.</p> |
| Provide reliable storm water systems – fault response time | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | Fault response provides a reliable stormwater collection and disposal systems. | Response to flooding overflows resulting from a blockage or other fault in the system. | ≥ The median response time to attend a flooding event, measured from the time that Council receives notification to the time that |

| | | | | |
|--|--|--|---|---|
| | | | | service personnel reach the site is to be one hour at the most. |
| Provide acceptable stormwater systems – customer satisfaction | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | An acceptable stormwater system is maintained for communities. | Stated performance delivery of the system does not exceed the total complaints received about the performance of the stormwater system. | ≥ Less than 10 complaints per 1,000 connections. |

Forecast Funding Impact Statement for Stormwater

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 864 | 1,020 | 961 |
| Targeted rates | | 0 | 0 | 0 |
| Subsidies and grants for operating purposes | | 0 | 0 | 0 |
| Fees and charges | | 0 | 0 | 0 |
| Internal charges and overheads recovered | | 0 | 0 | 0 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 5 | 5 | 5 |
| Total operating funding | A | 869 | 1,025 | 966 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 243 | 248 | 297 |
| Finance costs | | 8 | 8 | 28 |
| Internal charges and overheads applied | | 248 | 213 | 273 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 499 | 469 | 598 |
| Surplus/ (deficit) of operating funding | A-B | 370 | 556 | 368 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 0 | 0 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | 894 | 78 | 264 |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| | | | | |
| Total sources of capital funding | C | 894 | 78 | 264 |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 554 | 288 | 32 |
| - to replace existing assets | | 710 | 346 | 600 |
| Increase/ (decrease) in reserves | | 0 | 0 | 0 |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 1,264 | 634 | 632 |
| Surplus/ (deficit) of capital funding | C-D | (370) | (556) | (368) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Solid Waste

What do we do?

The solid waste activity provides for the collection, transfer and final disposal of waste materials generated by households and businesses across the District. Council provides solid waste collection and recycling services through an environmentally sustainable contractor across collection Zone 1. Council entered into a 10-year contract with Smart Environmental Ltd to provide this service until 1 February 2024; a contract extension has since been approved to July 2025.

Our current solid waste approach includes the collection and disposal of residual refuse and recycling, the management of the transfer stations and the transportation of residual waste to a landfill at Nelson's York Valley. This is done via a waste management contractor. The kerbside collection service contract will be re-rendered for the period 2025–2035.

Council has commenced investigations into the opportunities and benefits of an optimised approach to delivering waste management services for our district working with other West Coast Councils. Council engaged with the public throughout 2023 on a statement of proposal which saw a proposed change for rubbish (refuse) and recycling collection services within Zone 1 move from the current existing waste collection method of being bag-based, to a more nationally consistent wheelie bins collection service. As part of this Annual Plan consultation Council continues to consult with the community on establishing the best waste management solution and the communities preferred service level option to allow our district to meet affordability, safety and efficiency goals along with wider government waste management legislation, waste system objectives and industry changes.

Furthermore, Council operates two active landfills at Karamea and Maruia. Central government policy is moving away from a reliance on landfilling as a waste management response, and towards making New Zealand a more carbon neutral, circular economy. Council provides the aftercare of Council's closed landfill sites (Birchfield, Westport, Charleston, Inangahua, Reefton, Springs Junction Mahawarati, Hector and Ikamatua) and monitors groundwater quality at these sites as required under resource consent conditions. Council also has a role in facilitating waste minimisation behaviours within communities. This is put into effect by providing resources for education programmes into schools about sustainability and waste minimisation. Support is also provided to businesses to develop more sustainable practices.

Why are we involved in this activity?

Facilitating the provision of a kerbside collection for household refuse and recycling, plus providing waste disposal and materials diversion services, helps to maintain the quality of life in the District and facilitates waste minimisation through re-use, recycling and recovery. Provision of the service also minimises illegal dumping of refuse.

Assumptions

Smart Environmental Ltd continue to provide the service that they tendered for in accordance with the contract extension until mid-2025. After this the service will be re-tendered. Legislation will change in line with the current indicated central government strategic direction over the next 3 years.

Consumer patterns of consumption and product packaging will remain at either current levels, or via product stewardship initiatives it shall reduce. The district will remain set out on a waste reduction pathway. Inability

for certain recycling streams to have a financial end-value will remain. The Government Landfill Waste Levy will stay in place, and it will increase as projected, during the next 3 years.

Negative effects

Refuse is trucked to Nelson from Westport and Reefton and this adds to both road usage and vehicle pollution. All loads are fully secured and covered to minimise the opportunity for spillage. The contractor currently independently manages road usage.

Contaminants from closed landfills leaching into surrounding land and/or water pose a threat to the environment and general well-being of the public. This risk is minimised by compliance with resource consents and the monitoring of waterways in the vicinity of landfills. Council continues to look for ways to remediate the closed landfill legacy and the direct environmental impact these are causing at Westport and Birchfield.

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|----------------------|--|
| AFFORDABILITY | ✓ The District has a means of safely disposing of its refuse. |
| PROSPERITY | ✓ Commercial needs for dealing with waste are met. |
| CULTURE | <ul style="list-style-type: none"> ✓ Programmes are provided to schools and the community on waste care and reduction. ✓ There is continued public education around composting, food waste reduction strategies and recycling opportunities. |
| ENVIRONMENT | <ul style="list-style-type: none"> ✓ Refuse is collected and disposed of in a safe, efficient and sustainable manner, minimising the risk of waste being inappropriately or dangerously disposed of. ✓ Waste minimisation is encouraged. |

Changes in level of service provided

- Changes in the level of service is being consulted on as part of the next 3 year's long-term planning.

Significant issues and their impact

- Increases in additional landfill levy costs from central government.
- Move towards a sustainable circular economy.
- Continued consultation on service levels for Westport Zone 1 for refuse collection options.

Significant Capital expenditure

- \$0.2m for transfer station upgrades and Birchfield closed landfill remediation planning and resource consenting.

Significant Variances

Annual Plan vs Long Term Plan

Targeted rates

An increase in targeted rates primarily funds inflation-based increases in contractor costs.

Subsidies and grants for operating purposes

Waste levy income is expected to be higher than budgeted in the Long-Term Plan.

Payments to Staff and Suppliers

The cost of the kerbside collection and transfer station operations contract will be higher than budgeted in the Long-Term Plan, due to inflation and additional properties in the collection zone.

Increase/(decrease) in debt

The local reprocessing plant planned for in the Long-Term Plan and other transfer station capital works not proceeding means drawdown of loans is no longer required.

Capital expenditure to improve the level of service and to replace existing assets

Local reprocessing plant and other transfer station capital works planned for in the Long-Term Plan not proceeding.

Funding allocations

Funding allocations are as per the Revenue and Finance Policy Activity.

| Activity | Funding Mechanism | | | Capital Spend |
|---------------------|-------------------|---------------|------------------|---|
| | General Rate | Targeted Rate | Fees and Charges | |
| Westport | - | 80-95% | 2-20% | ✓ Investments ✓ Depreciation reserves ✓ Loans |
| Karamea | - | 60-75% | 25-40% | |
| Maruia | - | 80-95% | 5-20% | |
| Landfill operations | 100% | - | - | |

Targeted rates

| Solid Waste | 2023-2024 Annual Plan | 2024-2025 Long Term Plan | 2024-2025 Draft Annual Plan |
|------------------|--------------------------|-----------------------------|-----------------------------------|
| Zone 1 | \$171 | \$164 | \$192 |
| Zone 2 (Karamea) | \$138 | \$131 | \$138 |
| Zone 3 (Maruia) | \$302 | \$257 | \$363 |

These targeted rates include GST.

Key performance indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2028-2034 |
|--------------------|---|---|---|--|
| Solid waste | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment • Culture | <p>Council provides ethical, economical, and efficient waste management services, where the concepts of sustainability and social responsibility are equally valued alongside cost.</p> <p>Change behaviors to Solid waste leading to a decrease in the quantity of waste generated per person and divert Solid waste from landfills.</p> | <p>Provide landfill operations in Karamea, Maruia, and Springs Junction.</p> <p>Offer recycling services at Karamea landfill.</p> <p>Provide transfer station services in Westport and Reefton, as well material recovery facilities at Westport Transfer Station.</p> <p>Provide transfer station services in Westport and Reefton, as well material recovery facilities at Westport Transfer Station.</p> <p>Education activities to encourage waste reduction, reduce contamination in recycling material, and compliance of recycling rules.</p> <p>Explore opportunities to extract value from resources making the waste management system more financially and environmentally sustainable in the long term.</p> | <p>≥ 100% of compliance with regulations set in the RMA, and the resource consents and environmental national regulations.</p> <p>≥ Undertake two community engagement events, and two community education events to encourage the reduction of waste generated and increase of diversion from landfill.</p> |

Forecast Funding impact Statement for Solid Waste

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 653 | 610 | 584 |
| Targeted rates | | 896 | 804 | 999 |
| Subsidies and grants for operating purposes | | 113 | 46 | 130 |
| Fees and charges | | 43 | 36 | 46 |
| Internal charges and overheads recovered | | 0 | 0 | 0 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 113 | 69 | 66 |
| Total operating funding | A | 1,818 | 1,565 | 1,825 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 1,323 | 1,215 | 1,339 |
| Finance costs | | 35 | 26 | 32 |
| Internal charges and overheads applied | | 299 | 219 | 348 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 1,657 | 1,460 | 1,719 |
| Surplus/ (deficit) of operating funding | A-B | 161 | 105 | 106 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 809 | 0 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | (56) | 1,256 | (62) |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 753 | 1,256 | (62) |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 1,073 | 1,060 | 118 |
| - to replace existing assets | | 11 | 329 | 79 |
| Increase/ (decrease) in reserves | | (170) | (28) | (153) |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 914 | 1,361 | 44 |
| Surplus/ (deficit) of capital funding | C-D | (161) | (105) | (106) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Infrastructure Delivery (Professional Services Business Unit)

What do we do?

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

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

Why are we involved in this activity?

PSBU allows Council to access engineering services on a cost-effective basis. In-house expertise assists the efficient management of Council portfolios including transport, roading, drinking water, wastewater, stormwater and solid waste.

There is also a requirement that for transport and roading, for Council to receive funding from Waka Kotahi NZTA, Council must have an approved in-house professional business unit.

Assumptions

That staffing and engineering requirements remain at levels required to deliver the activity in the AP.

Negative effects

There are no negative effects.

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|----------------------|--|
| AFFORDABILITY | ✓ By monitoring the conditions of Council assets and issuing requests for maintenance. |
| PROSPERITY | ✓ By managing capital asset renewal programmes. |
| ENVIRONMENT | ✓ By monitoring landfills and wastewater treatment plants |

Changes in level of service provided

- No anticipated changes in level of service.

Significant issues and their impact

- No significant issues.

Significant Capital Expenditure

- \$0.04m Vehicle replacement in line with Councils Vehicle Replacement Policy

Significant Variances

Annual Plan vs Long Term Plan

Internal charges and overheads recovered

The cost of operating Infrastructure Delivery is recovered from the activities assisted by the business unit. With the increase in the costs below, the recoveries increase accordingly.

Payments to staff and suppliers

There is an increase in budgeted salary costs compared to the Long-Term Plan, relating to inflation and market adjustments, and the employment of new roles to carry out the increased roading programme and staff the project management office. The project management office was temporarily established to deliver externally funded projects after the Long-Term Plan was finalised. It has now been permanently instated and the costs associated with the office have been included in the 2024-2025 Annual Plan.

Internal charges and overheads applied

The increase in operating costs for other business units, results in an increase in overheads charged by those units.

Funding allocations

Funding allocations are as per the Revenue and Finance Policy.

| Activity | Funding Mechanism | | |
|-----------------------|---------------------|------|---|
| | Internal Allocation | Fees | Capital Spend |
| Professional Services | 100% | - | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |

Key performance indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2025 |
|--|--|---|--|---|
| Provide engineering advice to Council and administer contracts | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Environment | Roading, transport, solid waste, and three water service delivery is effectively managed. | Provide engineering services to support the maintenance and development of Council infrastructure. | ≥ Project in Partnership (PiP) programme reports provided to the Chief Executive Officer. |

Forecast Funding impact Statement for Infrastructure Delivery

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 0 | 0 | 0 |
| Targeted rates | | 0 | 0 | 0 |
| Subsidies and grants for operating purposes | | 0 | 0 | 0 |
| Fees and charges | | 0 | 0 | 0 |
| Internal charges and overheads recovered | | 1,871 | 1,134 | 2,182 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 0 | 0 | 0 |
| Total operating funding | A | 1,871 | 1,134 | 2,182 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 1,311 | 825 | 1,573 |
| Finance costs | | 0 | 0 | 0 |
| Internal charges and overheads applied | | 542 | 242 | 586 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 1,853 | 1,067 | 2,159 |
| Surplus/ (deficit) of operating funding | A-B | 18 | 67 | 23 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 0 | 0 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | 0 | 0 | 0 |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 0 | 0 | 0 |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 0 | 0 | 0 |
| - to replace existing assets | | 1 | 37 | 42 |
| Increase/ (decrease) in reserves | | 17 | 30 | (19) |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 18 | 67 | 23 |
| Surplus/ (deficit) of capital funding | C-D | (18) | (67) | (23) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Property and Community Facilities

What do we do?

Council provides and maintains active and passive recreational land and facilities in the Buller District to meet community and environmental needs. Council may manage these areas, or in conjunction with subcommittees. This includes the provision of gardens, sports grounds, green areas, playgrounds and parks.

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

Council also owns and manages a number of other properties, land and buildings in the district. These have a range of uses including community groups, private licences and commercial leases. Managing these properties includes assisting with property transfers and acquisitions, along with Council property licences, leases and legal agreements.

Public toilet facilities are provided by Council at Westport, Carters Beach, Tauranga Bay, North Beach Reefton, Fox River, Springs Junction and Waimangaroa. Council assists in the provision of toilet facilities in Karamea, Granity, Inangahua Junction, and Ikamatua.

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

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

Council provides affordable housing for seniors in our community, with 32 housing units across the district:

- 4 in Karamea
- 14 in Reefton (plus two in care and maintenance)
- 14 in Westport

The Punakaiki Beach Camp is in a picturesque setting on the beach and adjoins the Papatua National Park. The camp provides 10 various sized cabins, 32 powered sites and 30 tent sites. It has been leased to a private operator for a term of 20 years, and Council is working with the lessee to improve the facilities for expected tourism growth and demand.

In conjunction with Council's roading and transport activity, property assists with maintaining and renewing existing urban revitalisation spaces which provide a more pleasant environment for our communities. Urban renewal shapes and articulates spaces by giving form, shape and character to buildings, neighbourhoods and towns. Urban development in the roading and transport activity includes the use of plantings, street treatments and decorative measures with a focus on the beautification of main thoroughfares with street flags and hanging floral baskets.

Why are we involved in this activity?

- The provision and maintenance of amenities and reserves creates a pleasant environment in which to live, work and play, which is an important part of the vision for the district. Amenities and reserve areas provide for social interaction and promote sport and recreation.

- Council owned buildings allows for cost effective provision of property for community use.
- The provision of public toilet facilities assists with promoting the health and well-being of the community and environment and enhances visitor experience.
- Jointly funding facilities with other agencies allows the public access to facilities at an acceptable cost.
- Housing for seniors assists members of our community to remain in the district close to public facilities.

Assumptions

- The current levels of service for parks and reserves maintenance will be maintained, where these facilities are being utilised. Unused and under-utilised parks and reserves will be rationalised, and options and opportunities will be considered to reduce maintenance costs.
- Council will not construct any new housing for seniors' units. Council will continue to operate its existing housing for seniors' units unless a viable alternative non-Council owned operating model is presented to Council.
- Opportunities to rationalise Council's building and property portfolio with sales of some surplus land and buildings will be realised.
- External funding will be available to fund the actual costs for the upgrade of the Carnegie Library building over and above Council's agreement contribution.

Negative effects

There are no identified negative effects.

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|----------------------|--|
| SOCIAL | <ul style="list-style-type: none"> ✓ By ensuring our parks and reserves are healthy and safe. ✓ By providing areas for people to engage in healthy activities, social interaction, and recreation. |
| AFFORDABILITY | <ul style="list-style-type: none"> ✓ By contributing to the district's image and attracting businesses, skills, employment, and tourism, and focusing on future growth for the district and community |
| ENVIRONMENT | <ul style="list-style-type: none"> ✓ By providing green spaces and open areas that contribute to people's enjoyment of our environment. |

Changes in level of service provided

Senior Housing

Council recognises that there is a need to provide affordable and appropriate housing for older people in our community. Currently Council provides affordable housing for seniors with limited financial means or other proven needs across Westport, Reefton and Karamea as listed above.

As a housing provider Council is constrained in what it is able to provide in this area. Resources are restricted because tenants of Council owned accommodation are unable to access some central government rent subsidies and Councils are unable to access some subsidies for capital works on the housing. Council rents

are therefore kept as low as possible to ensure the housing remains affordable, which in turn limits the resources Council has available in terms of staff time and capital investment in the properties.

Council has a policy that operating costs associated with the provision of senior housing must continue to be self-funding over time. Currently the existing units are maintained, and the amount of depreciation funded is capped at the level required to meet loan principal repayments and minor capital renewals only.

In February 2020 Council established a steering group of Councillors and staff to review the social and financial implications of various alternative forms of management of Council's existing housing for seniors. The goal of this review is to address the issues identified above and ensure delivery of well supported affordable housing for older people in our community who need this service.

The steering group has agreed a policy approach that:

- In general Council wants to see the ongoing provision of housing for seniors to enable older people within our community to live independently with the support of each other, the wider community and Council.
- There should be no decrease in provision of housing for seniors, these assets should remain available for this purpose and the service enhanced where possible (rental assistance, services, and care for tenants).
- Council will look for the best option to provide the above – it is likely that ownership may not be best held by Council, but that Council have some level of control in the future operation of this service.

Potential options for providing this service include retaining the activity inside Council, a trust or community housing provider model, and the private market (with appropriate safeguards for tenants and continuation of the service).

In the previous LTP Council considered options which included an alternative supplier from year 4, however no alternative viable options have been presented and agreed to. This Annual Plan includes Council continuing to provide the service and if viable option becomes available during the term of this Plan, Council will consider them.

Significant issues and their impact

Key issues for Property vary depending on the nature of the actual facility and the use or uses of that facility.

Land and other property have not been included. Generally, Council has a policy of selling land and property that is not required for infrastructure or community services requirements.

While there are still stability and durability issues particularly with playground equipment, the focus for Council on parks and reserves is more on safety for users.

For Service Centre type buildings, stability (allowing for loads on the building) and durability of the buildings over the service life of the building are important as they are used by the public and occupied by staff. Here not only does the building have to protect lives and other property but there are a range of other important requirements such as

- Protection from fire
- Ensuring the buildings are accessible for all including people with disabilities.
- Ensuring the buildings are safe to use and this includes use of safe materials and processes.

- Ensuring rainwater does not get in, internal and external moisture is controlled.
- Ensuring buildings are energy efficient and have adequate heating and cooling systems.

Some facilities have multipurpose such as the Reefton Service Centre which also houses the community library and postal service facilities.

The Victoria Square Sports Complex also houses the Civil Defence and Emergency Management operations centre. This means the stability and durability of the building is significant as the facility needs to continue to function during and after natural hazard events.

Community Housing especially housing for seniors places an emphasis on ensuring the homes are healthy for the occupants. Here Council as the landlord needs to ensure adequate levels of heating, insulation, ventilation, drainage, moisture control and draught stopping.

Cemeteries are a special case where ground conditions need to be safe for workers and the areas need to be safe and accessible for people visiting and paying their respects to deceased facility and friends.

Public conveniences need to be safe and accessible for all and have high hygiene standards.

Council also owns and is involved with camping grounds where there are buildings, associated facilities and services including in some cases water supplies and on-site domestic effluent disposal systems.

For libraries, museums, theatres and swimming pools, the public, staff and contents of the facility is important with high importance places on moisture control and fire protection. Safety for users is also important for all these facilities.

Significant Capital Expenditure

In this Annual Plan, Council expects to spend the following:

- \$0.20m allowed for planning stages of Civil Defence EOC upgrade investigations
- \$0.16m for exterior painting of Sue Thomson Casey Memorial Library in Westport

Significant Variances

Annual Plan vs Long Term Plan

General rates, uniform annual general charge, rates penalties

An increase in general rates is required to fund the increase in costs below.

Payments to staff and suppliers

The increase in payments to staff and suppliers reflects the significantly higher interest and inflation rates being experienced compared to market predictions available at the time of preparing Long Term Plan.

Increase/(decrease) in debt

The Long-Term Plan budgeted for higher loan principal repayments. This is because loans forecasted in earlier years were not drawn down due to projects not progressing.

Capital expenditure to replace existing assets

Civil Defence EOC upgrade investigations not budgeted for in the Long-Term Plan.

Funding allocations

| Funding allocations are as per the Revenue and Finance Policy Activity | Funding Mechanism | | |
|--|-------------------|--------|---|
| | General rate | Fees | Capital Spend |
| Reserves | 90-100% | 0-10% | <ul style="list-style-type: none"> • Reserve contributions • Investments • Depreciation reserves • Investment |
| Public Toilets | 100% | - | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |
| Cemeteries | 70-85% | 15-30% | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |
| Community Halls | 90-100% | 0-10% | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |
| Housing for the Elderly | - | 100% | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |
| Property Management | 100% | - | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |
| Camping Grounds | 61-100% | 0-39% | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |

Key Performance indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2028-2034 |
|-----------------|-------------------|---|--|---|
| Property | • Social | Ensuring our parks, reserves, cemeteries and public amenities are compliant, safe and vibrant environments that encourage community inclusion and use. | The district's parks, reserves, cemeteries and other amenities are maintained to ensure we are providing compliant, safe and vibrant social spaces for the community and visitors. | Receive and review monthly reports from the Reserves and Public Amenities Contractor. An up-to-date register of Council owned and operated buildings and associated infrastructure is maintained. |
| | | Ensuring Council buildings and associated property infrastructure is maintained to relevant standards. | Maintenance work is contracted out and is undertaken by qualified personnel. Council's property staff manage these contracts to ensure the work is being done to the agreed level of service, and that contractual obligations are being met. | Up-to-date records of Council land appointments, including: Reserve Subcommittees and community organisations utilising Council land for community non-profit purposes; and A register recording commercial contracts including licences, leases and land use agreements. |
| | • Affordability | Ensuring land and property owned, vested and managed by the Council is rationalised and utilised responsibly, and for the benefit of the Buller community | Council provides public, community and commercial buildings that are safe and compliant. Council land is managed to support use by non-profit community enterprises and community organisations, and also commercial use when appropriate. | |
| | | • Culture | | |

Forecast Funding impact Statement for Property and Community Facilities

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 1,792 | 1,756 | 2,007 |
| Targeted rates | | 0 | 0 | 0 |
| Subsidies and grants for operating purposes | | 0 | 0 | 0 |
| Fees and charges | | 123 | 130 | 60 |
| Internal charges and overheads recovered | | 558 | 595 | 624 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 1,460 | 881 | 1,392 |
| Total operating funding | A | 3,933 | 3,362 | 4,083 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 2,685 | 2,270 | 2,983 |
| Finance costs | | 75 | 78 | 57 |
| Internal charges and overheads applied | | 472 | 425 | 579 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 3,232 | 2,773 | 3,619 |
| Surplus/ (deficit) of operating funding | A-B | 701 | 589 | 464 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 855 | 0 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | 211 | (218) | (28) |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 1,066 | (218) | (28) |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 1,530 | 140 | 248 |
| - to replace existing assets | | 987 | 186 | 533 |
| Increase/ (decrease) in reserves | | (750) | 45 | (345) |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 1,767 | 371 | 436 |
| Surplus/ (deficit) of capital funding | C-D | (701) | (589) | (464) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Community Services

Activities and services delivered

- Sue Thomson Casey Memorial Library, Westport & Inangahua County Library, Reefton
- NBS Theatre, Westport & Reefton Cinema, Reefton
- Communications – website, Connect newsletter, news releases, social media, advertising.
- Customer services – in person, by phone and email through our offices located in Westport and Reefton
- Economic development
- Community engagement and consultation
- Funding – community grants, museum support, community-led revitalisation fund, arts funding, facilities hire, rural travel fund

Council works alongside our communities to support them to identify and implement solutions to the complex social issues in our society. The team work strategically and practically to ensure issues are identified, prioritised and addressed through a collaborative approach.

Funding

Council provides and/or administers a range of funding to community organisations and groups throughout the Buller District. Some are Council's own grants others are administered on behalf of central government organisations such as Creative New Zealand. All funds have criteria and applications are assessed by council or subcommittee. Council supports a range of organisations, museums, community-led revitalisation projects, and facilities through annual funding as part of the LTP or APs.

Additionally, the Council provides guidance and support to the community to facilitate access to external funding opportunities. This ensures that a wide array of individuals and non-profit groups can access and utilise these funding avenues effectively.

Libraries

Library services operate in Reefton and Westport.

The district's libraries operate as one library, two locations and provide up to date services and facilities that meet information, learning, recreational and cultural needs of residents of all ages and backgrounds to enhance our community's well-being.

Access to information will continue to be available in a variety of formats including books, media, and online apps. Free internet access is provided through Aotearoa People's Network. A book return service for Karamea residents is available. All patrons can borrow items from either Reefton or Westport Libraries using the holds service, with regular delivery between facilities and both libraries now operate a 'no-fines' process.

NBS Theatre

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

Reefton Cinema

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

Communications

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

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

Council's quarterly newsletter 'Connect' is delivered to all letterboxes in the district, is available at multiple outlets, and is sent in digital format to subscribers. This ensures the newsletter also reaches those who do not use digital platforms. Social media is used in a creative, engaging way to target certain audiences.

Council is undertaking staff training and widening staff expertise to increase and improve the reach, use, and quality of its digital channels. Council's website has undergone a much needed and valuable upgrade in December 2022 to become more user friendly and interactive. As part of this upgrade the library received a new website in March 2023 and the harbour's new website was launched in June 2023. All websites are ongoingly updated and developed to meet the needs of the community. This has greatly improved the user experience and ability to source information, make online payments and stay informed on relevant issues. This is an ongoing effort keeping information and service relevant using the most suitable technology and systems.

Strong systems oversee Council's responsibilities in relation to the Local Government Official Information and Meetings Act (LGOIMA). Staff undergo training to respond in an acceptable manner.

Council live streams council meetings and workshops to its YouTube channels and publishes these in an easy to find and visually appealing way. This increase participation in local government and transparency for the community. Council staff engage with and support national and local campaigns as appropriate.

Customer Services

Council has service centres for customer support in Westport and Reefton, where staff are available to assist in person, by phone and by email. An after-hours telephone service is provided via a call centre.

Responses to service requests are increasingly becoming streamlined. Council will further promote use of the service request system with customers and is looking at ways to make it more user-friendly and increase its functionality. Additional and alternative feedback platforms are being investigated.

Economic Development

Economic development plans and initiatives are supported in partnership with Development West Coast (DWC).

Council engages with local key stakeholders such as Development West Coast and ensures strong relationships are formed and maintained. Council seeks input and liaises with local communities about major

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

Council also provides support for tourism for some Buller organisations by way of grants to assist with the availability of museums, i-site / visitor centres and tourism attractions such as walking / cycle trails.

Community Engagement and Consultation

To shape our district, Council creates multi-media engagement activities to encourage the community to have their say. Opportunities to do so will be promoted and implemented during Council's Annual Plan and LTP processes, for policy and bylaw reviews and other changes that have significant impact on the community.

Council has a Significance and Engagement Policy that guides Council when deciding which issues to engage and/ or consult the community on outside of the requirements of the Local Government Act 2002. Council will foster the community's understanding of how to participate in local government as part of its engagement efforts. Council will continue to engage with key stakeholders and groups in the community.

Council works alongside our communities to support them to identify and implement solutions to the complex social issues in our community. The team works strategically and practically to ensure issues are identified, prioritised and addressed through a collaborative approach.

Council works collaboratively through its dedicated liaison officer with its subcommittees supporting volunteers, promoting and caring for Council's owned halls and reserves.

Links to Community Outcomes

All the services provided by Community Services support all the community outcomes and all the well-being indicators as determined by central government.

| | |
|----------------------|---|
| SOCIAL | ✓ Recreation facilities allow people to connect socially, play sport, and achieve their fitness and recreational goals. Developing community cohesion which supports mental and social well-being. |
| CULTURE | ✓ Libraries assist with the development of lifelong learning and literacy. Theatres provide performance space for artistic and cultural performances all of which facilitate social and cultural connections. |
| AFFORDABILITY | ✓ The range of services and facilities provided are managed with the aim of being efficient and fit-for purpose, with an eye on the current and future needs of our community and are funded through a mix of rates and user-pays to keep them as affordable as possible. |
| PROSPERITY | ✓ Economic development strategies, along with a focus on building partnerships of trust and collaboration, along with advocating on behalf of the district will achieve economic development through specific projects. |

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

Reefton Visitor and Service Centre

The Reefton Visitor and Service Centre (RVSC) opened as an amalgamated facility in November 2022, incorporating services previously found at either the Reefton Service Centre or Reefton Visitor Centre. Five services are now provided from this one facility – Visitor Experience, Council Services, NZ Post, NZTA/Waka Kotahi and the Inangahua County Library. An operational review of the RVSC is planned to occur within the first six months of 2024.

Reefton Community Centre

Located in the same building footprint as the Reefton Cinema, the Reefton Community Hall is available for private, or community hire and is used for a variety of sporting and recreational purposes each year. Administration for the Community Hall is done via the Reefton Visitor and Service Centre.

The gym previously housed within the Community Hall is no longer in operation.

Assumptions

That the funding Council administers on behalf of other organisations will remain at the same level.

Negative effects

Expectations from community for continued funding and support.

Significant capital expenditure

Nil.

Significant Variances

Annual Plan vs Long Term Plan

General rates, uniform annual general charge, rates penalties

An increase in general rates is required to fund the increase in costs below.

Payments to staff and suppliers

The increase in payments to staff and suppliers reflects the significantly higher interest and inflation rates being experienced compared to market predictions available at the time of preparing Long Term Plan.

Finance costs

Loan interest rates for existing loans are higher than forecast in the Long-Term Plan.

Increase/(decrease) in debt

A Council loan will be drawn down for share purchases in Buller Holdings Limited to fund past capital investment into the Pulse Recreation Facility by BHL, and this was not included in the Long-Term Plan.

Forecast Funding allocations

Funding allocations are as per the Revenue and Finance Policy

| Activity | General Rates | Fees | Funding Mechanism | |
|---|---------------|--------|-------------------|---|
| | | | Grants | Capital Spend |
| Economic Development and Marketing | 100% | - | - | <ul style="list-style-type: none"> • Depreciation reserves • Loans |
| Libraries | 67-98% | 2-33% | - | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans • Grants |
| Museums | 100% | - | - | <ul style="list-style-type: none"> • Depreciation reserves • Loans |
| Theatre | 60-75% | 25-40% | - | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans • Grants |
| Recreation Facilities | 100% | - | - | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |
| Reefton Visitor and Service Centre | 100% | - | - | <ul style="list-style-type: none"> • Depreciation reserves |
| Reefton Post Office | 20-30% | 70-80% | - | <ul style="list-style-type: none"> • Depreciation reserves |
| Community Development and support | 85-100% | - | 0-15% | <ul style="list-style-type: none"> • No capital spend |

Key performance indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2025-2031 |
|--|--|---|---|--|
| Provide information about Council services, decisions, and opportunities to engage. | <ul style="list-style-type: none"> • Social • Prosperity • Culture • Environment | <p>The community feels informed, included, and empowered to access Council services and resources.</p> <p>The provision of access to a wide range of information relevant to the community's needs.</p> | <p>Council's website and Facebook are kept up to date as a source of information about Council projects, services and resources.</p> <p>Quarterly newsletter is produced.</p> <p>Communications plans are created to support projects considered to be of significant interest.</p> | <p>A biennial customer satisfaction survey will be carried out in 2025 to gauge if there have been any improvements to levels of overall Council customer service satisfaction and how satisfied the community is with the information they receive from Council and their opportunities to engage with Council.</p> |
| Economic development | <ul style="list-style-type: none"> • Social • Prosperity • Culture • Environment | <p>Networks and connections are facilitated to enable economic growth.</p> <p>Economic development plans are created and shared with the community and key stakeholders.</p> | <p>Staff actively build networks and connections across the community, with central government, regional partners and stakeholders.</p> <p>Community and/or economic development plans are shared via presentations to the community and/or industry groups.</p> | <p>Four community and/or economic development presentations are delivered within the community each year.</p> |

| | | | | |
|---------------------------------------|--|--|---|---|
| Public library services | <ul style="list-style-type: none"> • Social • Prosperity • Culture • Environment | <p>A safe and welcoming library environment contributes to a community that is vibrant and inclusive.</p> <p>The library offers quality facilities and services that meet our current and future needs.</p> <p>The provision of access to a wide range of information relevant to the community's recreation and learning needs.</p> | <p>The library is a safe social space which community member want to visit.</p> <p>The library team delivers a high level of service that meets our community's current and future needs.</p> <p>The library's collection reflects the community's learning and recreational interests.</p> | <p>Total visits to the libraries maintained or increased by 0 - 4% per annum.</p> <p>At least 80% respondents satisfied or very satisfied with the libraries' services, as measured through a biennial survey.</p> <p>At least 80% of library users satisfied or very satisfied with the public libraries' collection, as measured through a biennial survey.</p> |
| NBS Theatre and Reefton Cinema | <ul style="list-style-type: none"> • Social • Prosperity • Culture • Environment | <p>A vibrant, safe, and welcoming theatre/cinema environment contributes to a community that is vibrant and inclusive. Provide a wide range of shows, movies and events that meet the current cultural interest of our community.</p> | <p>The theatre team delivers a high level of service that meets our community's current and future needs. The theatres' variety of shows, hires, and films reflects our community's cultural interests.</p> | <p>Total visits to the theatre maintained or increased by 0-4% per annum. At least 80% of respondents satisfied or very satisfied with the theatres' services as measured by the biennial survey. A biennial survey will be carried out to establish customers' satisfaction in relation to services.</p> |

Funding impact statement for Community Services

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 4,124 | 3,631 | 4,504 |
| Targeted rates | | 0 | 0 | 0 |
| Subsidies and grants for operating purposes | | 31 | 31 | 31 |
| Fees and charges | | 5 | 5 | 0 |
| Internal charges and overheads recovered | | 0 | 0 | 0 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 336 | 277 | 338 |
| Total operating funding | A | 4,496 | 3,944 | 4,873 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 2,169 | 2,003 | 2,466 |
| Finance costs | | 793 | 423 | 855 |
| Internal charges and overheads applied | | 749 | 820 | 789 |
| Other operating funding applications | | 422 | 370 | 428 |
| Total applications of operating funding | B | 4,133 | 3,616 | 4,538 |
| Surplus/ (deficit) of operating funding | A-B | 363 | 328 | 335 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 0 | 0 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | 629 | (197) | (23) |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 629 | (197) | (23) |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 44 | 0 | 0 |
| - to replace existing assets | | 847 | 157 | 141 |
| Increase/ (decrease) in reserves | | 101 | (26) | 23 |
| Increase/ (decrease) in investments | | 0 | 0 | 148 |
| Total applications of capital funding | D | 992 | 131 | 312 |
| Surplus/ (deficit) of capital funding | C-D | (363) | (328) | (335) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Governance, Representation

What do we do?

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

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

Council provides systems for democratic local decision making for the overall benefit of the community, for both our current and future generations. Council decision making and actions are concerned with meeting the current and future needs of communities for good quality infrastructure, local public services and the performance of regulatory functions in a cost-effective way for both business and households.

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

Why are we involved in this activity?

The Local Government Act 2002 requires Council and elected members to lead and represent their community. This Act requires Council to meet current and future needs of community in terms of good quality infrastructure and services as well as provide quality regulatory functions, all in a cost-effective way. As well as this, Council is well placed to provide advocacy and leadership on other local matters that are outside those core functions.

Council and Community Boards provide:

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

Assumptions and negative effects

We have assumed there will be no significant legislation changes that may affect this activity.

There are no identified negative effects of this activity.

Significant issues and their impact

Council has a major role as a facilitator. It should provide reliable, affordable services and infrastructure that meet the community's needs, help develop attractive towns and a district that people will want to visit and reside in. This is important if the district is to experience economic growth and a transition to a diversified, resilient and sustainable economy which is a key aspect of Council's strategy.

It is critical that Council continues to advocate strongly to central government on important issues.

Key issues include:

- Preparedness for climate change / adaptation and carbon reduction targets;
- Affordability of local infrastructure; and

- Better local provision of core government services.

Protecting communities from some of the effects of climate change is important given some of the recent weather events, therefore working closely with the West Coast Regional Council is high on Council's list of priorities for this Annual Plan.

It is also important that Council considers affordability issues in our communities. Rates affordability is important but needs to recognise the need for investment in key infrastructure, e.g., roading and water.

Rates review – Consulting on part of the Rates Policy for the 2024-2025 Annual Plan

The background to the Buller District Council is the 2012-2022 LTP noted that a rating review was long overdue. The existing system had been heavily modified over time and evolved into a complex structure with more than 40 different categories of ratepayers all being rated on a unique basis. This gave rise to questions about equity and fairness.

The long-promised review was instigated by the newly elected Council in 2013. Considerable time was spent analysing the issues and considering the possibilities for change. Preliminary consultation was undertaken during 2014/ 2015.

The outcome of the first round of submissions and community consultation was Council decided the draft rating policy and methodology had a number of areas which Councillors would like to review. As a result, Council extended the rates overhaul project, and continued to work on this significant task.

A second phase of community consultation began in 2017. The second phase of consultation differed to the first proposal as it proposed to review only general rates.

The second round of submissions and community consultation was held during 2017/2018. Council deliberated on the proposed rating system in January 2018 and decided not to adopt the proposal that had been posted to every ratepayer. It was agreed that land value rating would remain the valuation base for striking rates in Buller District, and the complicated rating system would be simplified by a review of the differentials.

A third round of community consultation was held during February and March of 2021. After receiving submissions and considering community feedback, Council has decided not to adopt the proposal which based general rates on land value and simplified the differentials. Council intended to set a new work plan to continue review of the rating system.

A fourth round of community consultation was included as part of this Annual Plan. This was a proposal to update the way Water and Wastewater Targeted Rates were charged, including charging a half rate for service availability across all supplies in the District. This proposed policy was not adopted and Councillors determined that a full rates review was required to revisit all general rates and targeted rates. \$100,000 has been included in the 2024-2025 Annual Plan to fund work on a rates review project so that a change in rates policy can be considered for adoption as part of Year 1 of the 2025-2034 Long Term Plan.

Links to Community Outcomes

Governance covers all the community outcomes as it provides the administrative and operational capacity to achieve them.

Significant Capital Expenditure

Nil.

Significant Variances

Annual Plan vs Long Term Plan

General rates, uniform annual general charge, rates penalties

An increase in general rates is required to fund the increase in costs below.

Payments to staff and suppliers

The increase in payments to staff and suppliers reflects the significantly higher interest and inflation rates being experienced compared to market predictions available at the time of preparing Long Term Plan.

Internal charges and overheads applied

The increase in operating costs for other activities due to inflationary pressures, results in an increase in overheads charged by those units.

Funding allocations

Funding allocations are as per the Revenue and Finance Policy

| Activity | Funding Mechanism | | |
|------------------|-------------------|------|--|
| | General Rates | Fees | Capital Spend |
| Democracy | 100% | - | <ul style="list-style-type: none"> No capital spend |

Key Performance Indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2025 |
|--------------------------------------|---|--|---|--|
| Governance and Representation | <ul style="list-style-type: none"> Social Affordability Prosperity Culture Environment | Provide annual budgeting and financial planning processes. | <p>Community engagement occurs across the district with representatives from broad community groups.</p> <p>Publishing annual plans, annual reports</p> | <p>a) Meet statutory deadlines for Councils LTP, AP before 30th June in each respective year</p> <p>b) Meet statutory obligations for requests for information under LGOIMA, greater than or equal to 90% of the time.</p> <p>c) To meet legislative requirements for Strategic planning</p> |

| | | | | |
|--------------------------------------|---|---|--|---|
| | | | and long-term plans so the community is well informed | workshops held with Councillors. d) Ensure that all meetings and workshops are advertised, livestreamed and open for public attendance |
| Governance and Representation | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Culture • Environment | To maintain transparency, accountability and accessibility to the public. | <p>Conduct as much as Council business in public forum.</p> <p>Public excluded meetings to be convened only in relation to matters in the Local Government Official Information and Meetings Act (LGOIMA) S.48</p> | Council meetings and workshops to be livestreamed and available to the community |
| Governance and Representation | <ul style="list-style-type: none"> • Social • Affordability • Prosperity • Culture • Environment | Advocating for Buller District, forming strong alliances and partnership opportunities. | Participate in the mayors, chairs and CEO meetings with the other West Coast Councils. | Continue to attend 100% of mayors, chairs and CEO meetings. |

Forecast Funding impact statement for Governance and Representation

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 2,139 | 1,798 | 2,317 |
| Targeted rates | | 0 | 0 | 0 |
| Subsidies and grants for operating purposes | | 0 | 0 | 0 |
| Fees and charges | | 0 | 0 | 0 |
| Internal charges and overheads recovered | | 0 | 0 | 0 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 0 | 0 | 0 |
| Total operating funding | A | 2,139 | 1,798 | 2,317 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 785 | 646 | 1,078 |
| Finance costs | | 0 | 0 | 0 |
| Internal charges and overheads applied | | 1,354 | 1,152 | 1,239 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 2,139 | 1,798 | 2,317 |
| Surplus/ (deficit) of operating funding | A-B | 0 | 0 | 0 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 0 | 0 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | 0 | 0 | 0 |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 0 | 0 | 0 |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 0 | 0 | 0 |
| - to replace existing assets | | 0 | 0 | 0 |
| Increase/ (decrease) in reserves | | 0 | 0 | 0 |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 0 | 0 | 0 |
| Surplus/ (deficit) of capital funding | C-D | 0 | 0 | 0 |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Support Services

What do we do?

Customer Services and Support Services provides numerous functions for Customers and all of Council including:

- Service centres for customer use in Westport and Reefton.
- Corporate planning and support to governance.
- Financial and accounting operations.
- Production of Annual Plans, Long Term Plans and Annual Reports.
- Rating operations, Human Resources management.
- Information technology management.
- General administration.
- Health and safety compliance.
- Monitoring and compliance of all Council Controlled organisations.
- Guidance and monitoring of holding company performance.
- Asset management.
- Management functions.

Why are we involved in this activity?

The activity supports the functioning of all Council's activities and service provision.

Assumptions and negative effects

This annual plan and rates to be levied are based on a rating model used for several years.

Changes are being proposed as part of this annual plan consultation to water and wastewater targeted rating, specifically the multi residential and major users' categories. Under the proposal, these categories will be removed and rating for Separately Used Inhabitable Properties (SUIP's) will be implemented. Major users will be subject to water meter charges.

Changes in level of Service

Information Management

Information management describes the process used to organise data so it is securely stored and can be retrieved in an efficient and effective manner. Good information management ensures that all relevant information is quickly available to inform decision making.

As a New Zealand local authority, Buller District Council (BDC) is responsible for the stewardship of information relevant to its district. This includes core land and ratings information as well as that relating to BDC's day-to-day business activities.

Council's information management responsibilities extend to all its systems, datasets, databases, electronic and paper records, websites and social media, regardless of local or format. Local authority accountability requirements include being able to meet statutory and regulatory obligations and produce evidence in court. It also includes community responsibility to provide information (current and historical) and re-purpose data to contribute to Buller's economic growth.

Links to Community Outcomes

Support services covers all the Community Outcomes as it provides the administrative and operational capacity to achieve them.

Significant Capital Expenditure

- \$0.04m Motor vehicle replacement in line with Councils Vehicle Replacement Policy.

Significant Variances

Annual Plan vs Long Term Plan

General rates, uniform annual general charge, rates penalties

An increase in general rates is required to fund the increase in costs below.

Subsidies and grants for operating purposes

Funding received for staff to respond to the additional workload from the proposed three waters transition.

Internal charges and overheads recovered

The operating costs for Support Services are partially recovered from the activities assisted by the business unit. With the increase in the costs below, the recoveries increase accordingly.

Payments to staff and suppliers

The increase in payments to staff and suppliers reflects the significantly higher interest and inflation rates being experienced compared to market predictions available at the time of preparing Long Term Plan. A further increase in staff costs relates to a review of staffing levels to better meet organisational and community needs.

Internal charges and overheads applied

The increase in operating costs for other activities due to inflationary pressures, results in an increase in overheads charged by those units to this activity.

Increase/(decrease) in debt

Internal loan principal payments for the Information Management project were not budgeted for in the Long-Term Plan.

Capital expenditure to replace existing assets

Capital expenditure is greater than planned for in the Long-Term Plan due to inflationary increases and two projects that have been added to the plan: aerial photography to continue updating district mapping, and digitisation and storage of files.

Funding Allocations

Funding allocations are as per the Revenue and Finance Policy

| Activity | Internal Allocation | Funding Mechanism | | Capital Spend |
|---------------------|---------------------|-------------------|-------|---|
| | | Fees | Other | |
| Corporate Services | 100% | - | - | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |
| Information Systems | 100% | - | - | <ul style="list-style-type: none"> • Investments • Depreciation reserves • Loans |

Key Performance Indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2025 |
|--------------------------|---|---|--|---|
| Health and Safety | <ul style="list-style-type: none"> Social Affordability | <p>Provide safe working environment for all employees, contractors, and visitors.</p> <p>Our employees and contractors are trained, supported, and competent in understanding and delivering their obligations to Council's Health and Safety requirements.</p> | <p>High functioning Health and Safety Committee that empowers employees, contractors, and visitors.</p> <p>Our systems and processes allow staff and contractors to gain the training and development required to comply with HSWA 2015.</p> | 100% compliance with Health and Safety Work Act 2015 (HSWA 2015). |

Forecast Funding impact statement for Support Services

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|--------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 242 | 221 | 330 |
| Targeted rates | | 0 | 0 | 0 |
| Subsidies and grants for operating purposes | | 133 | 0 | 142 |
| Fees and charges | | 8 | 2 | 8 |
| Internal charges and overheads recovered | | 7,406 | 6,366 | 7,958 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 77 | 77 | 69 |
| Total operating funding | A | 7,866 | 6,666 | 8,507 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 5,566 | 4,807 | 6,165 |
| Finance costs | | 169 | 46 | 217 |
| Internal charges and overheads applied | | 1,864 | 1,499 | 1,936 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 7,599 | 6,352 | 8,318 |
| Surplus/ (deficit) of operating funding | A-B | 267 | 314 | 189 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 0 | 0 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | (100) | 0 | (91) |
| Gross proceeds from sale of assets | | 500 | 200 | 200 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | 400 | 200 | 109 |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 0 | 0 | 0 |
| - to replace existing assets | | 214 | 205 | 334 |
| Increase/ (decrease) in reserves | | 453 | 309 | (36) |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 667 | 514 | 298 |
| Surplus/ (deficit) of capital funding | C-D | (267) | (314) | (189) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Commercial Infrastructure

Westport Airport

What do we do?

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

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

The airport is occasionally used as an airfield for military operations and training and is an essential point of entry for regional Civil Defence emergencies. The airfield has a sealed main runway and one grass taxiway. The airfield navigation aids (DME and NDB) are provided and maintained by Airways Corporation of New Zealand under an agreement for services. The airport is a hub for connecting family, community to services in other towns, connecting Buller to Wellington International Airport.

Why are we involved in this activity?

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

Assumptions

- Sounds Air will continue as our sole commercial airline service provider under the existing agreement.
- There will be no loss of service or change to level of service agreements
- Airport will continue to pass audits and maintain a high level of safety management

Negative effects

- None

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|----------------------|---|
| SOCIAL | ✓ Our communities are vibrant, healthy, safe and inclusive. |
| AFFORDABILITY | ✓ Our communities are supported by quality infrastructure, facilities and services that are efficient, fit-for purpose, affordable and meet our current and future needs. |
| ENVIRONMENT | ✓ Our district is supported by quality technology and an innovative and diverse economy that creates opportunities for self-sufficiency, sustainable growth and employment. |
| PROSPERITY | ✓ Our district is supported by quality technology and an innovative and diverse economy that creates opportunities for self-sufficiency, sustainable growth and employment. |

Changes in levels of Service

No proposed change to levels of service.

Funding allocations

| Activity | Internal | Fees | Funding Mechanism | |
|----------------|------------|--------|---|---|
| | Allocation | | Other | Capital Spend |
| Airport | - | 45-48% | Balance funded 50/50 with Ministry of Transport (MOT) | <ul style="list-style-type: none"> Depreciation reserves (balance 50% funded from MOT) |

Significant capital expenditure

- Nil.

Significant Variances

Annual Plan vs Long Term Plan

Payments to staff and suppliers

The increase in payments to staff and suppliers reflects the significantly higher interest and inflation rates being experienced compared to market predictions available at the time of preparing Long Term Plan. The cyclical maintenance programme of works has also been reviewed to better align with compliance obligations.

Key performance indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2025 |
|----------------|---|--|---|--|
| Airport | <ul style="list-style-type: none"> ▪ Social ▪ Affordability | Our airport provides public transportation links for the region. Providing a safe and sustainable transport system. We are a lifeline link for our rural community | An airport facility that is safe, compliant and available for use. Providing a high level of customer service and community opportunity | Complete an annual customer survey. Retain CAA certification 100% of the time. Operate in a cost-effective manner – judged against projected income and expenditure. |

Westport Harbour

What do we do?

Located on the west coast of the South Island at the mouth of the Buller River, Westport Harbour provides a sheltered haven for fishing and leisure boats.

Westport Harbour supplies berthage and marine services. The Harbour is ideally located for exporting and importing cargo via the West Coast.

The port has been upgraded in the last 4 years to improve security at the port thus limiting unauthorised access while the installation of a floating pontoon has significantly improved

Why are we involved in this activity?

The port suffered damage to the Kawatiri wharf and 420,000m³ of silt was deposited in the harbour area as a result of the July 2021 and February 2022 flood events in the Buller River. The wharf repairs are shortly to commence, May 2024, while most of the silt will have been removed by June 2024. Both repairs return the port back to their capacity to service the Westland Mineral Sands activities that commence mid 2024 thus creating new economic activity for the port with new jobs and new income for the council from leases and wharfage. Ensuring the Buller District diversifies its economies by opening the port for fisheries

- To operate as close as possible to a commercial business in a cost effective and efficient manner.
- To maintain the Westport Harbour assets, including the Kawatiri dredge
- To enter into any commercial undertakings that will complement the airport operations.

Assumptions

All harbour activities (the port and dredging activities) are ring-fenced financially as a separate activity. This means that the Westport Harbour activities are fully funded over time by charges, fees and lease income and not any rates income.

Negative effects

There may be greater than predicted cash surpluses and losses, impacting the level of cash held by Council. If losses are greater than predicted, Council may be required to consider loan funding or rate funding the activity in the future.

Links to Community Outcomes

This activity supports the following community outcomes:

| | |
|----------------------|---|
| SOCIAL | ✓ Our communities are vibrant, healthy, safe and inclusive. |
| AFFORDABILITY | ✓ Our communities are supported by quality infrastructure, facilities and services that are efficient, fit-for purpose, affordable and meet our current and future needs. |
| PROSPERITY | ✓ Our district is supported by quality technology and an innovative and diverse economy that creates opportunities for self-sufficiency, sustainable growth and employment. |
| ENVIRONMENT | ✓ By providing green spaces and open areas that contribute to people's enjoyment of our environment. |

Changes in levels of service

No proposed change to levels of service, however this could potentially change with the port upgrades and the different business opportunities.

Funding allocations

Funding allocations are as per the Revenue and Finance Policy

| Activity | Internal Allocation | Fees | Funding Mechanism | |
|-------------------------|---------------------|------|-------------------|--|
| | | | Other | Capital Spend |
| Westport Harbour | - | - | Self-Funded | <ul style="list-style-type: none"> • Depreciation reserves • Loans |

Significant Capital Expenditure

- \$818,000 for Kawatiri Dredge DOP pump installation and engine upgrades

Significant Variances

Annual Plan vs Long Term Plan

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

Income not included in the Long-Term Plan relates to Westport gravel removal, wharfage for Westland Mineral Sands and pilotage income. The forecast for out-port dredging income has been reduced since the Long-Term Plan and replaced with income generated by the dredge locally.

Payments to staff and suppliers

The decrease in payments to staff and suppliers is primarily due to removal of costs associated with forgone out-port dredging income.

Increase/(decrease) in debt

Loan funding for the below capital expenditure that was not allowed for in the Long-Term Plan.

Capital expenditure to replace existing assets

Kawatiri Dredge DOP pump installation and engine upgrades were not included in the Long-Term Plan.

Key performance indicators

| Activity | Community Outcome | Activity contribution | Level of service | Performance measures 2024-2025 |
|----------|--|--|--|--|
| Port | <ul style="list-style-type: none"> ▪ Social ▪ Affordability ▪ Prosperity ▪ Environment | Westport harbour provides a sheltered port for fishing and leisure boats. It supplies berthage and marine services and is ideally situated for exporting and importing cargo via the West Coast. | A port facility which has health and safety at a high standard and provides a high level of service and commercial opportunity | To operate in a cost-effective manner. Financial performance to be judged against projected income and expenditure. 100% compliant with legislative, health and safety requirements. |

Forecast Funding impact statement for Commercial Infrastructure

| | | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------------|----------------|----------------|--------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Sources of Operating Funding | | | | |
| General rates, uniform annual general charge, rates penalties | | 159 | 127 | 193 |
| Targeted rates | | 0 | 0 | 0 |
| Subsidies and grants for operating purposes | | 0 | 0 | 0 |
| Fees and charges | | 185 | 241 | 202 |
| Internal charges and overheads recovered | | 0 | 0 | 0 |
| Local authorities fuel tax, fines, infringements fees and other receipts | | 3,774 | 2,880 | 3,018 |
| Total operating funding | A | 4,118 | 3,248 | 3,413 |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | | 2,584 | 2,849 | 2,698 |
| Finance costs | | 146 | 65 | 61 |
| Internal charges and overheads applied | | 291 | 260 | 345 |
| Other operating funding applications | | 0 | 0 | 0 |
| Total applications of operating funding | B | 3,021 | 3,174 | 3,104 |
| Surplus/ (deficit) of operating funding | A-B | 1,097 | 74 | 309 |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | | 0 | 0 | 0 |
| Development and financial contributions | | 0 | 0 | 0 |
| Increase/(decrease) in debt | | (726) | (132) | 722 |
| Gross proceeds from sale of assets | | 0 | 0 | 0 |
| Lump sum contributions | | 0 | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 | 0 |
| Total sources of capital funding | C | (726) | (132) | 722 |
| Application of Capital expenditure | | | | |
| - to meet additional demand | | 0 | 0 | 0 |
| - to improve the level of service | | 0 | 0 | 0 |
| - to replace existing assets | | 71 | 48 | 857 |
| Increase/ (decrease) in reserves | | 300 | (106) | 174 |
| Increase/ (decrease) in investments | | 0 | 0 | 0 |
| Total applications of capital funding | D | 371 | (58) | 1,031 |
| Surplus/ (deficit) of capital funding | C-D | (1,097) | (74) | (309) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 | 0 |

Council Controlled Organisations

Nature and scope of activities

Buller Holdings Limited

Buller Holdings Limited is a holding company that was set up to provide a commercial focus in the governance and management of the Buller District Council's commercial assets. Buller Holdings aims to operate as a successful company providing a competitive rate of return on the capital investments of the company.

Buller Holdings Limited has two fully owned subsidiaries:

- WestReef Services Limited; and
- Buller Recreation Limited trading as the Pulse Energy Recreation Centre.

WestReef Services Limited

WestReef is fully owned by Buller Holdings Ltd, a Buller District Council controlled trading organisation. The current project works include a core Council service focus, providing Council with roading, utilities, and parks and reserves management services. While the Council remains a key client, WestReef have diversified and expanded over the past seven years. The company now draws 70% of its total revenue from competitive business opportunities, separate from Council's contract.

The nature and scope of WestReef Services Limited activities is predominantly to provide contracting services for physical works in the Buller Region and the West Coast of the South Island. Its activities include maintenance and construction services for:

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

Buller Recreation Limited Trading as Pulse Energy Recreation Centre

Buller Recreation Limited owns and operates the Pulse Energy Recreation Centre that was formally opened on 18 April 2009, and provides a range of leisure services to the district as summarized below:

- Recreational swimming and learn to swim programmes.
- Aquatic sports events.
- Indoor court sports competitions and events.

- Fitness centre programmes and classes.
- Outdoor turf sports.
- Corporate, trade and social events.

Significant policies and objectives

The principal objective of Buller Holdings Limited is to operate as a successful business while working for the benefit of its shareholders.

In pursuing this objective, the company is guided by the following key principles.

Financial performance

The company is committed to operating as a successful business and achieving a competitive commercial rate of return on its investments while working for the benefit of the shareholders. It will be striving to minimise operating costs and manage the assets and liabilities in a prudent way. The definition of return on investment is broader than just the financial returns, and considers the social, economic, environmental and cultural needs of the community.

Service

The company recognises that the needs of its major customers are paramount and is committed to meeting those needs. It also recognises the need to develop its customer base to ensure sustainability of the business in the future.

Employee relations

The holding company values its employees and will recruit and retain employees with the skills necessary to run each business and will provide opportunities for staff training and development. It will ensure that employees are fairly treated and provided with good and safe working conditions.

The holding company, together with its employees, will create a culture that recognises the importance of being competitive, the value of delivering a high quality of customer service and the mutual benefit of continued employment. This will involve effective leadership and communication.

Safety and environment

Leadership will enable the subsidiaries to develop positive workplace cultures, capable workers, and resources for responsible health, safety, quality and environmental performance. The holding company will comply with all relevant legislation. The direction will always reflect the company's commitment to, and beliefs about the management of health and safety and the environment with a goal of ensuring that the company's work does not create harm.

The company is committed to reviewing its status and measuring its environmental performance including carbon reduction. This is with a view to identify areas for environmental improvement and formulate a pathway for the company.

Key performance indicators

Buller Holdings Limited

| Objective | Performance Measure | Performance measures 2024-2025 |
|------------------------------|---|---|
| Financial performance | Achieving budget revenue and expenditure | Operate within budgets |
| | Delivery of unaudited quarterly reports by 16 November, 23 February and 16 May | Provision of quarterly reports to Council by due dates |
| | Delivery of an annual report and audited financial statements in respect to the financial year | Provision of annual report and audited financial statements by due date |
| | The Directors shall provide a Statement of Intent (SOI) by 1 March for approval by Council | Provision of Statement of intent by due date |
| | Financial performance will be measured against the forecasts and KPI's in the approved Statement of Intent | Annual review of financial performance |
| Health and Safety | Medical treatment injury | Nil treated injuries |
| Operational | The board of directors will formally meet with BDC, Mayor, Chairperson of Risk and Audit Committee and a councillor (on a rotational basis) 3 times per year. | Meet at least three times per year on a formal basis |
| | The Buller Holdings Limited Chief Executive Officer will provide a formal or informal report to Council as requested | Provide a formal and/or informal report to Council as requested |
| | The Chief Executive Officer of Buller Holdings Limited will meet with the Chief Executive Officer of Buller District Council when requested | Meet with the Chief Executive Officer of Buller District Council as requested |

Westreef Services Limited

| Objective | Performance Measure | Performance measures 2024-2025 |
|--|--|--|
| Health and Safety | Medical treatment injury | Nil treated injuries |
| | Serious harm accidents | Nil serious harm incidents |
| | LTI target | Nil lost time incidents |
| | ISO 45001 accreditation | Maintain iso 45001 accreditation |
| Operational | Employee satisfaction - staff turnover excluding retirement, redundancy and internal transfers | Within the range of +/- 5% of national benchmark |
| | To renew its TQS1 certification as required | Achieve renewal |
| Employee development and satisfaction | Undertake staff satisfaction survey two-yearly. | Carry out staff satisfaction survey in 2025, 2027, 2029 and 2031 |
| Financial Performance | Achieving budget revenue and expenditure | Operate within budgets |
| | To grow revenue from competitively procured work | Target 45% of gross revenue |
| | Maintain a ratio of 45% of shareholders' funds to total assets | Achieve 45% |
| Environmental | Undertake to receive no enforcement notices | Nil enforcement notices received |
| | Business environmental footprint | Establish KPIs and improve on 2024 baseline |
| Community | Support activities involved with the social and environmental development in the community | Support a minimum of 25 community activities per annum |

Buller Recreation Limited

| Objective | Performance Measure | Performance measures 2021-2023 | Performance measures 2024-2031 |
|---------------------------|---|---|--|
| Financial | Achieving budget revenue and expenditure | Operate within budgets | Operate within budgets |
| | Maintain a ratio of 45% of shareholders' funds to total assets | Achieve 60% | Achieve 45% |
| Fitness membership | Maintain an average of 700 members over a 12-month period | Maintain an average of 700 members | Maintain an average of 700 members |
| | Average retention rate of >75% over 12-month period | Maintain membership over >75% | Maintain membership over >75% |
| Aquatic Centre | Maintain an average visits of >4,000 per month over 12 months | 2022 - 4,080 visits 2023 - 4,100 visits 2024 - 4,120 visits | >4,000 visits per annum |
| | Achieve more than 140 swimming students, over four terms | 2022 - 140 students 2023 - 150 students 2024 - 150 students | >150 students, over four terms |
| Health and safety | Medical treatment injury | Nil treated injuries | Nil treated injuries |
| | Serious harm accidents | Nil serious harm incidents | Nil serious harm incidents |
| | LTI target | Nil lost time incidents | Nil lost time incidents |
| | Undertake a staff satisfaction survey 2-yearly | Conduct staff survey during 2024 | Conduct staff survey during 2026; 2028; 2030 |
| | Undertake a client satisfaction survey every second year | Conduct client satisfaction survey during 2023 | Conduct client satisfaction survey during 2025; 2027; 2029; 2031 |
| Asset management | Complete a review of the Asset Management Plan (AMP) annually | Complete an annual review of the AMP | Complete an annual review of the AMP |
| | Complete maintenance and replacement in accordance with the AMP (monitor monthly) | Complete planned maintenance and replacement program | Complete planned maintenance and replacement program |
| Environmental | Business Environmental Footprint | | Establish KPIs and improve on 2024 baseline |

Other Council Controlled Organisations

Buller Health Trust

Nature and scope of activities to be provided

The Buller Health Trust (BHT) is a charitable trust incorporated under the Charitable Trusts Act 1957. The strategic direction of the Trust is guided by the vision, values and strategic objectives set out in the trust deed.

BHT will assist in preserving public health and wellbeing in the Buller District. The Trustees comprise of the Mayor and Chief Executive Officer of the Buller District Council.

BHT is the owner and operator of the Westport Dental Clinic and Coast Medical, it purchased both clinics from the previous owners in order to ensure dental and health services were provided in Westport.

Significant policies and objectives

- The Mayor and Chief Executive Officer are appointed as Trustees.
- The objective of the trust is to support the provision of medical services in the Buller District.
- The Buller District Council provides funding to the Trust by way of loans.

Key performance targets

- To support the provision of appropriate medical services to the Buller community.
- To operate on a break-even basis.

Significant variances

Annual Plan vs Long Term Plan

- There are no significant variances compared to the Long-Term Plan.

Denniston Heritage Trust

Nature and scope of activities to be provided

The Denniston Heritage Charitable Trust was established in July 2007. The purpose of the trust is the preservation, enhancement and interpretation of Denniston's natural, social, industrial and geological history. The Trust's current activities include maintaining historical installations at Denniston to allow visitors to experience the richness of the historic and natural heritage, supported by facilities and information and interpretation panels at Denniston.

Significant policies and objectives

- The board of the Denniston Heritage Trust comprises of at least seven trustees, of which one is appointed by the Buller District Council.
- The objective of the trust is to maintain the historical features of Denniston and to encourage visitors, while at the same time managing unwanted visitor impacts on the local community, natural environment and heritage site.
- The Buller District Council does not provide funding to the trust.

Key performance targets

- To meet the objectives of the Trust as well as assist in coordinating developments associated with the Denniston experience mine tours.
- To promote Denniston as a premium visitor location rich in natural and historic heritage.

Significant variances**Annual Plan vs Long Term Plan**

- There are no significant variances compared to the Long-Term Plan.

Buller Resilience Trust**Nature and scope of activities to be provided**

The Buller Resilience Trust was established in 2021. The purpose of the trust is to encourage, promote and support the development of resilience among people and communities within Buller District, working with mining companies, their local employees and contractors, and people and communities in Buller District to enable a transition from mining for fossil fuels to other economic activities in Buller District.

Significant policies and objectives

- The trust is governed by a Board of Trustees and has no fewer than four trustees, no more than five, of which one is appointed by the Buller District Council.
- The objective of the trust is to support a transition from mining to other economic activities in the district.

Significant variances**Annual Plan vs Long Term Plan**

- The trust was not referenced in the Long-Term Plan.

FINANCIAL INFORMATION

| Forecast Statement of Comprehensive Revenue and Expenses | | Annual Plan | Long Term Plan | Annual Plan |
|--|-----------|--------------------|-----------------------|--------------------|
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Operating revenue | Notes: | | | |
| General rates and rate penalties | 1 | 11,418 | 11,405 | 12,792 |
| Targeted rates and metered water charges | 2 | 7,722 | 7,797 | 8,999 |
| Development and reserve financial contributions | | 55 | 55 | 256 |
| Subsidies and grants | 3 | 25,522 | 8,017 | 10,374 |
| Fees and charges | 4 | 1,594 | 1,409 | 1,825 |
| Investment income | 5 | 2,008 | 1,435 | 2,158 |
| Other Revenue | 6 | 5,908 | 4,423 | 4,893 |
| Gains | 7 | 222 | 153 | 282 |
| Total operating revenue | | 54,449 | 34,694 | 41,579 |
| Operating Expenditure | | | | |
| Employee benefit expenses | | 8,263 | 7,070 | 9,079 |
| Depreciation and amortisation | 8 | 8,733 | 7,537 | 8,953 |
| Finance costs | 9 | 1,991 | 815 | 2,082 |
| Other expenses | | 16,689 | 16,280 | 19,025 |
| Writeoff of assets | | 476 | 519 | 665 |
| Total operating expenses | 10 | 36,152 | 32,221 | 39,804 |
| Net surplus (deficit) before taxation | | 18,297 | 2,473 | 1,775 |
| Income tax expense | | 0 | 0 | 0 |
| Net surplus (deficit) after taxation | | 18,297 | 2,473 | 1,775 |
| Comprehensive revenue and expenses | | | | |
| Increase in infrastructure revaluation reserve | | 0 | 31,327 | 0 |
| Total comprehensive revenue and expenses | | 18,297 | 33,800 | 1,775 |
| Forecast Movements in Equity | | Annual Plan | Long Term Plan | Annual Plan |
| | | 2023-2024 | 2024-2025 | 2024-2025 |
| | | \$000 | \$000 | \$000 |
| Equity as at 1 July | | 507,791 | 419,505 | 474,068 |
| Total comprehensive revenue and expenses | | 18,297 | 33,800 | 1,775 |
| Total equity at end of year | | 526,088 | 453,305 | 475,843 |
| Components of equity | | | | |
| Accumulated funds | | 256,411 | 188,760 | 207,516 |
| Reserves | | 4,185 | 3,814 | 3,823 |
| Asset revaluation reserve | | 265,492 | 260,731 | 264,504 |
| Total equity at end of year | | 526,088 | 453,305 | 475,843 |

| Forecast Statement of Financial Position | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------|----------------|----------------|
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Current assets | | | |
| Cash and cash equivalents | 808 | 1,092 | 1,996 |
| Trade and other receivables | 9,934 | 6,311 | 6,148 |
| Inventories | 16 | 20 | 12 |
| Other current assets | 259 | 186 | 626 |
| Short term investments | 12,323 | 13,713 | 8,386 |
| Assets Held for Sale | 5 | 0 | 5 |
| Total current assets | 23,345 | 21,322 | 17,173 |
| Non current assets | | | |
| Investment in council controlled organisations | 19,894 | 21,366 | 20,042 |
| Other investments | 719 | 0 | 758 |
| Investment property | 11,302 | 8,226 | 12,027 |
| Infrastructural assets | 467,533 | 415,367 | 441,339 |
| Other non current assets | 57,413 | 35,996 | 37,870 |
| Derivative financial instruments | 1,497 | 0 | 1,427 |
| Deferred Tax | 0 | 0 | 615 |
| Intangible assets | 390 | 263 | 284 |
| Total non current assets | 558,748 | 481,218 | 514,362 |
| Total assets | 582,093 | 502,540 | 531,535 |

| | | | |
|---------------------------------------|----------------|----------------|----------------|
| Current liabilities | | | |
| Trade and other payables | 11,200 | 6,385 | 7,125 |
| Derivative financial instruments | 0 | 552 | 0 |
| Employee entitlements | 998 | 718 | 1,044 |
| Provisions | 37 | 44 | 57 |
| Current portion of borrowings | 130 | 390 | 441 |
| Total current liabilities | 12,365 | 8,089 | 8,667 |
| Non current liabilities | | | |
| Derivative financial instruments | 0 | 2,404 | 0 |
| Provisions | 1,716 | 1,366 | 1,733 |
| Bond deposits | 208 | 88 | 208 |
| Employee entitlements | 161 | 161 | 147 |
| Borrowings | 41,555 | 37,130 | 44,937 |
| Total non current liabilities | 43,640 | 41,149 | 47,025 |
| Equity | | | |
| Accumulated funds | 256,411 | 188,760 | 207,516 |
| Reserves | 4,185 | 3,814 | 3,823 |
| Asset revaluation reserve | 265,492 | 260,731 | 264,504 |
| Total equity | 526,088 | 453,305 | 475,843 |
| Total equity & liabilities | 582,093 | 502,543 | 531,535 |

| Forecast Statement of Cashflows | Annual Plan | Long Term Plan | Annual Plan |
|--|-----------------|-----------------|-----------------|
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Cashflows from operating activities: | | | |
| Cash will be provided from: | | | |
| Rates | 18,999 | 18,986 | 21,554 |
| Other income | 25,932 | 14,066 | 20,144 |
| Interest received | 708 | 135 | 858 |
| Dividend income and subvention payments received | 1,300 | 1,300 | 1,300 |
| | 46,939 | 34,487 | 43,856 |
| Cash will be applied to: | | | |
| Payments to suppliers and employees | 21,439 | 23,373 | 26,940 |
| Interest paid | 2,003 | 815 | 2,086 |
| | 23,442 | 24,188 | 29,026 |
| Net cash from operating activities | | 10,299 | 14,830 |
| Cashflows from investing activities: | | | |
| Cash will be provided from: | | | |
| Investments realised | 13,103 | 14,613 | 12,396 |
| Sale of fixed assets | 0 | 0 | 0 |
| Sale of investment property | 562 | 264 | 290 |
| | 13,665 | 14,877 | 12,686 |
| Cash will be applied to: | | | |
| Purchase of fixed assets | 27,601 | 12,378 | 21,105 |
| Purchase of equity investments | 355 | 123 | 148 |
| Purchase of investments | 12,323 | 13,713 | 8,386 |
| | 40,279 | 26,214 | 29,639 |
| Net cash from investing activities | (26,614) | (11,337) | (16,953) |
| Cashflows from financing activities: | | | |
| Cash will be provided from: | | | |
| Loans raised | 2,280 | 1,360 | 3,862 |
| | 2,280 | 1,360 | 3,862 |
| Cash will be applied to: | | | |
| Repayment of loans | 0 | 328 | 283 |
| | 0 | 328 | 283 |
| Net cash from financing activities | 2,280 | 1,032 | 3,579 |
| Net increase (decrease) in cash | (837) | (6) | 1,456 |
| Opening cash as at 1 July | 1,645 | 1,098 | 540 |
| Closing cash as at 30 June | 808 | 1,092 | 1,996 |

Reconciliation of Net Surplus After Tax to Cashflows from Operating Activities

| | Annual Plan | Long Term Plan | Annual Plan |
|--|----------------|----------------|---------------|
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Surplus/(deficit) before tax | 18,297 | 2,473 | 1,775 |
| Add/(less) non-cash items: | | | |
| Depreciation and amortisation expense | 8,733 | 7,537 | 8,953 |
| Asset writeoffs | 476 | 519 | 665 |
| Movement in provisions | (48) | (34) | (60) |
| Vested assets | 0 | (53) | 0 |
| | 9,161 | 7,969 | 9,558 |
| Add/(less) items as investing activities: | | | |
| (Gains)/losses in fair value of investment property | (222) | (153) | (282) |
| | (222) | (153) | (282) |
| Add/(less) movements in working capitals items: | | | |
| Movement in receivables | (7,288) | (201) | 2,557 |
| Inventories | 0 | (1) | 0 |
| Movement in operating payables | 3,485 | 191 | 1,145 |
| Employee benefits | 64 | 21 | 75 |
| | (3,739) | 10 | 3,777 |
| | | | |
| Net cash inflow/(outflow) from operating activities | 23,497 | 10,299 | 14,828 |

Notes to the Forecast Financial Statements

| Note 1: REQUIRED FROM GENERAL RATE | Annual Plan | Long Term Plan | Annual Plan |
|--|---------------------|----------------|----------------|
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| | Regulatory services | 1,927 | 1,635 |
| Roading and transport | 2,155 | 2,336 | 2,752 |
| Stormwater | 864 | 1,020 | 961 |
| Solid waste | 653 | 610 | 584 |
| Infrastructure delivery | 0 | (46) | 0 |
| Community services | 4,126 | 3,631 | 4,504 |
| Governance and representation | 2,139 | 1,798 | 2,317 |
| Customer and support services | 242 | 221 | 330 |
| Community facilities | 1,792 | 1,756 | 2,007 |
| Commercial infrastructure | 159 | 127 | 193 |
| | 14,057 | 13,088 | 15,533 |
| LESS | | | |
| Investment income | (1,238) | (383) | (1,259) |
| Other income - dividends | (1,300) | (1,300) | (1,300) |
| Leasehold property revenues | - | - | (182) |
| Asset sales | (100) | - | - |
| | (2,638) | (1,683) | (2,741) |
| | | | |
| Total general rates requirement | 11,419 | 11,405 | 12,792 |

Note 2: TARGETED RATES AND METERED WATER CHARGES

| | Annual Plan | Long Term Plan | Annual Plan |
|-----------------------------|--------------|----------------|--------------|
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Water supplies | 3,672 | 3,904 | 4,685 |
| Metered Water Charges | 235 | 241 | 194 |
| Wastewater/sewerage | 2,919 | 2,848 | 3,122 |
| Solid waste | 896 | 804 | 999 |
| Total targeted rates | 7,722 | 7,797 | 9,000 |

| Note 3: SUBSIDIES AND GRANTS | | | |
|-------------------------------------|---------------|----------------|---------------|
| | Annual Plan | Long Term Plan | Annual Plan |
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Roading and transport | 18,108 | 5,726 | 10,071 |
| Water supplies | 1,585 | 2,214 | 0 |
| Wastewater/sewerage | 2,488 | 0 | 0 |
| Stormwater | 1,400 | 0 | 0 |
| Solid waste | 922 | 46 | 130 |
| Infrastructure Delivery | 0 | 0 | 0 |
| Community services | 31 | 31 | 31 |
| Customer and support services | 133 | 0 | 142 |
| Community facilities | 855 | 0 | 0 |
| Commercial infrastructure | 0 | 0 | 0 |
| Total subsidies and grants | 25,522 | 8,017 | 10,374 |
| Note 4: FEES AND CHARGES | | | |
| | Annual Plan | Long Term Plan | Annual Plan |
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Regulatory services | 1,204 | 970 | 1,333 |
| Roading and transport | 0 | 0 | 0 |
| Water supplies | 0 | 0 | 0 |
| Wastewater/sewerage | 26 | 25 | 59 |
| Stormwater | 0 | 0 | 0 |
| Solid waste | 43 | 36 | 46 |
| Infrastructure delivery | 0 | 0 | 0 |
| Community services | 5 | 5 | 0 |
| Governance and representation | 0 | 0 | 0 |
| Customer and support services | 8 | 2 | 8 |
| Community facilities | 123 | 130 | 60 |
| Commercial infrastructure | 185 | 241 | 319 |
| Total fees and charges | 1,594 | 1,409 | 1,825 |

| Note 5: INVESTMENT INCOME | | | |
|-----------------------------------|--------------|----------------|--------------|
| | Annual Plan | Long Term Plan | Annual Plan |
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Dividends and Subvention payments | 1,300 | 1,300 | 1,300 |
| Interest income | 708 | 135 | 858 |
| Total investment income | 2,008 | 1,435 | 2,158 |
| Note 6: OTHER REVENUE | | | |
| | Annual Plan | Long Term Plan | Annual Plan |
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Regulatory services | 3 | 2 | 2 |
| Roading and transport | 135 | 171 | 120 |
| Water supplies | 0 | 0 | 0 |
| Wastewater/sewerage | 5 | 5 | 0 |
| Stormwater | 5 | 5 | 5 |
| Solid waste | 113 | 69 | 66 |
| Infrastructure delivery | 0 | 0 | 0 |
| Community services | 336 | 277 | 338 |
| Governance and representation | 0 | 0 | 0 |
| Customer and support services | 77 | 77 | 69 |
| Community facilities | 1,460 | 881 | 1,392 |
| Commercial infrastructure | 3,774 | 2,880 | 2,901 |
| Vested assets | 0 | 53 | 0 |
| Total other revenue | 5,908 | 4,420 | 4,893 |

| Note 7: GAINS | | | |
|------------------------------------|--------------|----------------|--------------|
| | Annual Plan | Long Term Plan | Annual Plan |
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Profit on Sale of Assets | - | - | - |
| Revaluation of Investment Property | 222 | 153 | 282 |
| Total gains | 222 | 153 | 282 |
| Note 8: DEPRECIATION | | | |
| | Annual Plan | Long Term Plan | Annual Plan |
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Regulatory services | 54 | 43 | 75 |
| Roading and transport | 4,403 | 3,618 | 4,621 |
| Water supplies | 1,262 | 1,000 | 1,234 |
| Wastewater/sewerage | 1,034 | 961 | 1,053 |
| Stormwater | 372 | 323 | 368 |
| Solid waste | 119 | 97 | 117 |
| Infrastructure delivery | 18 | 20 | 22 |
| Community services | 279 | 274 | 247 |
| Governance and representation | 0 | 0 | 0 |
| Customer and support services | 299 | 319 | 270 |
| Community facilities | 677 | 647 | 629 |
| Commercial infrastructure | 216 | 234 | 319 |
| Total depreciation | 8,733 | 7,536 | 8,955 |

| Note 9: FINANCE COSTS | | | |
|---|--------------|----------------|--------------|
| | Annual Plan | Long Term Plan | Annual Plan |
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| External loan interest | 1,983 | 1,028 | 2,066 |
| Bank fees | 20 | (210) | 20 |
| Landfill closure provision discount unwinding | (12) | | (4) |
| Total finance costs | 1,991 | 818 | 2,082 |

Note 10: OPERATING EXPENDITURE AS PER ACTIVITY

| | Annual Plan | Long Term Plan | Annual Plan |
|--------------------------------------|---------------|----------------|---------------|
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Regulatory services | 3,131 | 2,607 | 3,220 |
| Roading and transport | 8,612 | 8,449 | 10,352 |
| Water supplies | 4,944 | 3,452 | 5,205 |
| Wastewater/sewerage | 3,203 | 2,912 | 3,181 |
| Stormwater | 872 | 792 | 965 |
| Solid waste | 1,812 | 1,558 | 1,836 |
| Infrastructure delivery | 1,871 | 1,088 | 2,182 |
| Community services | 4,411 | 3,890 | 4,786 |
| Governance and representation | 2,139 | 1,798 | 2,317 |
| Customer and support services | 7,866 | 6,672 | 8,588 |
| Community facilities | 3,794 | 3,419 | 4,248 |
| Commercial infrastructure | 3,238 | 3,407 | 3,422 |
| | 45,893 | 40,044 | 50,302 |
| PLUS writeoff of assets | 476 | 519 | 665 |
| LESS internal interest | (529) | (249) | (401) |
| LESS internal recoveries | (9,762) | (8,095) | (10,763) |
| Total operating expenditure | 36,078 | 32,219 | 39,803 |
| Note 10a: INTERNAL RECOVERIES | | | |
| | Annual Plan | Long Term Plan | Annual Plan |
| | 2023-2024 | 2024-2025 | 2024-2025 |
| | \$000 | \$000 | \$000 |
| Infrastructure delivery | 1,871 | 1,134 | 2,182 |
| Customer and support services | 7,406 | 6,366 | 7,958 |
| Community facilities | 485 | 595 | 624 |
| Total internal recoveries | 9,762 | 8,095 | 10,764 |

Forecast Funding Impact Statement for Buller District Council

| | Annual Plan 2023-2024 \$000 | Long Term Plan 2024-2025 \$000 | Annual Plan 2024-2025 \$000 |
|--|-----------------------------------|--------------------------------------|-----------------------------------|
| Sources of Operating Funding | | | |
| General rates, uniform annual general charge, rates penalties | 11,418 | 11,405 | 12,792 |
| Targeted rates | 7,722 | 7,582 | 8,999 |
| Subsidies and grants for operating purposes | 2,966 | 3,191 | 4,089 |
| Fees and charges | 1,594 | 1,409 | 1,709 |
| Interest and dividends from investments | 2,008 | 1,435 | 2,158 |
| Local authorities fuel tax, fines, infringements fees and other receipts | 5,908 | 4,585 | 5,009 |
| Total operating funding | A | 31,616 | 29,607 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | | 24,529 | 22,979 |
| Finance costs | | 1,990 | 815 |
| Other operating funding applications | | 422 | 370 |
| Total applications of operating funding | B | 26,941 | 24,164 |
| Surplus/ (deficit) of operating funding | A-B | 4,675 | 5,443 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | | 22,555 | 4,825 |
| Development and financial contributions | | 55 | 55 |
| Increase/(decrease) in debt | | 2,280 | 1,033 |
| Gross proceeds from sale of assets | | 562 | 264 |
| Lump sum contributions | | 0 | 0 |
| Other dedicated capital funding | | 0 | 0 |
| Total sources of capital funding | C | 25,452 | 6,177 |
| Application of Capital expenditure | | | |
| - to meet additional demand | | 6,914 | 0 |
| - to improve the level of service | | 5,976 | 5,402 |
| - to replace existing assets | | 18,812 | 6,976 |
| Increase/ (decrease) in reserves | | (1,150) | (881) |
| Increase/ (decrease) in investments | | (425) | 123 |
| Total applications of capital funding | D | 30,127 | 11,620 |
| Surplus/ (deficit) of capital funding | C-D | (4,675) | (5,443) |
| Funding balance | ((A-B)+(C-D)) | 0 | 0 |

Forecast Statement of Reserve Funds

| Reserve | Activity that the Reserve relates to: | Purpose of Reserve | Projected Opening Balance | Transfer to Reserves | Transfer from Reserves | Balance 2024/2025 |
|---|---------------------------------------|---|---------------------------|----------------------|------------------------|-------------------|
| | | | \$000 | \$000 | \$000 | \$000 |
| Amenities Reserve | various not specified | Proceeds from general ratepayer to fund various infrastructure where there was no government subsidy available | 365 | 0 | 0 | 365 |
| Community Development - Other | various not specified | Funds from depreciation used for the upgrade and construction of replacement Council assets | 3,037 | 8,888 | 9,380 | 2,545 |
| Reserve Contributions | Regulatory | Proceeds from subdivision for public reserve upgrades | 732 | 256 | 230 | 758 |
| Isdell Trust | Community Facilities | Funds bequested for the purpose of providing assistance towards relief of poverty, improvement of public reserves, parks and Crown Land, the erection of public or school gymnasiums, all educational purposes and recreations pursuits of benefit to society in promotion of public welfare. | 0 | 0 | 0 | 0 |
| Mayor's Relief Fund | Democracy | Funds for providing grants for relief at the discretion of the Mayor | 16 | 0 | 0 | 16 |
| Boiler Replacement Fund | Community Facilities | Funds set aside to go toward replacement of boiler at Brougham Street offices | 0 | 0 | 0 | 0 |
| Development Contributions | Regulatory | Proceeds from commercial and industrial development to provide for social and recreation need of the area | 118 | 0 | 0 | 118 |
| Sale of Gifted Property | various not specified | Funds set aside from the sale of property gifted to Council | 11 | 0 | 0 | 11 |
| Infrastructure Contributions | Regulatory | Funds set aside for upgrading infrastructure where appropriate | 10 | 0 | 0 | 10 |
| | | Total Reserves Only | 4,289 | 9,144 | 9,610 | 3,823 |
| Karamea Solid Waste | Solid Waste | Separates all funding and expenditure and surpluses or deficits for each solid waste activity | (20) | 151 | 147 | (16) |
| Maruia Solid Waste | Solid Waste | Separates all funding and expenditure and surpluses or deficits for each solid waste activity | (44) | 41 | 41 | (44) |
| Contracted Refuse/ Recycling Operations | Solid Waste | Separates all funding and expenditure and surpluses or deficits for each solid waste activity | (102) | 952 | 952 | (102) |
| Westport Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | (1,277) | 8,130 | 8,130 | (1,277) |
| Reefton Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | (446) | 1,106 | 1,106 | (446) |
| Little Wanganui Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | (3) | 90 | 98 | (11) |
| Mokihinui Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | (19) | 124 | 144 | (39) |

| Reserve | Activity that the Reserve relates to: | Purpose of Reserve | Projected Opening Balance | Transfer to Reserves | Transfer from Reserves | Balance 2024/2025 |
|---|---------------------------------------|---|---------------------------|----------------------|------------------------|-------------------|
| | | | \$000 | \$000 | \$000 | \$000 |
| Ngakawau Hector Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | 485 | 54 | 34 | 505 |
| Waimangaro a Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | (299) | 268 | 374 | (405) |
| Cape Foulwind Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | 380 | 74 | 119 | 335 |
| Punakaiki Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | (267) | 588 | 701 | (380) |
| Inangahua Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | (288) | 260 | 280 | (308) |
| South Granity Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | 25 | 6 | 1 | 30 |
| Karamea Water | Water | Separates all funding and expenditure and surpluses or deficits for each water scheme | 0 | 0 | 0 | 0 |
| Westport Sewerage | Wastewater / Sewerage | Separates all funding and expenditure and surpluses or deficits for each sewerage scheme | (552) | 5,961 | 5,961 | (552) |
| Reefton Sewerage | Wastewater / Sewerage | Separates all funding and expenditure and surpluses or deficits for each sewerage scheme | 349 | 796 | 796 | 349 |
| Little Wanganui Sewerage | Wastewater / Sewerage | Separates all funding and expenditure and surpluses or deficits for each sewerage scheme | 4 | 145 | 146 | 3 |
| Punakaiki Camp | Community Facilities | Separates all funding and expenditure and surpluses or deficits for the Punakaiki Camp Activity | (345) | 44 | 49 | (350) |
| Community Housing | Community Facilities | Separates all funding and expenditure and surpluses or deficits for Pensioner Housing | (45) | 278 | 442 | (209) |
| Dog Control | Regulatory | Separates all funding and expenditure and surpluses or deficits for the dog control activity | (306) | 333 | 333 | (306) |
| Westport Harbour | Commercial Infrastructure | Separates all funding and expenditure and surpluses or deficits for the Westport harbour and Kawatiri dredge activities | (1,207) | 3,917 | 3,781 | (1,071) |
| | | Total Separate Balances Only | (3,977) | 23,318 | 23,635 | (4,294) |
| Total Reserves and Separate Balances | | | 312 | 32,462 | 33,245 | (471) |

Please note:

Reserves and separate balances are not disclosed separately within the financial statements. The Reserves total in this note reconciles to the reserve component of equity in the financial statements. The separate balances total in this note is not included in reserves within equity but is included within the accumulated funds component of equity in the financial statements.

Forecast Funding Impact Statement

1. GENERAL RATES

General rates includes both the general (differential) rate and a uniform annual general charge.

General rates are used to fund or part fund Democracy, Economic Development, Community Services, Regulatory Services, Property, Roading, Solid Waste Management, Stormwater, Support Services and Airport activities.

1.1 General (Differential) Land Rate

The general rate is set and assessed on the land value of all rateable land in the district, on a differential basis based on location, area, land use, and the activities that are permitted, controlled or discretionary for the area in which the land is situated as per the District Plan.

The definition of the differential categories is set out in this Funding Impact Statement, under Part 5.

General Rates (inclusive of GST).

Table 1 – Differentials

| General Rate differential categories | Percentage of General Rate | General Rate (cents per \$ land value) | Collect |
|--------------------------------------|----------------------------|--|-------------|
| Residential 101 | 0.979% | 0.24173 | \$104,837 |
| Residential 102 | 0.168% | 0.27356 | \$18,033 |
| Residential 103 | 0.662% | 0.32728 | \$70,964 |
| Residential 104 | 0.830% | 0.30872 | \$88,911 |
| Residential 105 | 0.364% | 0.28838 | \$39,015 |
| Residential 106 | 19.185% | 1.00250 | \$2,055,072 |
| Residential 107 | 1.448% | 0.91804 | \$155,093 |
| Residential 108 | 1.152% | 0.60299 | \$123,426 |
| Residential 109 | 0.631% | 0.57301 | \$67,547 |
| Residential 110 | 0.680% | 0.46632 | \$73,374 |
| Residential 111 | 0.218% | 0.22520 | \$23,335 |
| Residential 112 | 0.546% | 0.41336 | \$58,511 |
| Residential 113 | 0.400% | 0.42084 | \$42,802 |
| Residential 114 | 1.025% | 0.52245 | \$109,752 |
| Residential 115 | 2.614% | 0.44312 | \$280,057 |
| Multi Residential 121 | 0.030% | 0.72654 | \$3,197 |
| Multi Residential 122 | 0.008% | 0.50608 | \$860 |
| Multi Residential 123 | 1.807% | 2.02111 | \$193,541 |
| Multi Residential 124 | 0.116% | 2.09094 | \$12,441 |
| Multi Residential 125 | 0.349% | 1.21381 | \$37,373 |
| Multi Residential 126 | 0.147% | 1.02017 | \$15,711 |
| Commercial 131 | 0.906% | 1.59233 | \$84,803 |

| | | | |
|-------------------------|----------------|----------|---------------------|
| Commercial 132 | 0.203% | 0.98399 | \$19,115 |
| Commercial 133 | 1.758% | 3.44626 | \$144,803 |
| Commercial 134 | 10.488% | 4.43243 | \$1,100,457 |
| Commercial 135 | 0.127% | 2.41079 | \$13,645 |
| Commercial 136 | 0.299% | 0.97005 | \$19,673 |
| Commercial 138 | 0.019% | 0.17423 | \$2,058 |
| Commercial 139 | 1.257% | 1.05358 | \$134,595 |
| Commercial 140 | 0.970% | 1.25102 | \$96,672 |
| Rural 141 | 18.565% | 0.42171 | \$1,996,931 |
| Rural 142 | 1.233% | 0.37062 | \$132,102 |
| Rural 143 | 3.774% | 0.30143 | \$407,021 |
| Rural Residential 151 | 4.606% | 0.38057 | \$493,357 |
| Rural Residential 152 | 3.208% | 0.36493 | \$343,616 |
| Rural Small Holding 161 | 1.510% | 0.24932 | \$161,441 |
| Rural Small Holding 162 | 0.112% | 0.21116 | \$12,040 |
| Rural Small Holding 163 | 0.203% | 0.20837 | \$21,712 |
| Rural Small Holding 164 | 0.063% | 0.10795 | \$6,797 |
| Industrial 172 | 9.938% | 10.65395 | \$1,064,490 |
| Industrial 173 | 6.871% | 2.56488 | \$736,061 |
| Industrial 174 | 0.531% | 3.88890 | \$56,856 |
| | 100.00% | | \$10,622,099 |

1.2 Uniform Annual General Charge (UAGC)

The Council will set and assess a uniform annual general charge (UAGC) as a fixed amount per rating unit.

The Uniform Annual General Charge will be \$580.00 (inclusive of GST) per rating unit.

Expected Yield (Collect)

The expected collect from the general (differential) rate is calculated to be \$10,622,099 (including GST), and the expected collect from the uniform annual general charge is calculated to be \$3,915,870 (including GST), a total of \$14,537,969.

2. WATER

Targeted water supply charges and rates are set for each connection within a rating unit, or any rating unit able to be connected within certain scheme areas.

A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is connected to the water supply in any scheme area, whether the connection is from the main supply line, or from any other line that is connected to the main supply. The fixed targeted charge is also applied in some scheme areas based on the availability of the service, being rating units which are not connected but are able to be connected ('serviceable'). A rating unit is regarded as serviceable if the rating unit lies within 50 metres of the water reticulation system.

For the Westport, Reefton, Mokihinui, Ngakawau/Hector, and Waimangaroa water supplies, only connected properties are rated (there is no set rate or charge for serviceable properties).

*For the Grantly South community water supply, a contribution from the connected properties for the ongoing upkeep of the supply is made and the charge will appear on the rates assessment but is not a "rate" in terms of the Rating Act. The detail of this charge is set out in the Buller District Council Fees and Charges.

Refer to the definition of the differential categories set out in Part 5 of this Funding Impact Statement.

Table 2 – Unit rates

| Water Supply Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|--|--|---------------------|-------------------------------|
| Westport - Multi-residential only | | | |
| | 1-2 | 1.0 | \$1,401.00 |
| | 3 | 1.7 | \$2,381.70 |
| | 4 | 2.3 | \$3,222.30 |
| | 5 | 2.8 | \$3,922.80 |
| | 6 | 3.2 | \$4,483.20 |
| | 7 | 3.6 | \$5,043.60 |
| | 8 | 4.0 | \$5,604.00 |
| | 9 | 4.4 | \$6,164.40 |
| | 10 | 4.8 | \$6,724.80 |
| | 11 | 5.2 | \$7,285.20 |
| | 12 | 5.6 | \$7,845.60 |
| Westport - all other rating sectors | | | |
| | 1 | 1.0 | \$1,401.00 |
| | 2 | 1.7 | \$2,381.70 |
| | 3 | 2.3 | \$3,222.30 |

| Water Supply Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|---|--|---------------------|-------------------------------|
| | 4 | 2.8 | \$3,922.80 |
| | 5 | 3.2 | \$4,483.20 |
| | 6 | 3.6 | \$5,043.60 |
| | 7 | 4.0 | \$5,604.00 |
| | 8 | 4.4 | \$6,164.40 |
| | 9 | 4.8 | \$6,724.80 |
| | 10 | 5.2 | \$7,285.20 |
| | 11 | 5.6 | \$7,845.60 |
| | 12 | 6.0 | \$8,406.00 |
| Reefton - Multi-residential only | | | |
| | 1-2 | 1.0 | \$1,350.00 |
| | 3 | 1.7 | \$2,295.00 |
| | 4 | 2.3 | \$3,105.00 |
| | 5 | 2.8 | \$3,780.00 |
| | 6 | 3.2 | \$4,320.00 |
| | 7 | 3.6 | \$4,860.00 |
| | 8 | 4.0 | \$5,400.00 |
| | 9 | 4.4 | \$5,940.00 |
| | 10 | 4.8 | \$6,480.00 |
| | 11 | 5.2 | \$7,020.00 |
| | 12 | 5.6 | \$7,560.00 |
| Reefton - all other rating sectors | | | |
| | 1 | 1.0 | \$1,350.00 |
| | 2 | 1.7 | \$2,295.00 |
| | 3 | 2.3 | \$3,105.00 |
| | 4 | 2.8 | \$3,780.00 |
| | 5 | 3.2 | \$4,320.00 |
| | 6 | 3.6 | \$4,860.00 |
| | 7 | 4.0 | \$5,400.00 |
| | 8 | 4.4 | \$5,940.00 |
| | 9 | 4.8 | \$6,480.00 |
| | 10 | 5.2 | \$7,020.00 |
| | 11 | 5.6 | \$7,560.00 |
| | 12 | 6.0 | \$8,100.00 |
| Reefton – Major users | | | |
| 1905006101 | 1+ | 2.0 | \$2,700.00 |
| 1905026900 | 1+ | 2.0 | \$2,700.00 |

| Water Supply Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|---------------------------|--|---------------------|-------------------------------|
| 1905044200 | 1+ | 2.0 | \$2,700.00 |
| 1905044800 | 1+ | 2.0 | \$2,700.00 |
| 1905050000 | 1+ | 2.0 | \$2,700.00 |
| 1905050400 | 1+ | 2.0 | \$2,700.00 |
| 1905051100 | 1+ | 2.0 | \$2,700.00 |
| 1905051400 | 1+ | 2.0 | \$2,700.00 |
| 1905047900 | 1+ | 4.0 | \$2,700.00 |
| 1905049300 | 1+ | 4.0 | \$2,700.00 |
| 1905050700 | 1+ | 4.0 | \$5,400.00 |
| 1905036800 | 1+ | 20.0 | \$27,000.00 |

| | | | |
|--|----|------|------------|
| Mokihinui | | | |
| Connected (excluding major users) | 1 | 1.0 | \$478.00 |
| Major users* | 1+ | 8.0 | \$3,824.00 |
| Ngakawau / Hector | | | |
| Connected (excluding major users) | 1 | 1.0 | \$357.00 |
| Ngakawau / Hector (major users) | | | |
| 1880002800 | 1+ | 3.0 | \$1,071.00 |
| 1880006100 | 1+ | 20.0 | \$7,140.00 |
| Waimangaroa | | | |
| Connected (excluding major users) | 1 | 1.0 | \$1,311.00 |
| Waimangaroa (major users) | | | |
| 1880034200 | 1+ | 2.0 | \$2,622.00 |
| 1883037500 | 1+ | 2.0 | \$2,622.00 |
| 1883039602 | 1+ | 2.0 | \$2,622.00 |
| 1883044300 | 1+ | 3.0 | \$3,933.00 |
| 1883002000 | 1+ | 5.0 | \$6,555.00 |
| Little Wanganui | | | |
| Connected (excluding major users) | 1 | 1.0 | \$381.00 |
| Serviceable | 1 | 0.5 | \$190.50 |
| Major users* | 1+ | 14.0 | \$5,334.00 |
| Inangahua Junction | | | |

| | | | |
|-----------------------------------|----------------------------|-----|------------|
| Connected (excluding major users) | 1 | 1.0 | \$1,194.00 |
| Serviceable | 1 | 0.5 | \$597.00 |
| Major users* | 1+ | 3.0 | \$3,582.00 |
| *Other Major Users | | | |
| | Valuation Reference | | |
| Mokihinui | 1879001700 | | |
| Inangahua Junction | 1901009300 | | |

2.1 Metered Water Supplies

2.1.1 Cape Foulwind Rural Water Supply

A targeted rate is set to fund the Cape Foulwind Rural Water Supply. Each farm connection is charged for consumption at a rate of \$0.63 (inclusive of GST) per cubic metre (m³).

2.1.2 Westport Metered Water Supply

The Council sets two rates for Westport Metered Water Supply. A targeted rate is set for each connection to the Westport water supply through a meter. The rate is set as a fixed amount for each connection at \$1,401.00 (inclusive of GST). Note that consumers on the metered supply may opt to pay for more targeted rates than the number of connections to a property and be charged accordingly, with the annual allowance also being calculated accordingly.

Each metered supply is then charged at a rate of \$3.60 (inclusive of GST) per cubic metre (m³) for consumption over the allowance of 400m³ for each targeted rate paid per annum.

2.1.3 Reefton Metered Water Supplies

Council is considering options to introduce metered water supply for extraordinary users. If introduced a charge of \$3.40 (inclusive of GST) per cubic metre (m³) for consumption over the allowance of 400 m³ for each targeted rate paid per annum will apply.

2.2 Punakaiki Water Supply

A targeted rate is set for each rating unit that is connected to the Punakaiki water supply.

The rate is set on a differential basis, based on use of the rating unit. The rate for differential factor 1.0 is \$1,431.00 per connection (including GST).

Table 2.2A - General description of differential categories and differential factor

| Differential category | Differential factor | Targeted Rate (GST inclusive) |
|--|---------------------|-------------------------------|
| (A) Section only | 0.5 | \$715.50 |
| (B) Single residential dwelling | 1.0 | \$1,431.00 |
| (C) Department of Conservation Depot | 1.0 | \$1,431.00 |
| (D) Two residential dwellings or one residential dwelling and a lodge on one rating unit | 2.0 | \$2, 862.00 |
| (E) Motel complex of more than 4 units | 2.0 | \$2,862.00 |
| (F) Hostel (backpackers) | 4.0 | \$5,724.00 |
| (G) Tavern, motel complex, and dwelling | 6.0 | \$8,586.00 |
| (H) Camping ground | 11.0 | \$15,741.00 |

Table 2.2B – Categorisation of each property

The following table lists the properties (by valuation reference) that fall within each of the above categories:

| Category | Valuation reference(s) |
|----------|--|
| A | 1886017702, 1886029000, 1886029001, 1886029007, 1886029013, 1886029015, 1886029019, 1886029024, 1886029027, 1886029029, 1886029030 |
| B | 1886016900, 1886016901, 1886017000, 1886017100, 1886017101, 1886017200, 1886017201, 1886017300, 1886017400, 1886017500, 1886017700, 1886017701, 1886017800, 1886017900, 1886018000, 1886018400, 1886018500, 1886018600, 1886018700, 1886018900, 1886019200, 1886019201, 1886019400, 1886019500, 1886019600, 1886019700, 1886019800, 1886019900, 1886028700, 1886028900, 1886029002, 1886029003, 1886029004, 1886029006, 1886029008, 1886029009, 1886029010, 1886029012, 1886029014, 1886029017, 1886029018, 1886029020, 1886029025, 1886029026, 1886029031, 1886029033, 1886029034, 1886029035, 1886029036, 1886031601, 1886031602, 1886031604, 1886031607, 1886031609, 1886031610, 1886031611, 1886031614, 1886031615 |
| C | 1886018001 |
| D | 1886029021, 1886029023, 1886029028, 1886031609 |

| Category | Valuation reference(s) |
|----------|------------------------|
| E | 1886019000, 1886018700 |
| F | 1886018100 |
| G | 1886031616 |
| H | 1886031200 |

Any future change to the use of any property within the Punakaiki water supply which results in a change to the use (as set out in Table 2.2A) will result in a change to the differential category the property is in, from the next rating year.

Council may require any user on the water supply to have a meter installed, if it deems it necessary to do so, in the interests of fairness within the supply area. If introduced a charge of \$3.60 (inclusive of GST) per cubic metre (m³) for consumption over the allowance of 400 m³ for each targeted rate paid per annum will apply.

Expected Yield (Collect)

The expected collect for each of the Water Supply areas (GST inclusive) is:

| Water Supply Area | Collect |
|-----------------------------|-------------|
| Little Wanganui Subdivision | \$24,270 |
| Mokihinui | \$22,466 |
| Ngakawau-Hector | \$62,475 |
| Waimangaroa | \$182,229 |
| Westport | \$4,003,077 |
| Reefton | \$911,250 |
| Punakaiki | \$137,376 |
| Inangahua Junction | \$37,611 |
| Cape Foulwind | \$85,514 |
| South Gracity | \$6,336 |

3. SEWAGE DISPOSAL

Targeted sewage disposal charges and rates are set for each connection within a rating unit, or any rating unit able to be connected within certain scheme areas, as follows.

The rates are set on the number of connections, with a differential applied for each rate based on the use of the rating unit.

A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is connected to the disposal line in any scheme area, whether the connection is to the main disposal line, or from any other line that is connected to the main disposal line.

A differential is also applied based on the availability of the service. The categories applied are rating units connected to the disposal system, and rating units within certain scheme areas which are not connected but are able to be connected ("serviceable"). A rating unit is regarded as serviceable if it is within 30 metres of the sewerage reticulation system.

For the Westport and Reefton, only connected properties are rated (there is no differential for serviceable properties) with the exception of those properties able to be connected to the Orowaiti sewerage upgrade to the Westport Scheme. Those properties (within that upgrade area) which are serviceable but not connected shall pay the full service charge(s) applicable to that scheme. Refer to the definition of the differential categories set out in Part 5 of this Funding Impact Statement

Table 3 – Unit rates

| Sewage Disposal Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|--|--|---------------------|-------------------------------|
| Westport - Multi-residential only | | | |
| | 1-2 | 1.0 | \$1,146.00 |
| | 3 | 1.7 | \$1,948.20 |
| | 4 | 2.3 | \$2,635.80 |
| | 5 | 2.8 | \$3,208.80 |
| | 6 | 3.2 | \$3,667.20 |
| | 7 | 3.6 | \$4,125.60 |
| | 8 | 4.0 | \$4,584.00 |
| | 9 | 4.4 | \$5,042.40 |
| | 10 | 4.8 | \$5,500.80 |
| | 11 | 5.2 | \$5,959.20 |
| | 12 | 5.6 | \$6,417.60 |
| Westport - all other rating sectors | | | |
| | 1 | 1.0 | \$1,146.00 |
| | 2 | 1.7 | \$1,948.20 |
| | 3 | 2.3 | \$2,635.80 |
| | 4 | 2.8 | \$3,208.80 |
| | 5 | 3.2 | \$3,667.20 |
| | 6 | 3.6 | \$4,125.60 |
| | 7 | 4.0 | \$4,584.00 |
| | 8 | 4.4 | \$5,042.40 |
| | 9 | 4.8 | \$5,500.80 |
| | 10 | 5.2 | \$5,959.20 |
| | 11 | 5.6 | \$6,417.60 |
| | 12 | 6.0 | \$6,876.00 |

| Sewage Disposal Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|---|--|---------------------|-------------------------------|
| Reefton - Multi-residential only | | | |
| | 1-2 | 1.0 | \$874.00 |
| | 3 | 1.7 | \$1,485.80 |
| | 4 | 2.3 | \$2,010.20 |
| | 5 | 2.8 | \$2,447.20 |
| | 6 | 3.2 | \$2,796.80 |
| | 7 | 3.6 | \$3,146.40 |
| | 8 | 4.0 | \$3,496.00 |
| | 9 | 4.4 | \$3,845.60 |
| | 10 | 4.8 | \$4,195.20 |
| | 11 | 5.2 | \$4,544.80 |
| | 12 | 5.6 | \$4,894.40 |
| Reefton - all other rating sectors | | | |
| | 1 | 1.0 | \$874.00 |
| | 2 | 1.7 | \$1,485.80 |
| | 3 | 2.3 | \$2,010.20 |
| | 4 | 2.8 | \$2,447.20 |
| | 5 | 3.2 | \$2,796.80 |
| | 6 | 3.6 | \$3,146.40 |
| | 7 | 4.0 | \$3,496.00 |
| | 8 | 4.4 | \$3,845.60 |
| | 9 | 4.8 | \$4,195.20 |
| | 10 | 5.2 | \$4,544.80 |
| | 11 | 5.6 | \$4,894.40 |
| | 12 | 6.0 | \$5,244.00 |
| Little Wanganui | | | |
| | 1 | 1.0 | \$950.00 |
| | 1 | 0.5 | \$475.00 |

The expected collects Expected Yield (Collect)

for each of the sewerage scheme areas (GST inclusive) is:

| Sewerage Scheme Area | Collect |
|-----------------------------|-------------|
| Little Wanganui Subdivision | \$58,615 |
| Westport | \$3,009,281 |
| Reefton | \$522,390 |

4. WASTE MANAGEMENT

For the purposes of the cost of providing waste management (refuse and recycling) throughout the district, three zones have been established, each having its own level of service.

The localities of these zones are:

| Zone | Locality |
|------|--|
| 1 | All of the district except north of the Mokihinui River and east of Blacks Point to which the collection service is provided |
| 2 | North of the Mokihinui River (Karamea) |
| 3 | East of Blacks Point (Maruia) |

Levels of service for each are:

| Zone | Locality |
|------|--|
| 1 | The provision of a collection service for bins and bags, plus the cost of the waste management disposal area(s) within the zone. |
| 2 | The cost of the waste management disposal area(s) within the zone. |
| 3 | The cost of the waste management disposal area(s) within the zone. |

4.1 Waste Management - Zone 1

The cost of providing recycling and refuse collection is recovered from those properties that are on the service collection route, in the form of a targeted annual waste management rate of a fixed amount per set of two bins (one wheelie bin and one basket) delivered to those properties within the Zone 1 area.

Any property that has been delivered more than one set of bins, shall be liable for the fixed amount for each set of bins delivered to the property.

The bins are used for the fortnightly recycling collection, while bags are available for purchase at various district outlets for the use of weekly refuse collection.

The annual targeted waste management rate for Zone 1 will be \$192.00 per set of two bins (including GST).

4.2 Waste Management - Zone 2

The cost of providing a waste management landfill activity within the Zone 2 area is recovered from those rating units within the area.

The annual targeted waste management rate for Zone 2 will be \$138.00 per rating unit (including GST).

4.3 Waste Management - Zone 3

The cost of providing a waste management landfill activity within the Zone 3 area is recovered from those rating units within the area.

The annual targeted waste management rate for Zone 3 will be \$363.00 per rating unit (including GST).

Expected Yield (Collect)

The expected collects for each of the solid waste areas (GST inclusive) are:

| Solid Waste Area | Collect |
|------------------|-------------|
| Zone 1 | \$1,016,064 |
| Zone 2 | \$86,388 |
| Zone 3 | \$43,197 |

Lump sum contributions

The Council does not accept lump sum contributions in respect of any of the targeted rates.

5. DIFFERENTIAL CATEGORIES

Note that the first five digits of any valuation reference comprises the valuation roll in which the reference is found.

Also note that subject to the rights of objection to the rating information database set out in Section 29 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories applied to a rating unit.

Residential Categories

Rating units, or parts of rating units, being less than 4,000 square metres in area, having no more than one residential dwelling, and being primarily used for, or able to be used for, residential living.

Residential 101

Includes residential rating units, or parts of rating units, within the valuation rolls numbered 18780 (but excluding the Little Wanganui Subdivision); 18800 (but excluding the township of Ngakawau and Granity); 18820; 18830 (but excluding the townships of Waimangaroa and Conns Creek); 18840 (but excluding the settlement of Snodgrass, and those properties in the greater Westport area to the west of the Orowaiti River); 19000; 19010; 19040; 19080; and 19081.

Residential 102

Includes residential rating units, or parts of rating units, within the valuation roll numbered 18810, plus the settlement of Snodgrass.

Residential 103

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 18790 (but excluding the township of Hector), plus the Little Wanganui Subdivision, and Conns Creek.

Residential 104

Includes the residential rating units, or parts of rating units, on the inland side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity, plus the township of Waimangaroa.

Residential 105

Includes the residential rating units, or parts of rating units, on the seaward side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity.

Residential 106

Includes the residential rating units, or parts of rating units, within the valuation rolls numbered 18840, 18950, 18960, and 18970 (but not including any properties to the east of the Orowaiti River or south of Stafford Street, and those properties on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shelswell Streets, and selected properties at the northern end of Derby Street).

Residential 107

Includes the residential rating units, or parts of rating units, on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shelswell Streets, and selected properties at the northern end of Derby Street and including Beach Drive.

Residential 108

Includes the residential rating units, or parts of rating units, within the township of Carters Beach (but excluding those properties located on Marine Parade and in the Elley Drive subdivision).

Residential 109

Includes the residential rating units, or parts of rating units, within the township of Carters Beach located on Marine Parade and in the Elley Drive subdivision (but excluding valuation reference 1885022301).

Residential 110

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 18850 (but excluding the townships of Carters Beach, Omapu, and Tauranga Bay).

Residential 111

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 18860 (but excluding the townships of Charleston and Punakaiki and the Ross Subdivision).

Residential 112

Includes the residential rating units, or parts of rating units, within the townships of Omapu and Tauranga Bay, plus valuation reference 1885022301.

Residential 113

Includes the residential rating units, or parts of rating units, within the township of Charleston.

Residential 114

Includes the residential rating units, or parts of rating units, within the township of Punakaiki and the Ross Subdivision.

Residential 115

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 19050.

Multi Residential

Rating units that have more than the one dwelling, excluding farm properties and communal residences. Where practicable, Council may have the rating unit divided into each of its separate uses, so each division can be assessed for rates in a different differential category.

Multi Residential 121

Includes those rating units under valuation references 1878011803, 1878018300BB, and 1908009900.

Multi Residential 122

Includes the rating unit under valuation reference 1878037247.

Multi Residential 123

Includes the multi-residential rating units within the valuation rolls numbered 18840; 18950; 18960; and 18970.

Multi Residential 124

Includes those rating units within the valuation roll numbered 18860.

Multi Residential 125

Includes those multi-residential rating units within the valuation roll numbered 18850.

Multi Residential 126

Includes those multi-residential rating units within the valuation roll numbered 19050.

Commercial

Rating units, or portions of rating units, used primarily for, or able to be used in terms of the District Plan for, carrying out a commercial or trading enterprise, including retail and/or wholesale, community, personal, business and repair services, offices, hotels, motels, camps and air transport.

Commercial 131

Includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18780; 18820; 19000; 19010; 19040; 19080; and 19081; and that rating unit under valuation reference 1884018701.

Commercial 132

Includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18790; 18800; 18810; and 18830.

Commercial 133

Includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18840 (excluding 1884018701); 18960; and 18970.

Commercial 134

Includes commercial rating units, or parts of rating units, within the valuation roll numbered 18950.

Commercial 135

Includes the rating unit under valuation references 1885002400BB and 1885022400.

Commercial 136

Includes commercial rating units, or parts of rating units, within the valuation roll numbered 18850 (excluding 1885002400BB and 1885022400).

Commercial 138

Includes commercial rating units within the valuation roll 18860, north of the Fox River.

Commercial 139

Includes commercial rating units within the valuation roll 18860, south of the Fox River.

Commercial 140

Includes commercial rating units, or parts of rating units, within the valuation roll numbered 19050.

Rural

Properties being 10 hectare or greater, used exclusively or principally for agricultural, horticultural, and/or pastoral purposes, including forestry, or vacant land that is able to be used for such purposes in terms of the District Plan.

Rural 141

Includes rural rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

Rural 142

Includes rural rating units, or parts of rating units, within the valuation rolls numbered 18790; and 18800.

Rural 143

Includes rural rating units, or parts of rating units, within the valuation rolls numbered 18850; and 18860.

Rural Residential:

Properties being greater than 4,000 square metres but less than 4 hectares, primarily used for the purpose of residential living.

Rural Residential 151

Includes rural residential rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

Rural Residential 152

Includes rural residential rating units, or parts of rating units, within the valuation rolls numbered 18790; 18800; 18850; and 18860.

Rural Small Holding:

Properties being greater than 4 hectares but less than 10 hectares, used exclusively or principally for agricultural, horticultural and/or pastoral purposes, including forestry, or vacant land that is able to be used for such purposes in terms of the District Plan.

Rural Small Holding 161

Includes rural small holding rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18850; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

Rural Small Holding 162

Includes rural small holding rating units, or parts of rating units, within the valuation rolls numbered 18790; and 18800.

Rural Small Holding 163

Includes rural small holding rating units, or parts of rating units, within the valuation roll numbered 18860 (but excluding those units within the valuation reference ranges 1886003000 to 1886003600 and 1886023800 to 1886027700).

Rural Small Holding 164

Includes rural small holding rating units, or parts of rating units, within the valuation reference ranges of 1886003000 to 1886003600 and 1886023800 to 1886027700.

Industrial Coal

Properties used primarily in the extraction, storage, and/or distribution of coal.

Industrial 172

includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Coal above.

Industrial Other

Properties used primarily in the following, as well as all associated land and buildings related to:

- storage sites (except those associated with the three other industrial categories); or
- transport (road, rail, sea), excepting those properties defined as Industrial Harbour; or
- utility services (communications, electricity, gas, water, sanitation); or
- the manufacture of food, drink, and tobacco; or
- the processing of textiles, leather, and fur; or
- the processing of timber products, including manufacturing and storage sites (i.e. sawmills and timber yards, wooden articles of manufacture such as furniture); or
- all other types of mining, not included in the sectors defined as Industrial Coal; or
- engineering, metalwork appliances, and machinery works; or
- chemicals, plastics, rubber, and paper manufacture; or
- other manufacturing industries not defined above; or
- depots and yards of contractors, central and local government; or
- demolition, and fumigation and pest control firms; or
- vacant land designated for the primary purpose of industrial use

Industrial 173

Includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Other above.

Industrial harbour

Properties used for harbour and associated activities.

Industrial 174

Includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Harbour above.

SUIP (SEPARATELY USED OR INHABITED PART) OF A RATING UNIT - DEFINITION

A separately used or inhabited part of a rating unit includes:

- Any part or parts of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement, or
- Any part or parts of a rating unit that is/are used or occupied by the ratepayer for more than one single use.

Examples of separately used or inhabited parts of a rating unit include:

- A residential property that contains two or more separately occupiable units, flats or houses, each of which is separately inhabited or is capable of separate inhabitation.
- A commercial, or other non-residential property containing separate residential accommodation in addition to its commercial, farming or other primary use.
- A commercial premise that contains separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.

Council recognises that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations. These specific instances are:

- Where a business, farm, orchard, vineyard or horticultural operation contains accommodation on a rent-free basis for the owner, staff or share-milkers associated with the enterprise's productive operation.
- Where a residential property contains not more than one additional separately inhabited part, or where members of the owners family inhabit the separate part on a rent-free basis.
- Where an orchard, vineyard or horticultural operation contains a stall for the sale of goods produced solely by the operation.

RATING EXAMPLES

| SECTOR | Res 101 | Res 103 | Res 103 | Res 103 | Res 104 | Res 104 |
|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Location | Karamea | Little Wanganui | Mokihinui | Seddonville | Hector | Waimangaroa |
| Land value | \$145,000 | \$125,000 | \$90,000 | \$70,000 | \$110,000 | \$80,000 |
| General rates | 350.47 | 409.06 | 294.52 | 229.07 | 339.56 | 246.95 |
| UAGC | 580.00 | 580.00 | 80.00 | 580.00 | 580.00 | 580.00 |
| Targeted Water Rate | - | 381.00 | 478.00 | - | 357.00 | 1,311.00 |
| Targeted Wastewater Rate | - | 950.00 | - | - | - | - |
| Targeted Solid Waste Rate | 138.00 | 138.00 | 192.00 | 192.00 | 192.00 | 192.00 |
| TOTAL RATES | \$1,068.47 | \$2,458.06 | \$1,544.52 | \$1,001.07 | \$1,468.56 | \$2,329.95 |
| Previous Year | \$994.51 | \$2,248.75 | \$1,353.58 | \$928.34 | \$1,381.97 | \$2,036.98 |
| % Change to Previous Year | 7.44% | 9.31% | 14.11% | 7.83% | 6.27% | 14.38% |

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

| SECTOR | Res 106 | Res 106 | Res 108 | Res 113 | Res 114 | Res 101 |
|---------------------------|---------------------|--------------------|-------------------|-------------------|-------------------|-----------------|
| Location | Westport (Brougham) | Westport (Russell) | Carters Beach | Charleston | Punakaiki | Ikamatua |
| Land Value | \$106,000 | \$104,000 | \$160,000 | \$136,000 | \$290,000 | \$74,000 |
| General Rates | 1,062.55 | 1,042.51 | 964.70 | 572.29 | 1,514.98 | 178.86 |
| UAGC | 580.00 | 580.00 | 580.00 | 580.00 | 580.00 | 580.00 |
| Targeted Water Rate | 1,401.00 | 1,401.00 | 1,401.00 | - | 1,431.00 | - |
| Targeted Wastewater Rate | 1,146.00 | 1,146.00 | 1,146.00 | - | - | - |
| Targeted Solid Waste Rate | 192.00 | 192.00 | 192.00 | 192.00 | 192.00 | 192.00 |
| NET RATES | \$4,381.55 | \$4,361.51 | \$4,283.70 | \$1,344.29 | \$3,717.98 | \$950.86 |
| Previous Year | \$3,861.27 | \$3,843.74 | \$3,775.69 | \$1,228.50 | \$3,245.94 | \$884.43 |
| % Change to Previous Year | 13.47% | 13.47% | 13.45% | 9.42% | 14.54% | 7.51% |

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

| SECTOR | Res 115 | Res 101 | Com 131 | Com 134 | Com 140 | Rur 141 |
|---------------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| Location | Reefton | Springs Junction | Karamea | Westport | Reefton | Karamea |
| Land Value | \$100,000 | \$85,000 | \$300,000 | \$265,000 | \$195,000 | \$860,000 |
| General Rates | 443.08 | 205.45 | 4,776.54 | 11,744.85 | 2,439.25 | 3,626.35 |
| UAGC | 580.00 | 580.00 | 580.00 | 580.00 | 580.00 | 580.00 |
| Targeted Water Rate | 1,350.00 | - | - | 1,401.00 | 1,350.00 | - |
| Targeted Wastewater Rate | 874.00 | - | - | 1,146.00 | 874.00 | - |
| Targeted Solid Waste Rate | 192.00 | 363.00 | 138.00 | 192.00 | 192.00 | 138.00 |
| NET RATES | \$3,439.08 | \$1,148.45 | \$5,494.54 | \$15,063.85 | \$5,435.25 | \$4,344.35 |
| Previous Year | \$3,025.50 | \$1,031.68 | \$4,865.39 | \$13,203.62 | \$4,771.28 | \$3,859.47 |
| % Change to Previous Year | 13.67% | 11.32% | 12.93% | 14.09% | 13.92% | 12.56% |

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

| SECTOR | Rur 143 | Rur 141 | RR 151 | RR 152 | RR 151 | RR 162 |
|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Location | Cape Foulwind | Grey Valley | Karamea | Granity | Fairdown | Alma Road |
| Land Value | \$1,030,000 | \$1,500,000 | \$290,000 | \$149,000 | \$240,000 | \$275,000 |
| General Rates | 3,104.49 | 6,325.03 | 1,103.55 | 543.69 | 913.28 | 1,003.46 |
| UAGC | 580.00 | 580.00 | 580.00 | 580.00 | 580.00 | 580.00 |
| Targeted Water Rate | - | - | - | - | - | - |
| Targeted Wastewater Rate | - | - | - | - | - | - |
| Targeted Solid Waste Rate | 384.00 | 192.00 | 138.00 | 192.00 | 192.00 | - |
| NET RATES | \$4,068.49 | \$7,097.03 | \$1,821.55 | \$1,315.69 | \$1,685.28 | \$1,583.46 |
| Previous Year | \$3,621.07 | \$6,259.64 | \$1,653.13 | \$1,203.49 | \$1,526.73 | \$1,427.59 |
| % Change to Previous Year | 12.36% | 13.38% | 10.19% | 9.32% | 10.39% | 10.92% |

KEY: Res (Residential) Com (Commercial) RR (Rural Residential) Rur (Rural)

Assumptions

The Buller District Council Annual Plan is based on a number of significant forecasting assumptions. These assumptions include assessments of a number of factors that might impact on Council and the community including a consideration of how the population may change over the medium term, funding of Council services, and the financial environment.

The assumptions are the best reasonable assessment based on current information, but actual results may differ, and these differences could be large. Council has therefore, included an assessment of how likely the actual may vary from the assumptions and what impact the variances would have on Council and the community. These are overarching assumptions relating to Council's activities. In addition to these assumptions, activity specific assumptions are found within each of the activity sections.

| Assumption | Description of risk | Level of uncertainty | Financial Impact | Impact |
|--|---|----------------------|------------------|---|
| 1. Population growth: | | | | |
| In the Long-Term Plan for 2021-2031, the Council assumed that the normally resident population as of 1 July 2021 would be in the region of 9,600 persons and that, based on "Infometrics" predictions, there would be small ongoing reductions in population. The Statistics NZ March 2018 census recorded a total of 9,591 person as being normally resident in the district. For the purposes of this Annual Plan, we have assumed that the normally resident population as of 1 July 2024 is in the region of 9,600 persons. | Low population growth may impact on the affordability and scale of Council projects and operations. | Medium | Low | Council will need to reassess the growth rates and whether its projects need to be brought forward or delayed as part of each year's Annual Plan or Long-Term Plan. |

| 2. Inflation/ price changes | | | | |
|---|---|---------------|------|--|
| <p>In preparing the Annual Plan Council has utilised the inflation factors as provided by Business and Economic Research Limited (BERL) and adjusted where necessary for localised inflation data.</p> <p>A table of these rates is provided for on page 157.</p> <p>The roading budgets have, where possible, been aligned to the initial indication given for the three-year 2024-2027 NZTA Waka Kotahi roading programme provided as at 16 June 2024. As such, no further escalation has been applied to these budgets. Because NZTA Waka Kotahi have not, as at 16 June 2024, released the final funding confirmation, these budgets may be over or under stated.</p> <p>In particular the work categories for: Low Cost Low Risk, Road Safety Programmes, Walking and Cycling and Activity Planning have not had any indicative funding confirmation provided to Council as at 16 June 2024, therefore these categories remain in the Final Annual Plan Budget as per the Draft Enhanced Annual Plan and the bid put to NZTA Waka Kotahi.</p> <p>Council consulted on NZTA funding for this Annual Plan. It was resolved to scale back the rate funding in line with the lesser budget granted for the work programme , as Council did not get the full bid/budget requested. This must be taken into account when the final programme funding is confirmed, and caution should be applied that the budget per this Enhanced Annual Plan may be overstated or understated compared to the final approved budget which NZTA/Waka Kotahi show in the online subsidy portal (TIO).</p> | That inflation is higher or lower than predicted. | Medium to low | High | <p>There is likely to be some variation in the actual rates of inflation from those assumed and this will impact on the financial results of Council.</p> <p>If the variances are significant, Council may need to consider either increasing or decreasing rates and charges or the levels of services for activities.</p> <p>For example, Council planned to spend \$331m in operating expenditure and \$96m in capital over the term of the 2021-2031 Long Term Plan. A 1% movement in inflation could increase or decrease costs by an average of approximately \$427,000 p.a. There would also be an impact on debt levels.</p> |

| 4. New Zealand Transport Agency funding: | | | | |
|--|---|--------|------|---|
| <p>Because NZTA Waka Kotahi have not, as at 16 June 2024, released the final funding confirmation, these budgets may be over or under stated.</p> <p>In particular the work categories for: Low Cost Low Risk, Road Safety Programmes, Walking and Cycling and Activity Planning have not had any indicative funding confirmation provided to Council as at 16 June 2024, therefore these categories remain in the Final Annual Plan Budget as per the Draft Enhanced Annual Plan and the bid put to NZTA Waka Kotahi.</p> <p>Council consulted on NZTA funding for this Annual Plan. It was resolved to scale back the rate funding in line with the lesser budget granted for the work programme, as Council did not get the full bid/budget requested. This must be taken into account when the final programme funding is confirmed, and caution should be applied that the budget per this Enhanced Annual Plan may be overstated or understated compared to the final approved budget which NZTA/Waka Kotahi show in the online subsidy portal (TIO).</p> | <p>That the government will reduce the subsidy available to Councils.</p> <p>That the government will not fund to the level of the bid put to NZTA in 2023.</p> | Medium | High | <p>Any decrease in NZTA/Waka Kotahi funding will require Council to make a decision of whether to increase funding from rates, reduce service levels, remove projects from the Annual Plan or apply a mix of these options. The most likely response would be a reduction in roading expenditure. A 1% drop in the FAR rate would require a reduction of \$150,000 in subsidised expenditure.</p> |

| 4. Karamea Special Purpose Road | | | | |
|--|---|-------------|-------------|--|
| <p>NZTA/Waka Kotahi has indicated to Council that it is proposed that the Karamea Special Purpose Road will lose its designation and revert to a local road from July 2027. Council has taken the position that it will not accept ownership of the Karamea SPR as a local road in 2024-2025. The transition of SPR to district Councils is a national Waka Kotahi/NZTA initiative affecting many communities around the country. To Council's knowledge, the legalities of what may happen should there be dispute between local government and the government's transport agency has not been tested. Considerations of the four well-beings would be front of Council's opinion in order to avoid additional burden to ratepayers. Strategically it also makes sense for the SPR to be reinstated as a state highway (as it previously was) considering the iconic tourist destinations (including Oparara Arches and Heaphy Track), as well as new government funded initiatives such as Pounamu Pathway, relying on a national network approach.</p> <p>Also refer to the notes above at Assumption 3 which raises caution for budget values included in the 2024-2025 Annual Plan, due to the final funding for the Special Purpose Road and ancillary planning activities not yet being confirmed as at 16 June 2024.</p> | <p>Financial assistance rate may reduce. Additional costs associated with this road may not be funded by subsidy.</p> | <p>High</p> | <p>High</p> | <p>Because the SPR traverses unstable terrain through the Karamea bluff section, there is an unquantifiable risk and funding uncertainty for the road controlling authority. Should the SPR be included under the local road network, ratepayers may be required to fund unplanned significant maintenance and capital projects. This could increase rates, particularly if expenditure is due to necessary repairs or improvements that do not meet the NZTA/Waka Kotahi definition of emergency works. The impact to ratepayers to fund the SPR beyond mid-2027 remains uncertain and extremely difficult to estimate. The programmes (options) considered under the NZTA draft transition plan range from no ratepayer contribution (e.g. retain 100% subsidy) to inclusion under the funding assistance rate, noting the percentage for Buller may change at the next triennial. Based on the cost estimates included in the Long-Term Plan for maintaining the SPR, the impact of the proposal to revert it to a local road equates to an additional \$3.04 million to total rates for Council over the remaining seven years of the 2021-2031 Long Term Plan. However, this is not considered to be the likely impact to ratepayers under the scenario the SPR reverts to as options will need to be worked through with a view to avoiding additional burden to ratepayers.</p> |

| 5. One network roading classification | | | | |
|---|---|------------|---------------|---|
| <p>A joint initiative between the NZTA/Waka Kotahi and Local Government New Zealand has introduced a road classification system for all roads in New Zealand. The classification system aims:</p> <ul style="list-style-type: none"> • to deliver similar driving experience across New Zealand • to support more consistent asset management across the country • to make collaboration and prioritisation between those organisations responsible for the planning, delivery, operation, and maintenance of the nation's roading network, leading to a more efficient and safer network and improved value for money. <p>This will introduce different levels of service across roads of different classification. Council has assumed that there will be no change in the levels of service currently provided.</p> | <p>Financial assistance rate may reduce depending on the levels of funding agreed to be provided by NZTA.</p> | <p>Low</p> | <p>Medium</p> | <p>Council will be faced with two choices:</p> <ol style="list-style-type: none"> 1. Change the current level of service provided to that set by NZTA/Waka Kotahi. 2. Fund the difference between the current service level and that proposed by NZTA from ratepayer contributions. |

| 6. Useful lives of significant assets: | | | | |
|---|--|------------|-------------|--|
| <p>Council has made a number of assumptions about the useful life of its assets. These assumptions affect the depreciation charge contained within the Plan. The detail for each asset category and asset depreciation rates are reflected in the Statement of Accounting Policies included in this document.</p> | <p>That the lives of assets are materially different from those contained within the Plan.</p> | <p>Low</p> | <p>High</p> | <p>If the life of the assets are materially different from those contained within the plan, the asset values stated in the prospective balance sheet and the profit contained in the prospective statement of comprehensive statement of revenue and expenditure would be affected. If the life was shorter than expected Council might need to replace the asset sooner than planned and this would need to be funded. Council has a long history of managing assets and has asset management practices in place which reduce the likelihood of assets being very different to projections.</p> |

| 7. Significant asset condition: | | | | |
|--|--|---------------|-------------|--|
| <p>Council understanding of condition of its assets underpins the renewal forecasts in the Annual Plan (and also the significant lives of assets discussed above). Council has sufficient information about the condition of its assets to forecast their probable replacement periods. However, further, more detailed information is desirable to further reduce the risk that actual condition varies from the assumed condition.</p> | <p>That condition information is not a sufficiently accurate representation of the actual condition of assets.</p> | <p>Low</p> | <p>High</p> | <p>If the asset condition is substantially worse than expected, then there is an increased risk of unexpected asset failure and the increased costs of repairing assets would need to be funded. These costs are not in the Long-Term Plan and Council would need to consider how they should be funded - higher rates, use of cash reserves or debt would be options.</p> |
| 8. Vested assets: | | | | |
| <p>The Long-Term Plan assumed Council will receive \$50,000 vested assets per annum. Vested assets are engineering assets such as roads, sewers and water mains paid for by developers and vested to Council in completion of the subdivision. Based on Council’s actual results for the year ended 30 June 2025 it has been assumed for the Annual Plan that Council will receive no vested assets.</p> | <p>That vested assets may vary from budget.</p> | <p>Medium</p> | <p>Low</p> | <p>Vested assets must be maintained by Council, so if growth is higher than forecast Council will need to increase its budget to maintain those assets. The impact of higher or lower growth is not considered significant.</p> |

| 9. Return on investments: | | | | |
|--|---|--------|--------|--|
| It is assumed that the return on investments, including the annual dividend of \$1.3m from Council Controlled Organisations surplus and retained earnings on subsidiaries will continue at current level for Buller Recreation and WestReef Services Limited. | That return-on-investment decreases. | Low | Medium | Higher or lower returns will impact on rates as the income will need to be raised from other sources. |
| 10. Interest rates - external borrowings: | | | | |
| Council assumed an interest rate of 2.3 - 3.1% across the 10-years of the 2021-2031 Long Term Plan. The 2024-2025 Annual Plan has increased interest rate assumptions to reflect current market expectations that rates will flatten out for 2024-2025 after a sustained period of high inflation. | The prevailing interest rate may differ significantly from those estimated. | Medium | High | Increases in interest rates flow through to higher debt servicing costs and higher rates funding requirements. Council has mitigated these risks with a prudent fixed interest swap programme developed within the limits of Council's Treasury Management Policy. Any new external debt and swaps and the floating portion of existing debt is still exposed to interest rate risk. |
| 11. External borrowings - renewability: | | | | |
| It has been assumed that Council will be able to renew the existing external loan facility. | Higher interest rates or delay of capital projects. | Low | High | If a loan facility could not be renegotiated with a current debt provider, a change in provider could increase finance costs. |

| 12. Interest rates - term deposits: | | | | |
|--|---|--------|------|---|
| Council had assumed an interest rate range of 0.8-3.3% across the 10 years of the 2021- 2031 Long Term Plan. The 2023-2024 Annual Plan has increased the interest rate assumption for term deposits from 0.83% in the same year of the Long-Term Plan to 5.75% to reflect current market expectations that rates will flatten out for 2024-2025 after a sustained period of high inflation. | The prevailing rate may differ from those estimated. | Medium | High | Decreases in term deposit interest rates would lower investment income, which would create cash shortfalls in the short-term and could lead to increased general rates in subsequent Annual Plans. |
| 13. Westport Harbour | | | | |
| <p>All harbour activities including the port and dredging activities are ring-fenced as a separate activity.</p> <p>All funding and expenditure and surpluses and deficits for the Westport Harbour activity accumulate to a separate reserve and is not ratepayer funded.</p> <p>Another significant assumption contained in the Long-Term Plan was that a new large commercial operator would be shipping out of the port from 2023-2024.</p> <p>Council was able to secure as part of its Tranche 2 application to the National Emergency Management Agency \$4.7m to dredge 235,000m³ from the Buller River, based on forecast timing of this project \$2.8m of the forecast \$3.6m in dredging revenue in the Annual Plan is to come from Tranche 2 funding.</p> <p>Out of Port work contributes \$0.5m of forecast dredging revenue and on completion of the Tranche 2 dredging work package the remainder is assumed to come from a commercial operator.</p> | Westport Harbour does not perform as expected, creating greater cash losses or surpluses than predicted. If the large commercial operation did not proceed, then Council would not receive this revenue but nor would it incur these costs. | Medium | High | There may be greater than predicted cash surpluses or losses, impacting the level of cash held by Council. If losses are greater than predicted Council may be required to consider loan funding or rate funding the activity in the future. If the large commercial operation did not proceed Council would have the option of using the dredge for out-port dredging (as has been done in the past few years) or it may consider other options such as selling the Kawatiri dredge. If the alternative net revenue is less than predicted in the Long-Term Plan Council may |

| | | | | |
|---|--|------|------|--|
| | | | | be required to consider loan funding or rate funding the shortfall. |
| 14. Climate change: | | | | |
| <p>Council uses the Ministry for the Environment (MFE) guidelines set out in Coastal Hazards and Climate Change 2017 for estimating sea level Rise (SLR).</p> <p>Council has commenced work on developing climate change adaption action plans in line with the commitment made in the 2021-2031 Long Term Plan. Council will seek to engage with the community on how to shape the plan.</p> <p>As well as the above, Council funded work on Climate Change Council is undertaking a Master Planning activity, which has been funded in the Kawatiri Business Case. The Business Case uses the PARA (Protect, Avoid, Retreat and Accommodate) framework for adaptation.</p> <p>The Master Plan seeks to engage with the community and various government agencies and stakeholders to develop a robust and holistic long-term plan – which will look to multi hazard analysis, economic, social, environmental and cultural wellbeing's and how and where Westport should seek growth for urban environments.</p> <p>The project will run over the 2024 and half the 2025 calendar year.</p> | <p>The potential impacts of climate change might lead to increased costs for Council in both responding to events and building greater resilience into infrastructure.</p> | High | High | <p>Climate change is likely to increase the magnitude of some natural hazards in the medium to long term. Therefore, it is important to incorporate risk management in the design of infrastructure supporting new developments to maintain the same level of service throughout the design lifetime. The design of infrastructure for land development and subdivision needs to provide for the potential impact of sea level rise and the increased frequency of extreme weather events. Council has budgeted for protection of infrastructure in this plan.</p> |

| 15. Natural Disaster: | | | | |
|---|--|---------------|-------------|--|
| <p>The 2021-2031 Long Term Plan assumed there would be limited events during the term of the plan and that such events would not be significant.</p> <p>Subsequent to the adoption of the Long-Term Plan Buller District suffered two separate flood events. A one in 60-year flood event in mid-July 2021 that caused significant displacement of the Westport Community and damage to the district's infrastructure, and two further flooding events in February 2022 that were combined and treated as a separate flooding event.</p> <p>Council received \$50 million from central government agencies, which has contributed to response and recover activities including roading and water infrastructure repair works, temporary accommodation, waste disposal, welfare support, Community Hub and Navigators programmes, and others.</p> <p>Council is liable for some costs that are not covered by the external funding, the cost of the Emergency Operations Centre, the minimum threshold funding required from Council by the National Emergency Management Agency and Waka Kotahi to access external funding, deductible portion of our insurance claims, and costs rejected as part of claims to the National Emergency Management Agency for various response phases.</p> <p>Council has proposed to fund the total of these costs from its existing cash reserves. A provision of \$1.75 million for Council's final costs has been made in the Annual Plan. The impact on the Annual Plan is a reduction in short term investments that creates a corresponding increase in the net</p> | <p>That there is a significant natural disaster in the District, such as flooding, earthquake or fire.</p> <p>That Council's final costs for flood recovery expenditure for the July and February events is greater than the \$1.75m provided.</p> | <p>Medium</p> | <p>High</p> | <p>Council has adequate insurance to cover natural disasters. However, in the event of another significant event Council will need to re-evaluate its work programme and implement disaster recovery plans.</p> <p>Should Council's final costs for the July 2021 and February 2022 flood events be higher than the \$1.75m provided depending on the level of exceedance Council will need to decide whether to fund it further from existing cash reserves, debt fund and fund the debt servicing costs through rates or levy a one-off rate in 2025-2026 to recover the amount.</p> |

| | | | | |
|--|--|--|--|--|
| <p>debt result, and a loss of interest income of \$78,000 per annum that results in a 0.4% planned increase in general rates. The Annual Plan does not provide for any further significant events.</p> | | | | |
|--|--|--|--|--|

16. Potential impact of societal changes:

| | | | | |
|---|---|---------------|------------|--|
| <p>Council assumes the resident population will be in the region of 9,600 persons, in line with “Infometrics” predictions. There will likely be an aging population. The proportion of the population over 65-years is forecast to increase by 22% between 2021 and 2033.</p> | <p>An increase in the age of the Population may increase demand for some services and housing and place pressures on rates affordability.</p> | <p>Medium</p> | <p>Low</p> | <p>The plan assumed that the demand for senior housing is adequate and can be met through supply. Council may need to adjust its level of service in some areas to meet expectations. Rates affordability will need to be managed by keeping rates within financial prudence benchmarks, and by carefully managing rates debt.</p> |
|---|---|---------------|------------|--|

| 17. External assumptions - Government legislation: | | | | |
|---|---|--------|------|---|
| It is assumed for the period covered by this Annual Plan that no new legislation is introduced. | Central government requires Council to undertake further activities, without corresponding funding or imposes additional compliance costs on local government | Medium | High | If changes in legislation require Council to provide further services, or significantly increases levels of compliance or operating costs then this will need to be offset by increases in fees and charges, and/or in increases in rates. It is unlikely that government will reduce compliance or legislative costs incurred by Council, but if there was a reduction this would enable Council to reduce rates or fees and charges. |
| 18. Repayment of loans | | | | |
| It has been assumed that the loan from Council to Buller Holdings Limited will not be repaid over the term of the plan. | Inability to service the loan. | Low | Low | Debt will be rolled over on an annual basis. |

| 19. Water reforms legislation | | | | |
|---|---|---------------|-------------|---|
| <p>Due to the outcome of the proposed water reforms being unknown at the time of preparing the 2021-2031 Long Term Plan, the assumption across the ten-years of the plan was that Council would retain ownership of its Three Waters assets.</p> <p>Subsequent to the Long Term Plan a new Water Services Act was introduced then repealed, with a new (Taumata Arowai) regulator in force. Council has contacted other South Island Councils to gauge interest in a South Island water services new regional entity, this is in early stages of discussions.</p> <p>For the Annual Plan Council has assumed all three waters assets will remain with Buller District Council for the year under review.</p> <p>In the prior financial year, Council chose to hold water and wastewater rates down to the same level at 2022-2023, and run a cash deficit of \$1.17m, based on the assumption that a new water entity was going to take over the assets and funding. Council has not tried to recoup this cash deficit but has set the rates at a level to fund the present year operating costs for each separate water and wastewater supply.</p> | <p>In the current Long-Term Plan, there was a staged approach to compliance for ensuring all water supplies met the new standards. This Annual Plan does not include compliance for rural water supplies due to affordability issues.</p> <p>By not fully rate funding prior year costs Council is choosing to fund operating deficits out of its cash reserves reducing its external interest revenue.</p> | <p>Medium</p> | <p>High</p> | <p>This legislation requires Council to provide further service level improvements and it significantly increases the levels of compliance needed and costs to meet compliance.</p> <p>If actual deficits run higher than predicted cash reserves and external interest revenue will be reduced even further. The expectation is these activities will be managed to within budget.</p> <p>Should the transfer of the Three Water activities to a new South Island Regional water entity not proceed currently being explored, Council will be facing estimated future annual increases in these targeted rates of at least 10% per annum to maintain its investment in the three waters activities and meet its new statutory compliance requirements.</p> <p>Council will work closely with central government to look at alternative affordable funding models to achieve compliance with the new standards.</p> |

| 20. Drinking Water upgrades | | | | |
|---|---|------------|-------------|--|
| <p>In past years, the capital costs for drinking water standard upgrades to rural drinking water supplies was based on an assumption that a central government subsidy will be available to be claimed if the project is not loan funded.</p> <p>Due to central government reforms during the latter part of 2023 and early part of 2024, Council is not able to assume that central government subsidies will be available for rural drinking water supplies which are non-compliant with the drinking water standards.</p> <p>This Plan includes a provision for some initial planning costs for three supplies – Waimangaroa, Little Wanganui, and Mokihinui – to begin to meet drinking water standards. The budget does not include any provision for Ngakawau-Hector, Cape Foulwind, Punakaiki, and Inangahua Junction, rural drinking water supplies.</p> | <p>There is a risk that treated water meeting regulated standards is required by law, but the small rural communities cannot afford to pay the water rates required to cover the costs of compliance.</p> | <p>Low</p> | <p>High</p> | <p>Provision of safe, clean water may not eventuate if a subsidy is not received.</p> <p>Water schemes may be unaffordable for some communities.</p> <p>Council may face regulatory enforcement including fines or other enforcement action if the drinking water upgrades are not complete.</p> |

| 21. Capital projects | | | | |
|---|--|--------|--------|--|
| <p>Capital projects are based on an assumption that they will occur when they have been identified in the Annual Plan and for the cost provided. However, this assumption has a high level of uncertainty as projects may cost more, or less, due to more or less work needing to be done and/or a project may need to be delayed.</p> <p>See also further note 26 which explains the introduction of a Scope Adjustment for 2024-2025 year.</p> | <p>There is a risk of deferral of projects to later years of the Long-Term Plan.</p> <p>There is a risk of a project costing more than budgeted for.</p> | High | Medium | <p>Deferral of a project will lower capital expenditure and any associated loans and finance costs. Depreciation would be lower than rated for. Conversely if a project cost is higher than provided for associated loans, finance costs and depreciation would increase. This would require formal approval from Council for the overspend and where appropriate would be offset by a deferral or scope saving in other planned projects.</p> |
| 22. One District Plan | | | | |
| <p>The Te Tai o Poutini Plan (One District Plan Process) is well underway with the statutory powers associated with district plan making transferred to the West Coast Regional Council. The process is governed by a joint committee of elected members from the three West Coast Councils. Rules that have legal effect under the TPPP relate to Historic Heritage, Sites and Areas of Significance to Māori, Ecosystems and Indigenous Biodiversity, Natural Character and the Margins of Water and the planning team applies these rules alongside the current Operative District Plan for Buller District.</p> | <p>Potential legal challenge to plan.</p> | Medium | Low | <p>Buller not having a plan that aligns or reflects the direction the district wishes to head.</p> <p>Higher costs than Council currently expend on this activity.</p> |

| 23. Covid-19 or Other National Level Pandemic | | | | |
|--|--|-----|--------|--|
| That there are no significant Covid-19 or other national pandemic restrictions that prevent Council from carrying out its primary functions, or that any effects from such restrictions do not add any significant costs to Council operation. | That Covid-19 or other health restrictions or effects impact on the ability of Council to carry out its operation or increases cost significantly. | Low | Medium | Council is unable to carry out some of its planned activities or the cost of providing activities and services increases costs to the ratepayer. |
| 24. Landfill aftercare provision | | | | |
| Council has budgeted \$56,000 per annum to monitor and undertake any remedial work required on its closed landfills. It is assumed that no significant restoration work is required on its closed landfills beyond what has been budgeted and provided for. In respect of the Karamea and Maruia landfills, which have resource consents (and estimated closing dates) until 2034, Council assumes that there have been no material changes to the assessed closure costs since they were last reviewed as part of the 2021-2031 Long Term Plan. | Landfill restoration work is required earlier than planned or higher than budgeted. | Low | Low | Council has a provision fund to call on if restoration work is required to be done earlier. |

| 25. Employee Costs Vacancy Allowance | | | | |
|--|---|--------|--------|--|
| Council has assumed that Employee Benefit Expense will not be 100% spent as of 30 June and has included a 4% vacancy allowance reduction in the total expected budget for Employee Benefit Expense. | That position vacancies do not occur, or that vacancies are rapidly filled, therefore the budget reduction for Employee Benefit Expenses is overstated. | Medium | Medium | Council has insufficient budget so is unable to fill vacant roles, especially later in the year as the budget is consumed. |
| 26. Introduction of Scope Adjustment for Capital | | | | |
| Council has assumed that not all of the Drinking Water and Wastewater capital projects will be completed at year end and has included a budget adjustment of 8% for the capital work in these schemes. | That some capital projects will not be completed due to the reduced budget. | Medium | Medium | Council would have to increase borrowings to complete the capital projects if all the work was completed or forgo some projects due to the reduced budgets. Long term the increased spending would impact on a requirement to collect more rates from the closed account water and wastewater schemes. |

Price Adjustments for Inflation

The Council is required to provide a 10-year plan adjusted for inflation. The figures within the plan have been adjusted for price movements. The price adjustors used have been derived from those recommended to local government from Business and Economic Research Limited (BERL) adjusted for local market factors and economic information supplied by the New Zealand Infrastructure Commission around the Three Waters activities. The roading budgets have been aligned to the funding bid put to NZTA for the roading programme, as such no escalation is applied to these budgets.

The following adjustors have been applied at an activity level based on the nature of the input costs for that activity:

Inflation Adjustors: % per annum change

| Year ending | June 2024 Long Term Plan | June 2024 Enhanced Annual Plan |
|--|--------------------------|--------------------------------|
| Expense Type | | |
| Roading (Transport activity only) | 1.029 | 1.009 |
| Community activities | 1.024 | 1.007 |
| Three Waters Contract and Maintenance Costs (Water in LTP) | 1.027 | 1.080 |
| Water (other expenses) | 1.027 | 1.016 |
| Energy (Local Government Admin in LTP) | 1.019 | 1.180 |
| Insurance (Local Government Admin in LTP) | 1.019 | 1.110 |
| Staff | 1.017 | 1.024 |
| Other (Local Government Admin) | 1.019 | 1.004 |
| Earthmoving | 1.038 | 1.015 |
| Pipelines | 1.047 | 1.020 |

Statement of Accounting Policies

Statement of responsibility and cautionary note

The purpose of this Annual Plan is to provide information to the community on the planned activities and expenditure of Council over the next year. The use of this information for other purposes other than for which it was prepared may not be appropriate.

The Council is responsible for the prospective financial statements presented, including the appropriateness of the underlying assumptions and related disclosures. Actual financial results achieved for the period covered may vary from the information presented, and the variations may be material. There are no actual financial results incorporated into these prospective financial statements.

The prospective financial statements comply with Tier 1 Public Benefit Entity (PBE) Accounting Standards (including PBE FRS 42 – Prospective Financial Statements). The prospective financial statements have been prepared using the best information available at the time they were prepared.

Reporting entity

The Buller District Council is a territorial local authority governed by the Local Government Act 2002.

The Buller District Council provides local infrastructure, local public services and provides regulatory functions to the community. The Council does not operate to make a financial return. Accordingly, Buller District Council has designated itself as a Public Benefit Entity for financial reporting purposes.

The prospective financial statements of Buller District Council are for the year ended 30 June 2025.

Basis of preparation

The prospective financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period and there have been no changes in accounting policies during the financial year. The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain infrastructural assets, investment property and financial instruments.

Statement of compliance

The prospective financial statements of Buller District 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). The prospective financial statements have been prepared in accordance with Tier 1 PBE accounting standards. These prospective financial statements are presented and comply with PBE accounting standards.

Presentation currency and rounding

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$1,000) unless stated. The functional currency of Buller District Council is New Zealand dollars.

Standards and amendments, issued and will be adopted

The following new standards, interpretations and amendments have been issued that will be effective for the reporting period covered by this Annual Plan. These new standards were issued for application required for reporting periods beginning on/after 1 January 2023, and have been incorporated into the 2023-2024 Annual report therefore are also incorporated into the 2024-2025 Annual Plan:

- PBE IFRS 17 Insurance Contracts (NFP only)
- 2022 Omnibus Amendments to PBE Standards
- Public Sector Specific Financial Instruments (Non-Authoritative Amendments to PBE IPSAS 41)

Subsidiaries

Subsidiaries are those entities where Buller District Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Buller District Council controls the majority voting power of the governing body or where Buller District Council have irreversibly predetermined such policies.

The subsidiaries of Buller District Council are Buller Holdings Limited, WestReef Services Limited, Buller Recreation Limited and the Buller Health Trust.

Buller District Council measures the cost of a business combination as the aggregate of the fair values at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs attributable to the business combination.

Any excess of the cost of the business combination over Buller District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, is recognised as goodwill. If Buller District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the difference will be recognised immediately in the surplus or deficit.

The purchase method of consolidation has been used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, revenue and expenses on a line-by-line basis. All significant intra-group balances, transactions, revenue and expenses are eliminated on consolidation.

Buller District Council's investment in its subsidiaries is carried at cost in the Buller District Council's own "parent entity" financial statements.

Associates

An associate is an entity over which Buller District Council has significant influence and that is neither a subsidiary nor an interest in a joint venture.

Buller District Council accounts for an investment in an associate using the equity method. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the share of the surplus or deficit of the associate.

The Council has two associates, Denniston Heritage Charitable Trust and Buller Resilience Trust. There are no entries in the group financial statements for Denniston Heritage Charitable Trust and Buller Resilience Trust because Council has no equity investment in these organisations.

Joint Operation

A joint operation is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

Buller District Council has a 50/50 joint operation interest in the Westport Airport Authority with Ministry of Transport.

Buller District Council recognises in its prospective financial statements the assets it controls, the liability and expenses it incurs, and the share of revenue that it earns from the joint venture.

Revenue

Revenue is measured at the fair value of consideration received. Revenue from the rendering of services is recognised by the reference to the stage of completion of the transaction at balance date based on the actual service provided as a percentage of the total services to be provided.

Revenue from Non-Exchange Transactions

Rates

The following policies for rates have been applied:

- General rates, Targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Rates collected on behalf of the West Coast Regional Council (WCRC) are not recognised in the prospective financial statements, as the Council is acting as an agent for the WCRC.

Other Revenue

Subsidies and Grants Revenue

Buller District Council receives Government Grants from NZTA Waka Kotahi, which subsidises part of Buller District Council's costs in maintaining the local roading infrastructure. Grants are received from the Ministry of Health for eligible water schemes. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure are fulfilled.

Revenue from Exchange Transactions

Sales of goods are recognised when a product is sold to a customer. Sales are usually in cash. The recorded revenue is the gross amount of the sale.

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in Buller District Council are recognised as revenue when control over the asset is obtained.

Rental revenue is recognised on a straight-line basis.

Interest revenue is recognised using the effective interest method.

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

Borrowing costs

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

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure at the time when such application has been received.

Discretionary grants are those grants that Buller District Council has no obligation to award and are recognised as expenditure when a successful applicant has been notified of the Buller District Council's decision.

Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill, or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Income tax (continued)

Deferred tax is recognised on taxable temporary differences arising from investments in subsidiaries and associates, and interests in joint ventures, except where the Council can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited against the surplus or deficit for the period, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

Leases

Finance leases

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

At the commencement of the lease term, Buller District Council recognises finance leases as assets and liabilities in the Prospective Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

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

Operating leases

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

Cash and cash equivalents

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

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

Trade and other receivables

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

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

Trade and other receivables (continued)

A provision for impairment of receivables is established when there is objective evidence that Buller District Council will not be able to collect all the amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

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

Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

The write down from cost to current replacement cost or net realisable value is recognised in the surplus or deficit.

Non-current assets held for sale.

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through the sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Financial Assets

Buller District Council classifies its financial assets into the following categories:

- Financial assets at fair value through other comprehensive revenue and expense
- Financial assets at subsequently measured at amortised cost
- 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 unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in surplus or deficit.

Purchases and sales of investments are recognised on trade date, the date on which Buller District Council commits to purchase or sell the asset. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred, Buller District Council having transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Buller District Council uses a variety of methods and makes assumptions that are based on market conditions existing at balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

Financial assets at fair value through surplus or deficit

This category has two sub-categories:

- Financial assets held for trading.
- Those designated at fair value through surplus or deficit inception.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so, designated by management.

Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit.

Currently Buller District Council recognises derivative financial instruments in this category.

Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Buller District Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

Currently Buller District Council does not hold any financial assets in this category.

Loans and receivables

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

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in.

the surplus or deficit. Loans and receivables are classified as “trade and receivables” and “short term investments” in the Prospective Statement of Financial Position.

Investments in this category include loans to subsidiaries and other companies and term deposits.

Fair value through other comprehensive revenue and expenses

Financial assets at fair value through other prospective comprehensive revenue and expenses are those that are designated into this category at initial recognition or are not classified in any of the other categories above.

This category encompasses:

- Investments that Buller District Council intends to hold long-term, but which may be realised before maturity.
- Shareholdings that Buller District Council holds for strategic purposes. Buller District Council’s investments in its subsidiary and associate companies are not included in this category as they are held at cost whereas this category is to be measured at fair value.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in other prospective comprehensive revenue and expenses except for impairment losses, which are recognised in the surplus or deficit.

Investments in this category include shares in other companies.

Impairment of financial assets

At each balance sheet date Buller District Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

Any cumulative losses previously recognised in equity will be removed from equity and shown in the surplus or deficit.

- Term deposits, loans to subsidiaries and associates, and community loans (loans and receivables)

Impairment is established when there is evidence that the Council and group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

- Listed and unlisted shares, listed bonds (fair value through other comprehensive revenue and expense)

For shares, a significant or prolonged decline in the fair value of the shares below its cost is considered to be objective evidence of impairment. For listed bonds, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payment is considered to be objective evidence of impairment.

Derivative financial instruments

Buller District Council uses derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, Buller District Council does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date.

The gain or loss on re-measurement to fair value is recognised immediately in surplus or deficit. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The fair value of interest rate swaps is the estimated amount that Council would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties. The fair value of forward contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.

Buller District Council has not adopted hedge accounting to account for its derivative financial instruments.

Property, plant and equipment

Property, plant and equipment consist of:

- **Council Assets** – These include land, buildings, plant and machinery, motor vehicles, office equipment, library books and the Airport runway.
- **Infrastructure assets** – These include roads, footpaths, traffic facilities, streetlights, bridges, culverts, water reticulation, storm water reticulation, sewerage reticulation and landfill.
- **Westport Harbour assets** – These include land, buildings, wharves, plant and machinery, office equipment, motor vehicles and harbour vessels.
- **WestReef Services Limited assets** – These include leasehold improvements, plant and equipment, office equipment, office furniture, fittings and computer equipment.
- **Buller Health Trust assets** – These include plant and equipment and furniture and fittings **Property, plant and equipment** is shown at cost or revaluation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Buller District Council and the cost of the item can be reliably measured.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Work in progress is recognised at cost less impairment and is not depreciated.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or loss as they are incurred.

Disposals

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

Subsequent costs

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

Depreciation

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

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

| Council assets | Depreciation rate (%) | Useful life (Years) |
|------------------------|-----------------------|---------------------|
| Motor vehicles | 15% | 7 |
| Office equipment | 10% to 50% | 2 - 10 |
| Plant and machinery | 3.33% to 15% | 7 - 30 |
| Buildings | 1% to 10% | 10 - 100 |
| Library books | 10% | 10 |
| Airport runway: | | |
| Basecourse | 1.3% | 75 |
| Seal | 5% | 20 |

| Westport Harbour assets | Depreciation rate (%) | Useful life (Years) |
|-------------------------|-----------------------|---------------------|
| Wharves | 1.67% | 60 |
| Buildings | 2.5% | 40 |
| Plant and machinery | 3.3% to 10% | 10 - 30 |
| Office equipment | 20% to 33.5% | 3 - 5 |

| | | |
|-----------------|------------|---------|
| Motor vehicles | 10% to 20% | 5 - 10 |
| Harbour vessels | 5% to 6.7% | 15 - 20 |

| Infrastructure assets | Depreciation rate (%) | Useful life (Years) |
|-----------------------------|-----------------------|---------------------|
| Roads: | | |
| Formation | Not depreciated | |
| Basecourse - unsealed roads | Not depreciated | |
| Basecourse - sealed roads | 1% to 2% | 50 - 100 |
| Seal | 4% to 12.5% | 8 - 25 |
| Footpaths: | | |
| Basecourse | Not depreciated | |
| Pavement | 1.25% to 10% | 10 - 80 |
| Traffic facilities | 5% to 10% | 10 - 20 |
| Streetlights | 3.33% | 30 |
| Bridges | 1% to 2% | 50 - 100 |
| Culverts | 1.11% to 1.25% | 80 - 90 |
| Water Reticulation: | | |
| Drains | Not depreciated | |
| Kerb and channeling | 1.25% | 80 |
| Pipes | 1.10% to 4.10% | 25 - 100 |
| Valves, hydrants | 1.67% | 60 |
| Valves, hydrants | 1.67% | 60 |
| Intake structures | 1.11% to 2% | 50 - 90 |
| Reservoirs | 1.25% | 80 |
| Resource consents | 2.85% | 35 |
| Pump stations | 2% to 6.67% | 15 - 50 |
| Treatment equipment | 2% to 6.67% | 15 - 50 |

| | | |
|---------------------------------|----------------|----------|
| Tunnels | 0.7% to 4% | 25 - 150 |
| Stormwater Reticulation: | | |
| Pipes | 1% to 1.54% | 65 - 100 |
| Sewerage Reticulation: | | |
| Pipes | 1% to 1.42% | 70 - 100 |
| Treatment plants | 1.11% to 6.67% | 15 - 90 |
| Pump stations | 1.11% to 6.67% | 15 - 90 |
| Manholes | 1.11% | 90 |

Capital work in progress is not depreciated. The total cost of the project is transferred to Property Plant and Equipment on its completion and then depreciated.

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

Revaluation

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

Council land - The Airport land was revalued to fair value as determined by market-based evidence by an independent valuer. The most recent valuation was performed by Quotable Value with an effective date as of 30 June 2005. Council land is recognised at deemed cost.

Harbour land - The Harbour land was revalued to fair value as determined by market-based evidence by an independent valuer. The most recent valuation was performed by Quotable Value with an effective date as of 30 June 2005. Harbour land is recognised at deemed cost.

Infrastructural assets – The infrastructural assets are valued on a three yearly valuation cycle at fair value determined on a depreciated replacement cost basis with preparation or peer review by an independent valuer. At balance date Buller District Council assesses the carrying values of its infrastructural assets to ensure that they do not differ materially from the assets fair value. The most recent valuation of roading and transport, and Three Waters assets will be performed by BECA, and the valuation shall be effective as of 30 June 2024. All Roding and Transport, and Three Waters infrastructural asset classes carried at valuation were valued.

Accounting for revaluation

Buller District Council accounts for revaluations of property, plant and equipment on a class of assets basis.

The results of revaluing are credited or debited to an asset revaluation reserve. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus or deficit, will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve.

Intangible assets

Software acquisition and development

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

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

Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows: Computer software 3 to 5 years 20 to 33.3%.

Goodwill

Goodwill is initially measured at its cost, being the excess of the cost of the acquisition over Buller District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill on acquisition of subsidiaries is included in intangible assets by applying the purchase method. Goodwill arising in business combinations is not amortised. Instead, goodwill is tested for impairment annually. After initial recognition, Buller District Council measures goodwill at cost less any accumulated impairment losses. An impairment loss recognised for goodwill will not be reversed in any subsequent period.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination, in which the goodwill arose.

Investment property

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

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

After initial recognition, Buller District Council measures all investment property at fair value as determined annually by an independent valuer. The most recent valuation of investment property was carried out by Quotable Valuations with an effective date as of 30 June 2024.

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

Impairment of non-financial assets

Property, plant and equipment assets, measured at fair value are not required to be reviewed and tested for impairment. The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the asset class is revalued.

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

Property, plant and equipment, and intangible assets subsequently measured at cost that have a finite useful life are reviewed each balance date for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible assets subsequently measured at cost that have an indefinite useful life, and goodwill, are not subject to amortisation and are tested annually for impairment.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

Value in use for non-cash generating assets

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

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

Value in use for cash generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

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

Employee entitlements

Short term benefits

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

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

Buller District Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that Buller District Council anticipates it will be used by staff to cover future absences.

Buller District Council recognises a liability and expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long term benefits

Long service leave and retirement leave

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

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

The present value of the estimated future cashflows. A discount rate of 1.9%, and an inflation factor of 3.9% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

Superannuation schemes

Defined contributions schemes

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

Provisions

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

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

Payables

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

Financial Liabilities

All financial liabilities are recognized as subsequently measured at amortised cost , or fair value through surplus or deficit.

Borrowings

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

Equity

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

The components of equity are:

- Retained earnings;
- Restricted reserves; and
- Asset revaluation reserve.

Goods and Services Tax (GST)

All items in the prospective 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 Prospective 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 Prospective Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Cost allocation

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

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using an appropriate cost driver.

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

Critical accounting estimates and assumptions

In preparing these prospective financial statements Buller District Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that form a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Classification of property

The Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

Landfill aftercare provision

The Landfill Aftercare Provision Note (if applicable) discloses an analysis of the exposure of Buller District Council in relation to estimates and uncertainties surrounding the landfill aftercare provision.

Infrastructural assets

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

- The physical deterioration and condition of an asset, e.g., Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for assets not visible, such as stormwater, wastewater and water supply pipes underground. The risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by local conditions, e.g., weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or underestimating the annual depreciation charge recognised as an expense in the surplus or deficit. To minimize the risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructure Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's Asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers prepare Council's roading asset revaluations and three waters revaluations. The last roading revaluation will be prepared by BECA for the year end 30 June 2024. The last three waters revaluation was prepared by BECA for the year end 30 June 2024.

FEES AND CHARGES

All figures are GST inclusive unless expressly stated otherwise.

| Library | | | |
|--|---|---|----------------------|
| Archives | | Photocopying | |
| Initial research (for search conducted by library staff) | \$20.00 first 15 minutes | A4 mono | \$0.20 per sheet |
| Search fee (for search conducted by library staff) | \$80.00 per Hour | A4 mono double-sided | \$0.40 per sheet |
| Rentals | | A4 colour | \$1.00 per sheet |
| Books - large print | \$0.50 | A3 mono | \$0.40 per sheet |
| Books - rental titles other than best-seller collection | \$1.00 | A3 Mono double-sided | \$0.80 per sheet |
| Books - best-seller collection (two-week loan only) | \$3.00 | A3 colour | \$2.00 per sheet |
| Magazines (first issue year) | \$0.50 | Laminating | |
| Jigsaws | \$1.00 | A4 | \$2.00 each |
| DVD | \$3.00 | A3 | \$4.00 each |
| Items recovery charge | | Hire of Meeting Room | |
| Lost/damaged | Replacement cost plus \$6.00 processing fee | Commercial / business / government department | \$150.00 per day |
| Item recovery charge This charge applies to any overdue accounts referred to Council and followed up with a debt collection agency) | \$15.00 | Commercial / business / government department | \$75.00 per half day |
| Requests | | Non-profit / community group | \$50.00 per day |
| Interloan (reciprocal libraries). | \$8.50 | Non-profit / community group | \$25.00 per half day |
| Interloan (non-reciprocal libraries). | \$20.00 | Housebound service | |
| Reserves own collection per book (free for online customer services) | \$1.00 | Annual charge | \$20.00 |
| Replacement cards | \$2.00 | Non resident subscription | |
| Sales | | Holiday card - valid up to one month | \$15.00 |
| Books | From \$1.00 - \$5.00 | Subscription membership card (valid six months) | \$50.00 |

| | | | |
|---|-------------------|--------------------------------------|--------|
| Book covering | \$8.00 | Fax services | |
| Internet printing (from People's Network): | | Fax - outwards (within New Zealand) | \$2.50 |
| A4 mono | \$0.20 per side | Fax - outwards (outside New Zealand) | \$5.00 |
| A4 colour | \$1.00 per side | Fax – inward | \$1.00 |
| Charging of mobile devices | \$2.00 per device | | |
| Re-surfacing of DVD's | \$ 8.00 per DVD | | |

| Clocktower | |
|--|--|
| (excluding tenanted areas, Council Chambers and the Mayor's room) | |
| Commercial/business/government department (longer term rates by negotiation) | \$200.00 per day |
| Non-profit/community group | \$50.00 per day, up to a maximum of \$400.00 per event |

| NBS Theatre | |
|---|------------------|
| Movie admission | |
| Adults | \$15.00 |
| Student (with ID) | \$11.00 |
| Children (primary) | \$8.50 |
| Senior citizens (60+). | \$10.00 |
| Family ticket (two adults and two children) | \$42.50 |
| 3-D glasses | \$2.50 per pair |
| Theatre hire | |
| Variable at discretion of Theatre Manager, plus other direct costs - wages, heating | \$50.00 per hour |
| Daily Theatre hire rate | |

| Professional | \$1,200.00 |
|---|-----------------|
| Local | \$500.00 |
| Arts Council and public meetings | \$450.00 |
| Two-day hire | \$1,100.00 |
| Green Room hire rate | |
| Per hour | \$50.00 |
| Daily rate | \$200.00 |
| Fred Gregory Screen Room hire rate | |
| Per hour | \$50.00 |
| Daily rate | \$200.00 |
| Equipment usage charges | |
| Lights | \$16.00 per day |
| Dimmer packs | \$27.00 per day |
| Speakers | \$27.00 per day |
| Microphones, stands, light trees, CD player | \$11.00 per day |

| | |
|------------------------------|--------------------------------------|
| Usher, front of house | \$27.00 per hour per person |
| Laptop, projector and screen | \$30.00 per day |
| Hire of tablecloths | \$2.00 |
| Hire of chairs | \$4.00 |
| Hire of trestles | \$2.00 |
| Staff technician | \$37.00 per hour |
| Additional charges | At the discretion of Theatre Manager |

| Reefton Cinema | |
|--|------------------|
| Movie admission | |
| Adults | \$15.00 |
| Students (with ID) | \$11.00 |
| Children (under 16) | \$8.50 |
| Seniors 60+ | \$10.00 |
| Family ticket (two adults and two children) | \$42.50 |
| 3-D glasses | \$2.50 per pair |
| Cinema hire | |
| Local daily hire | \$500.00 |
| Cinema hire | \$50.00 per hour |
| Cinema hire - Arts Council and public meetings | \$450.00 per day |

| Reefton Community Hall | |
|--|------------------|
| Hire rate | |
| Hire rate to 4:00pm weekdays | \$15.00 per hour |
| Hire rate, nights, weekends, statutory holidays | \$25.00 per hour |
| <i>(Variable at discretion of Staff, plus other direct costs - wages, heating)</i> | |

| Reefton Women's Institute Rooms / Community room | |
|--|----------------------|
| Commercial/business/government department | \$165.00 per day |
| Commercial/business/government department | \$80.00 per half day |
| Commercial/business/government department | \$25.00 per hour |
| Non-profit/community group | \$60 per day |
| Non-profit/community group | \$30 per half day |
| Non-profit/community group | \$15 per hour |

| Reserves | |
|-------------------------------------|----------------------------|
| Reefton Community Hall - sports | |
| U16 training | \$10.00 per hour |
| Senior training and U16 competition | \$15.00 per hour |
| Senior competition | \$25.00 per hour |
| Full night hire | \$250.00 |
| Victoria Square | |
| Buller Cricket Association | \$220.00 per year |
| Buller Rugby Union | \$90.00 + 6% gate per year |
| Rangiemaarie Croquet Club | \$100.00 per year |

| | |
|--|-------------------|
| White Star Rugby Club | \$100.00 per year |
| Westport Contract Bridge Club | \$100.00 per year |
| Kilkenny Park | |
| Buller Board Riders | \$200.00 per year |
| Raynor Park | |
| White Star Rugby Club | \$100.00 per year |
| Fire and Emergency NZ | \$100.00 per year |
| North Beach | |
| Westport Pony Club | \$100.00 per year |
| Kawatiri Riding for the Disabled | \$100.00 per year |
| Sunset Speedway Club | \$100.00 per year |
| Hall and reserve hire fees | |
| Fees and charges are set by the relevant sub-committee | |

| Westport and Reefton Cemeteries | |
|---|---------------------------------|
| Plot Fees | |
| Lawn plot including pre-purchase plot (includes perpetual maintenance) | \$1,136.00 |
| Eco plot including pre-purchase plot (includes perpetual maintenance) | \$1,136.00 |
| Special area plot (provided for child under 12 years, including still born child) | \$598.00 |
| Ashes plot on ashes berm including pre-purchase plot | \$155.00 |
| Headstone or plaque permit on berm for lawn plot | \$147.00 |
| Headstone or plaque permit on berm for ashes plot | \$74.00 |
| (In recognition of the Returned Services personnel war contribution and service to their country, the Council only charge an interment fee for the burial of Returned Services personnel in Council operated cemeteries.) | |
| Internment Fees | |
| Internment in lawn plot | \$692.00 |
| Internment in lawn plot extra depth | \$1,156.00 |
| Internment for eco-burial/natural burial – Westport Orowaiti Cemetery only | \$692.00 |
| Internment in special area plot (child aged under 12 years) | \$178.00 |
| Internment in special area plot or in purchased Lawn Plot (Still born baby) | \$64.00 |
| Internment of ashes for one | \$128.00 |
| Internment of ashes for two | \$171.00 |
| In case of double bereavement in one family, interment fee reduced by 33% | |
| Disinternment | \$692.00 + any additional costs |
| Reinternment | \$692.00 + any additional costs |
| Additional Fees | |
| Internments taking place on weekend or public holiday incur an additional fee | \$289.00 |
| Excavation of a grave on weekend or public holiday will incur an additional fee of | \$365.00 |

| | |
|---|---------|
| Documentation Fees | |
| Issue of duplicate of any document or certificate | \$53.00 |
| Cemetery burial records search exceeding 10 minutes of staff time | \$45.00 |

| Rubbish | |
|---|----------|
| The contractors will charge solid waste fees, Smart Environmental Ltd and WestReef Services Ltd. | |
| Maruia Landfill | |
| Minimum charge for refuse | \$12.00 |
| Light truck/ute/van | \$75.00 |
| Single axle trailer | \$75.00 |
| Double axle trailer | \$100.00 |

| Advertising | |
|---|---|
| Advertising on Palmerston Street rubbish bins. <i>(One panel on each of the 11 bins. The advertiser is to meet the costs of producing the advertising material.)</i> | Cost to be provided upon application |
| Advertising on Council-owned State Highway billboards | \$800.00 per month, per site (plus GST) |
| <i>The advertiser is to meet the costs of producing the advertising material, installation and removal.)</i> | |

| Service Connections | |
|---|--|
| All service connections shall be on a cost recovery. The work involved shall be installed to Council specifications and the installations must be undertaken by an approved contractor following the application being approved by Council. | |

| Senior Housing | |
|-----------------------|--------------------------------|
| Single unit | \$165.00 (GST exempt) per week |
| Double unit | \$215.00 (GST exempt) per week |
| Garage (if available) | \$10.00 (GST exempt) per week |

| Room rental | |
|---|--|
| For other rooms not listed, rental rates will be provided on application. | |

| Licence to occupy | |
|---|--|
| Application for licence to occupy | \$185.00 |
| Licence to occupy documentation fee | \$185.00 |
| Annual licence fee | |
| For dwellings on unformed legal road, as per Council policy | Council will provide rental rates upon application. For dwellings on unformed legal road, as per Council policy |
| (All other licences by negotiation) | |

| Road stopping | |
|---|----------|
| Application fee <ul style="list-style-type: none"> if application is approved all costs including staff time are payable in advance, in addition to the application fee) | \$365.00 |

| Vehicle crossings |
|---|
| Vehicle crossings are required to be installed to Council specifications and the installation must be undertaken by an approved contractor following the application being approved by Council. |

| Additional trade waste charges as per schedule 1C of the Trade Waste Bylaw | | |
|--|--|------------------------|
| Fees and charges are set annually by Council resolution and notified in the Annual Plan. The following charging categories apply to non-domestic/trade waste consumers. | | |
| A2 Additional trade waste charge | | |
| This is an annual charge for recovery of the marginal cost of providing additional trade waste capacity. This charge will be made using the methodology defined in schedule 1D, of Council's Trade Waste Bylaw. This charge will be made on the basis of multiples of domestic dwelling equivalents. The Domestic Dwelling Equivalent (DDE) varies depending on the activity. To calculate the total trade waste cost charging groups based on DDE are as follows: | | |
| Charging group | Domestic Dwelling Equivalent (DDE) Band | Trade waste fee |
| A | <2 DDE | \$0 |
| B | 2 - <5 DDE | \$100.00 |
| C | 5 - <10 DDE | \$200.00 |
| D | 10 - <20 DDE | \$400.00 |
| E | 20 - <30 DDE | \$600.00 |
| F | 30 - <70 DDE | Determination required |
| G | <70 DDE | Determination required |
| A4 Trade waste consent application fee | | |
| This is payable with each Trade Waste Consent Application. | | |

| <p>A5 Compliance or extraordinary application processing costs Time and disbursement costs, as incurred on at a rate identified in the Long-Term Plan. Extraordinary application processing or compliance costs will subsequently apply. Schedule 1D of the Trade Waste Bylaw - methodology for calculating additional trade waste charges. The following methodology will be used to apply the fees and charges set out in schedule.</p> <p>1C. This methodology is based on principles outline in the Introduction to the bylaw.</p> <p>1. The Council will prepare a schedule of non-domestic consumers from their rating database.</p> <p>2. Using best available information and local knowledge, the Council will assess the business function or activity and estimate the relevant local capacity of usage criteria of each non-domestic consumer on the schedule.</p> <p>3. From load factors for the generic business functions or activities, an average daily flow will be estimated. In special cases, organic load may be considered, if relevant to that activity or if it may have an implication to the sewerage system.</p> <p>4. From the estimate of daily flows (or organic load in special cases), the ratio of flow estimated from the activity (or organic load) to that expected from a domestic dwelling and as identified will be calculated.</p> <p>5. As the assessment is not necessarily highly accurate, the calculated ratio will be averaged into one of the following groups and the appropriate charge concluded.</p> | | |
|--|-------|---|
| Ratio | Group | Charge |
| 1 - <2 | A | 1 - no additional charges |
| 2 - <5 | B | 3 - additional trade waste charges |
| 5 - <10 | C | 7 - additional trade waste charges |
| 10 - <20 | D | 15 - additional trade waste charges |
| 20 - 30 | E | 25 - additional trade waste charges |
| >30 | F | Ratio x additional trade waste charges |
| >70 | G | Formal trade waste consent application required |
| <p>6. The assessment will be forwarded to the applicant as a provisional trade waste consent, with procedures defined in section 3.2 of the bylaw.</p> <p>7. For application assessed or known to have a maximum flow greater than 50m³/day, a formal trade waste consent application shall be required to be submitted by the consumer.</p> <p>For further information regarding the Trade Waste Bylaw contact the Infrastructure Services Department.</p> | | |

| South Granity Water Contribution | |
|--|----------------------|
| Buller District Council has a memorandum of understanding with the South Granity Water Board to collect an annual charge for the upkeep of the South Granity community water supply. The charge is applicable for all properties connected to the water supply and will be included in the rates assessment for the property. | \$288.00 per year |
| Instalment dates South Granity water charges are payable in 4 instalments with the due dates being: | |
| Instalment 1 | 28 August 2024 |
| Instalment 2 | 28 November 2024 |
| Instalment 3 | 28 February 2025 |
| Instalment 4 | 28 May 2025 |
| Penalties On the penalty date a ten percent (10%) charge will be added to the balance of charges left owing A charge of five percent (5%) will be added on 1 September 2024 to any balance owing from any year's charges applied prior to 1 July. South Granity Water charges are payable at Council's main office, Brougham Street, Westport (open 8.30am - 4.30pm, Monday to Friday), or the Visitor and Service Centre at 67 - 69 Broadway, Reefton (open 8.30am - 4.30pm), or by using on-line banking, or through direct credit, direct debit, or credit card. All unpaid water charges will incur penalties on the penalty dates as set out in the table below: | |
| Instalment 1 | 29 August 2024 10% |
| Instalment 2 | 29 November 2024 10% |
| Instalment 3 | 29 February 2025 10% |
| Instalment 4 | 29 May 2025 10% |
| Any year's water contribution struck prior to 1 July 2024 | 1 September 2024 5% |

Regulatory Services - Resource Management

Basis of charges

The Buller District Council has adopted a user pays policy for all resource consent applications and functions that the Council carries out under the Resource Management Act 1991. The purpose of the charges is to recover the actual and reasonable costs incurred by the Council.

In setting these charges, the Council has had regard to the criteria set down in Section 36 of the Resource Management Act (RMA).

Timing of payments

Most of the charges and amounts specified in this schedule (unless otherwise specified) are payable in advance of any action being undertaken by the Council. Pursuant to Section 36(7) of the RMA the Council need not perform the action to which the charge relates until the charge has been paid in full.

Deposits

Deposits are initial charges payable at the time an application is submitted to Council for processing. Notwithstanding that a deposit may be paid, the Council will commence processing the application only when it is satisfied that the information received with the application is adequate. Since resource consent applications can vary significantly in their content and nature, the Council cannot set a fixed charge that would be fair and reasonable in every case. The deposit shown in the schedule is the minimum deposit for that particular application category. A deposit higher than the minimum could be required and this would be dependent on the nature and scale of each specific application.

Final costs

When the processing of an application has been completed and a decision has been made, Council will then finalise the cost of processing the application.

(a) Remission of charges

Pursuant to Section 36(5) of the RMA, the Council, at its discretion may remit the whole or any part of the charges listed.

(b) Additional charges

Additional charges may be required under Section 36(3) of the RMA where the deposit is inadequate to cover costs, to enable Council to recover its actual and reasonable costs relating to any particular application.

(c) Discount on the charges

Pursuant to Section 36AA of the RMA the Council will give discounts on administrative charges to applicants whose resource consents have exceeded the prescribed timeframes where the responsibility for the failure rests solely with Council. The refund will be in accordance with the Resource Management (discount on administrative charges) Regulations 2010.

Policy

As a basis for additional costs under Section 36(3) of the RMA 1991, Council will assess such costs on the following basis:

- (a) Staff costs will be charged out at their hourly charge out rates as determined by the Department Manager from time to time.

- (b) Vehicle mileage rates will be charged at \$2.00 per kilometre plus GST for external charging. Travel for Consultants will be charged at cost.
- (c) Staff travel time will be capped at one hour, plus applicable mileage.
- (d) Advertising, materials and laboratory costs will be charged at cost.
- (e) Costs for Hearing Commissioners and their disbursements will be recovered at actual rates.
- (f) Legal charges / peer reviews will be recovered at actual rates.

| List of charges | |
|---|--|
| A charge shall be made for each type of application or action listed. All charges unless otherwise specified in this table are a deposit and are inclusive of GST. All references are to the Resource Management Act 1991 and any subsequent amendments unless specified otherwise. | |
| Application administration fee | \$200.00 |
| Monitoring administration fee | \$200.00 |
| Category A - Land Use Consents | |
| Description of service | Minimum deposit/fixed charge |
| Non notified (other than below) | \$1,000.00 deposit with full cost recovery |
| Non notified <ul style="list-style-type: none"> • Electric line installation • Minor bulk, height and location matters • Signs | \$600.00 deposit with full cost recovery |
| Non-notified relocation of an existing powerpole | \$600.00 flat fee |
| Notified (eg hearings and joint hearings with the Regional Council) | \$1,300.00 deposit with full cost recovery (e.g. hearings and joint hearings with the Regional Council) |
| Permitted boundary activities – section 87BA of the Resource Management Act 1991 | \$550.00 deposit with full cost recovery |
| Deemed permitted activities – section 87BB of the Resource Management Act 1991 | \$550.00 deposit with full cost recovery |
| Category B - Subdivision Consents | |
| Non notified | \$1,000.00 deposit with full cost recovery |
| Notified | \$1,300.00 deposit with full cost recovery |
| Boundary adjustment | \$700.00 deposit with full cost recovery |
| Category C - Survey Plan and Related Subdivision Processing | |
| Section 223 sealing of plan | \$300.00 minimum with full cost recovery |
| Signing under section 224(c) where no conditions are imposed | \$200.00 minimum with full cost recovery |
| Signing under section 224(c) where conditions are imposed | \$300.00 minimum with full cost recovery |
| Section 226 Certificates | \$500.00 minimum with full cost recovery |

| | |
|---|---|
| Right of way and easement amendments (section 348 of LGA 1974) | \$550.00 minimum with full cost recovery |
| Resolution for no frontage access to a lot (section 321 of LGA 1974) | \$400.00 minimum with full cost recovery |
| Authenticated copy of section 321 resolution | \$230.00 minimum with full cost recovery |
| Easements and encumbrances including lifting building line restrictions | \$355.00 minimum with full cost recovery |
| Other services (e.g. building, engineering advice) | At Cost |
| Category D - General Consent Processing and Monitoring | |
| Compliance monitoring on a Resource Consent where a breach of consent condition or conditions are identified - Sec 35(2)(d) | At cost invoiced on completion of investigations |
| Compliance monitoring of Resource Consent conditions, including Compliance Certificate for completion of conditions | At cost, invoiced on completion of investigations |
| Objection on decision - section 357-357A | \$400.00 deposit with full cost recovery |

| | |
|---|--|
| Lapsing/cancellation/change/review of conditions: | |
| Sections 125, 126, 127, 128-132. | \$700.00 deposit with full cost recovery |
| Notified review of condition - section 128 | Full cost recovery |
| Maintenance bond administration | \$200.00 per condition to be bonded |
| Performance bond administration | \$300.00 per condition to be bonded |
| Bond preparation by Council Solicitor | At cost |
| Legal costs associated with consent application. <ul style="list-style-type: none"> Where one or more submitters make a request under Section 100A of the RMA to have a resource consent application heard by one or more hearing commissioners who are not members of the Council, the applicant will pay the amount that the Council estimates it would cost for the application to be heard had the request not been made, and the submitter(s) who made the request will pay, in equal shares, the cost of the application being heard that exceeds that amount payable by the applicant. Where the applicant requests to have a resource consent application heard by one or more hear commissioners who are not members of the Council, under Section 100A of the RMA, the applicant will pay the full costs. | At cost |
| Category E - Other RMA Functions | |
| Existing use rights - section 10. | \$900.00 deposit with full cost recovery |
| Transfer of resource consent | \$50.00 |
| Certificate of Compliance - section 139 | \$700.00 deposit with full cost recovery |

| | |
|--|--|
| Signing of s241, cancellation of amalgamation certificate | \$150.00 minimum with full cost recovery |
| Signing of s243 variation/surrender of easements certificate | \$150.00 minimum with full cost recovery |
| Signing of s348 certificate | \$150.00 minimum with full cost recovery |
| Requirement for Designation - Sections 168-173 (Heritage Order Sections 189-191) | |
| Non-notified | \$1,100.00 deposit with full cost recovery |
| Notified | \$2,100.00 deposit with full cost recovery |
| Approval of outline plan - section 176(a). | \$300.00 deposit with full cost recovery |
| Waiver of outline plan - section 176 | \$200.00 flat fee |
| Requirement for alteration of a designation - Sec 181 | |
| Non-notified | \$600.00 deposit with full cost recovery |
| Notified | \$900.00 deposit with full cost recovery |
| Application to determine that a designation should not lapse - Sections 184(1)(b) and (2)(b): | |
| Non-notified | \$400.00 deposit with full cost recovery |
| Notified | \$1,100.00 deposit with full cost recovery |
| Searching and compiling information in respect of plans, resource consent records, planning files, involving more than 30 minutes and per half hour or part thereof | \$35.00 deposit with full cost recovery |
| Consultation of more than 30 minutes regarding information in respect of District Plan or proposed District Plan interpretation on any one project, excluding explanations associated with the statutory process for processing a consent. | Invoiced on completion of consultation |
| Written response to interpretations sought on District Plan or any Proposed District Plan rule/s | Invoiced on completion of investigations |
| Request for private plan change | \$5,100.00 deposit with full cost recovery |
| Category F - Miscellaneous | |
| Preparation of any documents for the purposes of the Overseas Investment Commission. | At Cost |
| Information requests that take longer than 30 minutes to answer | At Cost |
| Computer freehold register search (or first instrument) | \$45.00 |
| Plus: per additional document | \$15.00 |
| Consultants & miscellaneous fees (i.e., printing costs) | At Cost |
| Category G - District Plans | |
| Buller District Plan folder | \$250.00 flat fee |
| Buller District Plan CD | \$35.00 flat fee |
| Buller District Plan maps | \$350.00 flat fee |

| Category H – Charge-out rates (including rates, mining privileges) The following are charge-out rates that will be used to assess actual costs | |
|---|---|
| Chief Executive | \$200.00 per hour |
| All divisional managers | \$180.00 per hour |
| Processing officer (including consultants undertaking processing and monitoring of applications) | \$145.00 - \$250.00 per hour |
| Assets and infrastructure and building officers | \$115.00 - \$200.00 per hour |
| Technical support officer planning | \$155.00 per hour |
| Other staff | Hourly rate set by Manager of the respective department |
| Cost of commissioners attending hearings | Actual costs |
| Consultants and contractors (e.g., noise reports, legal advice, does not include processing and monitoring consultants). | Actual costs |
| Copying, vehicle costs and other administration charges are applicable as prescribed for the whole of Council's operations. | |
| Notes | |
| <ul style="list-style-type: none"> The Council may charge a late default fee of \$100.00 if a resource consent application is withdrawn within five (5) working days of an appointed hearing, in addition to costs. Consent monitoring charges will be included as conditions on resource consents where appropriate. Every other certificate, authority, approval, consent, service given or inspection made by the Council under any enactment or regulation not specifically mentioned in the resolution above, where such enactment contains no provision authorising the Council to charge a fee and does not provide that certificate, authority, approval, consent, service or inspection is to be given or made free of charge, will be charged for at cost. This includes cancellation of amalgamation conditions. All information searches which take longer than 30 minutes will be charged for. | |

| Building consent fees | |
|---|--|
| Building consent fees shall be paid by way of deposit up front followed by settlement of any additional cost before uplifting a consent. Fees are as listed below: | |
| Property Information Memorandums (PIM's). | \$200 with full cost recovery |
| Spaceheater - freestanding | \$500.00 set fee |
| Spaceheater - inbuilt | \$600.00 set fee |
| Minor alterations (<\$20,000) e.g. remove internal wall, install shower. \$380.00 deposit with full cost recovery | \$380 deposit with full cost recovery |
| Minor work (<\$20,000) e.g. garage/shed/carport/conservatory/re-pile | \$480.00 deposit with full cost recovery |

| | |
|---|--|
| New work/alterations (>\$20,000) but not major construction and multi-proof consents | \$700.00 deposit with full cost recovery |
| New major construction | \$2,500.00 deposit with full cost recovery |
| Applications | |
| Administration fee - All | \$150.00 |
| Inspection fee (per inspection) | \$200.00 |
| (The current inspection fee will apply for any inspections carried out more than two years after the consent was issued regardless of whether an extension of time has previously been granted. If inspections have been prepaid the balance between the fee paid and the current fee will apply). | |
| Processing and vetting of consent applications | \$200.00 per hour |
| Code compliance certificate | \$200.00 |
| Compliance schedule - where required up to 3 hours – Additional charges apply exceeding 3 hours | \$600.00 |
| Exempt building work | \$250.00 deposit with full cost recovery |
| Waiver request form | \$200.00 |
| Building levies (fees are payable on consent of a value in excess of \$20,000) | |
| Ministry of Building Innovation and Employment (as set by statutory requirements and payable on consent value over \$20,444). (This is changing on the 1 st of July 2024, if the value of the building work is less than \$65,000 incl GST, it will be exempt from paying the building levy) | \$2.01 per \$1,000.00 or part thereof |
| BRANZ (as set by statutory requirements and payable on consent value over \$20,000) | \$1.00 per \$1,000.00 or part thereof |
| Alpha One (BDC Agent) Levy | |
| All projects under \$125,000 except spaceheater installations Manual applications except spaceheater installations | \$86.25 \$200.00 per hour |
| Building Consent Authority (BCA) Levy | |
| <\$10,000 | \$100.00 |
| \$10,000-\$20,000 | \$200.00 |
| \$20,000-\$49,999 | \$300.00 |
| \$50,000-\$99,999 | \$500.00 |
| \$100,000-\$199,999 | \$1000.00 |
| \$200,000-\$349,999 | \$1,500.00 |
| \$350,000-\$499,999 | \$2,000.00 |
| \$500,000-\$1,000,000 | \$2,500.00 |
| > \$1,000,000 | \$2,500.00 plus \$1.00 per \$1,000 or part thereof on consent value over \$1,000,000 |
| Other fees | |
| Land Information Memorandum (LIM) minimum fee of: | \$300.00 |

Certificate of Acceptance - The full cost of processing a Certificate of Acceptance based on inspection and processing fees plus the full fee, charges and/or levies that would have been payable had the owner or the owners predecessor in title applied for a building consent before carrying out the building work (refer Section 97 Building Act 2004)

| | |
|--|---|
| Building Compliance Certificate (sale of alcohol) | Flat fee of \$50.00 |
| Inspection and reports on unauthorised work | \$200.00 per hour |
| Swimming pool fence inspections fee | \$200.00 per inspection |
| Field/service/site inspection. | \$200.00 per hour |
| Building information | \$200.00 per hour |
| Notices to fix | \$200.00 per hour |
| Compliance schedules | |
| Annual administration fee for compliance schedule (includes audit if required) – Two or less | \$200.00 |
| Five or less | \$397.00 |
| Six or more | \$480.00 |
| Late fee | \$200.00 |
| Re-inspection fee | \$200.00 |
| Design or peer review plus specific inspections by specialist external contractors. | Full cost recovery |
| Certificates for public use | \$150.00 administration fee \$200.00 per hour processing fee |
| Amendment of consents | \$150.00 administration fee \$200.00 per hour processing fee plus Alpha One levy \$86.25 |
| Building consent - extension of time fee | \$100.00 |
| Building consent - document copying | Refer to Buller District Council website |
| Registration Costs Section 73, 77 and 83 of the Building Act | |
| Administration/preparation of signed certificate | On charged at cost plus registration costs to DLR as set by Land Information New Zealand |

| Health inspection fees | |
|-------------------------------|--------------------------------------|
| Premises licence fees | |
| Additional visits if required | \$126.00 per hour (includes mileage) |
| Food vending machines | \$39.00 |
| Hairdressers | \$220.50 |
| Mortuary licence | \$276.00 |

| | |
|---|-------------------|
| Offensive trades | \$276.00 |
| Camping grounds | \$388.00 |
| Transfer fee of health registrations | \$34.00 |
| Others - itinerant traders | \$276.00 |
| Hawkers | \$25.00 |
| Trading in public places licence (street stalls): | |
| up to and including a maximum of three (3) days over any seven (7) day period | \$26.25 |
| for more than three (3) days up to seven (7) days over any seven (7) day period | \$42.00 |
| mobile or travelling shops | \$166.00 |
| Licence to Occupy footpaths for dining purposes - temporary structures | \$126.00 |
| If a business is required to be registered under the Food Act 2014, the following charges apply | |
| Food control plan - national programme (initial) | \$200.00 |
| Food control plan - national programme (renewal of registration). | \$200.00 |
| Printed food control plan | \$30.00 |
| Printed food control diary | \$10.00 |
| Verification visits (per audit) | \$187.00 per hour |
| Verification follow-up including corrective actions | \$187.00 per hour |
| Amendment to food control plans based on a change in circumstances | \$50.00 |
| Additional visits to check compliance | \$187.00 per hour |
| Compliance and monitoring (investigation of complaint resulting in the issue of an improvement notice by Food Safety Officer. | \$187.00 per hour |
| Environmental Health Officer | |
| Inspections | \$187.00 per hour |
| Administration | \$110.00 per hour |
| Consultation | \$187.00 per hour |

| Sale of alcohol licensing | |
|--|-------------------|
| (refer to Sale and Supply of Alcohol (Fees) Regulations 2013) | |
| Providing alcohol information | \$125.00 per hour |
| Alcohol licensing fees for the following can be found at: https://bullerdc.govt.nz/media/h5ck2dwh/fees-and-charges-alcohol-licensing.pdf On-licence or off-licence or club licence - new or renewal applications On-licence endorsed BYO - new or renewal applications . Conveyance licence - new or renewal applications . Special licence - new or renewal applications . Manager's certificate - new or renewal applications . Extract from registrar . Temporary authority per licence . Temporary licence | |

| Gambling venue applications | |
|---|----------|
| Application for class 4 gambling venues | \$287.50 |

| Amusement devices | |
|---|---------|
| For one device, for the first seven days of proposed operation or part days thereof | \$11.25 |
| For each additional device, for the first seven days of proposed operation of part days thereof | \$2.25 |
| For each device, for each further period of seven days or part thereof | \$1.12 |

| Dog registration fees | |
|--|--|
| <p>For the purposes of determining Annual Dog Registration Fees, there will be two categories of dog owner - those considered to demonstrate competent dog ownership known as responsible dog owners (RDO) and those who have not.</p> <p>To demonstrate competence a dog owner must not have had any substantiated complaints in the previous twelve-month period. Animal Control Officers will be responsible for investigating and recording complaints made about dogs.</p> <p>Working Dogs are defined as dogs that are used specifically or solely for herding or droving stock.</p> | |
| Responsible dog owners will be charged the following registration fees | |
| Approved dog owners - entire dogs | Non-Working Dogs \$89.50 Working Dogs \$67.50 |
| Approved dog owners - de-sexed dogs | Non-Working Dogs \$69.50 Working Dogs \$52.50 |
| Dog owners who are not able to show competence in dog ownership will be charged the following fees | |
| Entire dogs | \$154.50 |
| De-sexed dogs | \$134.50 |
| Other fees related to dog registration | |
| Dogs not registered after due date - per dog | Additional 50% |
| Duplicate registration tags | \$2.50 |
| Microchipping of dogs | \$40.00 |
| Inspection fee | \$51.00 |
| Animal control officer consultation | \$ 66.50 per hour |
| Dog impounding | |
| First impounding within 12 months | \$75.00 |
| Second impounding within 12 months | \$180.00 |
| Third impounding within 12 months | \$200.00 |
| Plus, in each instance above, a sustenance fee per day or part thereof. | \$15.00 |

| | |
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| Dogs impounded after normal working hours, owner to pay an additional fee | \$50.00 |
| Finder's fee (first offence, registered, able to be identified, able to be received) | \$30.00 |
| Dog Euthanasia | Full cost recovery |

| Ranging and impounding of animals | |
|---|--|
| Stock impounding | Actual cost |
| Every horse, above 12 months of age | \$60.00 |
| Every horse, under 12 months of age | \$60.00 |
| Every mule or ass | \$60.00 |
| Every bull over the age of 9 months | \$60.00 |
| Every ox, cow, steer, heifer or calf | \$60.00 |
| Every ewe, wether or lamb | \$50.00 |
| Every hind or stag | \$60.00 |
| Every goat | \$50.00 |
| Every boar, sow or pig | \$50.00 |
| Impounding and sustenance | |
| <p>The owner of any stock impounded shall pay, in addition to the above impounding fee, a similar amount per day or part day thereof for sustenance, and actual and reasonable charges incurred in impounding the stock on the following basis:</p> <p>The actual costs on wages plus 140% (plus GST)</p> <ul style="list-style-type: none"> • Vehicle expenses at \$1.50 per kilometre plus GST for external charging <p>The actual freight costs incurred</p> | |
| Administration costs | |
| Travel costs | vehicle expenses at \$1.50 per kilometre (plus, GST for external charging) |
| Dogs impounded after normal working hours, owner to pay an additional fee | \$50.00 |

| Information services | |
|--|-------------------|
| Where written information is sought or staff are employed to provide information other than that in relation to normal inspectoral or by-law requirements, | |
| an hourly rate of | \$71.50 |
| Photography costs | \$2.00 per photo |
| Other services | |
| All other services rendered by staff which is outside of the services normally provided for in the other fees and charges | \$71.50 per hour. |

| All departments | |
|---|------------------|
| Staff time | |
| For chargeable services the staff hourly rate is: | \$80.00 per hour |
| Photocopying | |
| A4 Mono | \$0.20 per copy |
| A4 Colour | \$1.00 per copy |

| | |
|---|------------------|
| A3 Mono | \$0.40 per copy |
| A3 Colour | \$2.00 per copy |
| Aerial photos or maps | |
| GIS preparation and printing: | \$10.00 per item |
| <ul style="list-style-type: none"> • Photocopying charges apply as above for multiple copies. • Complex enquiries may incur specialist staff time charges | |
| Electronic imaging: | |
| CD or DV | \$5.00 per job |

| Westport Airport Authority | |
|--|----------------------------|
| Parking charges | |
| Daytime (more than 1 hour, but less than 24 hours). | \$5.00 per day |
| Overnight (24-hour period, plus). | \$10.00 per 24-hour period |
| Daily casual landing fees: Weights based on aircraft's maximum certified take-off weight (MCTOW): | |
| 0–1000kg | \$10.00 |
| 1,001–2,000kg | \$20.00 |
| 2,001–3,500kg | \$35.00 |
| 3,501–5,000kg | \$65.00 |
| 5,001–12,000kg | \$125.00 |
| 12,001 – 25,000 kg | \$260.00 |
| 25,001 kg and over | \$320.00 |
| Discounts and administration charges: An honesty box is provided for operators of light aircraft below 2,000kg, which is located adjacent of the terminal building. | |
| Aircraft MCTOW of less than 1,000kg. | \$5.00 |
| Aircraft MCTOW of 1,000kg to less than 2,000kg | \$15.00 |
| Touch and go practice landing will be charged for one landing only | |
| A \$10.00 administration charge applies to all invoice less than \$20.00 per month. | |

| Westport port | |
|--|--|
| <i>(All fees are inclusive of GST. Per day rates - minimum 24 hours)</i> | |
| Soundings | |
| Special Soundings (at the request of Ship's Master or Agent) Monday-Friday (0700 hrs - 1800 hrs) | \$460.00 per hour or part thereof |
| Outside of the times above | \$667 per hour for the first hour and \$350 per hour for the second and subsequent or part thereof |
| Parking charges | |
| Daytime (more than 1 hour, but less than 24 hours) | \$5.75 per day |
| Overnight (24 hour period, plus) | \$11.50 per 24 hour |
| Harbour Master boat assistance | |
| Per hour for the first hour | \$667.00 |
| Per hour for the second and subsequent hours or part thereof | \$402.50 |

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| Public notices | |
|--|---|
| Advertisements | Actual cost |
| Wharfage | |
| Fish | \$9.45 per metric ton or part thereof (minimum \$40.00) |
| Other commodities | \$9.45 per metric ton or part thereof (minimum \$40.00) |
| Berthage (vessels under 30 metres LOA) | |
| Vessels that are not commercial fishing vessels and do not have a permanent berth | A daily charge of \$2.75 per metre or part metre of the overall length of the vessel with a minimum charge of \$31.31 per day |
| Fishing charter vessel | A daily charge of \$3.60 per metre or part metre of the overall length of the vessel |
| Commercial fishing vessel less than 20m (LOA). | \$3.00 per metre per day |
| Commercial fishing vessel 20m (LOA) and over | \$299.00 per entry (includes entry/advisory fee) plus \$3.05 per metre per day |
| A vessel requiring a 'layup' berth | A monthly charge of \$46.00 per metre or part metre of the overall length of the vessel payable in advance plus any costs involved in the supply of three phase or other shore power |
| All other permanent berth holders | An annual charge of \$195.60 per metre or part metre of the overall length of the vessel payable in advance. An annual charge of \$115.00 per metre or part metre of the overall length of the vessel for pole mooring (non-powered) |
| Six-months tuna special | The rate is \$97.75 per boat metre or part metre This allows the vessel to be tied up as many times as desired between 1 Jan and 30 June in any one season. (Note a six month rate will be applied to annual and floating berth holders from July to December 2023 inclusive) |
| Mooring Fee - Linesmen | |
| Monday-Friday (0700 hrs - 1800 hrs) | \$90.00 per hour, per person |
| All other times (Minimum charge - 1 hour per person) | \$120.00 per hour, per person |
| Punt Hire | |
| Punt hire | \$37.50 per hour |
| Slipway Charges | |
| Haulage (up/down) | \$900.00 minimum charge |
| <i>(this includes 5 days applicable cradle charge)</i> | |
| Additional Daily cradle charge | \$150.00 per day |
| Electricity connection fee | \$48.00 |
| Electricity (metered supply charge). | \$1.50 per kWh |
| <i>(a cleaning fee of up to \$500.00 will be charged if the site is left untidy)</i> | |
| Security Access Card Replacement | |
| Replacement card | \$75.00 |

Westport Office

4-6 Brougham Street,
PO Box 21, Westport 7866
New Zealand
Freephone 0800 807 239
Phone 64 3 788 9111

Sue Thomson-Casey Memorial Library

87-89 Palmerston Street,
Westport 7825, New Zealand
Phone 64 3 788 8030

Reefton Visitor and Service Centre

67-69 Broadway,
PO Box 75, Reefton 7851,
New Zealand
Freephone 0800 808 821
Phone 64 3 732 8821

Email info@bdc.govt.nz

Website bullerdc.govt.nz



BULLER
DISTRICT COUNCIL

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 6

Prepared by: Lynn Brooks
Finance Manager

Reviewed by: Paul Numan
General Manager Corporate Services

Attachments: 1. Schedule 1

SETTING OF RATES FOR THE 2024-2025 FINANCIAL YEAR

1. REPORT SUMMARY

In addition to adopting the Annual Plan, Council must resolve to set and assess the rates described in the 2024-2025 (Rating) Funding Impact Statement.

This resolution must cover all of the rates, definitions and details included in the Funding Impact Statement. The Funding Impact Statement is included in the final and adopted Annual Plan.

Council must also resolve the due dates for rates and metered water, and how penalties will be applied to late payment.

This report provides for all of the legal requirements for setting the 2024-2025 rates.

2 DRAFT RECOMMENDATION

That Council resolves the following:

- (a) **That the rates listed in the attached Schedule 1 (being those listed in the Funding Impact Statement of the 2024-2025 Annual Plan), as adopted at the Council meeting of 26 June 2024 are set under the Local Government (Rating) Act 2002 (“the Act”) on rating units in the district for the financial year commencing 1 July 2024 and ending on 30 June 2025.**
- (b) **That each of the rates for the financial year are set under the following sections of the Act:**
 - 1. **General Rates**
 - 1.1 **General (differential) Land Rate – Section 13**
 - 1.2 **Uniform Annual General Charge – Section 15**

2. **Water Supply Rates**
 - 2.1 **Targeted Water Supply Rate(s) – Section 16 & Schedule 3**
 - 2.2 **Metered water rate – Section 19**
 3. **Sewage Disposal Rates**
 - 3.1 **Targeted Sewage Disposal Rate(s) – Section 16 & Schedule 3**
 4. **Waste Management Rates**
 - 4.1 **Targeted Waste Management Rate(s) – Section 16 & Schedule 3**
- (c) **That all rates will be payable in 4 instalments with the due dates being:**
1. **Instalment 1 – 28 August 2024**
 2. **Instalment 2 – 28 November 2024**
 3. **Instalment 3 – 28 February 2025**
 4. **Instalment 4 – 28 May 2025**
- (d) **That rates for metered water will be payable by the 20th day of the month following the invoice date, sic:**
1. **July 2024 invoice – 20 August 2024**
 2. **August 2024 invoice – 20 September 2024**
 3. **September 2024 invoice – 20 October 2024**
 4. **October 2024 invoice – 20 November 2024**
 5. **November 2024 invoice – 20 December 2024**
 6. **December 2024 invoice – 20 January 2025**
 7. **January 2025 invoice – 20 February 2025**
 8. **February 2025 invoice – 20 March 2025**
 9. **March 2025 invoice – 20 April 2025**
 10. **April 2025 invoice – 20 May 2025**
 11. **May 2025 invoice – 20 June 2025**
 12. **June 2025 invoice – 20 July 2025**

- (e) That all unpaid rates will incur penalties on the penalty dates being:**
- 1. Instalment 1 – 28 August 2024**
 - 2. Instalment 2 – 28 November 2024**
 - 3. Instalment 3 – 28 February 2025**
 - 5. Instalment 4 – 28 May 2025**
 - 6. Any year's rates struck prior to 1 July 2024 – 1 September 2024**
- (f) That all unpaid balance of metered water rates will incur penalties on the penalty dates being:**
- 1. July 2024 invoice – 21 August 2024**
 - 2. August 2024 invoice – 21 September 2024**
 - 3. September 2024 invoice – 21 October 2024**
 - 4. October 2024 invoice – 21 November 2024**
 - 5. November 2024 invoice – 21 December 2024**
 - 6. December 2024 invoice – 21 January 2025**
 - 7. January 2025 invoice – 21 February 2025**
 - 8. February 2025 invoice – 21 March 2025**
 - 9. March 2025 invoice – 21 April 2025**
 - 10. April 2025 invoice – 21 May 2025**
 - 11. May 2025 invoice – 21 June 2025**
 - 12. June 2025 invoice – 21 July 2025**
- (g) That Council apply the following penalties in terms of Sections 57 & 58 of the Act:**
- 1. On the penalty date a ten percent (10%) charge to be added to the balance of rates (excluding metered water rates) left owing of the instalment due on that date.**
 - 2. A charge of five percent (5%) be added on 1 September 2024 to any balance owing from any year's rates struck prior to 1 July 2024.**

- 3. On the 21st day of each month, a charge of 10% to be added to any balance of the metered water rates owing from that total amount invoiced in the previous month (as set out in Section (D) above).**
- 4. That rates shall be payable at Council's main office, Brougham Street, Westport (open 8:30am-4:30pm, Monday to Friday), or the Visitor & Service Centre at 67-69 Broadway, Reefton (open 09:00am- 4:30pm), or by using on-line banking, or through direct credit, direct debit, or credit card.**

Schedule 1 Forecast Funding Impact Statement

1. GENERAL RATES

General rates includes both the general (differential) rate and a uniform annual general charge.

General rates are used to fund or part fund Democracy, Economic Development, Community Services, Regulatory Services, Property, Roading, Solid Waste Management, Stormwater, Support Services and Airport activities.

1.1 General (Differential) Land Rate

The general rate is set and assessed on the land value of all rateable land in the district, on a differential basis based on location, area, land use, and the activities that are permitted, controlled or discretionary for the area in which the land is situated as per the District Plan.

The definition of the differential categories is set out in this Funding Impact Statement, under Part 5.

General Rates (inclusive of GST).

Table 1 – Differentials

| General Rate differential categories | Percentage of General Rate | General Rate (cents per \$ land value) | Collect |
|--------------------------------------|----------------------------|--|-------------|
| Residential 101 | 0.979% | 0.24173 | \$104,837 |
| Residential 102 | 0.168% | 0.27356 | \$18,033 |
| Residential 103 | 0.662% | 0.32728 | \$70,964 |
| Residential 104 | 0.830% | 0.30872 | \$88,911 |
| Residential 105 | 0.364% | 0.28838 | \$39,015 |
| Residential 106 | 19.185% | 1.00250 | \$2,055,072 |
| Residential 107 | 1.448% | 0.91804 | \$155,093 |
| Residential 108 | 1.152% | 0.60299 | \$123,426 |
| Residential 109 | 0.631% | 0.57301 | \$67,547 |
| Residential 110 | 0.680% | 0.46632 | \$73,374 |
| Residential 111 | 0.218% | 0.22520 | \$23,335 |
| Residential 112 | 0.546% | 0.41336 | \$58,511 |
| Residential 113 | 0.400% | 0.42084 | \$42,802 |
| Residential 114 | 1.025% | 0.52245 | \$109,752 |
| Residential 115 | 2.614% | 0.44312 | \$280,057 |
| Multi Residential 121 | 0.030% | 0.72654 | \$3,197 |
| Multi Residential 122 | 0.008% | 0.50608 | \$860 |
| Multi Residential 123 | 1.807% | 2.02111 | \$193,541 |
| Multi Residential 124 | 0.116% | 2.09094 | \$12,441 |
| Multi Residential 125 | 0.349% | 1.21381 | \$37,373 |
| Multi Residential 126 | 0.147% | 1.02017 | \$15,711 |
| Commercial 131 | 0.906% | 1.59233 | \$84,803 |

| | | | |
|-------------------------|----------------|----------|---------------------|
| Commercial 132 | 0.203% | 0.98399 | \$19,115 |
| Commercial 133 | 1.758% | 3.44626 | \$144,803 |
| Commercial 134 | 10.488% | 4.43243 | \$1,100,457 |
| Commercial 135 | 0.127% | 2.41079 | \$13,645 |
| Commercial 136 | 0.299% | 0.97005 | \$19,673 |
| Commercial 138 | 0.019% | 0.17423 | \$2,058 |
| Commercial 139 | 1.257% | 1.05358 | \$134,595 |
| Commercial 140 | 0.970% | 1.25102 | \$96,672 |
| Rural 141 | 18.565% | 0.42171 | \$1,996,931 |
| Rural 142 | 1.233% | 0.37062 | \$132,102 |
| Rural 143 | 3.774% | 0.30143 | \$407,021 |
| Rural Residential 151 | 4.606% | 0.38057 | \$493,357 |
| Rural Residential 152 | 3.208% | 0.36493 | \$343,616 |
| Rural Small Holding 161 | 1.510% | 0.24932 | \$161,441 |
| Rural Small Holding 162 | 0.112% | 0.21116 | \$12,040 |
| Rural Small Holding 163 | 0.203% | 0.20837 | \$21,712 |
| Rural Small Holding 164 | 0.063% | 0.10795 | \$6,797 |
| Industrial 172 | 9.938% | 10.65395 | \$1,064,490 |
| Industrial 173 | 6.871% | 2.56488 | \$736,061 |
| Industrial 174 | 0.531% | 3.88890 | \$56,856 |
| | 100.00% | | \$10,622,099 |

1.2 Uniform Annual General Charge (UAGC)

The Council will set and assess a uniform annual general charge (UAGC) as a fixed amount per rating unit. The Uniform Annual General Charge will be \$580.00 (inclusive of GST) per rating unit.

Expected Yield (Collect)

The expected collect from the general (differential) rate is calculated to be \$10,622,099 (including GST), and the expected collect from the uniform annual general charge is calculated to be \$3,915,870 (including GST), a total of \$14,537,969.

2.WATER

Targeted water supply charges and rates are set for each connection within a rating unit, or any rating unit able to be connected within certain scheme areas.

A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is connected to the water supply in any scheme area, whether the connection is from the main supply line, or from any other line that is connected to the main supply. The fixed targeted charge is also applied in some scheme areas based on the availability of the service, being rating units which are not connected but are able to be connected ('serviceable'). A rating unit is regarded as serviceable if the rating unit lies within 50 metres of the water reticulation system.

For the Westport, Reefton, Mokihinui, Ngakawau/Hector, and Waimangaroa water supplies, only connected properties are rated (there is no set rate or charge for serviceable properties).

*For the Granity South community water supply, a contribution from the connected properties for the ongoing upkeep of the supply is made and the charge will appear on the rates assessment but is not a "rate" in terms of the Rating Act. The detail of this charge is set out in the Buller District Council Fees and Charges.

Refer to the definition of the differential categories set out in Part 5 of this Funding Impact Statement.

Table 2 – Unit rates

| Water Supply Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|--|--|---------------------|-------------------------------|
| Westport - Multi-residential only | | | |
| | 1-2 | 1.0 | \$1,401.00 |
| | 3 | 1.7 | \$2,381.70 |
| | 4 | 2.3 | \$3,222.30 |
| | 5 | 2.8 | \$3,922.80 |
| | 6 | 3.2 | \$4,483.20 |
| | 7 | 3.6 | \$5,043.60 |
| | 8 | 4.0 | \$5,604.00 |
| | 9 | 4.4 | \$6,164.40 |
| | 10 | 4.8 | \$6,724.80 |
| | 11 | 5.2 | \$7,285.20 |
| | 12 | 5.6 | \$7,845.60 |
| Westport - all other rating sectors | | | |
| | 1 | 1.0 | \$1,401.00 |
| | 2 | 1.7 | \$2,381.70 |
| | 3 | 2.3 | \$3,222.30 |

| Water Supply Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|---|--|---------------------|-------------------------------|
| | 4 | 2.8 | \$3,922.80 |
| | 5 | 3.2 | \$4,483.20 |
| | 6 | 3.6 | \$5,043.60 |
| | 7 | 4.0 | \$5,604.00 |
| | 8 | 4.4 | \$6,164.40 |
| | 9 | 4.8 | \$6,724.80 |
| | 10 | 5.2 | \$7,285.20 |
| | 11 | 5.6 | \$7,845.60 |
| | 12 | 6.0 | \$8,406.00 |
| Reefton - Multi-residential only | | | |
| | 1-2 | 1.0 | \$1,350.00 |
| | 3 | 1.7 | \$2,295.00 |
| | 4 | 2.3 | \$3,105.00 |
| | 5 | 2.8 | \$3,780.00 |
| | 6 | 3.2 | \$4,320.00 |
| | 7 | 3.6 | \$4,860.00 |
| | 8 | 4.0 | \$5,400.00 |
| | 9 | 4.4 | \$5,940.00 |
| | 10 | 4.8 | \$6,480.00 |
| | 11 | 5.2 | \$7,020.00 |
| | 12 | 5.6 | \$7,560.00 |
| Reefton - all other rating sectors | | | |
| | 1 | 1.0 | \$1,350.00 |
| | 2 | 1.7 | \$2,295.00 |
| | 3 | 2.3 | \$3,105.00 |
| | 4 | 2.8 | \$3,780.00 |
| | 5 | 3.2 | \$4,320.00 |
| | 6 | 3.6 | \$4,860.00 |
| | 7 | 4.0 | \$5,400.00 |
| | 8 | 4.4 | \$5,940.00 |
| | 9 | 4.8 | \$6,480.00 |
| | 10 | 5.2 | \$7,020.00 |
| | 11 | 5.6 | \$7,560.00 |
| | 12 | 6.0 | \$8,100.00 |
| Reefton – Major users | | | |
| 1905006101 | 1+ | 2.0 | \$2,700.00 |
| 1905026900 | 1+ | 2.0 | \$2,700.00 |
| | | | |

| Water Supply Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|---------------------------|--|---------------------|-------------------------------|
| 1905044200 | 1+ | 2.0 | \$2,700.00 |
| 1905044800 | 1+ | 2.0 | \$2,700.00 |
| 1905050000 | 1+ | 2.0 | \$2,700.00 |
| 1905050400 | 1+ | 2.0 | \$2,700.00 |
| 1905051100 | 1+ | 2.0 | \$2,700.00 |
| 1905051400 | 1+ | 2.0 | \$2,700.00 |
| 1905047900 | 1+ | 4.0 | \$2,700.00 |
| 1905049300 | 1+ | 4.0 | \$2,700.00 |
| 1905050700 | 1+ | 4.0 | \$5,400.00 |
| 1905036800 | 1+ | 20.0 | \$27,000.00 |

| | | | |
|--|----|------|------------|
| Mokihinui | | | |
| Connected (excluding major users) | 1 | 1.0 | \$478.00 |
| Major users* | 1+ | 8.0 | \$3,824.00 |
| Ngakawau / Hector | | | |
| Connected (excluding major users) | 1 | 1.0 | \$357.00 |
| Ngakawau / Hector (major users) | | | |
| 1880002800 | 1+ | 3.0 | \$1,071.00 |
| 1880006100 | 1+ | 20.0 | \$7,140.00 |
| Waimangaroa | | | |
| Connected (excluding major users) | 1 | 1.0 | \$1,311.00 |
| Waimangaroa (major users) | | | |
| 1880034200 | 1+ | 2.0 | \$2,622.00 |
| 1883037500 | 1+ | 2.0 | \$2,622.00 |
| 1883039602 | 1+ | 2.0 | \$2,622.00 |
| 1883044300 | 1+ | 3.0 | \$3,933.00 |
| 1883002000 | 1+ | 5.0 | \$6,555.00 |
| Little Wanganui | | | |
| Connected (excluding major users) | 1 | 1.0 | \$381.00 |
| Serviceable | 1 | 0.5 | \$190.50 |
| Major users* | 1+ | 14.0 | \$5,334.00 |
| Inangahua Junction | | | |
| Connected (excluding major users) | 1 | 1.0 | \$1,194.00 |
| Serviceable | 1 | 0.5 | \$597.00 |
| Major users* | 1+ | 3.0 | \$3,582.00 |

| *Other Major Users | Valuation Reference |
|--------------------|---------------------|
| Mokihinui | 1879001700 |
| Inangahua Junction | 1901009300 |

2.1 Metered Water Supplies

2.1.1 Cape Foulwind Rural Water Supply

A targeted rate is set to fund the Cape Foulwind Rural Water Supply. Each farm connection is charged for consumption at a rate of \$0.63 (inclusive of GST) per cubic metre (m³).

2.1.2 Westport Metered Water Supply

The Council sets two rates for Westport Metered Water Supply. A targeted rate is set for each connection to the Westport water supply through a meter. The rate is set as a fixed amount for each connection at \$1,401.00 (inclusive of GST). Note that consumers on the metered supply may opt to pay for more targeted rates than the number of connections to a property and be charged accordingly, with the annual allowance also being calculated accordingly.

Each metered supply is then charged at a rate of \$3.60 (inclusive of GST) per cubic metre (m³) for consumption over the allowance of 400m³ for each targeted rate paid per annum.

2.1.3 Reefton Metered Water Supplies

Council is considering options to introduce metered water supply for extraordinary users. If introduced a charge of \$3.40 (inclusive of GST) per cubic metre (m³) for consumption over the allowance of 400 m³ for each targeted rate paid per annum will apply.

2.2 Punakaiki Water Supply

A targeted rate is set for each rating unit that is connected to the Punakaiki water supply.

The rate is set on a differential basis, based on use of the rating unit. The rate for differential factor 1.0 is \$1,431.00 per connection (including GST).

Table 2.2A - General description of differential categories and differential factor

| Differential category | Differential factor | Targeted Rate (GST inclusive) |
|--|---------------------|-------------------------------|
| (A) Section only | 0.5 | \$715.50 |
| (B) Single residential dwelling | 1.0 | \$1,431.00 |
| (C) Department of Conservation Depot | 1.0 | \$1,431.00 |
| (D) Two residential dwellings or one residential dwelling and a lodge on one rating unit | 2.0 | \$2,862.00 |
| (E) Motel complex of more than 4 units | 2.0 | \$2,862.00 |
| (F) Hostel (backpackers) | 4.0 | \$5,724.00 |
| (G) Tavern, motel complex, and dwelling | 6.0 | \$8,586.00 |
| (H) Camping ground | 11.0 | \$15,741.00 |

Table 2.2B – Categorisation of each property

The following table lists the properties (by valuation reference) that fall within each of the above categories:

| Category | Valuation reference(s) |
|----------|--|
| A | 1886017702, 1886029000, 1886029001, 1886029007, 1886029013, 1886029015, 1886029019, 1886029024, 1886029027, 1886029029, 1886029030 |
| B | 1886016900, 1886016901, 1886017000, 1886017100, 1886017101, 1886017200, 1886017201, 1886017300, 1886017400, 1886017500, 1886017700, 1886017701, 1886017800, 1886017900, 1886018000, 1886018400, 1886018500, 1886018600, 1886018700, 1886018900, 1886019200, 1886019201, 1886019400, 1886019500, 1886019600, 1886019700, 1886019800, 1886019900, 1886028700, 1886028900, 1886029002, 1886029003, 1886029004, 1886029006, 1886029008, 1886029009, 1886029010, 1886029012, 1886029014, 1886029017, 1886029018, 1886029020, 1886029025, 1886029026, 1886029031, 1886029033, 1886029034, 1886029035, 1886029036, 1886031601, 1886031602, 1886031604, 1886031607, 1886031609, 1886031610, 1886031611, 1886031614, 1886031615 |
| C | 1886018001 |
| D | 1886029021, 1886029023, 1886029028, 1886031609 |
| Category | Valuation reference(s) |
| E | 1886019000, 1886018700 |

| | |
|---|------------|
| F | 1886018100 |
| G | 1886031616 |
| H | 1886031200 |

Any future change to the use of any property within the Punakaiki water supply which results in a change to the use (as set out in Table 2.2A) will result in a change to the differential category the property is in, from the next rating year.

Council may require any user on the water supply to have a meter installed, if it deems it necessary to do so, in the interests of fairness within the supply area. If introduced a charge of \$3.60 (inclusive of GST) per cubic metre (m³) for consumption over the allowance of 400 m³ for each targeted rate paid per annum will apply.

Expected Yield (Collect)

The expected collect for each of the Water Supply areas (GST inclusive) is:

| Water Supply Area | Collect |
|-----------------------------|-------------|
| Little Wanganui Subdivision | \$24,270 |
| Mokihinui | \$22,466 |
| Ngakawau-Hector | \$62,475 |
| Waimangaroa | \$182,229 |
| Westport | \$4,003,077 |
| Reefton | \$911,250 |
| Punakaiki | \$137,376 |
| Inangahua Junction | \$37,611 |
| Cape Foulwind | \$85,514 |
| South Granity | \$6,336 |

3. SEWAGE DISPOSAL

Targeted sewage disposal charges and rates are set for each connection within a rating unit, or any rating unit able to be connected within certain scheme areas, as follows.

The rates are set on the number of connections, with a differential applied for each rate based on the use of the rating unit.

A 'connection' is defined as a rating unit, or each separately used or inhabited portion (SUIP) of a rating unit, which is connected to the disposal line in any scheme area, whether the connection is to the main disposal line, or from any other line that is connected to the main disposal line.

A differential is also applied based on the availability of the service. The categories applied are rating units connected to the disposal system, and rating units within certain scheme areas which are not connected but are able to be connected ("serviceable"). A rating unit is regarded as serviceable if it is within 30 metres of the sewerage reticulation system.

For the Westport and Reefton, only connected properties are rated (there is no differential for serviceable properties) with the exception of those properties able to be connected to the Orowaiti sewerage upgrade to the Westport Scheme. Those properties (within that upgrade area) which are serviceable but not connected shall pay the full service charge(s) applicable to that scheme. Refer to the definition of the differential categories set out in Part 5 of this Funding Impact Statement

Table 3 – Unit rates

| Sewage Disposal Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|--|--|---------------------|-------------------------------|
| Westport - Multi-residential only | | | |
| | 1-2 | 1.0 | \$1,146.00 |
| | 3 | 1.7 | \$1,948.20 |
| | 4 | 2.3 | \$2,635.80 |
| | 5 | 2.8 | \$3,208.80 |
| | 6 | 3.2 | \$3,667.20 |
| | 7 | 3.6 | \$4,125.60 |
| | 8 | 4.0 | \$4,584.00 |
| | 9 | 4.4 | \$5,042.40 |
| | 10 | 4.8 | \$5,500.80 |
| | 11 | 5.2 | \$5,959.20 |
| | 12 | 5.6 | \$6,417.60 |
| Westport - all other rating sectors | | | |
| | 1 | 1.0 | \$1,146.00 |
| | 2 | 1.7 | \$1,948.20 |
| | 3 | 2.3 | \$2,635.80 |
| | 4 | 2.8 | \$3,208.80 |
| | 5 | 3.2 | \$3,667.20 |
| | 6 | 3.6 | \$4,125.60 |
| | 7 | 4.0 | \$4,584.00 |
| | 8 | 4.4 | \$5,042.40 |
| | 9 | 4.8 | \$5,500.80 |
| | 10 | 5.2 | \$5,959.20 |
| | 11 | 5.6 | \$6,417.60 |
| | 12 | 6.0 | \$6,876.00 |

| Sewage Disposal Scheme Rates | Differential category (refers to use by number of connections) | Differential Factor | Targeted Rate (GST inclusive) |
|---|--|---------------------|-------------------------------|
| Reefton - Multi-residential only | | | |
| | 1-2 | 1.0 | \$874.00 |
| | 3 | 1.7 | \$1,485.80 |
| | 4 | 2.3 | \$2,010.20 |
| | 5 | 2.8 | \$2,447.20 |
| | 6 | 3.2 | \$2,796.80 |
| | 7 | 3.6 | \$3,146.40 |
| | 8 | 4.0 | \$3,496.00 |
| | 9 | 4.4 | \$3,845.60 |
| | 10 | 4.8 | \$4,195.20 |
| | 11 | 5.2 | \$4,544.80 |
| | 12 | 5.6 | \$4,894.40 |
| Reefton - all other rating sectors | | | |
| | 1 | 1.0 | \$874.00 |
| | 2 | 1.7 | \$1,485.80 |
| | 3 | 2.3 | \$2,010.20 |
| | 4 | 2.8 | \$2,447.20 |
| | 5 | 3.2 | \$2,796.80 |
| | 6 | 3.6 | \$3,146.40 |
| | 7 | 4.0 | \$3,496.00 |
| | 8 | 4.4 | \$3,845.60 |
| | 9 | 4.8 | \$4,195.20 |
| | 10 | 5.2 | \$4,544.80 |
| | 11 | 5.6 | \$4,894.40 |
| | 12 | 6.0 | \$5,244.00 |
| Little Wanganui | | | |
| | 1 | 1.0 | \$950.00 |
| | 1 | 0.5 | \$475.00 |

The expected collects Expected Yield (Collect)

for each of the sewerage scheme areas (GST inclusive) is:

| Sewerage Scheme Area | Collect |
|-----------------------------|-------------|
| Little Wanganui Subdivision | \$58,615 |
| Westport | \$3,009,281 |
| Reefton | \$522,390 |

4. WASTE MANAGEMENT

For the purposes of the cost of providing waste management (refuse and recycling) throughout the district, three zones have been established, each having its own level of service.

The localities of these zones are:

| Zone | Locality |
|------|--|
| 1 | All of the district except north of the Mokihinui River and east of Blacks Point to which the collection service is provided |
| 2 | North of the Mokihinui River (Karamea) |
| 3 | East of Blacks Point (Maruia) |

Levels of service for each are:

| Zone | Locality |
|------|--|
| 1 | The provision of a collection service for bins and bags, plus the cost of the waste management disposal area(s) within the zone. |
| 2 | The cost of the waste management disposal area(s) within the zone. |
| 3 | The cost of the waste management disposal area(s) within the zone. |

4.1 Waste Management - Zone 1

The cost of providing recycling and refuse collection is recovered from those properties that are on the service collection route, in the form of a targeted annual waste management rate of a fixed amount per set of two bins (one wheelie bin and one basket) delivered to those properties within the Zone 1 area.

Any property that has been delivered more than one set of bins, shall be liable for the fixed amount for each set of bins delivered to the property.

The bins are used for the fortnightly recycling collection, while bags are available for purchase at various district outlets for the use of weekly refuse collection.

The annual targeted waste management rate for Zone 1 will be \$192.00 per set of two bins (including GST).

4.2 Waste Management - Zone 2

The cost of providing a waste management landfill activity within the Zone 2 area is recovered from those rating units within the area.

The annual targeted waste management rate for Zone 2 will be \$138.00 per rating unit (including GST).

4.3 Waste Management - Zone 3

The cost of providing a waste management landfill activity within the Zone 3 area is recovered from those rating units within the area.

The annual targeted waste management rate for Zone 3 will be \$363.00 per rating unit (including GST).

Expected Yield (Collect)

The expected collects for each of the solid waste areas (GST inclusive) are:

| Solid Waste Area | Collect |
|------------------|-------------|
| Zone 1 | \$1,016,064 |
| Zone 2 | \$86,388 |
| Zone 3 | \$43,197 |

Lump sum contributions

The Council does not accept lump sum contributions in respect of any of the targeted rates.

5. DIFFERENTIAL CATEGORIES

Note that the first five digits of any valuation reference comprises the valuation roll in which the reference is found.

Also note that subject to the rights of objection to the rating information database set out in Section 29 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories applied to a rating unit.

Residential Categories

Rating units, or parts of rating units, being less than 4,000 square metres in area, having no more than one residential dwelling, and being primarily used for, or able to be used for, residential living.

Residential 101

Includes residential rating units, or parts of rating units, within the valuation rolls numbered 18780 (but excluding the Little Wanganui Subdivision); 18800 (but excluding the township of Ngakawau and Granity); 18820; 18830 (but excluding the townships of Waimangaroa and Conns Creek); 18840 (but excluding the settlement of Snodgrass, and those properties in the greater Westport area to the west of the Orowaiti River); 19000; 19010; 19040; 19080; and 19081.

Residential 102

Includes residential rating units, or parts of rating units, within the valuation roll numbered 18810, plus the settlement of Snodgrass.

Residential 103

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 18790 (but excluding the township of Hector), plus the Little Wanganui Subdivision, and Conns Creek.

Residential 104

Includes the residential rating units, or parts of rating units, on the inland side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity, plus the township of Waimangaroa.

Residential 105

Includes the residential rating units, or parts of rating units, on the seaward side of the State Highway 67 in the townships of Hector, Ngakawau, and Granity.

Residential 106

Includes the residential rating units, or parts of rating units, within the valuation rolls numbered 18840, 18950, 18960, and 18970 (but not including any properties to the east of the Orowaiti River or south of Stafford Street, and those properties on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shelswell Streets, and selected properties at the northern end of Derby Street).

Residential 107

Includes the residential rating units, or parts of rating units, on Orowaiti Road, Morgans Lane, Forbes, Coates, and Shelswell Streets, and selected properties at the northern end of Derby Street and including Beach Drive.

Residential 108

Includes the residential rating units, or parts of rating units, within the township of Carters Beach (but excluding those properties located on Marine Parade and in the Elley Drive subdivision).

Residential 109

Includes the residential rating units, or parts of rating units, within the township of Carters Beach located on Marine Parade and in the Elley Drive subdivision (but excluding valuation reference 1885022301).

Residential 110

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 18850 (but excluding the townships of Carters Beach, Omapu, and Tauranga Bay).

Residential 111

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 18860 (but excluding the townships of Charleston and Punakaiki and the Ross Subdivision).

Residential 112

Includes the residential rating units, or parts of rating units, within the townships of Omapu and Tauranga Bay, plus valuation reference 1885022301.

Residential 113

Includes the residential rating units, or parts of rating units, within the township of Charleston.

Residential 114

Includes the residential rating units, or parts of rating units, within the township of Punakaiki and the Ross Subdivision.

Residential 115

Includes the residential rating units, or parts of rating units, within the valuation roll numbered 19050.

Multi Residential

Rating units that have more than the one dwelling, excluding farm properties and communal residences. Where practicable, Council may have the rating unit divided into each of its separate uses, so each division can be assessed for rates in a different differential category.

Multi Residential 121

Includes those rating units under valuation references 1878011803, 1878018300BB, and 1908009900.

Multi Residential 122

Includes the rating unit under valuation reference 1878037247.

Multi Residential 123

Includes the multi-residential rating units within the valuation rolls numbered 18840; 18950; 18960; and 18970.

Multi Residential 124

Includes those rating units within the valuation roll numbered 18860.

Multi Residential 125

Includes those multi-residential rating units within the valuation roll numbered 18850.

Multi Residential 126

Includes those multi-residential rating units within the valuation roll numbered 19050.

Commercial

Rating units, or portions of rating units, used primarily for, or able to be used in terms of the District Plan for, carrying out a commercial or trading enterprise, including retail and/or wholesale, community, personal, business and repair services, offices, hotels, motels, camps and air transport.

Commercial 131

Includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18780; 18820; 19000; 19010; 19040; 19080; and 19081; and that rating unit under valuation reference 1884018701.

Commercial 132

Includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18790; 18800; 18810; and 18830.

Commercial 133

Includes commercial rating units, or parts of rating units, within the valuation rolls numbered 18840 (excluding 1884018701); 18960; and 18970.

Commercial 134

Includes commercial rating units, or parts of rating units, within the valuation roll numbered 18950.

Commercial 135

Includes the rating unit under valuation references 1885002400BB and 1885022400.

Commercial 136

Includes commercial rating units, or parts of rating units, within the valuation roll numbered 18850 (excluding 1885002400BB and 1885022400).

Commercial 138

Includes commercial rating units within the valuation roll 18860, north of the Fox River.

Commercial 139

Includes commercial rating units within the valuation roll 18860, south of the Fox River.

Commercial 140

Includes commercial rating units, or parts of rating units, within the valuation roll numbered 19050.

Rural

Properties being 10 hectare or greater, used exclusively or principally for agricultural, horticultural, and/or pastoral purposes, including forestry, or vacant land that is able to be used for such purposes in terms of the District Plan.

Rural 141

Includes rural rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

Rural 142

Includes rural rating units, or parts of rating units, within the valuation rolls numbered 18790; and 18800.

Rural 143

Includes rural rating units, or parts of rating units, within the valuation rolls numbered 18850; and 18860.

Rural Residential:

Properties being greater than 4,000 square metres but less than 4 hectares, primarily used for the purpose of residential living.

Rural Residential 151

Includes rural residential rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

Rural Residential 152

Includes rural residential rating units, or parts of rating units, within the valuation rolls numbered 18790; 18800; 18850; and 18860.

Rural Small Holding:

Properties being greater than 4 hectares but less than 10 hectares, used exclusively or principally for agricultural, horticultural and/or pastoral purposes, including forestry, or vacant land that is able to be used for such purposes in terms of the District Plan.

Rural Small Holding 161

Includes rural small holding rating units, or parts of rating units, within the valuation rolls numbered 18780; 18810; 18820; 18830; 18840; 18850; 18950; 18960; 18970; 19000; 19010; 19040; 19050; 19080; and 19081.

Rural Small Holding 162

Includes rural small holding rating units, or parts of rating units, within the valuation rolls numbered 18790; and 18800.

Rural Small Holding 163

Includes rural small holding rating units, or parts of rating units, within the valuation roll numbered 18860 (but excluding those units within the valuation reference ranges 1886003000 to 1886003600 and 1886023800 to 1886027700).

Rural Small Holding 164

Includes rural small holding rating units, or parts of rating units, within the valuation reference ranges of 1886003000 to 1886003600 and 1886023800 to 1886027700.

Industrial Coal

Properties used primarily in the extraction, storage, and/or distribution of coal.

Industrial 172

includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Coal above.

Industrial Other

Properties used primarily in the following, as well as all associated land and buildings related to:

- storage sites (except those associated with the three other industrial categories); or
- transport (road, rail, sea), excepting those properties defined as Industrial Harbour; or
- utility services (communications, electricity, gas, water, sanitation); or
- the manufacture of food, drink, and tobacco; or
- the processing of textiles, leather, and fur; or
- the processing of timber products, including manufacturing and storage sites (i.e. sawmills and timber yards, wooden articles of manufacture such as furniture); or
- all other types of mining, not included in the sectors defined as Industrial Coal; or
- engineering, metalwork appliances, and machinery works; or
- chemicals, plastics, rubber, and paper manufacture; or
- other manufacturing industries not defined above; or
- depots and yards of contractors, central and local government; or
- demolition, and fumigation and pest control firms; or
- vacant land designated for the primary purpose of industrial use

Industrial 173

Includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Other above.

Industrial harbour

Properties used for harbour and associated activities.

Industrial 174

Includes those industrial rating units, or parts of rating units, that fall within the definition of Industrial Harbour above.

SUIP (SEPARATELY USED OR INHABITED PART) OF A RATING UNIT - DEFINITION

A separately used or inhabited part of a rating unit includes:

- Any part or parts of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement, or
- Any part or parts of a rating unit that is/are used or occupied by the ratepayer for more than one single use.

Examples of separately used or inhabited parts of a rating unit include:

- A residential property that contains two or more separately occupiable units, flats or houses, each of which is separately inhabited or is capable of separate habitation.
- A commercial, or other non-residential property containing separate residential accommodation in addition to its commercial, farming or other primary use.
- A commercial premise that contains separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.

Council recognises that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations.

These specific instances are:

- Where a business, farm, orchard, vineyard or horticultural operation contains accommodation on a rent-free basis for the owner, staff or share-milkers associated with the enterprise's productive operation.
- Where a residential property contains not more than one additional separately inhabited part, or where members of the owners family inhabit the separate part on a rent-free basis.
- Where an orchard, vineyard or horticultural operation contains a stall for the sale of goods produced solely by the operation.

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 7

Prepared by Eric de Boer
Manager Infrastructure Delivery

Reviewed by Mike Duff
Group Manager Infrastructure Services

Attachments: Nil

Public Excluded: No

ZONE 1 RUBBISH COLLECTION LEVEL OF SERVICE – COUNCIL DECISION

1. REPORT SUMMARY

The report presents a summary of the 2024 consultation process for the Zone 1 rubbish collection level of service, including the Hearings and Deliberations where Council indicated its preference for Option 3.

Option 3 is a fortnightly wheelie bin service funded on a Pay-As-You-Throw model, to be ready for implementation from 1 July 2025

The report outlines the key aspects, advantages, and disadvantages of the model, as well as some experiences from other Councils around New Zealand that have implemented the same system.

2. DRAFT RECOMMENDATION

That Council:

- 1. Receives the report.**
- 2. Approves Option 3 for Zone 1 rubbish collection services, to be provided by Council through a contractor, with a 120L wheelie bin and funded via a Pay-As-You-Throw model for implementation from 1 July 2025.**

3. Delegates the Chief Executive Officer authority to approve the Procurement Plan to tender the Option 3 Zone 1 rubbish collection services.
4. Notes that the tender recommendations resulting from the procurement process will return to Council for final review and approval before awarding a contract.

3. ISSUES & DISCUSSION

3.1 Background

3.1.1 Zone 1 Rubbish Consultation Round (2024)

At the December 2023, Council resolved to reconsult with the community on the Zone 1 rubbish collection proposing four options:

- Option 1** Status Quo - Private sector provides a weekly pre-paid bag and wheelie bin collection via Pay-As-You-Throw. Contractor sets pricing and charges for the service.
- Cost** \$9.10 per 60L bag. (actual cost)
- Option 2** Private sector provides a 120L fortnightly wheelie bin collection via Pay-As-You-Throw. Contractor sets pricing and charges for the service
- Cost** \$24.50 per pick (estimated cost)
- Option 3** Council, through a private contractor provides a fortnightly wheelie bin collection with a single 120 litre bin size, Pay-As-You-Throw. Council sets pricing and charges for the service (each household will receive a 120-litre wheelie bin).
- Cost** \$17.00 per pick (estimated cost)
- Option 4** Council, through a private contractor provides a fortnightly wheelie bin collection with several different bin size options, i.e. 80 litres, 120 litres or 240 litres. Council sets rate for each bin size and charges via targeted rate (each household will receive a 120-litre wheelie bin unless they opt for a different size).
- Cost** \$245 per annum per 80L bins (estimated cost)
 \$295 per annum per 120L bins (estimated cost)
 \$435 per annum per 240L bins (estimated cost)

In total 150 submissions were received. Most respondents favoured staying with the Option 1 which was the status quo (35%) following by Option 4 which was a universal bin service funded via rates (30%).

3.1.2 Zone 1 Rubbish Consultation Hearings

The Hearings took place on 5 June 2024. Ten (10) submitters asked to talk their submissions but only six (6) attended. Five (5) of the speakers preferred a Pay-As-You-Throw model, with one speaker favouring the option of a rubbish collection funded via rates.

One of the speakers expressed that Council should work in waste reduction, implement the zero-waste journey including a composting facility, reduce waste to landfill and improve the resource recovery centre. Two speakers mentioned that larger bins will encourage more waste.

One speaker said that a universal rated system affects residents who generate low-waste, and that Council should consider that the bins costs, to implement rubbish collection using wheelie bins, would be significant.

Other speakers expressed that the Council proposal did not provide enough information to make an informed decision, due to the prices provided were not based in tendered prices. Two speakers asked Council what any other options for disposal are.

3.1.3 Zone 1 Rubbish Consultation Deliberations

The deliberations took place on 12 June 2024. Council indicated (6 votes to 4) that Option 3 is its preference for Zone 1 rubbish collection services, scheduled to take effect from 1 July 2025. This would mean a fortnightly 120L rubbish wheelie bin collection funded by a Pay-As-You-Throw model.

3.2 DISCUSSION

If the Option 3 is adopted, the rubbish collection services from 1 July 2025 would include:

- Rubbish collection controlled by the Council and provided through a contractor.
- All ratepayers living in Zone 1 – except those on roads where the service is not provided - would be supplied with a 120-litre wheelie bin.
- The rubbish collection would be funded by a Pay-As-You-Throw model.
- The rubbish collection frequency would be fortnightly.
- If pre-paid tags become the method implemented, then users would need to pre-purchase tags and attach them to their wheelie bin every time they want their rubbish bin emptied.
- Council would set the pre-paid tag cost.

- Users would pay for the bins via the system (by pre-purchasing the tags). No upfront payments would be charged to the ratepayers.

The advantages and disadvantages of this rubbish collection were covered in the proposal document and are in the table below:

| Advantages | Disadvantages |
|---|---|
| <p>Council to have control and be able to make the decision about charges, costs, and other fees currently managed by the contractor.</p> <p>Council to retain revenues received from the users' charges. It means the incomes received from the tags selling would be retained by Council to cover the operational cost and capital investment required for the operation.</p> <p>Users would be charged for what they generate.</p> <p>Residents would not need to make private arrangements with private operator to get a rubbish collection with wheelie bins.</p> <p>Improved safety environment for users and workers compared with the rubbish bag model, due to, the automatized handling of the wheelie bins.</p> | <p>Pay-As-You-Throw model results is a higher single cost compared with a system funded via rates. The collection contract and route cannot guarantee a certain presentation rate at kerb side while the cost of driving the route remain.</p> <p>If residents' participation in the rubbish collection service is less than expected, then the collection system revenues would be impacted reducing the overall affordability of the service and making the collection route economically inviable.</p> <p>Risk of tags fraud, particularly being stolen when placed on the bins or reused.</p> <p>Price for retailers is the Recommended Retail Price (RRP), so, retailers could set a higher price.</p> <p>Council to face upfront payments to set up assets required and commencement of operations. (Users would pay for the bins through the system, they are not to be charged with upfront payments).</p> <p>Increase of administrative cost. Cost associated with managing the user pays systems (supply and sale of tags, reconciliation of tags) are significant.</p> |

Contractors will be asked in the tender process to submit their proposed Pay-As-You-Throw methodology e.g. pre-paid tags, RFID (radio frequency identification) or an alternative solution, which will be assessed as part of the evaluation, and outcomes reported back to Council in the tender recommendation report.

4. CONSIDERATIONS

4.1 Strategic Impact

Council must ensure the new proposal is in keeping with its strategic direction for the district, the Long-Term Plan 2024-2034, the Waste Management Act, and the Waste Minimisation Management Plan.

4.2 Significance Assessment

Community consultation is required under Section 83 (Special Consultative Procedure) of the Local Government Act 2002 due to the level of the change in the service.

4.3 Risk Management Implications

Council needs an effective mechanism to mitigate the impacts of the continued waste cost increasing for its residents.

4.4 Values

The selection of a service level options for Zone 1 Rubbish Collection aligns with Council values of providing fit for purpose and safe community services to maintain public health.

4.5 Policy / Legal Considerations

Selecting a waste management via Pay-As-You-Throw using bins would need to see the new Waste Minimisation and Management Plan 2024-2030 (currently under consideration) be reviewed to reflect this change from bags to bins.

Waste management services contract must be in accordance with the Waste Minimisation Act 2008 and the final waste management model of services must be approved and adopted by Council before it can be implemented.

The Special Consultative Procedure was undertaken in accordance with Section 83 of Local Government Act 2002.

4.6 Tangata Whenua Considerations

Tangata Whenua value the health of the land and its people. Council planning for a robust solid waste management service in Zone 1 is a key element in ensuring community and environmental health any issues that impact.

4.7 Views of Those Affected

Under of the Local Government Act 2002 there is a statutory requirement that community consultation is undertaken in accordance with Section 83

(Special Consultative Procedure) of the Act. All requirements to date have been met. Consultation has been conducted and is a stablished in the LGA.

4.8 Costs

LTP 2025-2035 to be updated to reflect the new operational costs under the new model of services.

Costs impacts of the Councils preferred service level option will continue to be considered at all stages of the procurement.

Once the Council decides on its preferred service level; the cost impacts can then be priced via the open tender process.

4.9 Benefits

A committed service level of Zone 1 Rubbish collection.

4.10 Media / Publicity

Continued media interest in the Zone 1 Rubbish Collection Special Consultative Procedure is expected to remain high. Media and publicity management will be via established media and publicity management policies and processes.

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 8

Prepared by Mel Sutherland
Acting Manager Infrastructure Planning

Reviewed by Michael Duff
Group Manager - Infrastructure Services

Attachments

1. Setting of Speed Limits 2024 – Consultation Document
2. Buller District Council Maps for Draft West Coast SMP
3. Draft West Coast Regional SMP

Public Excluded: No

DRAFT WEST COAST REGIONAL SPEED MANAGEMENT PLAN – FEEDBACK FROM PUBLIC CONSULTATION PROCESS

1. REPORT SUMMARY

This report considers the Draft West Coast Regional Speed Management Plan following the last meeting of Council on 29 May 2024, considering the following matters:

- Council's Standing Orders.
- Council commencing the Draft West Coast Regional Speed Management Plan consultation process.
- The current operative version of the Land Transport Rule Setting of Speed Limits 2022 (at 15 December 2023, the Rule).
- The recently released Land Transport Rule: Setting of Speed Limits 2024 consultation document (the draft Rule).

The report recommends Council continuing with the speed management plan (SMP) consultation process it commenced under the current Rule, given the uncertain status of the Regional Transport Committee and other road controlling authorities on the West Coast regarding SMP progress.

The report notes that blanket speed limit reductions were not proposed across the entire District, with the focus being on schools and high priority roads or

areas. In this respect, there is consistency and alignment with the intent of the draft Rule 2024.

2. DRAFT RECOMMENDATION

That Council

- 1. Receives this report.**
- 2. Approves the “Do Minimum” option as presented in the Draft West Coast Regional Speed Management Plan with the following amendments:**
 - 2.1 All proposed school signs are 30/50 static variable speed limit signs.**
 - 2.2 The speed limit in Karamea remain at 50 kph (Map B2).**
 - 2.3 The speed limit in Little Wanganui is posted at 50 kph (Map B3).**
 - 2.4 The speed limit for Seddonville (De Malmanches Rd) is posted at 40 kph (Map B4).**
 - 2.5 The speed limit for Beach Road from SH 6 to the north side of Parsons Hill section is posted at 30 kph.**
- 3. Requests the Regional Transport Committee to include the “Do Minimum” option, and any resolved amendments for the Buller district, into the West Coast Regional Speed Management Plan and advise Council of any subsequent changes it proposes.**
- 4. Authorises the CEO to make a submission to the Minister of Transport on the draft Land Transport Rule: Setting of Speed Limits 2024 Consultation Document by the closing date of 11 July 2024.**

It is noted that prior to considering the above as motions they are subject to the consent of the His Worship, the Mayor in accordance with Council’s Standing Orders (October 2022).

3. ISSUES & DISCUSSION

BACKGROUND

The process of preparing the Draft West Coast Regional Speed Management Plan (WCRSMP) commenced with Council's decision in October of last year.

RESOLVED that Council:

1. Receives this report.
2. Agrees to consult on the Speed Management Plan (Attachment 2)
3. Agrees to consult through the Regional Land Transport Committee
4. Confirms the preferred option for consultation is the Do Minimum Option and that this option be incorporated into the Speed Management Plan.

DM A Basher/Cr C Reidy
11/11
CARRIED UNANIMOUSLY

The following then occurred at the 29 May 2024 Council meeting:

RESOLVED That Council

- ~~1. Receives this report.~~

Cr Joanne Howard moved / No Seconder

2. ~~Either~~
 - a) ~~After consideration of the submissions as summarised in Table A (Attachment 1); decides to confirm the Do Minimum Option as presented in the West Coast Speed Management Plan and Buller District Council Map without any amendments.~~

OR

- b) After consideration of the submissions as summarised in Table A (Attachment 1); agrees and adopts the recommended changes detailed in Table A, to the Do Minimum Option, as well as to the West Coast Speed Management Plan and Buller District Council Maps.

Cr Joanne Howard / Cr G Weston
5/6

MOTION LOST

- ~~3. Forwards the recommended changes to the Do Minimum Option as presented in Table A (Attachment 1) with any further amendments, together with this report to the Regional Transport Committee for inclusion in the West Coast Speed Management Plan.~~
- ~~4. Requests that the Regional Transport Committee confirms it has included the Do Minimum Option into the Regional Speed Management Plan and advises Council of any amendments.~~

Notes:

- Recommendation 1 did not have a seconder and was left on the table.
- Recommendations 2 (a), 3 and 4 were left on the table.

Advice has been obtained regarding what options are available to Council in terms of a way forward. Based on this advice, there is an option with the consent of the Mayor to consider the options that were left on the table i.e. Recommendations 2 (a), 3 and 4.

In addition to the above, on Thursday 13 June 2024 the Minister of Transport released the draft Rule 2024 for public consultation. Consultation closes on 11 July 2024. Refer **Attachment 1**.

The Minister has requested that road controlling authorities wait for the new rule before completing SMPs. However, the Minister's website says SMPs can still be submitted and are still available under the Rule to progress speed limit changes.

The process of consultation is largely unchanged between the current operative Rule and the new draft Rule 2024. The main exception is the new requirement to undertake and publish Cost Benefit Analysis (CBA) for each road, (which is not a requirement of the operative Rule). This requirement may or may not be part of the requirements of the new Rule 2024.

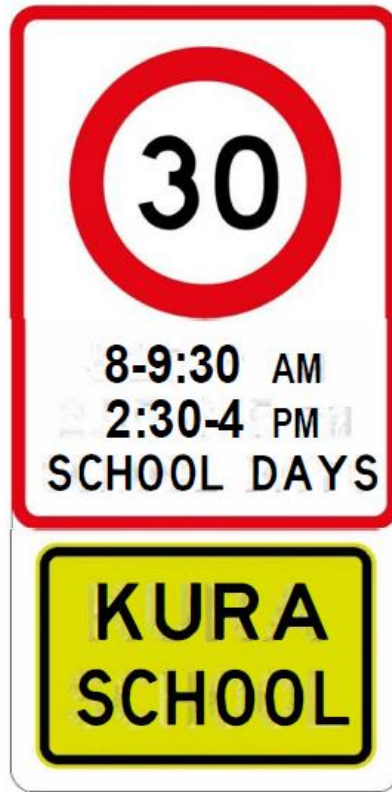
Council has followed the current operative process which does not require preparing CBAs as part of the Setting of Speed Limits Rule 2022 (at 15 December 2023). In relation to schools, the new draft Rule 2024:

- Does not require Cost Benefit Analysis to be done.
- Does allow the use of static variable speed limits during default school travel times.
- Only proposes that the signs are located outside school gates or other accesses used by students. Under the new draft Rule 2024 Councils are required to work with the schools to identify eligible gates.

The signs would look similar to **Figure 1** below. This Figure shows the default school travel times in the new draft Rule 2024.

As part of the consultation in the new draft Rule 2024, it will need to be considered if Council supports signs just around school gates or should the signs be on roads around schools (as proposed in the Draft WCRSMP). Just installing at school gates will save costs, but it needs to be recognised that some older school children also walk and cycle to school.

Figure 1:



The option of Council considering the other unamended motion, (Recommendation 2 (a) from the 29 May 2024 meeting) is not consistent with the intent of the new draft Rule 2024 to allow variable speed limits around schools.

The Draft WCRSMP for Buller included static 30 km/hr speeds zones around schools 7 days a week and 24 hours per day. The new proposal is that the variable speed limits would only apply on school days.

There are also several other changes in the new draft Rule 2024. The proposed changes are listed below:

- Proposal 1 – Require cost benefit analysis for speed limit changes.
- Proposal 2 – Strengthen consultation requirements.
- Proposal 3 – Require variable speed limits outside school gates.
- Proposal 4 – Introduce a Ministerial Speed Objective.
- Proposal 5 – Changes to speed limits classifications

- Proposal 6 – Update the Director’s criteria for assessing speed management plans for certification.
- Proposal 7 – Reverse recent speed limit reductions.

In consideration of the above, it is recommended that SMP should be progressed under the current Rule.

Noting that Recommendation 2 (b) from the 29 May meeting was lost but Recommendation 2 (a) is still on the table, then 2 (a) could be considered with or without minor amendments.

Proposed minor amendments are recommended as these will align with the new draft Rule 2024 and reflect feedback from submitters to the consultation process.

These minor amendments are captured in the Draft Recommendations, and only amend the speed limits. They do not extend the length of roads proposed to be changed and do not include any additional roads.

While the motion was lost to make all other changes to the draft, there may be general support for the “Do Minimum” option with respect to speed reductions around schools and on the high property roads.

While not all submitters may not be satisfied, the Draft WCRSMP does include a requirement for a monitoring programme to ensure the outcomes of the Plan are being met.

It is also important to note that potential development areas of our district including Alma Road and Cape Foulwind, and community infrastructure such as the Kawatiri Coastal Trail are reliant on the recommended changes to the speed limits.

The maps for Buller included in the Draft WCRSMP are included for reference, refer **Attachment 2**. The full WCRSMP document included as **Attachment 3**.

4. OPTIONS

Options were assessed in the original October 2023 report to Council. The Draft Recommendations propose the “Do Minimum” option with agreed Council amendments.

5. CONSIDERATIONS

5.1 Strategic Impact

These matters are considered strategic in the context of land transport and speed management in our district.

5.2 Significance Assessment

The report is the outcome of consultation with the community.

5.3 Risk Management Implications

The Speed Management Plan will reduce speeds around schools and the other roads identified in the “Do Minimum” option.

5.4 Values

These matters align with community outcomes and values including Community Driven, One Team, Future Focussed, Integrity and We Care.

5.5 Policy / Legal Considerations

Consultation has been carried out in accordance with the principles specified in Section 82 of the Local Government Act.

5.6 Tangata Whenua Considerations

Tangata Whenua considerations and interests are achieved through the consultation process and as outlined in the Rule.

5.7 Views of Those Affected

Council workshop with industry and stakeholder representatives and Councillors have captured views of those affected workshop. The formal consultation process has also allowed for these submissions to be considered.

5.8 Costs

The following is an update of the advice to the 29 May 2024 Council meeting. Council has confirmed NZTA remaining budget as at end of May 2024 of \$152,900 to implement the recommendations, focusing on the Schools. Costs to date have been for the development of the draft SMP plus designs and drawings. Costs are financially assisted by NZTA at 75%. Council can still commit \$70,000 of these funds towards the project in this financial year by the purchase of signs and posts. Any unexpended funds will need to be declared surplus. Council can apply to have the funds reinstated in next financial year, but there is no guarantee NZTA will approve funding. Council has also requested additional funding from NZTA over the next three years (2024/25 to 2026/27) of \$50,000 per year which is still subject to final approval and may not be confirmed until August 2024.

5.9 Benefits

Benefits of the recommended approach include consistency with the community feedback received for around schools and limits changes to other roads, to the identified high priority roads only. Future consideration of speed changes unless there is an urgent need for a specific change to a road (e.g. created through subdivision or for safety reasons) should be left until the new draft Rule 2024 is approved and signed. This is noting that the draft is out for consultation and what is proposed may change following the considering of feedback on the consultation draft.

5.10 Media / Publicity

It is anticipated that there will be interest from the community and media, and this will be addressed through suitable public information messages.

INTRODUCTION

This document explains the purpose and intent of the draft *Land Transport Rule: Setting of Speed Limits 2024* (the draft Rule) that, once finalised, will replace the *Land Transport Rule: Setting of Speed Limits 2022* (the 2022 Rule).

Consultation gives the people and organisations affected by the changes an opportunity to present their views and will help ensure the new Rule is sound, robust and implementable.

We welcome your comments on the proposed changes set out in these documents. Please use the consultation questions to guide your feedback. In particular, we welcome your thoughts on:

- implementation or compliance issues that should be considered;
- costs associated with implementing the proposals;
- any unintended impacts that could arise.

Sending your submission

You can fill out the online survey included in this page or you can email your submission to speedrule@transport.govt.nz.

Your submission may be shared with the New Zealand Transport Agency

The Ministry of Transport may share your submission and identifying information with the New Zealand Transport Agency (NZTA) for submissions analysis purposes.

We may use an artificial intelligence tool to help us analyse submissions

We may use an AI tool to help us analyse submissions. We will take steps to avoid inputting personal information into any AI tool that is outside our network.

Your submission is public information

Please note your submission may become publicly available. The Ministry of Transport may publish any information you submit and may identify you as the submitter should it publish your submission. Therefore, **please clearly indicate if your comments are commercially sensitive or should not be disclosed for another reason, or the reason why you should not be identified as the submitter**. Any request for non-disclosure will be considered under the Official Information Act 1982.

PROCESS FOR MAKING RULE CHANGES

Land Transport rules are secondary legislation made under the *Land Transport Act 1998* (the Act).

The Act provides the Minister of Transport the power to make ordinary rules covering a range of land transport issues. The Minister may make rules to achieve a range of outcomes, including, but not limited to:

- Assisting economic development
- Safeguarding and improving land transport safety and security
- Improving access and mobility
- Protecting and promoting public health.

The Act also enables land transport rules to set, or provide for the setting of, speed limits for roads. Rules can empower or require road controlling authorities (RCAs) to set speed limits, and set out the criteria, requirements and procedures to be complied with by an RCA when doing so.

Compliance with rules is required because they form part of New Zealand transport law.

The Ministry is undertaking this consultation on behalf of the Minister and will analyse submissions received before making recommendations to the Minister on the final version of the Rule. The Ministry may involve NZTA in analysing submissions and making final recommendations to the Minister. The Minister will then sign the new Rule.

Matters the Minister must have regard to when making rules

The Act sets out the matters the Minister must have regard to when making a rule (in section 164(2)). In summary, these are:

- Nature of the proposed activity or service for which the rule is being established
- The level of risk existing to land transport safety in general in New Zealand
- The need to maintain and improve land transport safety and security
- Appropriate management of infrastructure, including (but not limited to):
 - the impact of vehicles on infrastructure
 - whether the costs of the use of the infrastructure are greater than the economic value of the infrastructure
- Whether a proposed rule:
 - assists economic development
 - improves access and mobility
 - protects and promotes public health
 - ensures environmental sustainability
- Costs of implementing the proposed changes
- New Zealand's international obligations concerning land transport safety

Having regard to those matters for the proposed Land Transport Rule.

Proposed activity or service

The draft Rule sets out criteria, requirements and procedures to be followed by RCAs when reviewing and setting speed limits for roads within their respective jurisdictions.

Risks to land transport safety

Under the draft Rule, speed limit reductions introduced since 1 January 2020 on local streets will be reversed. These will be replaced with variable 30 km/h speed limits outside school gates during drop-off and pick-up times to slow down traffic as children enter or leave school. Speed limit reductions made since that date on arterial roads will be reversed. Speed limit reductions on rural State highways since that date will also be reversed, unless there is demonstrated public support to keep the lower speed.

Reversing certain types of reduced speed limits may result in higher average operating speeds. The level of impact on land transport safety that could result from increased operating speeds is difficult to quantify due to uncertainty about which roads will have speed limits increased and what impact those speed limit increases will have on operating speeds. Operating speeds are dictated by a range of factors, including the posted speed limit, congestion and engineering of the road.

The proposal to require variable speed limits outside school gates is intended to improve safety outcomes for young New Zealanders by reducing operating speeds when children are arriving at or leaving school. The impact on land transport safety outside schools is difficult to quantify.

Appropriate management of infrastructure

The draft Rule will impact on the management of infrastructure. At a minimum, speed limit changes will require changes to signage. The draft Rule and subsequent speed limit changes may also result in wider engineering changes to accommodate new speed limits (either higher or lower) depending on decisions taken by RCAs.

Assists economic development

The draft Rule may lead to some economic benefits in reducing travel times.¹

The draft Rule may result in decreased vehicle operating costs on some stretches of road.

Improves access and mobility

Increasing speed limits may impact people's transport choice and access.

Increasing speed limits may improve access where it results in increased operating speeds and reduced travel times. As noted above, whether operating speeds increase is dependent on a number of factors. The exact impacts are difficult to quantify.

Protects and promotes public health

Where speed limits are increased, operating speeds may increase (depending on congestion and other factors). Increased operating speed may increase noise pollution. The exact impacts are difficult to quantify.

The proposal to require variable speed limits outside school gates is intended to improve safety outcomes for young New Zealanders by reducing operating speeds when children are arriving at or leaving school. The impact on public health from this proposal is difficult to quantify.

¹ See, for example, Rowland and McLeod (2017), Time and fuel effects of different travel speeds, available at <https://www.nzta.govt.nz/assets/resources/research/reports/582/RR-582-Time-and-fuel-effects-of-different-travel-speeds.pdf>

Ensures environmental sustainability

The New Zealand Emissions Trading Scheme (ETS) is the Government's key tool to reduce emissions. All emissions from the transport sector must be offset through the purchase of emissions units in the ETS.

Costs of implementing the proposed changes

There will be implementation costs to RCAs, for example, in undertaking cost benefit analysis and implementing speed limit changes. Funding decisions to cover the costs of implementation or part of the costs will be taken by NZTA as part of the National Land Transport Programme processes. Any remaining costs will fall on local RCAs.

International considerations

The new Rule will have no direct impact on our international circumstances or obligations in respect of land transport safety.

OVERVIEW OF THE DRAFT RULE

The draft Rule gives effect to the Government's objectives

The draft Rule implements the next step in delivering on the Government's commitment to stop and reverse the previous government's blanket speed limit reductions by replacing the *Land Transport Rule: Setting of Speed Limits 2022* (the 2022 Rule).

The Minister of Transport has signalled the Government's vision for a land transport system that boosts productivity and economic growth and allows New Zealanders to get to where they want to go, quickly and safely. The draft Rule proposes a more balanced approach to setting speed limits to ensure economic impacts and the views of local communities and road users are considered alongside safety. It enables a targeted approach to reducing speed limits that focuses on high crash areas and public acceptability. The draft Rule also proposes to require reduced variable speed limits outside all school gates during drop-off and pick-up times, and will enable speed limits on expressways to be set at 110km/h more easily.

The draft Rule retains aspects of the existing framework

Speed management plans are retained but with some amendments.

RCAs may develop speed management plans for speed limit changes in line with the requirements of the draft Rule. Plans can also include information about safety infrastructure treatments and speed cameras.

Speed management plans provide a mechanism for identifying and consulting on proposed speed limit changes as a package rather than making ad hoc proposals on an ongoing basis. This improves efficiency and provides more predictability for planning and funding purposes. However, the draft Rule does not require RCAs to include a 10-year vision or take a whole-of-network approach as required under the 2022 Rule. Rather, it proposes that analysis of speed limit changes will need to be undertaken road by road. It also moves away from mandating the production of speed management plans on a regular cycle, and makes plans voluntary for RCAs.

The draft Rule retains the alternative method for setting speed limits outside the speed management plan process with the Director of Land Transport's (the Director) approval. RCAs can use the alternative method to set speed limits on new roads or to respond to changes on the network (such as the installation of a roundabout) that cannot wait until the next speed management plan, or if the RCA does not have a speed management plan. RCAs using the alternative method will need to meet some new requirements. In particular, RCAs must undertake a cost-benefit analysis of the proposed new speed limit, and set the speed limit using the new speed limit classifications. The process for setting temporary speed limits is retained.

The draft Rule retains the process for non territorial authority RCAs (for example, an airport authority or the Department of Conservation) to set speed limits. These RCAs will follow the same process as set out in Section 6 of the 2022 Rule.

The process for entering speed limits into the Register of Land Transport Records is proposed to stay the same. The Register will continue to give effect to all permanent, variable, emergency and seasonal speed limits.

The process for certifying speed management plans remains largely unchanged.

Speed management plans will continue to be certified by the Director. If an RCA chooses to develop a speed management plan, when submitting it for certification, it will be required to confirm that the relevant requirements of the Rule have been met. If the Director is satisfied the plan meets the requirements set out in the Rule, they must certify the plan. If the Director is not satisfied, they

must refer it back to the RCA with reasons for the plan not meeting the requirements. There are proposed updates to the information RCAs must provide to the Director when submitting plans for certification (see proposal 6).

The draft Rule retains the definitions and process for determining school categories 1 and 2

Most schools will be category 1 and be required to implement variable 30km/h zones outside their gates (see proposal 3). RCAs can designate a school as category 2 in their speed management plans or through the alternative method. Category 2 schools can have a variable speed limit of between 40km/h and 60km/h.

DRAFT SETTING OF SPEED LIMITS RULE

Proposal 1 – require cost benefit analysis for speed limit changes

The draft Rule requires RCAs to undertake cost benefit analysis (CBA) when consulting on proposed speed limit changes.

The proposed changes will ensure economic impacts are considered alongside safety and road user and local community views when changing speed limits.

CBA helps ensure that decision-makers are well informed about how decisions impact on people and supports good evidence-based decision-making. A CBA is primarily about organising available information in a logical and methodical way to evaluate the economic impacts. Under the draft Rule, the CBA forms part of the evidence base RCAs use to make decisions on proposed speed limit changes.

The draft Rule proposes that RCAs must undertake CBA for each road and consider the following impacts:

- Safety (including changes in the number and severity of crashes); and
- Travel time (including changes in mean operating speed); and
- Implementation costs (including planning, road signs and markings, installation costs, overheads, consultation and administration costs).

Benefits include any positive impacts attributable to the proposed speed limit changes (for example, reduced travel times and reduced number and severity of crashes). Costs include any negative impacts attributable to the change (for example, increased travel times and increased number and severity of crashes) and implementation costs. To calculate the benefit cost ratio, benefits are divided by the costs. The approach *would not* enable negative impacts like increased travel times to be treated as a disbenefit for the purposes of calculating any benefit cost ratio.

To simplify the approach for RCAs, the CBA requirements focus on the more limited range of impacts outlined above.

NZTA guidance will provide more information on how to undertake CBA.

CBA will be required when proposing future speed limit changes (see proposal 4). It will not be required when setting variable speed limits outside school gates (see proposal 3).

The Ministry and NZTA are continuing to test the way CBA requirements are applied through sensitivity analysis. This will be considered alongside submission feedback to provide final recommendations on the Rule.

Questions

Do you have any comments on the above proposals?

Proposal 2 – strengthen consultation requirements

The draft Rule ensures RCAs undertake genuine consultation and increases transparency of decisions in response to feedback received.

The 2022 Rule requires RCAs that are territorial authorities (city and district councils) to follow the consultation principles set out in the *Local Government Act 2002*. NZTA (RCA for the State highways) is required to publish the draft State highway speed management plan on its website and give at least four weeks for interested parties to make written submissions.

The intent of *Local Government Act 2002* consultation requirements is retained in the draft Rule, with some additions. To ensure NZTA follows the same process for proposed changes on State highways, the draft Rule extends the requirements to NZTA.

The draft Rule proposes that all RCAs follow the same consultation requirements, that is, they must:

- Use reasonable efforts to consult with persons that use the road for which a speed limit change is proposed, freight users, local communities, businesses and schools surrounding the impacted area, and local government (for example, neighbouring RCAs).
- Publish the draft speed management plan and cost benefit analysis on a website and give at least four weeks for any interested party to make a submission.
- Following consultation, publish a summary of submissions and include an explanation of how feedback was taken into account in the final speed limit changes.

Proposed speed limit changes on each road must be presented separately in consultation to allow for consultation feedback on each road that is changing.

Strengthening the current consultation requirements will increase transparency by requiring RCAs to explain how they considered feedback.

Questions

Do you have any comments on the above proposals?

Proposal 3 – require variable speed limits outside school gates

The draft Rule requires variable speed limits outside school gates during school travel periods.

The draft Rule defines *outside a school gate* as a stretch of road immediately adjacent to a gate or other access used by students to enter or leave the school, measuring:

- 300 metres for category 1 schools
- 600 metres for category 2 schools.

RCA's will work with schools to identify eligible school gates. Schools will have many different examples of gates or access points, and not all will need to be treated. However, if the gate is adjacent to a road and is used by children entering and leaving school, it should be included.

The proposed lengths are based on the minimum road length for speed limits outlined in the schedule and are total length (not 300 metres either side of a gate). These lengths will not work for every road outside a school gate and the Rule allows for variation to meet specific circumstances.

The draft Rule defines school travel periods as 8-9.30am and 2.30-4pm on school days.

During these times, the speed limit will be 30km/h for category 1 schools and between 40km/h and 60km/h for category 2 schools. At all other times the speed limit will be the posted limit.

Variable speed limits already implemented around schools, even if they do not meet the new definition of *outside the school gate*, can remain. However, permanent speed limit reductions already implemented around schools will need to meet the new requirements. This is discussed further in proposal 7.

The proposed deadline for all roads to meet the new variable speed limits outside school gates requirement is 31 December 2027.

The *Land Transport Rule: Traffic Control Devices 2004* (TCD Rule) describes the requirements for road signage and markings. When implementing variable speed limits, the TCD Rule requires electronic variable speed limit signs to be installed on the main road. The current static variable speed limit signs can only be used on give way- or stop sign-controlled side roads adjacent to the main road. This is due to the size of the font on the static sign and legibility requirements.

Electronic variable signs cost more than static signs and incur ongoing maintenance costs. To enable a more cost-effective solution, we are seeking feedback on amending the TCD Rule and the *Land Transport (Road User) Rule 2004* to allow static variable speed limit signs on main roads during default school travel times.

The proposed amendment to the TCD Rule would allow static variable speed limit signs on main roads. We propose the existing sign could be used in urban areas and larger static signs would be required in rural areas with higher speeds. Electronic signs would continue to be an option in all environments.

We are also proposing to amend the Road User Rule to introduce default variable speed limit times. The default school travel periods would be reflected in the Road Code and drivers would be expected to be familiar with them and know to slow down around schools during travel periods.

Once finalised, the new Rule will be widely communicated by NZTA to increase public awareness and understanding of the requirements, including the default variable speed limit times.

The requirement in clause 5.3(3) of the 2022 Rule to review speed limits for category 2 schools in the next speed management plan is proposed to be revoked – if a road outside a category 2 school has a variable speed limit this can remain.

Questions

Do you have any comments on the above proposals?

Proposal 4 – introduce a Ministerial Speed Objective

The Objective will set out the Government’s expectations for speed management.

The draft Rule proposes to introduce a Ministerial Speed Objective as a tool which allows the Minister of Transport to set out the Government’s expectations for speed management. Through the Objective, the Minister can signal the pace, scale and focus of change they expect RCAs to work to. The Objective could include types of roads, percentage of the roading network, or other criteria RCAs should focus on.

RCAs must have regard to the Objective when proposing any speed limit changes and include an explanation in their speed management plan as to how the RCA has had regard to the Objective in developing the speed management plan.

Questions

Do you have any comments on the above proposals?

Proposal 5 – changes to speed limits classifications

The draft Rule proposes a schedule of speed limits classifications for each road type.

The draft Rule proposes to introduce a binding schedule of speed limit classifications that specify speed limits available for each road type. When making speed limit changes, RCAs will need to align the proposed speed limit with the schedule of classifications. There will be limited exceptions to this. NZTA guidance will include information on exceptions and criteria for choosing a speed limit from within any range in the classification.

The schedule moves back to more standardised speed limits in urban areas (50 km/h) and interregional connectors (100 km/h). The exceptions enable variation in certain instances to improve road safety outcomes.

The intent of the draft Rule is to make it easier to set 110km/h speed limits by removing the Director’s approval process on roads that are built and maintained to support that speed limit.

Table of speed limit classifications

| Urban streets | Class of road | Description | Current guidance | Proposed speed limit |
|---------------|------------------|---|------------------|----------------------|
| | Urban streets | Residential and neighbourhood streets, and streets that provide access to and support businesses, shops, on-street activity and services. | 30 – 40 km/h | 50 km/h |
| | Civic spaces | Streets mainly intended for localised on-street activity with little or no through movement. | 10 – 20 km/h | 10 – 20 km/h |
| | Urban connectors | Streets that provide for the movement of people and goods between different parts of urban areas, with low levels of interaction | 40 – 60km/h | 50 – 80 km/h |

| | | | | |
|--------------------|--------------------------|--|---------------|---------------|
| | | between the adjacent land use and the street. | | |
| | Urban transit corridors | Urban motorways and corridors that provide for movement of people and goods within an urban environment. | 80 – 100 km/h | 80 – 100 km/h |
| Rural roads | Peri-urban roads | Roads that primarily provide access from residential property on the urban fringe, where the predominant adjacent land use is residential, but usually at a lower density than in urban residential areas. | 50 – 80 km/h | 50 – 80 km/h |
| | Stopping places | Rural destinations that increase activity on the roadside and directly uses the road for access | 40 – 80 km/h | 50 – 80 km/h |
| | Rural roads | Roads that primarily provide access to rural land for people who live there and support the land-use activity being undertaken. | 60 – 80 km/h | 80 – 100 km/h |
| | Rural connectors | Roads providing a link between rural roads and interregional connectors. | 60 – 100 km/h | 80 – 100 km/h |
| | Interregional connectors | Roads that provide for movement of people and goods between regions and strategic centres in a rural context. | 60 – 110 km/h | 100 km/h |
| | Expressways | State highways that are median divided, with two or more traffic lanes in each direction, grade separated intersections, access controlled, with a straight or curved alignment | N/A | 100-110 km/h |

Exceptions to the table of classifications

| Class of road | Description | Proposed speed limit |
|---|---|----------------------|
| Beaches | Beaches to which the public have access | 10 – 60 km/h |
| Unconventional, low-volume or low speed road types | Parking areas, beach access points, riverbeds, cultural and recreational reserve or similar. | 10 – 30 km/h |
| Unsealed roads | Roads that are unsealed | 60 – 80 km/h |
| Urban streets with significant levels of pedestrian and/or cycling activity | Main streets, residential and neighbourhood streets with significant levels of pedestrian and/or cycling activity | 40 km/h |
| Urban intersection speed zone | Can be variable or permanent speed limit to address high risk crash types at an intersection | 30 – 40 km/h |
| Rural intersection speed zone | Can be variable or permanent speed limit to address high risk crash types at an intersection | 60 – 70 km/h |
| Mountainous or hill corridors | Roads where the alignment is tortuous | 60 – 80 km/h |

Questions

Do you have any comments on the above proposals?

Proposal 6 - update the Director's criteria for assessing speed management plans for certification

The draft Rule proposes to update the criteria RCAs must meet when submitting speed management plans for certification.

Under the draft Rule, RCAs submit their plans to the Director and must confirm they have met the following:

- consultation requirements (including publishing a summary of submissions and how that feedback was taken into account)
- cost benefit analysis requirements
- speed limits have been set in accordance with the speed limit classifications
- speed limit requirements outside schools in accordance with the new Rule
- has regard to any Ministerial Speed Objective.

If the Director is satisfied the RCA has met the requirements, they must certify the plan. If they are not satisfied, they must refer the plan to the RCA with recommendations for how to meet the requirements. The RCA must have regard to those recommendations before resubmitting the plan.

The Director will check the RCA has confirmed it has completed all steps required by the Rule, but will not have a role to re-evaluate decisions of the RCA.

Questions

Do you have any comments on the above proposals?

Proposal 7 – reverse recent speed limit reductions

The draft Rule proposes that certain speed limits reduced since 1 January 2020 will be reversed by 1 July 2025

The draft Rule proposes to require speed limits reduced since 1 January 2020 to be reversed on the following roads:

- local streets with widespread 30km/h speed limits surrounding a school
- arterial roads (urban connectors)
- Rural State highways (interregional connectors)

30km/h zones surrounding schools

The 2022 Rule allows permanent 30km/h speed limits around schools. This has resulted in some cases of whole areas reduced to 30km/h because there is a school in the area. The draft Rule removes the ability for permanent speed limit reductions around schools and RCAs will need to meet the proposed requirements of variable speed limits outside school gates (see proposal 3).

The streets surrounding the school will need to reverse to their previous speed limit, and introduce variable speed limits on the stretch of road outside school gates, by 1 July 2025.

Arterial roads

Arterial roads or urban connectors are primarily designed for the efficient movement of people and goods between different parts of urban areas, with little interaction between the adjacent land use and the street.

The draft Rule proposes to reverse speed limits reduced on arterial roads since 1 January 2020.

Rural State highways

The draft rule proposes to reverse speed limits reduced on rural State highways since 1 January 2020 unless NZTA (as RCA) can demonstrate public support for the lower speed limit on all or part of the route. If NZTA can demonstrate public support for lower speed limits on part of the State highway (for example, windy, hilly sections), the lower speed limit can be retained for that section. NZTA must undertake new consultation in line with the requirements in proposal 2. As part of this process, NZTA can present economic and safety analysis to inform the public's feedback, but this is not mandatory.

By 1 July 2025, all relevant reduced speed limits must be either recertified or reversed to what they were on 31 December 2019, and updated in the National Speed Limit Register.

Timeline for reversing speed limits

| Step | Who | Due by |
|---|----------------------------|------------------------|
| Identify all roads in scope of reversal | All RCAs | As soon as practicable |
| Submit list of roads to be reversed to the Director | All local RCAs | 3 March 2025 |
| NZTA as RCA submits to the Director a list of State highways to retain lower speed limit, including confirmation of public support for the lower limit. | NZTA as RCA | 3 March 2025 |
| Director certifies the reversed (new) or retained speed limits for all roads in scope. | Director of Land Transport | 1 May 2025 |
| New speed limits uploaded into the National Speed Limit Register and new signs in the ground. | All RCAs | 1 July 2025. |

Questions

Do you have any comments on the above proposals?

WE SEEK YOUR FEEDBACK ON OTHER MATTERS

We are interested in your views on other potential changes outlined below. We have not proposed any specific changes in the draft Rule on these matters, but are seeking feedback on them.

Speed Management Committee

The Speed Management Committee (the Committee) was established under the 2022 Rule to provide independent oversight of NZTA and ensure a clear separation of its roles as regulator and RCA. The Committee's roles are to review the State highway speed management plan and provide

oversight to its guidance on speed management. To date, the Committee has provided feedback on the interim State highway speed management plan.

The Committee consists of up to nine members, with a mix of experience in road safety, local government, specific road users (eg freight), or other skills and knowledge that enable the Committee to fulfil its functions and duties. Members are paid a daily rate to take part in training to enable them to fulfil their role, and to prepare for and attend Committee meetings.

We welcome your thoughts on the value of the Committee. If it were to be disestablished, we would need to consider whether alternative oversight is needed and if so, through which mechanism.

Regional speed management plans

Regional speed management plans are intended to support a whole-of-network approach and ensure regional consistency of speed limits. Under the 2022 Rule, territorial authorities would provide information to the Regional Transport Committee which would develop, consult on, and finalise a regional speed management plan. Any territorial speed management plan that was in place would become redundant once a relevant regional speed management plan was published.

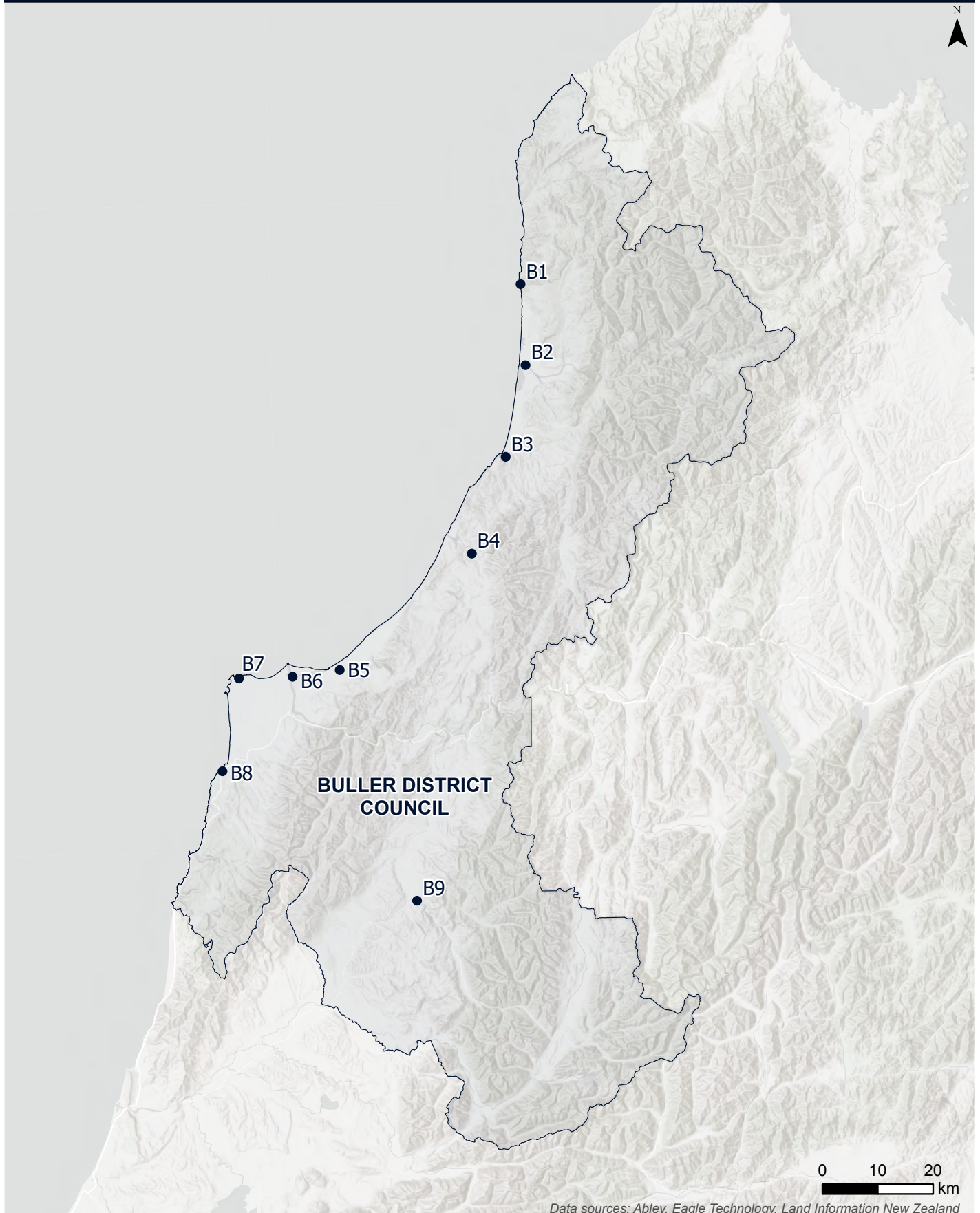
So far only one regional speed management plan has been submitted to the Director for certification. We understand some regions have attempted to coordinate plans but progress was slow due to resourcing and alignment issues.

Higher speed limits on certain roads

The draft Rule enables some roads to have a speed limit set at 110km/h. We are interested in your thoughts on enabling speed limits of up to 120km/h on roads that are built and maintained, and will be managed, to safely accommodate that speed.

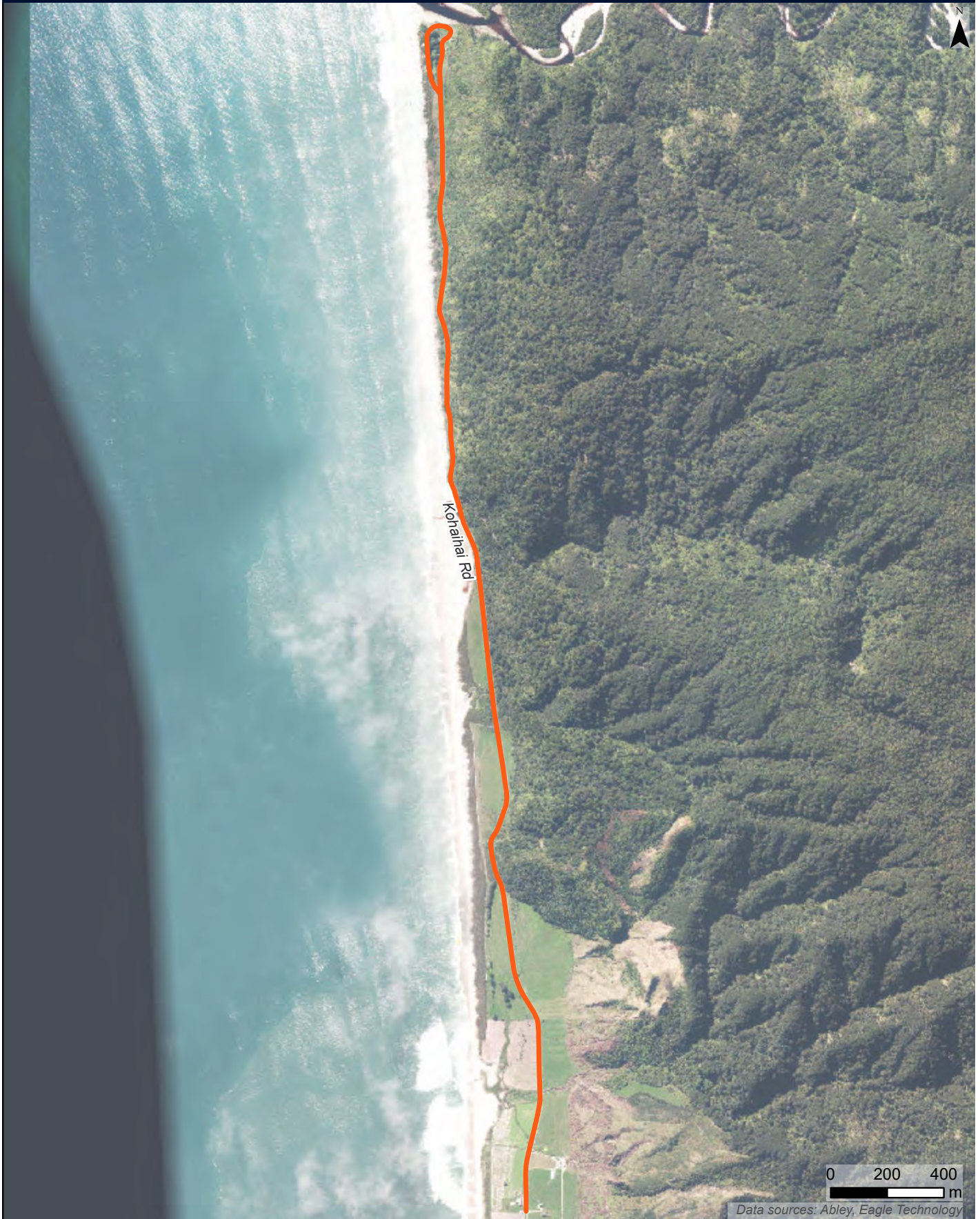
Questions

Do you have any comments on the other matters outlined above?



Data sources: Abley, Eagle Technology, Land Information New Zealand

| | | |
|----------------------|----------------------|--------------|
| B1 - Kohaiahi Road | B5 - Powerhouse Road | B9 - Reefton |
| B2 - Karamea | B6 - Westport | |
| B3 - Little Wanganui | B7 - Cape Foulwind | |
| B4 - Seddonville | B8 - Charleston | |



Proposed Speed (km/h)

— 60



Proposed Speed (km/h)

— 30

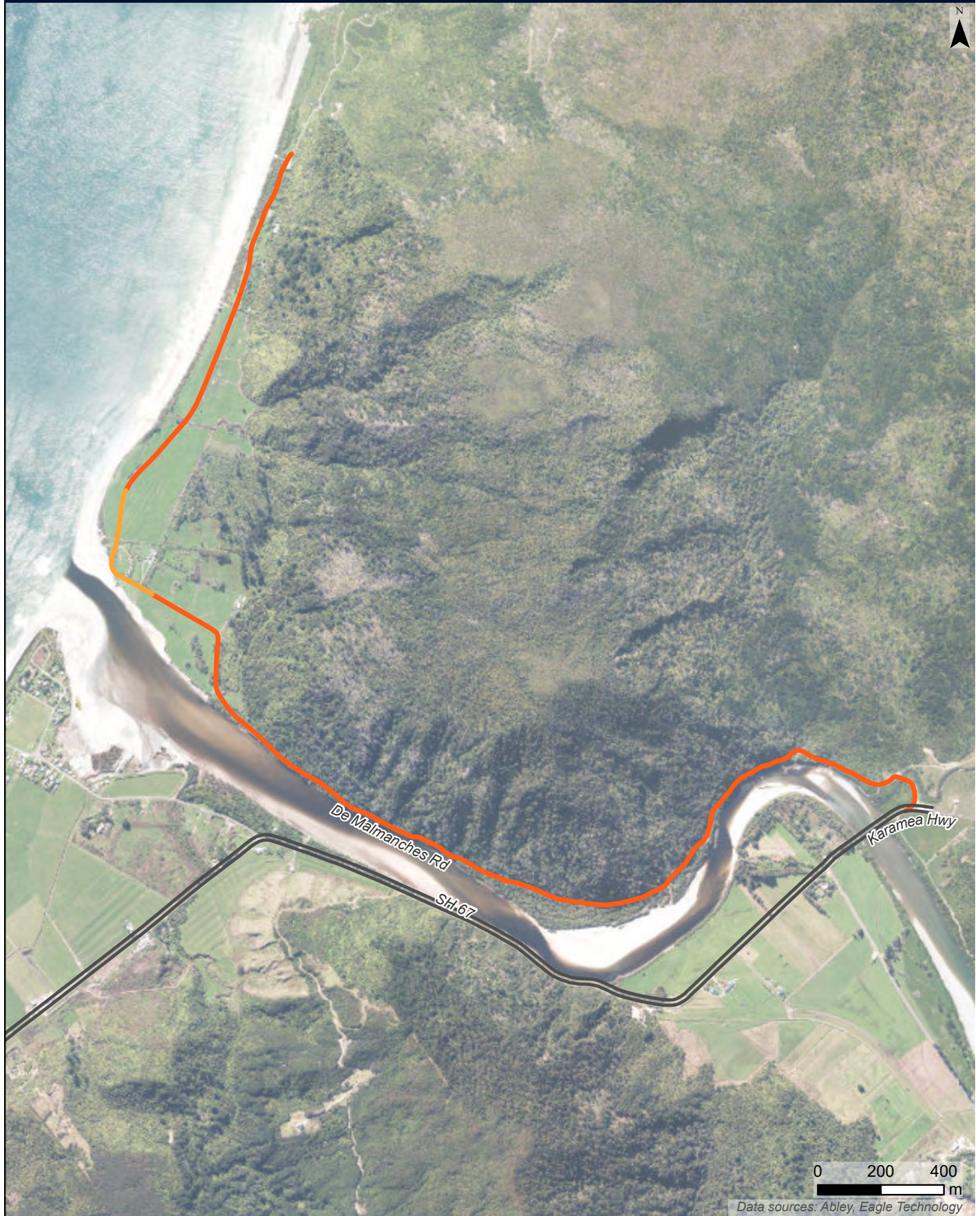


Proposed Speed (km/h)

— 40

0 200 400 m

Data sources: Abley, Eagle Technology



Proposed Speed (km/h)

- 30
- 60
- State Highway



0 200 400 m
Data sources: Abley, Eagle Technology

Proposed Speed (km/h)

— 60

— State Highway



Proposed Speed (km/h)

- 30
- 60
- State Highway
- 40



Proposed Speed (km/h)

— 60

— State Highway



Proposed Speed (km/h)

— 40

— State Highway

— 60



Proposed Speed (km/h)

— 30

— State Highway

Draft West Coast Regional Speed Management Plan 2024-2026



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1. Introduction

This plan outlines the West Coast approach to managing speed limits on the local roading network.

The new Government has recently made changes to the Land Transport Rule for Speed Management. Click on [this link](#) to see an explanation of the changes.

The West Coast Regional Council, in partnership with the Buller, Grey, and Westland District Councils, has developed this plan to outline the approach to road safety and the proposed speed limit changes on local roads across the West Coast. The key objective is to create a safe road network for all road users.

To determine appropriate speed limits, a significant analysis process has been undertaken considering:

- National guidelines for safe and appropriate speeds as recommended by NZ Transport Agency,
- Input from the local community
- Insights from key stakeholders who hold valuable knowledge about the area.

In the initial phase of implementation over the next three years 2023/24 to 2025/26, we will focus on:

- Schools on local roads
- High-risk and high-benefit areas (i.e., places with a high concentration of people like town centres)
- Addressing local roads and areas identified by the community as important.

2. Purpose

The purpose of this document is to set out the ten-year vision for speed management in the region and the three-year implementation plan for 2023/24-2025/26. This Speed Management Plan (SMP) focuses on initial high-benefit areas and schools. Additional rural or remote roads will be assessed at a later date. The outcome is to provide a network-wide approach to speed management for Buller, Grey, and Westland District Councils, and the Department of Conservation.

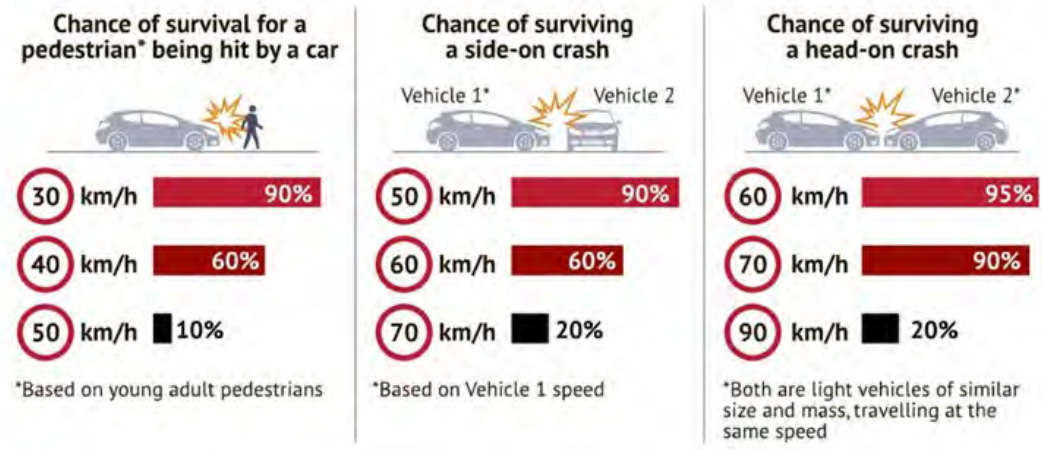
This plan excludes the State Highway network. NZ Transport Agency Waka Kotahi has developed an interim Draft Speed Management Plan 2023 for the State Highway network. The State Highway draft plan was consulted on in late 2022 and is awaiting review and approval.

3. Why Does Speed Matter?

Speed is a Determining Factor in the Likelihood, and Severity of Injury

The severity of injury and possibility of fatality increases depending on the road and section type combined with road users. International best practice is that 30km/h is the desirable Safe System speed on roads and streets where high numbers of active road users, especially children, are present. A pedestrian struck by a motor vehicle at this speed has a strong chance of surviving and avoiding a serious injury. The probability of a pedestrian being killed rises as impact speed increases. The probability approximately doubles between 30km/h and 40km/h and doubles again from 40km/h to 50km/h. These factors have informed the target Safe System speeds.

As speed increases, so does the risk of a fatality



(Based on Wramborg, P 2005, 'A new approach to a safe and sustainable road structure and street design for urban areas', Road safety on four continents conference, 2005, Warsaw, Poland, Swedish National Road and Transport Research Institute (VTI), Linköping, Sweden.)

Figure 3.1 Crash Survival Rates at Different Speeds

4. The Process



5. Regional 10-Year Vision

5.1 Vision

Having “**a safe, resilient and connected multi-modal transport network which enables the West Coast to thrive**” is the vision set by the Regional Transport Committee, recognising the critical nature of the transport network to the economic and social wellbeing of West Coast communities.

5.2 Objectives

The Regional Land Transport Plan (RLTP) sets out a number of objectives for the region, linking to the vision and the outcomes set out in the Ministry of Transport Outcomes Framework. The key objective for speed management in the RLTP focuses on road safety outcomes:

*A transport network that is **safe for all users** with a target to reduce deaths and serious injuries on West Coast roads.*

5.3 Strategic Alignment to Government Direction

Government Policy Statement (GPS) on Land Transport¹

Speed management plans must align with the GPS on Land Transport (2021/22-2030/31). The GPS has four strategic priorities:

- Safety
- Better Travel Options
- Climate Change
- Improving Freight Connections

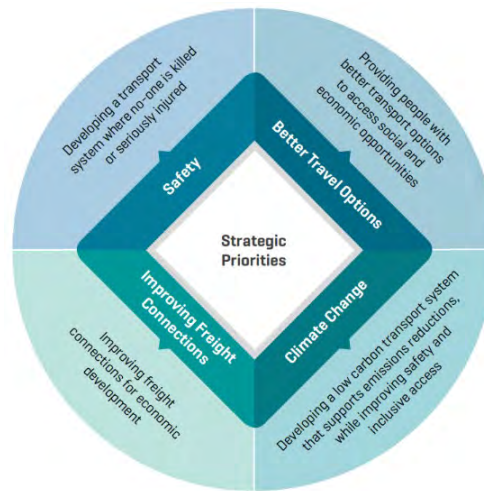


Figure 5.1 Strategic Priorities of the GPS Land Transport (2021/22-2030/31)

¹ The new GPS will be released in 2024 however it is expected to maintain the existing key priorities.

This Speed Management Plan aligns closely with the Safety, and Better Travel Options priorities as noted in [Table 5.1](#).

Table 5.1 Speed Management Alignment with the GPS Priorities

| GPS Priority | Speed Management Plan (SMP) Alignment |
|-----------------------|---|
| Safety | In accordance with the NZTA Speed Management Guide: Road to Zero edition, this (SMP) proposes speed limits to minimise the risk of fatal and serious injury to all road users by reducing impact speeds and crash forces. A cohesive approach to speed management is a key element in working towards a road network where no one is killed or seriously injured. |
| Better Travel Options | Following NZTA Speed Management Guide: Road to Zero edition, this SMP proposes speed limits in accordance with the One Network Framework Street categories. This will enable more equitable access to a variety of safe and healthy transport options, particularly in urban areas and around schools. |

Road to Zero

Road to Zero is New Zealand’s Road Safety Strategy 2020 - 2030. The Road to Zero Strategy sets a target of reducing deaths and serious injuries on our roads by 40% by 2030 compared to 2018 levels with an overarching vision of a New Zealand where no one is killed or seriously injured in road crashes. The strategy has five focus areas:

- Infrastructure improvements and speed management
- Vehicle safety
- Work-related road safety
- Road user choices
- System management

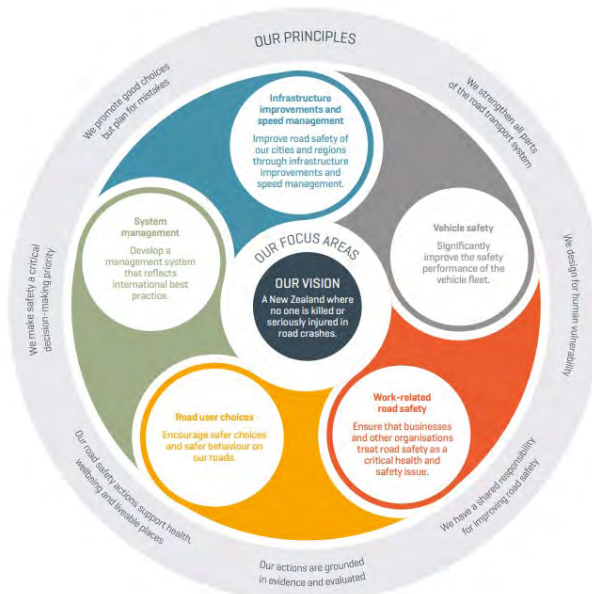


Figure 5.2 Principles And Focus Areas of the Road to Zero Strategy

This SMP directly falls within the first focus area of Infrastructure Improvements and Speed Management. The SMP also aligns with the System Management focus area with Councils working collaboratively within the Region to deliver safer speeds that align with international best practices.

A West Coast Community Transport survey conducted from October to December 2022 resulted in 1,099 people giving feedback that will help all three Councils to better understand and make decisions about their local roads. Most (95%) respondents live on the West Coast, spread across Buller - 454 (41%), Grey - 290 (26%), and Westland - 311 (28%).

Feedback from the survey shows that nearly 90% of respondents consider 'Road to Zero' to be important or very important to them. It has been identified as the most crucial strategic direction when compared to the other options in the survey, as illustrated in [Figure 5.3](#).

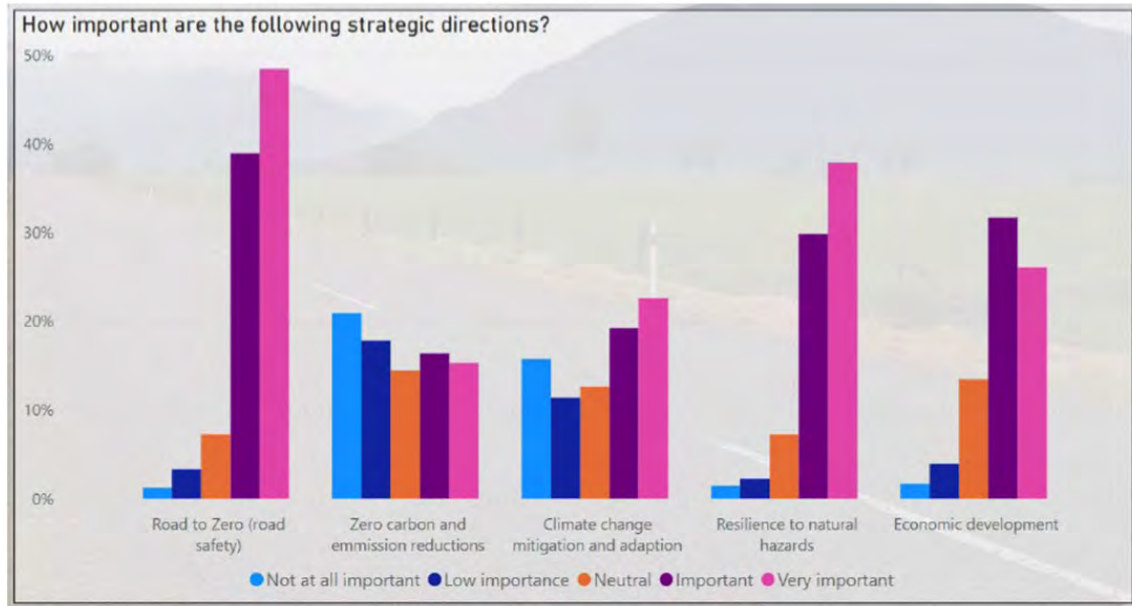


Figure 5.3 West Coast Community Transport Survey Strategic Priorities

Land Transport Rule: Setting of Speed Limits 2022

The Rule was adopted in 2022 and requires Road Controlling Authorities to develop SMPs. The Rule provides a whole network approach to speed management to be considered alongside investment in road safety infrastructure. Buller, Grey, Westland District Councils, and the Department of Conservation have worked collaboratively on the SMP to achieve consistency throughout the West Coast.

The NZTA Speed Management Guide: Road to Zero Edition sets out the approach to speed management planning to align with the Road to Zero Strategy and the Setting of Speed Limits Rule. The Speed Management Guide was used to develop this SMP, to ensure that the Plan aligns with the Rule and the Road to Zero Strategy.

5.4 Alignment to NZTA Speed Management Guide Principles

Road Controlling Authorities are expected to follow the key principles in the NZTA Speed Management Guide when developing their SMPs:

- Survivable speeds, ensuring safety for all road users
- Consistent and safe speed limits to support health, wellbeing, and liveable places for all
- Speed limits are set with reference to the One Network Framework Street categories and the standard of the transport (safety) infrastructure
- Safe speeds are integrated, and recognised as one part of the framework, along with engineering, education, and enforcement solutions.



Figure 5.4 NZTA Guiding Principles for Speed Management

6. Whole-of-Network Approach

This SMP combines the Buller, Grey, and Westland Districts' Speed Plans into one consistent proposal for the West Coast. While developing the Plan, the NZTA draft Interim SMP for the State Highway network has also been considered.

For local roads that are not covered in this Plan, it is proposed that these will be reviewed in 2026/27.

7. Three-Year Implementation Plan

The proposed implementation plan supports the overall objectives of the RLTP, and in particular to make the transport network safe for all users as it aims to reduce deaths and serious injuries. With approximately 1,900 kilometers of local roads (excluding State Highways) across the West Coast, the implementation plan has focused on the initial high areas.

- Schools: All the schools in the Region have been reviewed to improve safety for children and students. There are no proposed speed limit changes for areas outside schools located on State Highways as this will be addressed under the NZTA workstream
- High-priority roads and areas: The areas with a high percentage of active road users have been included in the plan. This includes some areas requested by the community for review, and where suitable, have been included in the plan.

Based on the above considerations, the following speed limit proposals have been developed for the Buller (7.1), Grey (7.2), Westland (7.3), and Department of Conservation (7.4) areas.

7.1 Buller District

School Speed Limit Proposal

Table 7.1 Buller District School List

| School Name | Category | Existing Speed Limit | Proposed Speed Limit | Map Reference | Implementation Timeframe | Comment |
|---------------------------|----------|----------------------|----------------------|---------------|--------------------------|---|
| Buller High School | 1 | Permanent 50 km/h | Permanent 30 km/h | B6 | 2023/24 | |
| Karamea Area School | 1 | Permanent 50 km/h | Permanent 30 km/h | B2 | 2023/24 | |
| Reefton Area School | 1 | Permanent 50 km/h | Permanent 30 km/h | B9 | 2023/24 | |
| Sacred Heart School | 1 | Permanent 50 km/h | Permanent 30 km/h | B9 | 2023/24 | |
| St Canice's School | 1 | Permanent 50 km/h | Permanent 30 km/h | B6 | 2023/24 | SH Interim SMP proposes 30 km/h variable speed limit on SH67. |
| Westport North School | 1 | Permanent 50 km/h | Permanent 30 km/h | B6 | 2023/24 | |
| Westport South School | 1 | Permanent 50 km/h | Permanent 30 km/h | B6 | 2023/24 | |
| OneSchool Global Westport | 1 | Permanent 50 km/h | Permanent 30 km/h | B6 | 2023/24 | |

High Priority Roads and High Priority Areas

Table 7.2 Buller District Proposal

| Area/Road | Map Reference | Implementation Timeframe | Comment |
|-----------------|---------------|--------------------------|--|
| Kohaihai Road | B1 | 2024/25 | N/A |
| Little Wanganui | B3 | 2024/25 | N/A |
| Seddonville | B4 | 2024/25 | N/A |
| Powerhouse Road | B5 | 2024/25 | N/A |
| Westport | B6 | 2024/25 | School zones will be implemented in 2023/24. |
| Cape Foulwind | B7 | 2024/25 | N/A |
| Charleston | B8 | 2024/25 | N/A |

7.2 Grey District

School Speed Limit Proposal

Table 7.3 Grey District School List

| School Name | Category | Existing Speed Limit | Proposed Speed Limit | Map Reference | Implementation Timeframe | Comment |
|---------------------------------------|----------|----------------------|----------------------|---------------|--------------------------|--|
| Awahono School | 1 | Permanent 50 km/h | Permanent 30 km/h | G1 | 2024/25 | N/A |
| Blaketown School | 1 | Permanent 50 km/h | Permanent 30 km/h | G4 | 2023/24 | N/A |
| Cobden School | 1 | Permanent 50 km/h | Permanent 30 km/h | G4 | 2023/24 | N/A |
| Greymouth High School | 1 | Permanent 50 km/h | Variable 30km/h | G4 | 2023/24 | SH Interim SMP proposes a 30 km/h variable speed limit on SH6. |
| Greymouth Main School | 1 | Permanent 50 km/h | Permanent 30 km/h | G4 | 2023/24 | N/A |
| John Paul II High School | 1 | Permanent 50 km/h | Permanent 30 km/h | G4 | 2023/24 | N/A |
| Karoro School (Tasman St and Rata St) | 1 | Permanent 50 km/h | Permanent 30 km/h | G6 | 2024/25 | N/A |
| Lake Brunner School | 1 | Permanent 50 km/h | Permanent 30 km/h | G8 | 2023/24 | N/A |

| School Name | Category | Existing Speed Limit | Proposed Speed Limit | Map Reference | Implementation Timeframe | Comment |
|-------------------------------------|----------|-------------------------------|----------------------|---------------|--------------------------|---------|
| Paparoa Range School | 1 | Permanent 50 km/h | Permanent 30 km/h | G5 | 2024/25 | N/A |
| Paparoa Range School-Blackball site | 1 | Permanent 50 km/h | Permanent 30 km/h | G2 | 2024/25 | N/A |
| Paroa School (Paroa School Road) | 1 | 8 0km/h with variable 40 km/h | Permanent 30 km/h | G7 | 2024/25 | N/A |
| Runanga School | 1 | Permanent 50 km/h | Permanent 30 km/h | G3 | 2024/25 | N/A |
| St Patrick's School | 1 | Permanent 50 km/h | Permanent 30 km/h | G4 | 2023/24 | N/A |

High Priority Roads and High Priority Areas

Table 7.4 Grey District Proposal

| Area/Road | Map Reference | Implementation Timeframe | Comment |
|-------------|---------------|--------------------------|---------|
| Blackball | G2 | 2024/25 | N/A |
| Sumner Road | G7 | 2024/25 | N/A |
| Moana | G9 | 2023/24 | N/A |

7.3 Westland District

School Speed Limit Proposal

Table 7.5 Westland District School List

| School Name | Category | Existing Speed Limit | Proposed Speed Limit | Map Reference | Implementation Timeframe | Comment |
|---|----------|----------------------|----------------------|---------------|--------------------------|---|
| Fox Glacier School | 1 | Permanent 60 km/h | Variable 30 km/h | W8 | 2023/24 | N/A |
| Haast School | 1 | Permanent 50 km/h | Variable 30 km/h | W9 | 2023/24 | N/A |
| Hokitika Primary School | 1 | Permanent 50 km/h | Permanent 30 km/h | W3 | 2023/24 | N/A |
| Kokatahi-Kowhitirangi School | 1 | Permanent 80 km/h | Variable 30 km/h | W4 | 2023/24 | N/A |
| Kumara School | 1 | Permanent 50 km/h | Permanent 30 km/h | W1 | 2023/24 | N/A |
| Ross School (Gibson Street and Monteith Street) | 1 | Permanent 50 km/h | Permanent 30 km/h | W5 | 2023/24 | SH Interim SMP proposes variable 30 km/h on SH6 |
| South Westland Area School | 1 | Permanent 50 km/h | Variable 30 km/h | W6 | 2023/24 | N/A |
| Westland High School | 1 | Permanent 50 km/h | Permanent 30 km/h | W3 | 2023/24 | N/A |

High Priority Roads and High Priority Areas

Table 7.6 Westland District Proposal

| Town/Area | Map Reference | Implementation Timeframe | Comment |
|-------------|---------------|--------------------------|---------|
| Kumara | W1 | 2023/24 | N/A |
| Arahura Pa | W2 | 2024/25 | N/A |
| Hokitika | W3 | 2023/24 | N/A |
| Ross | W5 | 2023/24 | N/A |
| Franz Josef | W7 | 2025/26 | N/A |

7.4 Department of Conservation

Table 7.7 Doc Road Proposal

| Road Name | District Area | Existing Speed Limit | Proposed Speed Limit | Implementation Timeframe | Comment |
|--------------------------|---------------|----------------------|----------------------|--------------------------|--|
| Marble Hill Road | Buller | Permanent 100 km/h | Permanent 20 km/h | 2023/24 | Existing 20 km/h speed limit sign(s) on the road |
| Prohibition Road | Buller | Permanent 100 km/h | Permanent 20 km/h | 2023/24 | Existing 20 km/h speed limit sign(s) on the road |
| Southside Road View Road | Buller | Permanent 100 km/h | Permanent 50 km/h | 2023/24 | Existing 50 km/h speed limit sign(s) on the road |

8. Monitoring Programme

It is important to keep track and ensure the outcomes of the Plan are being met. Changes outlined will be monitored on an annual basis by Buller, Grey, and Westland District Councils, and an evaluation report will be developed 12 months after a new speed limit has been introduced.

Three key outcomes will be monitored: changes in the speed limit, user safety, and perception of safety. For each of the outcomes, the key performance indicators (KPI) proposed are shown in [Table 8.1](#).

Table 8.1 Speed Management KPIs

| Outcomes | Measure Name | Measure |
|--|----------------------------|---|
| Changes in speed limit | Safe and appropriate speed | % Road network that is at or below the safe and appropriate speed |
| | Category 1 schools | % Category 1 schools with 30-40 km/h speed limit |
| | Category 2 schools | % Category 2 schools with 60 km/h speed limit or lower |
| Changes in user safety | Crashes by severity | Number of crashes by severity from Crash Analysis System (CAS) |
| | Death and serious injuries | Number of death and serious injuries from CAS |
| | Travel speed gap | Difference between the new speed limit and actual speed |
| Changes in perception of safety | Perception of safety | Perception of safety and ease of walking and cycling, determined by post implementation surveys |

Category One and Two Schools

Under the Setting of Speed Limits Rule, schools have been grouped into two categories which determine the appropriate speed limit for the surrounding roads.

- **Category 1:** where schools would have 30km/h (fixed or variable) speed limits, or 40km/h limits if they existed prior to the Speed Rule taking effect
- **Category 2:** where school area could provide for a maximum of 60km/h speed limits but include an explanation about how the Safe System principles would be met.

The categorisation effectively recognises that there are different operating conditions and risk profiles between urban and rural areas, for example where pupils are generally driven to school and distances may make active transport modes less practical.

The data sources for these KPIs will be traffic tube counts (or other alternative data sources) at specified locations and these will be supported by control sites monitoring, where possible, post-implementation surveys, and crash data from the Crash Analysis System (CAS) database. This information will be collected, analysed, and reported annually to determine the impacts of the Plan over time. Baseline information will also be collected prior to implementation of the Plan to be able to monitor the KPIs.

Table 8.2 Baseline KPIs

| District | % Road Network SAAS ² Aligned | % Category 1 Schools With 30-40 km/H Speed Limit | % Category 2 Schools With 60 Km/H Speed Limit Or Lower | DSI ³ - Crashes (2018-2022) | DSI – Total Injury Count (2018-2022) |
|-------------------|--|--|--|--|--------------------------------------|
| Buller District | 3% | 0% (Out of 10) | N/A | 16 | 17 |
| Grey District | 2.8% | 8% (1 out of 12) | 0% (Out of 1) | 18 | 21 |
| Westland District | 24% | 17% (2 out of 12) | N/A | 12 | 15 |

In addition to these indicators, there is a range of co-benefits that individual road controlling authorities may choose to report on. These include mode shifts and emissions changes that may occur.

² [SAAS - safe and appropriate speed](#)

³ [DSI – deaths and serious injuries](#)

9. Variations

Road-Controlling Authorities may wish to prepare a variation to this SMP, with the approval of the Director of Land Transport.

10. Government's Proposed Changes to Speed Rule

The Land Transport Rule: Setting of Speed Limits 2022 has been recently amended. Changes have been signalled to the Rule that will involve the removal of mandatory requirements for local Road Controlling Authorities to implement SMPs and to remove deadlines for submission by 29 March 2024.

The intent of the changes is expected to be that the preparation of SMPs will become a discretionary requirement with no set deadline for delivery. Any previous deadlines for the preparation of SMPs will be revoked, including deadlines for Regional Transport Committees and Road Controlling Authorities to meet deadlines associated with setting speed limits outside of schools.

In addition, it is anticipated that in future the Minister of Transport will have the authority to set deadlines for the steps involved in developing, varying, or replacing SMPs, rather than NZ Transport Agency.

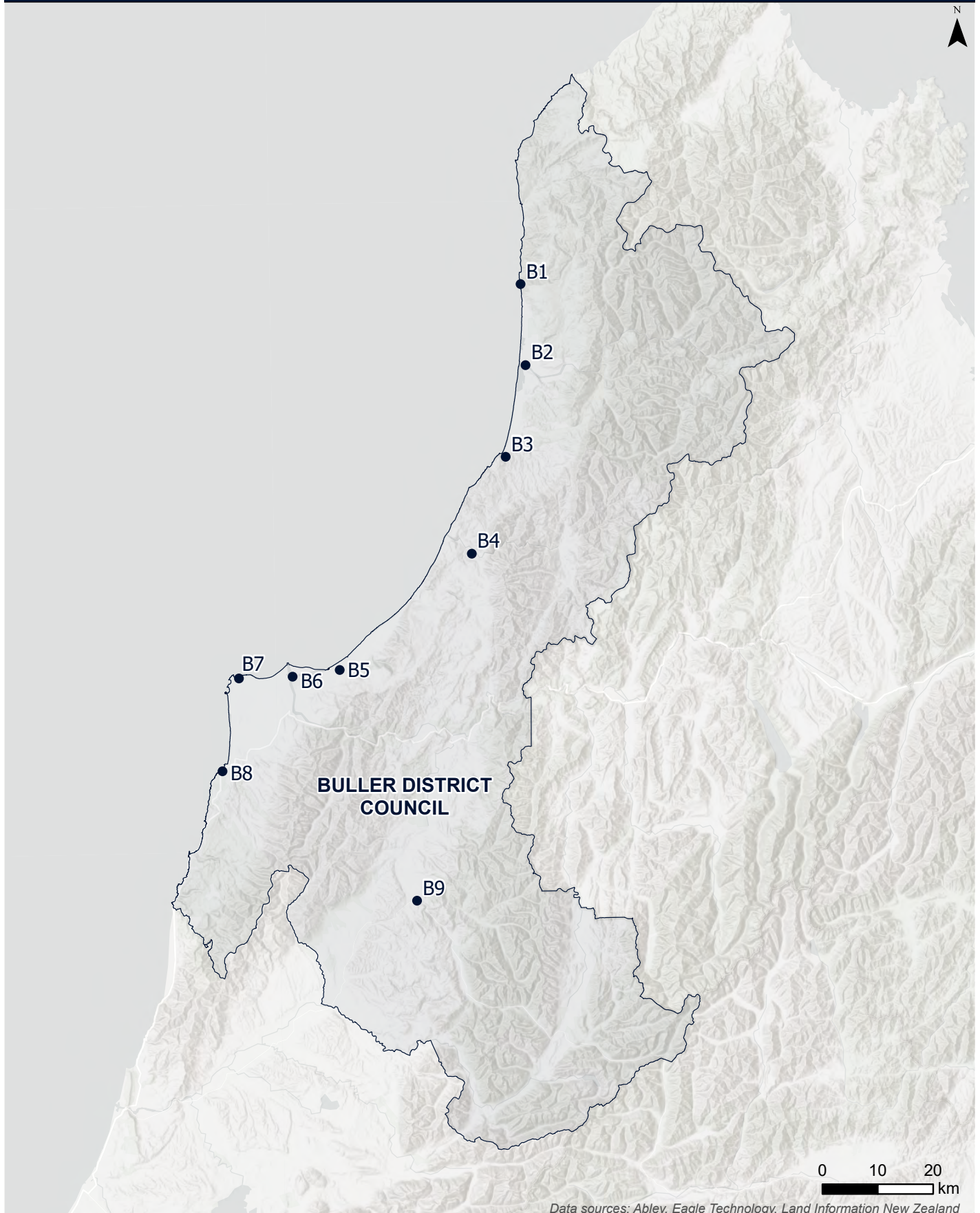
10.1 Requirements for Variable Speed Limits Outside Schools

The Land Transport Rule will introduce requirements for variable speed limits on roads near schools during pick-up and drop-off times. Implementation of variable speed limits on roads near schools will mean that electronic signage will be required and there could be a cost implication to Road-Controlling Authorities. It is unclear at this time if this will be a mandatory or a preferred option.

11. Conclusion

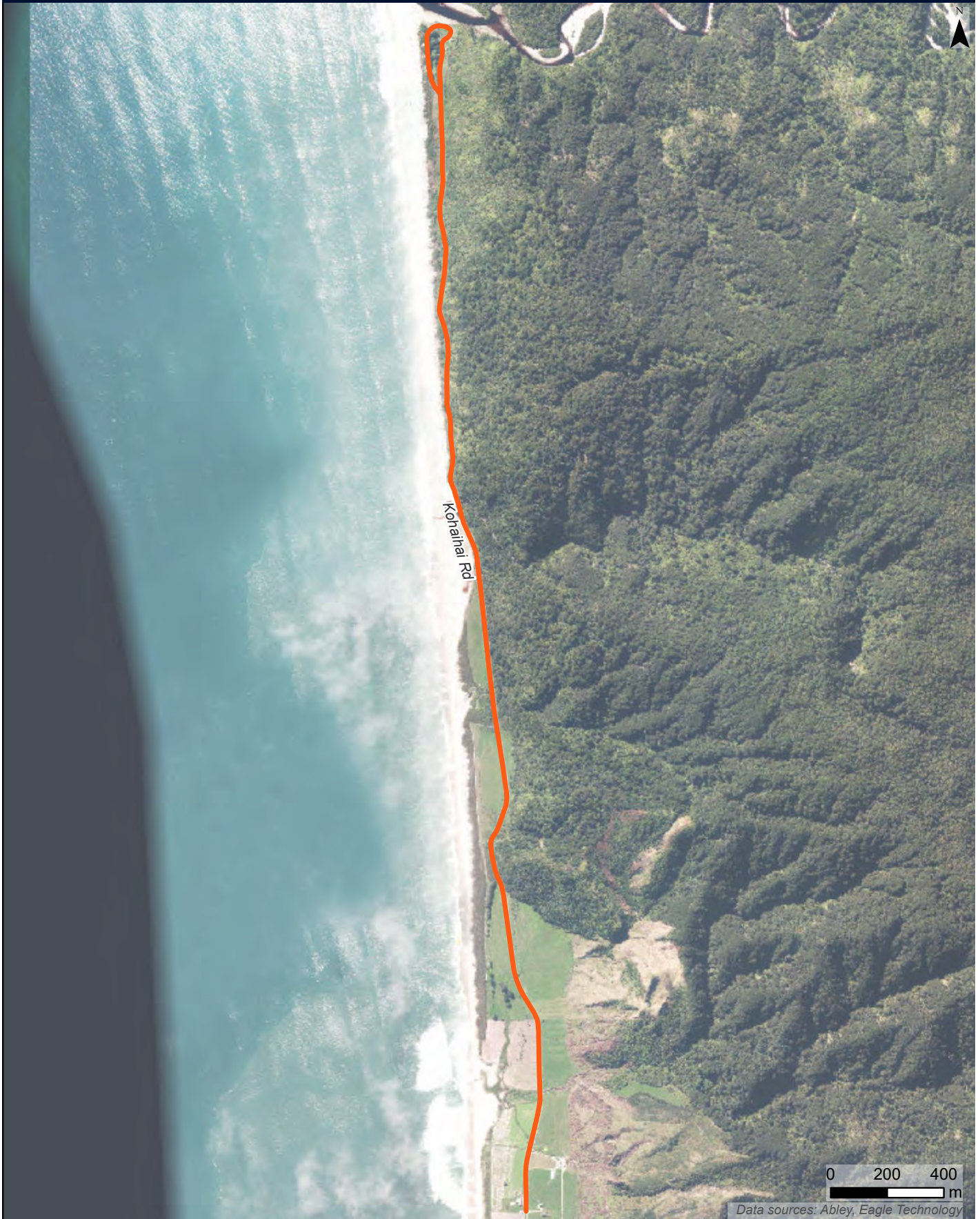
The West Coast Regional SMP 2024 – 2026 makes a significant step towards a safer and well-being-connected community. It was developed collaboratively by the West Coast Regional Council, Buller, Grey, and Westland District Councils, and the Department of Conservation. With a vision of a safe, resilient, and connected multi-modal transport network, the Plan aligns strategically with the Government Policy Statement (GPS) on Land Transport and the Road to Zero strategy.

The three-year implementation plan in this Regional SMP prioritises schools, areas with high numbers of vulnerable road users, and areas with agreed community support. The monitoring programme, featuring key performance indicators, provides a robust framework for ongoing evaluation, measuring changes in speed limits, user safety, and the perception of safety. Overall, the Plan sets a precedent for effective, collaborative speed management, underlining the Region's dedication to fostering a safe and interconnected environment for its residents.



Data sources: Abley, Eagle Technology, Land Information New Zealand

- | | | |
|----------------------|----------------------|--------------|
| B1 - Kohaiahi Road | B5 - Powerhouse Road | B9 - Reefton |
| B2 - Karamea | B6 - Westport | |
| B3 - Little Wanganui | B7 - Cape Foulwind | |
| B4 - Seddonville | B8 - Charleston | |



Proposed Speed (km/h)

— 60



Proposed Speed (km/h)

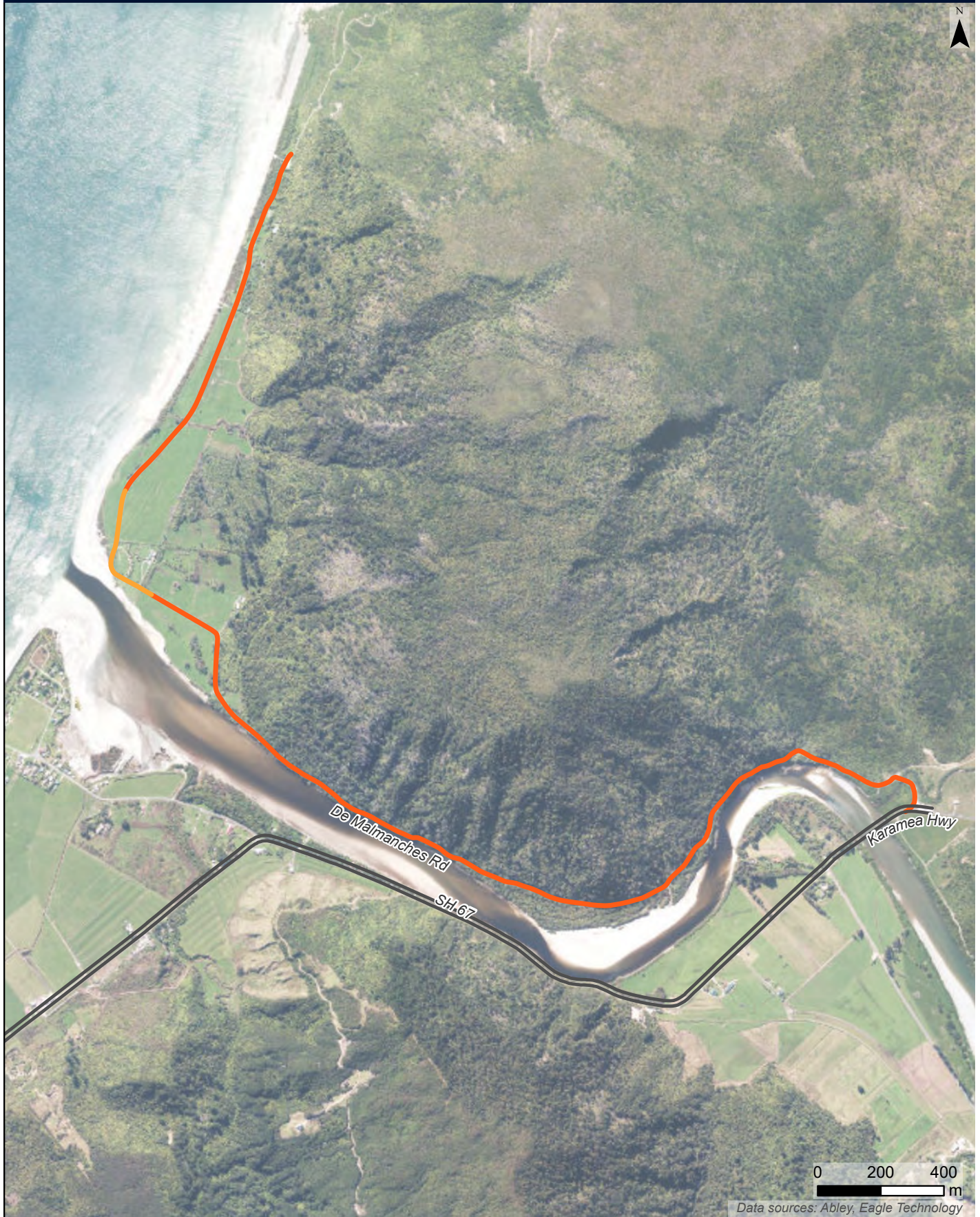
— 30



Data sources: Abley, Eagle Technology

Proposed Speed (km/h)

— 40



Proposed Speed (km/h)

- 30
- 60
- == State Highway



0 200 400 m
Data sources: Abley, Eagle Technology

Proposed Speed (km/h)

— 60

== State Highway



Proposed Speed (km/h)

- 30
- 60
- State Highway
- 40

0 200 400
m
Data sources: Abley, Eagle Technology



Proposed Speed (km/h)

— 60

== State Highway



Proposed Speed (km/h)

— 40

— State Highway

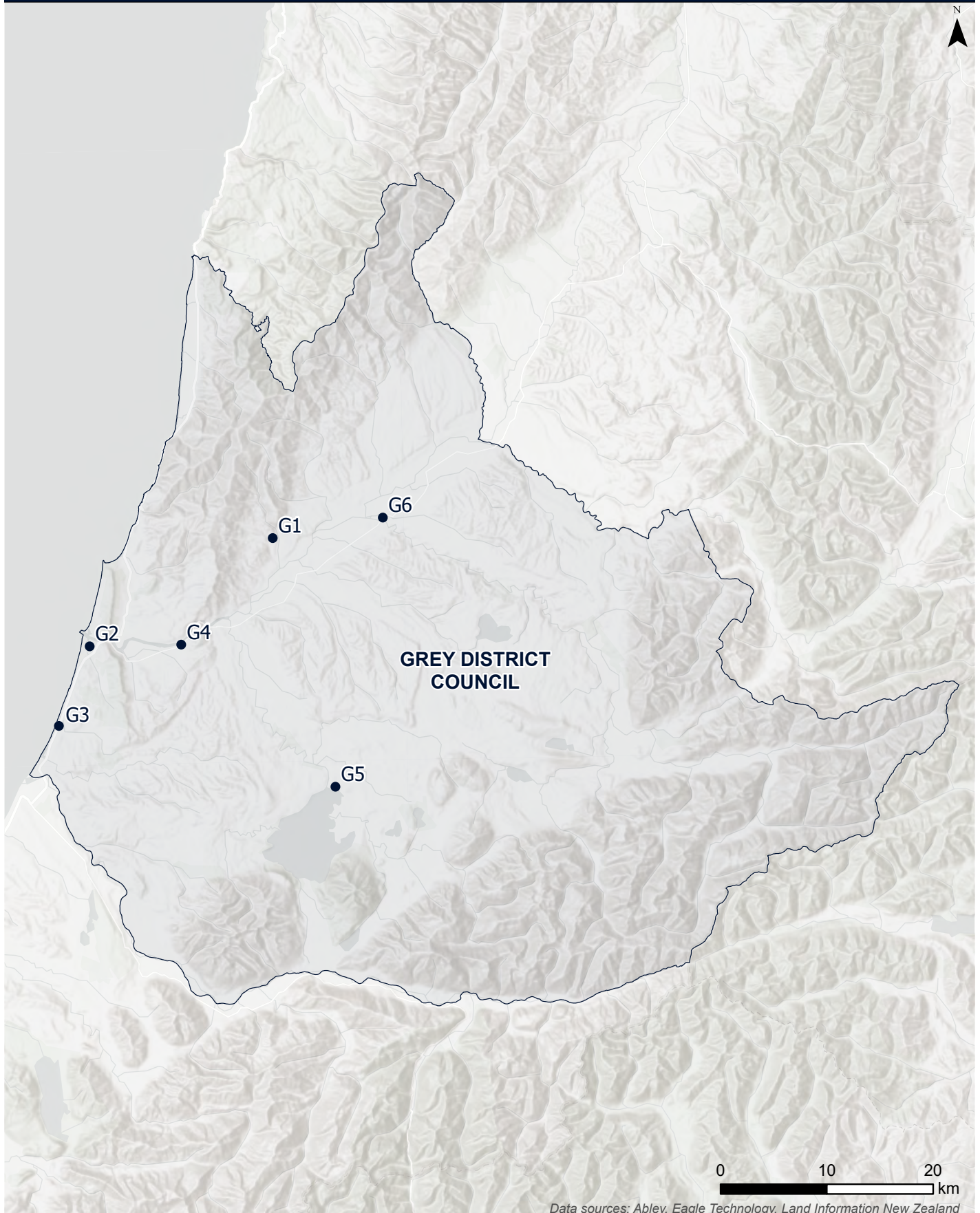
— 60



Proposed Speed (km/h)

— 30

== State Highway



Data sources: Abley, Eagle Technology, Land Information New Zealand

- | | |
|----------------|-------------------------------|
| G1 - Awahono | G5 - Paparoa Range School |
| G2 - Blackball | G6 - Karoro School |
| G3 - Runanga | G7 - Paroa School & Gladstone |
| G4 - Greymouth | G8 - Moana |



Proposed Speed (km/h)

— 30

— State Highway

🏫 School



Proposed Speed (km/h)

— 30



School



Proposed Speed (km/h)

— 30

 School



- Proposed Speed (km/h)
- - - 30 (Variable)
 - 30
 - State Highway
 - 🏫 School

0 50100
 m
 Data sources: Abley, Eagle Technology



Proposed Speed (km/h)

— 30

— State Highway

🏫 School

0 50 100
m
Data sources: Abley, Eagle Technology



Proposed Speed (km/h)

— 30

— State Highway

🏫 School



Data sources: Abley, Eagle Technology

Proposed Speed (km/h)

— 30

== State Highway

🏫 School



Proposed Speed (km/h)

- 30
- 40

 School

0 50 100
m
Data sources: Abley, Eagle Technology



Data sources: Abley, Eagle Technology, Land Information New Zealand

- | | | |
|-----------------|---------------------------------|-------------------|
| W1 - Kumara | W4 - Kokatahi-Kowhitirangi | W7 - Franz Josef |
| W2 - Arahura Pa | W5 - Ross | W8 - Fox Glacier |
| W3 - Hokitika | W6 - South Westland Area School | W9 - Haast School |



Proposed Speed (km/h)

- 30
- 50
- State Highway



Proposed Speed (km/h)

- 30
- == State Highway



Data sources: Abley, Eagle Technology

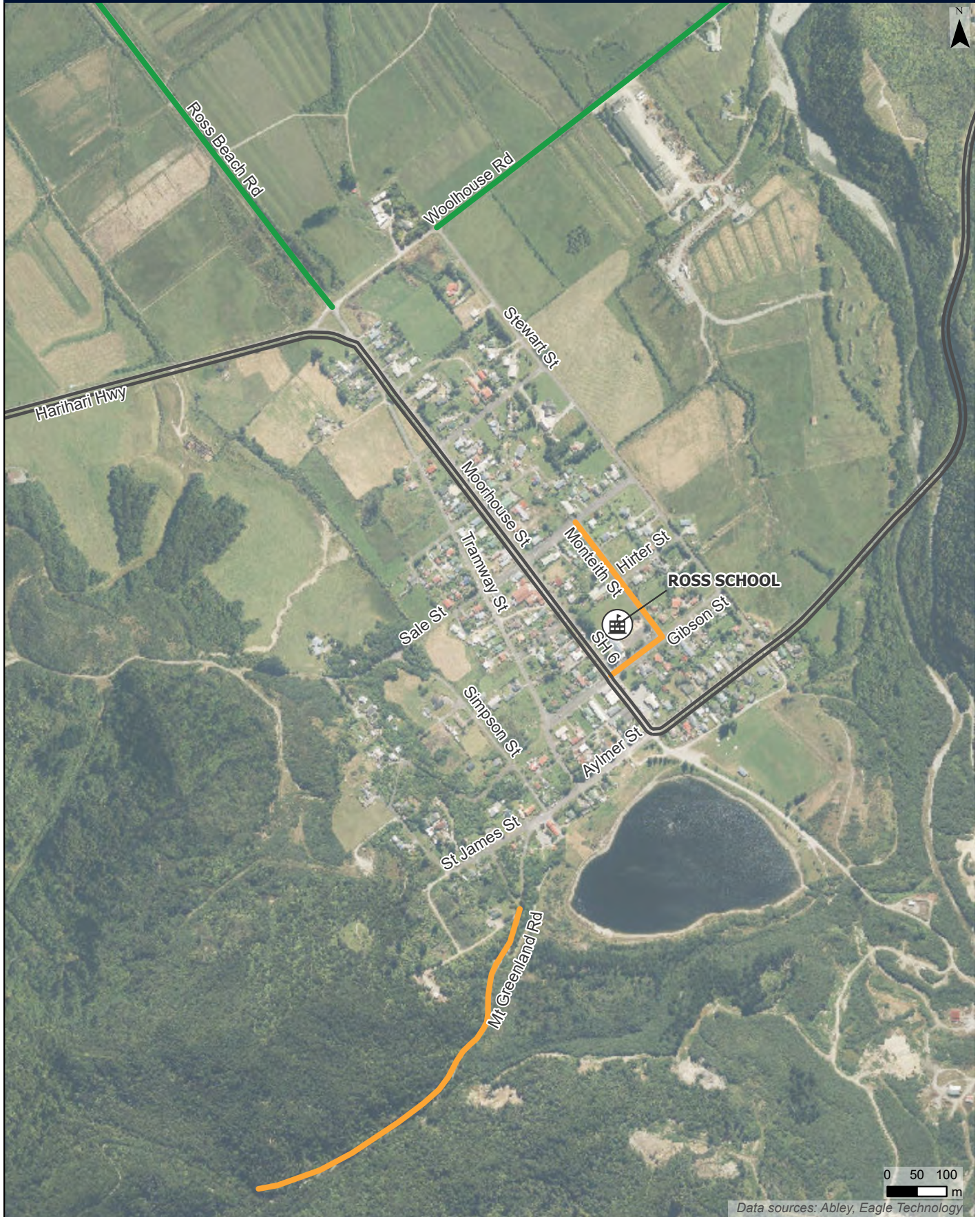
Proposed Speed (km/h)

| | | | | | |
|--|----|--|----|--|---------------|
| | 30 | | 40 | | State Highway |
| | 50 | | | | |

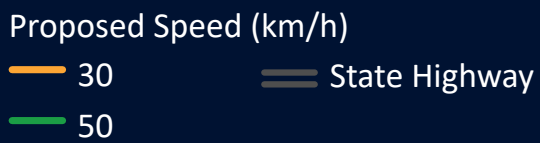


Proposed Speed (km/h)

— 30 (Variable)



Data sources: Abley, Eagle Technology





Proposed Speed (km/h)

— 30 (Variable)

— 50



Proposed Speed (km/h)

— 30 == State Highway



Proposed Speed (km/h)

- - - 30 (Variable)



Proposed Speed (km/h)

— 30 (Variable)

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 9

Prepared by Lynn Brooks
Finance Manager

Douglas Marshall
Chief Financial Officer

Reviewed by Paul Numan
Group Manager Corporate Services

Attachments 1. BHL Group Combined Statement of Intent 2025

STATEMENT OF INTENT – BULLER HOLDINGS LTD GROUP FOR THE YEAR ENDED 30 JUNE 2025

1. REPORT SUMMARY

Council is required to receive Statements of Intent (SOI) for its Council Controlled Organisations (CCOs) relating to the upcoming financial year.

2. DRAFT RECOMMENDATION

That the Council adopts the Statement of Intent for Buller Holdings Limited, WestReef Services Limited, and Buller Recreation Limited which are combined into one document named the Buller Holdings Group Statement of Intent for the year ending 30 June 2025.

3. ISSUES & DISCUSSION

BACKGROUND

The Local Government Act (2002) requires the board of a CCO to deliver a draft Statement of Intent to Council each year to allow for review and comment on the content. The Act also requires the board to deliver a final Statement of Intent before 30 June. The Three Statements of Intent were provided to Council on 13 February 2024.

The Council has three CCOs: Buller Holdings Limited, WestReef Services Limited; and Buller Recreation Limited which are required to provide a SOI each

year. This is the first year the SOI have been provided as one document. This is possible because these companies operate as the “Buller Holdings Group”, and the only variation to the content of the SOI for each is the financial and non-financial targets which are set out in the tables at the latter part of the group SOI.

Provide the background information necessary for the Council / Committee to understand the issue. What is the trigger for this report to be written?

Provide background information so that the reader is informed of why this issue is being reported to Council / Committee, key background information e.g. historical information, actions of other parties, regulatory issues, impact on other parties.}

Part 64 of the Local Government Act (2002) sets out that the purpose of a Statement of Intent is to:

- State publicly the activities and intentions of a Council-controlled organisation for the year and the objectives to which those activities will contribute; and
- Provide an opportunity for the shareholders to influence the direction of the organisation; and
- Provide a basis for the accountability of the Directors to their shareholders for the performance of the organisation.

Schedule 8 of the Local Government Act (2002) sets out the detail about how the exchange between Council and the CCO occurs. The draft Statement of Intent must be delivered to its shareholders to receive and make comment on each year by 1 March. The final Statement of Intent must be delivered to Council before 30 June each year for approval.

Council has the power to pass a resolution requiring a modification to the Statement of Intent, however it should consult with the entity concerned before this occurs.

The Statement of Intent links the CCO's activities into Council's 2024/2025 annual planning budget processes and provide opportunities for Council to review the goals and negotiate key performance targets. The scope, objectives, and performance targets of Council's CCOs summarised in the 2021-2031 Long-Term Plans and 2024-2025 Enhanced Annual Plan are based on the content of the Statement of Intent. Our community had the opportunity to review and provide feedback on this information as part of the enhanced annual plan engagement process.

The Risk and Audit Committee at its meeting of 13 March 2024, adopted the following resolution:

RESOLVED that the Risk and Audit Committee:

- a. Receive the draft Statements of Intent for Buller Holdings Limited, WestReef Services Limited, and Buller Recreation Limited which are combined into one document named the Buller Holdings Group Statement of Intent for the year ending 30 June 2025 for discussion.

**Cr R Sampson/Mayor J Cleine
CARRIED UNANIMOUSLY**

CHANGES TO THE DRAFT STATEMENT OF INTENT

Council representatives meet with BHL representatives on 15 May as part of the regular BHL review process. BHL had been provided with the resolution adopted by RAC on 13 March relating to the adoption of the draft SOI plus an extract from the meeting minutes relevant to the SOI.

Discussion on the SOI was brief, and no changes were noted.

Since that meeting, the BHL board of directors have reviewed the SOI and proposed the attached document as the final to be adopted. There is one change that the BHL board have proposed to the draft SOI. That change is the inclusion of the words in *italics and underlined* in the paragraph below. This wording change links the statement below to part 6 of the SOI being the “Distribution Policy” which staff believe is appropriate. Part 6 is also listed below for information purposes.

WSL has provided for a \$1.3m distribution to the shareholder in 2025 provided it complies with the group distribution policy and subject to meeting all budgeted revenue targets including from Council.

6. Distribution Policy

It is the intention to maximise distributions after meeting the financial needs of the Group including future operations and capital expenditure. Directors should aim to deliver a minimum distribution as agreed in this Statement and as forecasted in the Statement of Intents. Taking this into account the maximum distribution should not exceed the Group gross taxable profit.

The following information is unchanged from the report presented to RAC in March 2024 but is repeated for completeness of this report on the final SOI.

Buller Holdings Ltd

The 2024/2025 financial year has included uplifted capital budgets for the development of a new depot for WestReef Limited funded by a combination of debt and equity (cash reserves). In the prior year SOI, the forecast cost for 2024-2025 year was \$2.3m and this has been updated to \$4.15m.

The annual forecast shareholder distributions to the Council do not change at \$1.3 million over the three years of the SOI.

Westreef are forecasting additional revenue and corresponding additional expenditure, with a slight improvement on the forecast net operating surplus for the next year above that previously advised in the prior year Statement of Intent. However, the December 2023 half year results of Buller Holdings Ltd Group indicated the results were not tracking as favourably as projected and the distribution may be at risk for the year ended 30 June 2024.

The SOI indicates that overall, despite seeing a forecast lift in revenue, trading conditions may be difficult.

In practice, the Council's 2024/2025 Enhanced Annual Plan is prepared based on a \$1.3 million distribution, so the amount of the distribution BHL are proposing is what BDC requires. This is a matter which has been noted in the resolution above and requires further discussion and understanding as the 2024-2025 Enhanced Annual Plan is progressed over the next few weeks.

Westreef Services Limited

There are changes to the budgeted revenue and expenses as noted under the Buller Holdings commentary above.

Provision for Capital has been updated to reflect the change in timing and works programme relevant to the new depot site. In the prior year Statement of Intent \$2.3m was forecast for capital spending, this has been updated to \$4.15m. The change is required for the second stage of the Depot development and is subject to the company receiving finance approval.

Buller Recreation Limited

There are some minor changes to the budgeted revenue and expenses for both the years ended 2025 and 2026.

Council has sought more information on the service level fee increase requested for 2024/2025. The prior year Service Level fee was \$851k. A request to increase this to \$906k was indicated in the prior Statement of Intent. The \$55k increase has been

factored into the Buller District Council Draft Enhanced Annual Plan 2024-25 and is a matter for further discussion.

Overall Statement of Intent

An update is required at section 9. Group Performance Targets for Buller Holdings Limited in the Operational Objective section, to update the key performance measure to reflect that the CCTO Committee is no longer in place and instead, meet with the Chair Risk and Audit Committee and Mayor on a formal basis 3 times per annum. This is a minor matter that has been shared with Buller Holdings Limited and does not require a resolution of this committee.

4. CONSIDERATIONS

4.1 Strategic Alignment

Council works in parallel with the CCOs to drive the strategic outcomes set in the Long-Term Plan.

4.2 Significance Assessment

The success of the CCOs is imperative to ensure the financial stability of Council. As well, those services provided by the CCOs as set out in the Long-Term Plan and Annual Plans are deemed significant. Therefore, understanding the budgeting and non-financial targets of each CCO is important to highlight any changes which in turn may affect Council and result in a matter occurring which is deemed significant under the Significance and Engagement Policy.

4.3 Risk Management Implications

This decision does not provide Council with a significant risk”}

4.4 Values

This decision aligns with all of The Buller District Values, which are: Community Driven, One Team, Future Focussed, Integrity and We Care.

4.5 Policy / Legal Considerations

Adoption of the CCO Statement of Intent is required each year to ensure the financial data can be incorporated into Council Annual and Long-Term Plans.

This then links to the Annual Plan requirement to purchase shares in Buller Recreation Limited to fund capital expenditure.

It also affects the requirement for general rates which is dependent upon the service level fee paid by Council to Buller Recreation Limited, as well as the subvention/distribution payment made to Council. These three

significant transactions are set out in the Revenue and Financing Policy, and then included in the Funding Impact Statement (Rates Policy).

Section 64 of the Local Government Act (2002) and Schedule 8 of the Local Government Act 2002 as discussed above.

4.6 Tangata Whenua Considerations

This decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact Tangata Whenua, their culture, and traditions.

4.7 Views of Those Affected

This decision does not require consultation with the community or stakeholders

4.8 Costs

The financial implications of this decisions are outlined in the SOI document.

4.9 Benefits

The SOI includes statements about the benefits of having the 3 Council companies undertaking the work that they do on behalf of the community.

4.10 Media / Publicity

There may be some media interest, but we should reply to enquiries as they arise.

BULLER
Holdings Ltd

BULLER HOLDINGS GROUP

STATEMENT OF INTENT

FOR THE YEAR ENDED 30 JUNE 2025

1. Preamble

Buller Holdings Limited (BHL) was set up in September 2007 as a Council controlled trading organisation with WestReef Services Limited (WSL) as its only subsidiary. Buller Recreation Limited (BRL) (trading as the Pulse Energy Centre) was purchased from the Buller District Council (BDC) in 2009 and Westport Harbour Limited in 2010. Westport Harbour Limited was wound up as a company in 2018 by Council resolution. BDC is the sole shareholder of BHL. Information on the parent (BHL) and subsidiaries - WSL, BRL and Group are included in this Statement of Intent.

Buller Holdings Limited

Buller Holdings Limited continued purpose is to provide a commercial focus in the governance and management of Council's commercial assets, allowing for maximum returns on behalf of the ratepayers and benefits to the wider community.

In 2023 The company purchased land to develop a workshop and administration area and lease back to WSL at a commercial return. The projections for this project are included in this Statement of Intent (SOI).

BHL and subsidiaries are council-controlled organisations for the purposes of the Local Government Act (2002) and is required to have a Statement of Intent that complies with clause 9 of Schedule 8.

The SOI is prepared in terms of the Act and clause 22.1 of the Constitution of Buller Holdings Limited and sets out the activities and intentions of the Group of Companies for the year ending 30th June 2025.

The Group will update the SOI annually and deliver a draft to shareholders before 1st March each year and a completed SOI by 30th June each year.

Westreef Services Limited

WSL is the largest civil and maintenance company operating in the Buller District and is the Buller District Council's preferred contractor.

The company is community and customer focused with the financial objective of achieving a competitive rate of return on investment. WSL ensures quality maintenance outputs and operation of Council's infrastructure. The Company is committed to identifying, developing, and implementing opportunities for increasing external revenue to continue to provide benefit and dividends to the Buller ratepayers.

WSL also has a particular focus on staff wellbeing and on health and safety. WSL has both ISO 45001 and TSQ1 Health and Safety accreditation.

Buller Recreation Limited

BRL was established to purchase the Pulse Energy Recreation Centre from BDC and to fulfil a service contract with Council for the provision of recreation services to the Buller community.

BRL continues to enhance the quality of life for the community with high quality recreation facilities, services, and experiences.

Outlook

The general economy is likely to have a degree of uncertainty moving forward with higher inflation, increasing costs and increases in interest rates.

Therefore, the trading environment for 2024/2025 is not expected to be as buoyant as the last few years.

This impacts on BRL and has put pressure on expenditure such as insurance, electricity and wages increasing operating costs. BRL continually looks for opportunities for increasing patronage and revenue which offsets the management fee paid by Council. The management fee has not been increased for 5 years and an increase of \$55,000 has been forecast in this

SOI. This was signaled in the last SOI.

For 2025 WSL will focus on the depot development and relocation project (capital estimates are included in this SOI) and will borrow up to \$3.5m to finance construction. The Company will remain competitive in tendering for and winning a share of any project opportunities as they arise.

Uncertainty over Government over continuation of 3-waters could have potential significant effects on the Group. For 2025 BHL subsidiary WestReef will continue to work with Council to continue to provide this service.

WSL has provided for a \$1.3m distribution to the shareholder in 2025 provided it complies with the group distribution policy and subject to meeting all budgeted revenue targets including from Council.

2. Objective

Introduction

The strategic direction of the Group is guided by the vision, values, and strategic objectives. These provide the framework for each company to establish, make plans and investment decisions. The following is an overview of these key planning components.

Vision

Buller Holdings Limited will provide a commercial focus in the governance and management of Buller District Council's commercial assets, allowing for maximum returns on behalf of ratepayers and benefits to the wider community. The Group will assist the shareholder with fulfilling cultural requirements as part of its 'Four Well-beings'.

BRL will provide for the community sustainable and customer-focused sport and recreation facilities and services. WSL strives to be a sustainable and

profitable business with an empowered team that takes pride in meeting the needs of staff, owners, suppliers, and the community.

Objectives

The principal objective of the Group is to operate collectively as successful businesses while working for the benefit of shareholders. In pursuing this objective, the Group is guided by the following key principles.

(a) Financial Performance

Each company in the Group is committed to operating as a successful business and achieving a competitive commercial rate of return on the investment while working for the benefit of the shareholders. It will be striving to minimise operating costs and manage the assets and liabilities in a prudent way. The definition of return on investment the company is broader than just the financial returns, and considers the social, economic, and environmental and cultural needs of the community.

(b) Service

The Group recognises that the needs of its major customers are paramount and is committed to meeting those business needs. It also recognises the need to develop its customer base to ensure sustainability of the business in the future. Climate change appears to be resulting in more frequent and severe weather events and has had a significant impact on the networks that Westreef maintains. The organisation will continue to adapt, ensuring service expectations are met.

(c) Employee Relations

The Group values its employees and will recruit and retain employees with the skills necessary to run each business and will provide opportunities for staff training and development. It will ensure that employees are fairly treated and provided with good and safe working conditions.

The Group, together with its employees, will create a culture that recognises the importance of being competitive, the value of delivering a high quality of customer service and the mutual benefit of continued employment. This will involve effective leadership and communication.

(d) Safety and Environment

Our leadership will enable our subsidiaries to develop positive workplace cultures, capable workers, and resources for responsible health, safety, quality and environmental performance. The Group will comply with all relevant legislation. The Groups direction will always reflect our commitment to, and beliefs about the management of health and safety and the environment with a goal of ensuring that our work does not create harm.

The Group is committed to reviewing its status and measuring its environmental performance including carbon reduction. This with a view to identify areas for environmental improvement and formulate a pathway for the Group. Appropriate performance measures have been included in this SOI.

(e) Marketing

Each member of the Group has developed a marketing plan with objectives, costs, timeline and KPI's to retain and obtain increased external and non-Council profitable business

3. Nature and Scope of Activities

The nature and scope of Buller Holdings Limited is to provide a holding company structure for the ownership of selected Council assets and investments. Currently the scope of the subsidiaries are as follows -

(a) WestReef Services Limited

The nature and scope of WestReef Services Limited activities is to provide contracting services for physical works in the Buller region and the West Coast of the South Island. Its activities include maintenance and construction services for:

- Roads and bridges
- Response to Road and Civil Defence emergencies
- Parks and reserves (including associated facilities)
- Utility services (water and sewerage reticulation, wastewater treatment, storm water collection)
- Solid and Liquid Waste Collection and Disposal
- Vehicle workshop repairs
- Transfer stations
- Recovery parks
- Roadside vegetation control
- Property maintenance
- Refuse collection
- Environmental & Back Country Projects

(b) Buller Recreation Limited

Buller Recreation Limited owns and operates the Pulse Energy Recreation Centre and provides a range of leisure services to the district in accordance with a Service Level agreement with Council, as summarised below:

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

- Outdoor turf sports
- Corporate, trade and social events

4. Corporate Governance

The Board of Directors of Buller Holdings Limited and the subsidiaries is responsible for the corporate governance of the Group. The term “corporate governance” encompasses the direction and control of the business by the Directors, and the accountability of Directors to shareholders and other stakeholders for the performance of the Company and compliance by the Company with laws, standards and agreed protocols as specified between Buller Holdings Limited and Buller District Council.

Role of the Board

The Board is responsible for the proper direction and control of the Group on behalf of the shareholders. The principal objective of each company is to operate a successful business.

The functions of the Board include:

- Ensuring that each company goals are clearly established, updated annually and that strategies are in place for achieving the goals.
- Establishing policies for strengthening and enhancing the performance of the Group.
- Monitoring the performance of management relative to the established goals and plans, having delegated day-to-day management of the company to the Chief Executive.
- Appointing and annually assessing the performance of the Chief Executive
- Ensuring that each company’s financial position is fully protected to allow it to meet all debts and obligations as they fall due.
- Ensuring that each company and group’s financial statements are fairly presented and conform to law.
- Ensuring that the group adheres to high standards of ethics and corporate behaviour.
- Ensuring that the group has appropriate risk management and regulatory

compliance policies in place, including health and safety.

- Approving and implementing the Business Plan and Statement of Intent of the Group, and
- Reviewing and approving the Group capital investments and distributions

Board operations and membership

The composition of the Board is determined in accordance with the following principles:

- The Board comprises up to 6 directors.
- Directors are appointed by the Buller District Council.
- The Board meets regularly, and schedules additional meetings as required. There are 2 sub committees, an Audit & Risk Committee, and a Health, Safety & Environment Committee.
- Directors receive formal Board papers for consideration and all necessary information to enable participation in an informed discussion of all agenda items.

The BHL constitution sets out policies and procedures on the operation of the Board including the appointment and removal of Directors.

The Board supports the concept of separation of governance and management of the businesses. The role of the Chairman is to lead the Board to ensure that it carries out its governance role effectively, and to provide leadership and direction to the Chief Executive of the business on behalf of the Board. The Board will evaluate its own performance annually.

5. Ratio of Shareholders Funds to Total Assets

The ratio will be maintained at a minimum of 45% (net of any proposed dividend). Total assets are defined as the sum of all current and non-current assets of each company respectively and the Group, including goodwill.

The Group will also maintain a maximum gearing ratio (as set out in the Treasury Policy) of 40% (measured as debt/ debt plus equity).

6. Distribution Policy

It is the intention to maximise distributions after meeting the financial needs of the Group including future operations and capital expenditure. Directors should aim to deliver a minimum distribution as agreed in this Statement and as forecasted in the Statement of Intent. Taking this into account the maximum distribution should not exceed the Group gross taxable profit.

7. Accounting Policies

The Buller Holdings Group will adopt and adhere to accounting policies that are consistent with those of the Buller District Council and comply with appropriate accounting practices and in accordance with the Companies Act 1993, the Financial Reporting Act 2013, NZ Equivalents to International Financial Reporting Standards, and any other applicable laws and standards.

8. Information to be Reported

The following information will be available to shareholders based on an annual balance date of 30th June.

Statement of Intent

The Directors shall deliver to the shareholders a draft Statement of Intent by 1st March for comment by the shareholder. The Directors shall deliver to the shareholder a completed Statement of Intent by 30th June.

Consolidated Quarterly Reports

The Directors shall deliver to the shareholders by 16th November, 23rd February and 16th May an un-audited report containing the following information as a minimum in respect to the quarter under review.

- a. A revenue statement disclosing actual and budgeted revenue and expenditure with comparative figures for the previous equivalent period.

- b. A statement of financial position at the end of the half year.
- c. A statement of cashflows at the end of the half year.
- d. Key performance indicators.
- e. A commentary on the results for the quarter together with a report on the outlook for the remainder of the year with reference to any significant factors that are likely to influence the Group performance, including an estimate of the financial result for the full year. A commentary on progress towards meeting proposed distributions to shareholders should be included.

Annual Reports

The Directors shall deliver to the shareholders by 30th September annual reports and audited financial statements in respect to the financial year containing the following information as a minimum.

- a. A Directors report including a summary of the financial results, a review of operations, a comparison of performance in relation to objectives and any recommendation as to a dividend.
- b. A revenue statement disclosing revenue and expenditure with comparative figures for the previous year.
- c. A statement of financial position at the end of the year.
- d. A statement of cashflows.
- e. An auditor's report on the above statements and the measurement of performance in relation to key performance targets.

9. Group Performance Targets

The performance of Buller Holdings Limited will be judged against the following measures and targets;

| Objective | Key Performance Measure | Budget Targets | | |
|---------------------------------|--|---|--------------------------|--------------------------|
| | | 2025 | 2026 | 2027 |
| Health & Safety | Medical Treatment Injury | Nil | Nil | Nil |
| Operational | The board of directors will meet with the BDC Mayor and Chair Risk & Audit Committee on a formal basis: (per/year) | 3 times per year | 3 times per year | 3 times per year |
| Financial Parent (\$000) | Revenue | \$751 | \$753 | \$759 |
| | Expenditure | \$749 | \$747 | \$754 |
| | Net Operating Surplus | \$2 | \$6 | \$5 |
| | Provision for Capex | \$0 | \$0 | \$0 |
| | Ratio of Shareholders Funds to Total Assets | 45% | 45% | 45% |
| Financial Group (\$000) | Group Consolidated Operating Surplus before Tax | \$1,792 | \$1,824 | \$1,855 |
| | Provision for capex | \$4,298 | \$3,395 | \$1,178 |
| | Forecast distribution to Shareholders | \$1,300 | \$1,300 | \$1,300 |
| | Ratio of Shareholders Funds to Total Assets | 45% | 45% | 45% |
| | Gearing Ratio (Debt to Debt plus Equity) | 40% | 40% | 40% |
| Environmental | Business Environmental Footprint | Establish KPIs and improve on 2024 baseline | Improve on 2025 baseline | Improve on 2026 baseline |

The performance of WestReef Services Limited will be measured against the following targets:

| OBJECTIVE | KEY PERFORMANCE INDICATOR | TARGETS | | |
|--|--|--|--|--|
| | | 2025 | 2026 | 2027 |
| Health & Safety | Medical Treatment Injuries | Nil | Nil | Nil |
| | Notifiable Incident ICAM (investigated with recommendations actioned) | 100% | 100% | 100% |
| | Total safety audits completed | >100 | >100 | >100 |
| | ISO 45001 Accreditation | Maintain accreditation | Maintain accreditation | Maintain accreditation |
| Operational | Employee Satisfaction – Staff turnover excluding retirement, redundancy, and internal transfers. | Within the range of +/- 5% of the national benchmark | Within the range of +/- 5% of the national benchmark | Within the range of +/- 5% of the national benchmark |
| Employee Development & Satisfaction | Undertake staff satisfaction survey (every 2nd year) | Survey completed | Nil | Survey completed |
| Financial (\$000) | Revenue | \$19,142 | \$19,544 | \$19,954 |
| | Expenditure | \$17,169 | \$17,529 | \$17,897 |
| | Net Operating Surplus before Tax | \$1,973 | \$2,015 | \$2,057 |
| | Provision for Capex | \$4,150 | \$3,200 | \$600 |
| | Competitively Procured Revenue | 45% | 45% | 45% |
| | Ratio of Shareholders Funds to Total Assets | 45% | 45% | 45% |
| Environmental | Number of enforcement notices | Nil | Nil | Nil |
| | Business Environmental Footprint | Establish KPIs and Improve on 2024 baseline | Improve on 2025 baseline | Improve on 2026 baseline |
| Community | Support Minimum 25 community activities | 25 | 25 | 25 |

The performance of Buller Recreation Limited will be measured against the following targets:

| Performance Measure | Key Performance Indicator | Targets | | |
|------------------------------------|---|---|--------------------------|--------------------------|
| | | 2025 | 2026 | 2027 |
| Fitness membership | Average membership over 12-month period. | 700 | 700 | 700 |
| | Average retention rate over 12-month period | >75% | >75% | >75% |
| Aquatic centre usage | Average visits per month over 12 months | 4,000 | 4,000 | 4,000 |
| Safety | Medical Treatment Injuries | Nil | Nil | Nil |
| | Undertake staff satisfaction survey every second year | Survey completed | Nil | Survey completed |
| | Undertake client satisfaction survey every second year. | Nil | Survey completed | Nil |
| | Complete maintenance and replacement in accordance with AMP (monitor monthly) | Achieved | Achieved | Achieved |
| Financial Forecasts (\$000) | Revenue | \$816 | \$833 | \$851 |
| | BDC Service level fee | \$906 | \$925 | \$944 |
| | Expenditure | \$2,257 | \$2,304 | \$2,352 |
| | Net operating surplus (deficit) before Tax | (\$535) | (\$546) | (\$557) |
| | Cash surplus/(deficit) (after adding back depreciation) | \$5 | (\$6) | \$33 |
| | Provision for capex (funded by Council) | \$148 | \$195 | \$578 |
| | Ratio of Shareholders Funds to Total Assets | 45% | 45% | 45% |
| Environmental | Business Environmental Footprint | Establish KPIs and Improve on 2024 baseline | Improve on 2025 baseline | Improve on 2026 baseline |

Financial Performance

The financial performance of the Group will be an aggregation of the results from the businesses that make up the structure including administration costs of the parent company. This aggregation will include surpluses after tax less any losses incurred. Financial performance results will also be provided for all subsidiaries WSL and BRL.

Subsidiary Performance Measures and Targets

The performance objectives, measures and targets for each subsidiary are attached to this Statement of Intent. Formal reports by the Group to the shareholder will include the outcomes against each measure for each subsidiary company.

10. Value of Shareholders Investment

The value of the Shareholders' investment will be not less than the carrying value of the investment in the Council's financial statements.

11. New Investments

The Group's ability to subscribe for, purchase or otherwise acquire shares in any company or other organisation, or enter into a major transaction is governed by the provisions in the Company's constitution, standards and agreed protocols as specified in the Charter between the Company and Council. This includes the requirement to meet appropriate commercial returns from the investment which are measured against Buller Holdings Limited weighted average cost of capital (WACC).

The Directors will consult with the shareholders regarding purchasing a business or subscribing for shares in any company or other organisation where that investment is more than 25% of shareholders' funds as at the previous balance date. Where the investment is more than 50% of shareholders' funds, shareholder approval will be required. Buller District Council has approved the purchase of land to be used for development of a depot. This capital expenditure was completed in the 2024 financial year.

Any significant decision of Buller Holdings Limited and/or their subsidiaries affecting land or water, will consider the relationship of Maori and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga before it makes a decision that may significantly affect land or water. This is under s 60A Local Government Act 2002 Amendment Act 2019.

12. Role in the Buller District Council Group and Regional Economy

(a) Commercial Relationship

The Group acknowledges that there may be commercial opportunities within, or in partnership with other group entities that can be developed to benefit each company, the BHL Group and the Buller region.

(b) Growth of the Regional Economy

Each company within the Group acknowledges that it has a role to play in promoting the growth of the Buller region by contributing to

regional initiatives as a good corporate citizen.

(c) Customer Service Principles

The Buller Holdings Group has adopted the Buller District Council's Customer Service Principles and Action policies.

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 10

Prepared by Douglas Marshall
Financial Advisor

Lynn Brooks
Finance Manager

Reviewed by Paul Numan
Group Manager Corporate Services

Attachments 1. Westport Airport Authority Statement of Intent 2024-2025

STATEMENT OF INTENT – WESTPORT AIRPORT AUTHORITY

1. REPORT SUMMARY

Council is required to adopt the final Statements of Intent (SOI) for each of its Council Controlled Organisations (CCOs) relating to the upcoming financial year.

This report presents the final Westport Airport Authority Statement of Intent for the year 1 July 2024 to 30 June 2025.

2. DRAFT RECOMMENDATION

That the Council adopts the Statement of Intent for the Westport Airport Authority for the year ending 30 June 2025.

3. ISSUES & DISCUSSION

BACKGROUND

Part 64 of the Local Government Act (2002) sets out that the purpose of a Statement of Intent is to:

- State publicly the activities and intentions of a Council-controlled organisation for the year and the objectives to which those activities will contribute; and

- Provide an opportunity for the shareholders to influence the direction of the organisation; and
- Provide a basis for the accountability of the Directors to their shareholders for the performance of the organisation.

Schedule 8 of the Local Government Act (2002) sets out the detail about how the exchange between Council and the CCO occurs. The draft Statement of Intent must be delivered to its shareholders on or before 1 March. The final Statement of Intent must be delivered to Council before 30 June each year for approval.

The Statement of Intent for the Westport Airport Authority sets out both non-financial and financial targets. The financial targets include three years' key performance indicators which include the next financial year and the following two future years.

The Statement of Intent attached aligns to the amounts included in the Buller District Council enhanced 2024-2025 Annual Plan when it is adopted.

The Risk and Audit Committee at its meeting of 13 March 2024, adopted the following resolution:

| RESOLVED That the Risk and Audit Committee: | |
|--|---|
| a. | Receive the DRAFT Statement of Intent for the Westport Airport Authority for the year ending 30 June 2025, noting the amendment to capital expenditure. DM A Basher/Cr P Grafton 11/11 Cr C Reedy abstained CARRIED |
| b. | Request staff to engage with the Ministry of Transport and report their views to the Council when the Statement of Intent is adopted as a final, prior 30 June 2024. DM A Basher/ Cr T O'Keefe 11/11 Cr C Reedy abstained CARRIED |

Staff engaged with MOT staff who provided feedback in late May 2024 and stated that there were no changes that they would propose to the draft SOI.

Accordingly, BDC staff recommend that the SOI should now be adopted as a final and the Risk and Audit Committee should recommend that to the Council.

4. CONSIDERATIONS

4.1 Strategic Impact

Council works in parallel with the CCOs to drive the strategic outcomes set in the Long-Term Plan.

4.2 Significance Assessment

The success of the CCOs is imperative to ensure the financial stability of Council. As well, those services provided by the CCOs as set out in the Long-Term Plan and Annual Plans are deemed significant. Therefore, understanding the budgeting and non-financial targets of each CCO is important to highlight any changes which in turn may affect Council and result in a matter occurring which is deemed significant under the Significance and Engagement Policy.

4.3 Risk Management Implications

Council staff have engaged with the Westport Airport Authority to complete the Statement of Intent to allow it to be adopted by 30 June and thus meet the requirements of section 64 of the Local Government Act (2002), and Schedule 8 of that Act.

4.4 Values

This decision aligns with the Buller District Values, which are: Community Driven, One Team, Future Focussed, Integrity and We Care.

4.5 Policy / Legal Considerations

Adoption of CCO Statements of Intent are required each year to ensure the financial data can be incorporated into Council Annual and Long Term Plans. This then links to the requirement for ratepayers to partially fund the Westport Airport activity as set out in the Revenue and Financing Policy and included in the Funding Impact Statement (Rates Policy).

Section 64 of the Local Government Act (2002) and Schedule 8 of the Local Government Act 2002 as discussed above.

4.6 Tangata Whenua Considerations

No specific considerations have been identified.

4.7 Views of Those Affected

This decision does not require consultation with the community or stakeholders.

4.8 Costs

The financial implications of this decisions are outlined in the SOI document.

4.9 Benefits

The SOI is a key part of the strategic reporting of the Westport Airport operating activities. The community by paying rates towards the operations of the airport are supporting its continuance.

4.10 Media / Publicity

Any interest from the media should be answered as it arises.

WESTPORT AIRPORT

**Statement of Intent
For the year ended
30 June 2025**

**WESTPORT AIRPORT AUTHORITY
STATEMENT OF INTENT
FOR THE YEAR ENDING 30 JUNE 2025**

Introduction

The Westport Airport is a joint venture operation between the Buller District Council (the Westport Airport Authority which is granted the power and responsibility for managing and operating the airport) and the Ministry of Transport (on behalf of the Crown).

Management and control of the Airport is vested in the Buller District Council.

This Statement of Intent sets out the intention and the objectives for the Westport Airport Authority for the period 1 July 2024 to 30 June 2025 and the following financial year.

Objectives

The principal objective is to operate a safe and efficient airport facility and assist in the provision of air services for visitors and stakeholders alike.

To operate as close as possible to a commercial business offering cost effective value for the ratepayer investment.

To maintain the Airport's assets and infrastructure at a level compliant with our CAA Part 139 certification status.

To pursue any commercial undertakings at the Airport that will complement the Airport operation and increase the level of economic activity.

Nature and Scope of the Activities to be Undertaken

The nature of the activities of the Airport is to operate Airport facilities at Westport that support scheduled flights and other general aviation activity including air ambulance, charter and leisure.

The Airports scope envelops the provision, maintenance, upgrading and enhancement of services and facilities to accommodate the safe movement of aircraft and the efficient facilitation of passengers and cargo through the Airport.

In addition to the airside operations the airport authority also derives income from providing ground handling services to the scheduled operator, managing property leases and car parking.

Accounting Policies

The accounting policies used by the Westport Airport Authority are consistent with generally accepted accounting principles, legal requirements and the Joint Venture Agreement. Major accounting policies are as follows;

Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition and construction of the asset.

Depreciation

Depreciation of fixed assets, other than land, is provided on a straight-line basis at rates calculated to allocate the cost of the assets over their estimated useful lives.

Goods and Services Tax

The financial statements are prepared exclusive of Goods and Services Tax except for accounts payable and receivable which are stated inclusive of GST. The WAA is not registered for GST on their own account, GST is accounted for as a division of Buller District Council.

Income Tax

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior tax liabilities.

Cash and Bank Accounts

Cash and bank accounts include cash on hand and deposits held at call with banks.

Trade and Other Receivables

Trade and other receivables are initially measured at the amount owed. When it is likely that the amount owed (or some portion) will not be collected, a provision for impairment is recognized and the loss is recorded as a bad debt expense.

Buller District Council Current Account

Buller District Council advances funds to the Airport Authority on a current account basis to enable the Authority's creditor obligations to be met as they fall due. This current account advance is recognised as either a current asset or a current liability. The account is measured at amortised cost using the effective interest rate method. Interest is charged on overdrawn balances on a monthly basis, at the rate of the BDC bank overdraft for each month that the account is overdrawn.

Creditors and Other Payables

Creditors and other payables are measured at the amount owed.

Revenue and Expenditure

Landing fees and Grazing income are billed by the Authority and are recognised when receivable. Expenses are recognised when they are incurred. Leases are recognised on a straight-line basis over the lease term.

WESTPORT AIRPORT

| | Budget 2024/2025 | Budget 2025/2026 | Budget 2026/2027 | Budget 2027/2028 |
|--|---------------------|---------------------|---------------------|---------------------|
| INCOME | | | | |
| Airport Dues/ Landing Charges | 43,286 | 44,195 | 45,123 | 46,026 |
| Farmland Lease Income | 42,000 | 42,000 | 42,000 | 42,000 |
| Terminal & Sundry Income | 17,420 | 17,786 | 18,159 | 18,523 |
| Service Charge | 101,352 | 103,480 | 105,653 | 107,767 |
| Electricity Recovery | 1,953 | 1,994 | 2,036 | 2,077 |
| Total Income | 206,011 | 209,455 | 212,972 | 216,391 |
| EXPENDITURE | | | | |
| Employment Costs | 230,346 | 237,837 | 245,302 | 252,976 |
| Power | 9,692 | 9,896 | 10,103 | 10,305 |
| Audit Fees | 22,531 | 23,004 | 23,487 | 23,957 |
| Shop Supplies | 317 | 324 | 330 | 337 |
| Depreciation | 93,641 | 94,676 | 99,600 | 123,462 |
| Consultants | 5,384 | 5,497 | 5,613 | 5,725 |
| Bank/EftPos Fees | 528 | 539 | 550 | 561 |
| Cleaning | 1,056 | 1,078 | 1,101 | 1,123 |
| General Expenses | 10,000 | 10,210 | 10,424 | 10,633 |
| Insurance | 14,515 | 14,820 | 15,131 | 15,434 |
| Legal Fees | 2,112 | 2,156 | 2,202 | 2,246 |
| WestReef Outwork | 0 | 0 | 0 | 0 |
| Publications/Subscriptions | 2,100 | 2,144 | 2,189 | 2,233 |
| Rates | 1,170 | 1,327 | 1,429 | 1,486 |
| Rents & Leases | 3,231 | 3,299 | 3,368 | 3,435 |
| Rep/Mtce and other Outwork | 72,230 | 78,852 | 96,144 | 73,612 |
| Training | 10,558 | 10,780 | 11,006 | 11,226 |
| Telephone | 2,112 | 2,156 | 2,202 | 2,246 |
| Share of Overheads | 120,812 | 128,080 | 137,864 | 143,654 |
| Total Expenditure | 602,335 | 626,675 | 668,045 | 684,651 |
| Profit/(Loss) | (396,324) | (417,219) | (455,074) | (468,260) |
| CAPITAL EXPENDITURE | | | | |
| Fencing and Other Capital | 15,000 | 20,420 | 15,637 | 15,949 |
| Runway Sweeper | 0 | 8,168 | 0 | 0 |
| Storage Container | 0 | 8,168 | 0 | 0 |
| Aerodrome Beacon | 0 | 0 | 0 | 0 |
| Other Plant | 0 | 0 | 0 | 0 |
| Runway Inspection Vehicle | 0 | 8,000 | 0 | 0 |
| Mower | 0 | 0 | 15,637 | 0 |
| Signs | 1,200 | 1,225 | 1,251 | 1,276 |
| Airport Runway | 0 | 0 | 0 | 914,429 |
| Total Capital Expenditure | 16,200 | 45,981 | 32,525 | 931,655 |
| Ministry of Transport Contribution* | 159,441 | 184,262 | 193,999 | 638,226 |
| Buller District Council Contribution* | 159,422 | 184,262 | 193,999 | 638,226 |

*Does not include interest charged on the current account advance. The interest will be charged on a monthly basis, at the rate of the BDC bank overdraft.

Capital Expenditure

The budget for 2024/2025 is expected to be used to replace signs and perimeter fencing. The runway resurfacing in 2027/2028 will be funded from a mix of income, MoT, BDC general rates and a debt facility over a period of years to smooth the financial impact on BDC ratepayers in that year. The actual split will be worked out closer to that year.

Performance Targets

The Joint Venture performance will be judged against the following measures:

| | Budget | Budget | Budget | Budget |
|-----------------------|------------------|------------------|------------------|------------------|
| | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 |
| Operating Revenue | 206,011 | 209,455 | 212,972 | 216,391 |
| Operating Expenditure | 602,335 | 626,675 | 668,045 | 684,651 |
| Net Profit (Loss) | (396,324) | (417,219) | (455,074) | (468,260) |
| Capital Expenditure | 16,200 | 45,981 | 32,525 | 931,655 |

Ratio of Shareholder Funds to Total Assets

The forecast ratio of shareholder funds to total assets for the next 4 years is:

| 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---------|---------|---------|---------|
| 97% | 97% | 97% | 98% |

Shareholder Funds is represented by Total Equity. Total Assets is Total Current and Non Current Assets not including any liabilities.

Profit or Loss Ownership

Profits or losses will be shared equally between the Joint Venture partners on a 50/50 basis from annual surpluses/deficits after tax, made after the deduction of appropriations to reserves amounting to a maximum total of the depreciation charged in that year.

Information to be Provided to Partners

The Annual Report is to be provided to shareholders within three months of the end of each financial year.

The report will include:

- A Statement of Financial Performance and Statement of Financial Position including comparison with the previous financial period.

- Any other statements as may be required by generally accepted accounting principles and legislation.

The report will also include a report from the appointed auditors.

Acquisition Policy

The Westport Airport Authority does not anticipate that it will acquire any new equity investments other than the purchase of operational assets approved as part of the yearly budgeting process. Any major acquisitions will only be entered into with the prior approval of the joint venture partners; Buller District Council and The Ministry of Transport.

Distribution Policy

The Westport Airport Authority has the ability should there be surplus funds available to distribute funds to each of the joint venture partners. This is unlikely due to the current level of accumulated profits (Accumulated Losses are \$897,762 as at 30 June 2023)

Other Matters Agreed by Partners

The Westport Airport Authority being owned by the Buller District Council and the Ministry of Transport (on behalf of the Crown) has commitments to the public.

- A commitment to the environment.
To comply with the Resource Management Act and undertake its activities in an environmentally sound manner having regard to the interest of the community.
- A commitment to service.
To systematically improve the quality and cost effectiveness of services provided to customers.
- A commitment to the community.
To operate the Airport with due regard to sound, cultural and environment issues arising from the community in which they are located.

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 11

Prepared by Jamie Cleine
Mayor

Andrew Basher
Deputy Mayor

Simon Pickford
Chief Executive Officer

PROPOSED CHIEF EXECUTIVE OFFICER KEY PERFORMANCE INDICATORS FOR FINANCIAL YEAR 2024/2025

1. REPORT SUMMARY

This report provides the proposed Key Performance Indicators (KPIs) for the Chief Executive Officer (CE) for the financial year ended 30 June 2025 (FY 2024/25). This forms an important part of the CE performance review process as to what Council will measure and judge the CE's performance against.

An important part of this process is public transparency through the publication of the final CE KPIs and subsequent reporting against those on a quarterly basis through the CE's report on Council agendas.

The proposed KPIs for the FY 2024/25 presented in this report are in line with the Long Term Plan and current Annual Plan. They also have regard to important external factors including central government reform and the significant externally funded works programme Council currently has underway.

2. DRAFT RECOMMENDATION

- 1. That Council receives the report Proposed Chief Executive Officer Key Performance Indicators for Financial Year 2024/2025.**
- 2. That Council notes that these proposed Key Performance Indicators for financial year 2024/2025 have been presented and agreed with the Chief Executive Officer.**

3. That Council adopts the proposed Key Performance Indicators for financial year 2024/2025.

3. ISSUES & DISCUSSION

BACKGROUND

The “core” KPIs remain substantially unchanged from those in the previous year. The logic and philosophy behind this, is that in effect, Council performance is predicated on the CE needing to focus the Council organisation onto delivering Statutory Compliance, Financial Prudence, Positive Customer Experiences, Engaged Staff and Long-Term Focus for the Council. Underpinning this philosophy is the crucial need for an inspired and motivated workforce as the primary driver of success.

For the specific one-year goals for the coming year, there are five major issues above and beyond all others. Getting a focus on some of these this financial year will better inform more significant decisions that are better considered in the Long Term Plan 2025-34.

1. Review the proposed rating system for water and wastewater services to be included in the Long Term Plan 2025-34.
2. Review the general rate differential system to allow for consideration as part of the Long Term Plan 2025-34.
3. Development of the Water Services Delivery Plan (WSDP) to meet legislative timeframe.
4. A stocktake of Council’s properties and facilities is undertaken and a strategy developed to ensure they are utilised for the benefit of the community.
5. A plan is developed and actioned to improve Council’s communications and engagement with the community and the perception of the organisations openness and transparency is improved.

The multi-year goals relate to the need to continue to develop and enhance our partnership with Iwi by building cultural awareness across the organisation. They also recognise the need to engage the community in discussions relating to climate change adaptation and these difficult and strategic conversations need to be developed over a multi-year time frame.

Customer/Residents satisfaction is also a multi-year goal to be agile and responsive to opportunities to improve residents’ satisfaction.

3.1 Proposed Chief Executive Officer KPIs for FY 2024/25

SECTION 1: “Core” Key Performance Indicators

| Core Key Performance Indicators | | |
|---------------------------------|---|-----------------|
| Statutory Duties | An unqualified audit report is received in respect of the 2023/2024 annual report and all issues raised by Audit NZ in their management letter have agreed timeframe to be cleared. | 31 January 2025 |
| Health & Safety | Health and safety reports are provided to the Risk & Audit Committee (RAC) on a bi-monthly basis, noting trends and mitigation strategies. | 30 June 2025 |
| Risk | Quarterly strategic risk report to RAC, and annual review of strategic risk register. | 30 June 2025 |
| Financial Prudence | <p>OPEX delivery:</p> <ul style="list-style-type: none"> • Where any specific operating areas budget is set to exceed the set 2024/25 Annual Plan budget +/- 5% that this will be sent to Council for approval before implementation. <p>CAPEX delivery:</p> <ul style="list-style-type: none"> • Individual capital projects over \$750K will be achieved within +/-5% <ul style="list-style-type: none"> ○ Any changes outside of +/-5% will be brought to Council for re-approval along with consequent effects. • The total capital programme and budget achieved within +/- 5%. | 30 June 2025 |
| Staff Satisfaction | <p>Staff satisfaction is raised as follows on a 24-month cycle:</p> <ul style="list-style-type: none"> ○ An action plan is developed and implemented to address | 30 June 2025 |

| | | |
|--|---|--|
| | <p>the outcomes of the 2023 staff engagement survey.</p> <ul style="list-style-type: none"> ○ The 2025 staff engagement survey attains a minimum of 70% response rate. | |
|--|---|--|

SECTION 2: Strategic Areas of Focus

| | |
|--|------------------|
| One Year Specific Goals: | |
| The key most visible projects should be placed into this KPI on a completed/not-completed basis each year. | |
| For the 2023/2024 financial year, the following are key KPI projects: | |
| Lead the development of the Long Term Plan 2025-34 | 30 June 2025 |
| Review the proposed rating system for water and wastewater services to be included in the Long Term Plan 2025-34 | 30 June 2025 |
| Review the general rate differential system to allow for consideration as part of the Long Term Plan 2025-34 | 30 June 2025 |
| Develop the Water Services Delivery Plan (WSDP) to meet legislative timeframe | 30 June 2025 |
| A stocktake of Council's properties and facilities is undertaken and a strategy developed to ensure they are utilised for the benefit of the community | 30 June 2025 |
| A plan is developed and actioned to improve Council's communications, engagement and the community's perception of the organisation's openness and transparency. | 30 December 2024 |

| | |
|--|--------------|
| Multi-Year Goals: | |
| Raise cultural awareness amongst council staff and Councillors through the provision of a development programme in partnership with Buller District Council Nonelected BDC representatives. | Ongoing |
| That Council engages with the Buller community to assist forming the climate change action plan. | Ongoing |
| Customer service satisfaction is a 2 yearly survey and <ul style="list-style-type: none"> ● Overall residents' perception of Council service performance, communication and engagement shows an increase in satisfaction. | 30 June 2025 |

4. CONSIDERATIONS

4.1 Strategic Impact

Multi-year KPIs provide the basis for strategic management of the Council organisation.

4.2 Significance Assessment

Setting clear transparent KPIs for the Chief Executive Officer provides direction.

4.3 Risk Management Implications

In the absence of clear direction via KPIs, the risk is that key Council goals and aspirations are not given sufficient focus and attention, and that ongoing Council improvement does not occur.

4.4 Values

The Buller District Values are: Integrity, Future Focussed, Community Driven, One Team and We Care. It is likely that these KPIs will require the revisiting of the Values and their practical application.

4.5 Policy / Legal Considerations

No legal or policy considerations are involved.

4.6 Tangata Whenua Considerations

Development of Chief Executive Officer KPIs could include the direct involvement of iwi.

4.7 Views of Those Affected

Chief Executive Officer KPIs are to be included in draft form into Annual Plans and then the results reported in Annual Reports.

4.8 Costs

Costs of implementation are already included within existing budgets and/or will be brought forward to Council for consideration where necessary.

4.9 Benefits

The key benefits accrue from public transparency and in driving an ongoing culture of improvement and performance in the Council services.

4.10 Media / Publicity

Ongoing transparency provides a platform for successful performance to be reported.

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 12

Prepared by Jamie Cleine
Buller District Mayor

Attachment 1. Mayors Correspondence

MAYOR'S REPORT

1. REPORT SUMMARY

This report is to provide commentary of significant events and meetings attended by the Mayor. Council is also asked to consider if it wishes to send additional delegates to attend LGNZ national conference and to note and provide direction on an update to the Interests Register in relation to Independent Chairperson Risk and Audit Committee. The Mayoral inwards and outwards correspondence is provided for information and discussion.

2. DRAFT RECOMMENDATION

That Council:

1. Receive the report for discussion and information.
2. Notes the update to the Interests Register provided by Sharon Roche in relation to Independent Chairperson Risk and Audit Committee, And either,
 - a) confirms the perceived or actual conflicts can be effectively managed, OR
 - b) Requests the CEO to prepare a report for further consideration on how best to manage the perceived or actual conflict of interest.
3. Notes Inwards and Outwards Correspondence and provide direction for any responses required.

3. COUNCIL

3.1 Mayors Taskforce for Jobs (MTFJ)

MTFJ Buller Coordinator Julie Moore & Pastoral Support Ruby Erickson comments:

Building & Construction (BCITO) nights: Ruby has is now helping co-ordinate BCITO nights a Buller REAP. This is now running weekly and

potentially we are looking at ways we can host another night for all tradies needing a study space.

Dress for Success: MTFJ are currently working with a local businesswoman to deliver a short course helping guide job seekers with appropriate dress and presentation sense for interviews and employment. The job seeker will be learning appearance, presentation, hygiene and taken shopping for basic clothing suitable for work.

Chainsaw: We have secured a chainsaw course for June run by Vertical Horizons.

First Aid Course: Buller High School approached us to help with a First Aid course for senior students. This will be held late June/early July. A great result as tapping into the High School has always been difficult due to busy timetables. This may lead to helping communicate more opportunities available to students.

We have funded eligible MSD clients with upcoming Defensive Driving and First Aid courses this month.

Employment Expo: Our Employment Expo was a huge success. The focus was on discovering local opportunities for those wanting to stay here on the Coast and businesses being able to showcase career pathways.

It was a joint collaboration between MTFJ Buller and Grey District Councils and Development West Coast that saw us fill to capacity the Westport Clocktower and Greymouth Recreation Centre. Exhibitors were impressed at the level of engagement from job seekers and senior high school students. Businesses and Agencies also gained from networking amongst themselves and found the whole experience very worthwhile. A total of 42 exhibitors took part, all with direct connections to the Coast. A great turnout for our small population.

Barista Course: ITS ran a Barista Basics and Hot Chocolate course at Buller REAP at the beginning of May that we funded. Two tutors from ITS came down and ran the 2-day course which had 5 unemployed job seekers attend. They all enjoyed the course and had loads of fun over the two days. One of the girls who completed the course even brought herself a wee coffee machine! Was great to see them all interacting with one another and getting out of their comfort zones.

Mayors Comment:

The jobs expo was an amazing effort by the MTFJ Buller team and showed great collaboration with Development West Coast and MTFJ Grey District with an event also held in Grey during the same week. Over forty exhibitors spent a solid four hours talking to hundreds of local students and jobseekers. It was easily the largest event hosted at the clocktower chambers for many years.

The Mining sector is extremely upbeat with the recent announcement Minister Shane Jones of the Minerals Strategy 2040. This in combination with the proposed fast track legislation that seeks to speed up various statutory approvals is building confidence in the mining sector directly. These investments filter widely into the community over time as support industries also ramp up.

3.2 LGNZ National Conference – Wellington

The annual conference of LGNZ (SuperLocal) is being held in Wellington 21-23 August. The conference also coincides with the LGNZ Annual General Meeting and the Mayors Taskforce for Jobs Annual General Meeting.

Council has a LGNZ National Conference and Zone Meetings Policy (last reviewed in 2017) which states:

“The Council shall be represented at the Annual Conference and Zone meetings of Local Government New Zealand by up to two members (His Worship the Mayor being one when available) and its Chief Executive. Actual and reasonable costs of attendance shall be met by the Council.”

In line with policy, it is intended that the Mayor and CEO will attend the conference. Council has previously resolved to send additional delegates, most recently on 31 May 2023 where it was resolved that four Councillors attend the conference which was held in Christchurch.

Council is asked to consider if it wishes to resolve to send additional delegates to the 2024 Conference by resolution or remain in line with policy.

3.3 Independent Chair – Risk & Audit Committee (RAC)

The independent chair of the Risk and Audit Committee, Sharon Roche wishes to bring a matter to the attention of Council for their consideration. Ms Roche is married to Brent Oldham who has recently been appointed to the role of Manager Infrastructure Planning (tier three) with a start date of 1 July 2024. Mr Oldham is currently employed by Council in a technical support officer role.

Mr Oldham’s appointment raises a potential change to the perceived or actual conflict or independence of Sharon Roche as Independent Chair RAC.

Ordinarily, elected members must self declare their conflicts of interest as is usual practice at every meeting of Council. However, the Independent Chair of RAC is an appointment made by Council and so it is appropriate that councillors have the opportunity to consider any changes to the interests register notified by the appointed chairperson

and the satisfaction or otherwise of how the perceived or actual conflict of interest will be managed.

Options to manage this conflict have been discussed with Chief Executive Simon Pickford with the following observations and controls in place:

- Reporting lines will be to Group Manager Infrastructure Services and it is considered unlikely or infrequent that reports produced by the Manager Infrastructure Planning would be considered at RAC. Any reports would be reviewed and approved by the Group Manager Infrastructure Services.
- A tier three manager has limited financial delegated authority.
- The conflict-of-interest register has been formally updated by both parties and as such will remain a consideration as or when any issues of potential conflict arise.

Council is asked to consider if it is satisfied the controls detailed above adequately manages and mitigates any perceived or actual conflicts arising for Sharon Roche as Independent Chair RAC and either note the controls as acceptable or provide direction on an alternative preferred action.

4. External Meetings

4.1 LGNZ Infrastructure Symposium – Wellington 14 June

I was invited to attend this symposium to participate in a panel discussion on the challenges of “building back better” after a natural disaster. Key points from the various speakers included:

Peter Nunns -Infrastructure Commission, Director of Economics

- Importance of long-term asset and investment plans
- Good pricing and procurement policies
- Transparency and disclosure of asset information and plans, take the community with us.
- Commission is developing a National Infrastructure Plan.

Nicole Rosie, CEO New Zealand Transport Agency

- Investment into data capture and other tools to enable revenue, traffic safety cameras (speed cameras) now sit with NZTA, not NZ Police.
- Significant backend digital infrastructure investment into agency systems
- New GPS has created major change of focus for NZTA to roads of national and regional significance.
- Optimising the public transport system we have, rather than building new.

- Electronic Road User Charging (ERUC), toll roads, value capture all tools that will be used to fund NZTA program.
- New direction will slow things down initially, NZTA must be highly sophisticated to adapt to government changes.
- Emergency works policy – transfers costs to local government.

Malcom Smith, ARUP Australasian Cities Leader and the founding director of Arup London’s Integrated City Planning (ICP) unit, which brings together design, economics and political strategy in complex master planning projects:

- Rethinking infrastructure, reuse, repurpose, reimagine infrastructure that is no longer serving its intended purpose.
- Infrastructure no longer about just core outcome, can include skills development, ecology, jobs and economic development outcomes too.
- New York high line rail became redundant, community led revitalisation of the infrastructure, increased adjacent land value.
- Lower Manhattan lineal park system in response to climate change, hurricane Sandy inundation issues, retreat of built infrastructure.
- London Underground – Elizabeth Line, used heat capture from the network to provide heating to adjacent buildings

Panel Discussion- Amelia East, Partner and Head of Advisory at APAC HKA, Sara Lindsay from NZTA, Andrew McGavin from Crown Infrastructure Partners and Leigh Kissick from Chapman Tripp.

- Funding and financing are at the core of our infrastructure challenges – bridges, roads and pipes aren’t cheap, and they’re only getting more expensive. It’s an issue that councils around the country are grappling with.
- We need to be able to right-size the funding. “We are a small country with a small population, and we need to figure out the right tools for funding.”
- Infrastructure Funding and Financing Act (IFF). While it’s set up well to encourage private funding, they noted that there are aspects of the act that do need to change – which have been clearly signalled by councils.
- Councils struggle to meet the value proposition required to unlock IFF.
- City & Regional deals may not include any crown money on the table.

Simon Dyne – Chief Operating Officer Fulton Hogan

- Rebuilding and responding to natural disaster, people safety first, plan for supporting contractor workforce, e.g food and accommodation, replenishment of second wave of workers in prolonged response.
- Communications, satellite phones, use of helicopters/drones, public information to set expectations/reality.
- Use local materials and have these stockpiled ready to respond e.g armour rock.

Panel Discussion – Lessons learned from recent extreme weather events. Mayors Jamie Cleine, Nigel Bowen and Rehette Stoltz, along with Ross McLeod, Chief Executive of Hawke’s Bay Regional Recovery, and panel moderator Sanchia Jacobs from Beca.

- It’s no secret climate change is having a huge impact on our communities – and the infrastructure that supports them.
- It’s crucial to remember that building resilient infrastructure goes beyond roads, bridges and water – it also includes key areas like community and social cohesion.
- Recovery and rebuild triggered stronger advocacy with central government.
- Funding provisions often only allow for recovery – despite a desire to build back better.
- Recovery efforts prompt conversations we’re not having enough, like climate adaptation and managed retreat.
- The panel highlighted the importance of taking a step back and understanding risk, as well as questioning what can wait – and what’s essential for the future.

Sir Bill English, Director (former finance minister)

- He emphasised the need to consider risks when managing costs,
- Importance of staying focused to achieve our goals,
- The value of paying for expertise,
- Concentrate on solutions instead of problems,
- Transparency is the best way to handle project risks.

4.2 Te Tai Poutini Plan (TTPP)

The TTPP committee met in Westport on 19 June. The deadline for this Mayors report precluded inclusion of notes of that meeting. A verbal update can be provided.

4.3 Mayors, Chairs & Iwi Forum

The MCI forum met in Westport on 19 June for an extraordinary meeting. The deadline for this Mayors report precluded inclusion of notes of that meeting. A verbal update can be provided.

4.4. Ministerial Visit - Resilience to Organised Crime in Communities (ROCC)

I hosted the Hon Casey Costello, Associate Minister of Police and Associate Minister Health in Westport on 7 June. This was to launch the Response to Organised Crime in Communities (ROCC) programme. ROCC is funded from the proceeds of crime and will target those at risk from engaging in, or being victims of organised crime, persons impacted by methamphetamine and its associated harms and youth on the pathway into organised crime (and their families).

ROCC funding enables us to be aspirational as a community, supporting a multi pronged approach to supporting and building on the great work already established by our local network of social services, our police and supportive family members.

I'm pleased to be working as part of a multi agency leadership group to deliver the \$2.6m ROCC programme over the next two years.

I also met separately with Minister Costello in relation to other portfolios held by the minister. This included:

- A broad discussion on primary health funding and the challenges that creates for private GP services such as Buller Health Trust
- Regional infrastructure investment and the risks posed to Westport if stormwater integration is not funded and the potential for this to be considered by the Regional Infrastructure Fund.
- Urgent need to consider a regional emergency services precinct in Greymouth to better support regional coordination of emergency services and management.

5. LOCAL EVENTS & RELATIONSHIP MEETINGS

I have attended various local events and relationship meetings over the period.

Some highlights included:

- Exercise Ru Whenua, this was the exercise to test the national coordination centre in Wellington based on an Alpine Fault 8 earthquake scenario. The West Coast Emergency Management group activated across the region. The Buller emergency operations centre was activated for the day over two shifts to provide great training opportunities for our local volunteer and BDC staff teams.
- Martin Jenkins, Wellington to attend a workshop to explore options that could support, enable and encourage growth in property development and population in and around Westport. I also had a discussion on Local Water Done Well and how Buller

has begun navigating the changes to this policy and what options we may have to meet the requirement to develop a sustainable water services model.

- Reefton Volunteer awards, Dawsons Hotel to recognise and appreciate the huge role volunteers play in successful communities.
- James Caygill Director Regional Relationships NZTA, this was for a chat about the focus of the new Government Policy Statement (GPS) on land transport. We also discussed the RLTP which until confirmed by NZTA the level of funding and the activities funded remains uncertain. The Karamea Special Purpose Road (SPR) issue has not gone away completely either. The NZTA board approved a three-year extension to the full funding of this road however it is likely that at the end of that period the board would seek to transition that back to local road. Although this Council successfully achieved the three-year extension to the funding, it will be important that future Councils continue to advocate for the SPR to be fully funded indefinitely.
- I travelled to Blackball in the Grey District to attend the announcement by the Hon Shane Jones, Minister for Resources, of the Minerals Strategy 2040. This was a very well attended event by the West Coast leadership and industry leaders. I believe the argument is very strong that the West Coast can and should play its part in the transition to greener technologies through prudent and responsible use of the minerals located here.

6. CORRESPONDENCE

For Council consideration – see **Attachment 1** Mayors Correspondence.

| Incoming Correspondence 2024 | From | Subject |
|------------------------------|--|---|
| 31 May 2024 | MoLG Hon. Simeon Brown & Chris Bishop | LG (Water Services Preliminary Arrangements) Bill |
| 5 June 2024 | MTFJ Chair Mayor Baxter | Annual MTFJ Subscription Information |
| 8 June 2024 | Sarah Stephen | Speed Reduction Proposal for Charleston |
| Outgoing Correspondence 2024 | To | Subject |
| 27 May 2024 | Carter’s Beach Reserve & Hall Subcommittee – | Support Letter - Lions Foundation Application |
| 30 May 2024 | Allan Donaldson | Public Forum Response |

Hon Simeon Brown

MP for Pakuranga

Minister for Energy
Minister of Local Government
Minister of TransportMinister for Auckland
Deputy Leader of the House

Dear Mayor / Chair

Local Government (Water Services Preliminary Arrangements) Bill

The Government recently introduced legislation that sets out the Local Water Done Well framework and the preliminary arrangements for the new water services system.

You will recall that last month the Government announced Cabinet decisions for the second step of Local Water Done Well, including streamlined consultation and decision-making processes for establishing water services council-controlled organisations, requirements for Water Services Delivery Plans, and steps towards future economic regulation.

The Local Government (Water Services Preliminary Arrangements) Bill gives effect to those decisions. The Bill also includes provisions that enable a new, financially sustainable model for Watercare, following the Government and Auckland Council's announcement earlier this month.

An overview document outlining key aspects of the Bill, as well as other matters that may be of interest is available on the Department of Internal Affairs' website at: www.dia.govt.nz/Water-Services-Policy-legislation-and-process.

The overview document updates the 'Local Water Done Well: Information for councils' document shared in April, based on the provisions of the Bill as introduced and including other minor updates.

Proposed change to applying the Te Mana o te Wai hierarchy of obligations to wastewater standards

In addition, the Government has tabled an amendment paper to the Bill which provides for interim changes to the Water Services Act (WSA). This amendment would mean the Te Mana o te Wai hierarchy of obligations in the National Policy Statement for Freshwater Management (NPS-FM) will not apply when Taumata Arowai sets wastewater standards.

It's important to note that any wastewater standards made by Taumata Arowai will still need to give effect to the rest of the components of Te Mana o te Wai in the NPS-FM, including the health of water and other environmental considerations. The removal of the hierarchy of obligations from the setting of wastewater standards means these considerations will be balanced alongside other important considerations such as cost and economic impacts.

Under the Resource Management Act (RMA), a consent authority must not grant a consent for a public wastewater system that is contrary to a wastewater standard that has been prepared under the WSA. Once set, the wastewater standards will apply to new consents issued for public wastewater systems over time.

These interim changes provide certainty for those involved in infrastructure development and avoids potential costs for councils at a time when they are already facing significant costs of future investment in water infrastructure.

Hon Simeon Brown

MP for Pakuranga

Minister for Energy
Minister of Local Government
Minister of Transport

Minister for Auckland
Deputy Leader of the House



The changes to the WSA are in addition to the Government's recently announced proposed interim changes to the RMA to exclude the hierarchy of obligations in the NPS-FM from resource consent applications and resource consent decision making.

We consider the proposed changes to the WSA and RMA are a pragmatic approach to applying the hierarchy of obligations while work is underway to replace the NPS-FM to rebalance Te Mana o te Wai.

The RMA proposal is designed to address concerns the Government has about the potential cost implications of the requirement for resource consent applicants to demonstrate how their proposed activity adheres to the Te Mana o te Wai hierarchy of obligations in their individual context.

The RMA changes are being made through the recently introduced Resource Management (Freshwater and Other Matters) Amendment Bill as an interim measure and are intended to reduce regulatory burden while work to replace the NPS-FM to rebalance Te Mana o te Wai is underway, as signalled in the Government's coalition agreements.

Determining future water service delivery arrangements

The Local Government (Water Services Preliminary Arrangements) Bill lays the foundation for a new approach to water services management and financially sustainable delivery models that meet regulatory standards.

It paves the way for you to determine your preferred future water services delivery arrangements, starting with the development of a Water Services Delivery Plan within 12 months of enactment of the Bill.

Guidance and information material regarding Water Services Delivery Plans will be shared following enactment, to assist you in developing your Plans.

The Government's expectation is that in many cases councils will develop joint Plans so they can address financial sustainability and affordability challenges by working together. We are encouraged by the progress we are already seeing in some areas, and look forward to seeing continued collaboration across councils.

Officials at the Department of Internal Affairs are available to assist with any early discussions you may be having. Please contact Hamiora Bowkett, Executive Director, Water Services Policy, Legislation and Stewardship, by emailing waterservices@dia.govt.nz, should your council wish to set up an initial discussion.

Next steps

There will be an opportunity for feedback on these changes at select committee. We encourage you to have your say to ensure the legislation provides for a pragmatic, workable framework for the development of financially sustainable water services.

You can find the Bill in full and make a submission by visiting the Parliament website, at www.parliament.nz.

Private Bag 18041, Parliament Buildings, Wellington 6160 New Zealand
+64 4 817 6804 | s.brown@ministers.govt.nz | www.beehive.govt.nz

Hon Simeon Brown

MP for Pakuranga

Minister for Energy
Minister of Local Government
Minister of Transport

Minister for Auckland
Deputy Leader of the House



Further work is underway on the broader range of structural and financing tools that will be available to councils to access long-term borrowing for investment in water services under Local Water Done Well. The Government expects to share details about these tools early in the second half of this year, for your consideration as you develop your Water Services Delivery Plans.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Chris Bishop'.

Hon Chris Bishop
Minister Responsible for RMA Reform

A handwritten signature in blue ink, appearing to read 'Simeon Brown'.

Hon Simeon Brown
Minister of Local Government

MTFJ Mayors Taskforce for Jobs
LGNZ Local Government NZ
3 Eva Street
Te Aro
Wellington 6011

5th June 2024

Tēnā koe Mayor Jamie Cleine

I write to you regarding membership of Mayors Taskforce for Jobs (MTFJ) and would like to thank you for your support and commitment to the MTFJ kaupapa. In this next financial year, MTFJ will be working with and for our members on the following opportunities and benefits:

- Continuing our successful partnership with Ministry of Social Development (MSD) Industry Partnerships team to deliver high impact employment outcomes in local communities.
- Developing new initiatives through the MTFJ MSD Initiative Funding contestable fund
- Advocacy with key partners and stakeholders, including the Driving Change Network, Youth Employability Aotearoa, Inspiring Stories/Festival for the Future
- Tuia programme - supported opportunities for you to mentor a rangatahi Māori
- Contribution to the MSD Te Pae Tawhiti transformation programme

Your membership also entitles you to:

- Free Ara Taiohi membership for your staff
- Outward Bound scholarships for your youth to attend their life-changing programmes
- Te Pukenga Industry Training Mayoral Graduations financial and coordination support
- Access to the MTFJ online toolkit resource in partnership with MSD that includes input from thought leaders in the youth employment space and other relevant communications
- Access to data sets specific to your region and bespoke to MTFJ areas of interest

Continuing our collective work supporting young people into employment and training comes at a cost. To help provide for this, we will be invoicing your Council for the **2024/2025** financial year **the sum of \$803.16 plus GST**. Please note that your subscription remains the same as in recent years. Please send your purchase order to office@lgnz.co.nz by 27th June 2024. As soon as we receive your purchase order, we will update the invoice and email it to your accounts payable team for processing. If you have any specific instructions regarding the sending of your invoice, please email these to office@lgnz.co.nz, (this may include advising us that your council do not require a purchase order, or you wish the invoice to be sent to a specific staff member).

I appreciate our members continued support over the last 12 months. Please do not hesitate to call me on 027 229 1430 if you have any questions or would like to discuss the future of MTFJ.

Yours sincerely,



Mayor Max Baxter
Chair, Mayors Taskforce for Jobs

From: [S a r a h S t e p h e n](#)
To: [M a y o r J a m i e C l e i n e](#)
Subject: Speed Reduction Proposal for Charleston
Date: Saturday, 8 June 2024 8:25:15 am

Mayor Jamie Cleine
Buller District Council

08.06.2024

Regarding the Speed Reduction Proposal for Charleston.

Dear Jamie and Councillors,

I am writing on behalf of the Charleston Waitakere Community Group that represents many of the residents from the Charleston area. The group has had collective input into, and approval for, this letter.

We do extend our gratitude for reading our recent written submission and for then respectfully listening to our verbal submission. This was presented by our representatives, at the Enhanced Annual Plan hearing on the 6th June 2024. We appreciate having had the opportunity to discuss matters of great importance to our community and our attending committee members felt that they had been listened to.

We are writing now specifically concerning the Speed Reduction Plan that was voted down at the Council meeting on 29 May 2024. While appreciative of the attempts to consult on and progress the proposed speed reductions, we were extremely disappointed that the majority of our councillors could not support the proposal.

As many of the submissions from the Charleston area noted, during the Speed Reduction Plan consultation process, the Kawatiri Coastal Trail is nearing completion and the current speed limits will be inadequate to cope with the expected increases in pedestrian and cycle traffic. The existing 100km limit on Beach Road is already inconsistent with the road's widths, conditions and current traffic volumes. This current speed limit, on other Charleston Roads as noted on submissions, are also of serious concern.

As a Community Group, and as individuals, we took the time to write submissions and frankly we were staggered that our voices were so easily dismissed. Furthermore for a district to turn its back on a, mostly, external funding source for work that is needed now (and is certain to be required in the future) was astounding.

We are encouraged however by the comments, made by Mayor Cleine at the hearing in response to our submission, indicating that the decision over the speed limits reduction proposals is being revisited by the Council. We now respectfully encourage all Councillors to urgently reconsider the decision that was made, regarding reducing speed limits, at the earliest opportunity and to at least support the proposal for Charleston.

Thank you for your attention to this important matter.

Yours sincerley Sarah Stephen,
Secretary of the Charleston-Waitakere Community Group.

P.O. Box 71,
Charleston
7865

charlestonwaitakerecommunity@gmail.com



OFFICE OF THE MAYOR
Jamie Cleine

27 May 2024

To Whom it May Concern

Carter's Beach Reserve & Hall Subcommittee – Lions Foundation Application

I understand that the Carters Beach Reserve & Hall Subcommittee wish to apply for funding from the Lions Foundation and requires a letter from BDC governance stating the following facts:

- The committee follows the constitution of the parent body – Buller District Council (BDC).
- The committee provides the parent body, BDC with a copy of their annual accounts.
- Should the group disestablish, the parent body (BDC) will assume responsibility for their assets and liabilities.

I confirm the above facts and support the Subcommittee in their funding application for hall improvements which is a great community asset to Carters Beach and the wider Buller community.

Best Regards,

Jamie Cleine

Buller District Mayor
Phone 027 423 2629 | Email jamie.cleine@bdc.govt.nz



OFFICE OF THE MAYOR
Jamie Cleine

30 May 2024

Allan Donaldson



Westport 7891

Dear Allan

Public Forum Response

Thank you for speaking at Council's public forum on 29 May. Your on-going interest in improvements to the Westport water supply and recognition of the renewal works completed over the past five years is appreciated.

As you are aware our infrastructure team have a good understanding of the North Branch and the more recent work to see if and how this may be bought back into service.

We have requested the team bring a report to Council on resilience improvement options for the water supply and this will include consideration of the North Branch options among some other possible improvements. This report will inform decision making on budgets for the next long-term plan cycle of Council which begins being drafted from late this calendar year.

I encourage you to maintain your interest in the water supply and provide further feedback, especially once the next long-term plan is open for public feedback in early 2025.

Best Regards,

Jamie Cleine

Buller District Mayor
Phone 027 423 2629 | Email jamie.cleine@bdc.govt.nz

Our Values: Community Driven | One Team | Future Focused | Integrity | We Care

WEST COAST
UNTAMED NATURAL WILDERNESS

6-8 Brougham Street • PO Box 21 • Westport 7866 • New Zealand • Ph: (03) 788 9111 • E: info@bdc.govt.nz • www.bullerdc.govt.nz

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 13

| | |
|--------------------|--|
| Prepared by | Simon Pickford Chief Executive Officer |
| Attachments | 1. West Coast Councils – NZTA Emergency Works Policies Review Submission |

CHIEF EXECUTIVE OFFICER'S REPORT

1. REPORT SUMMARY

This report provides an overview of activities across the previous month and a 'horizon-scan' of upcoming strategic focus areas and opportunities.

2. DRAFT RECOMMENDATIONS

1. That the Council receive the Chief Executive Officers Report
2. That the Council retrospectively approves the West Coast Councils NZTA Emergency Works Policies Review Submission

3. OVERVIEW OF INFORMATION

This report provides information on activity which has occurred over May/June 2024, and key matters of interest to Council.

NZTA Emergency Road Funding Policy

The New Zealand Transport Agency, Waka Kotahi is consulting on the way it handles its WC140-141 Emergency Works (EW) support for Approved Organisations (AO's) like BDC.

As proposed, this will shift the risk and cost apportionment away from the National Land Transport Fund (NLTF) and onto local councils. This will have a large effect on the Coast councils.

The NZTA is looking to significantly change the Emergency Response fund criteria which will directly impact council's ability to operate and respond to emergencies and disaster recovery.

BDC has had limited time to respond to this and submissions close Wednesday 19 June 2024. The Coast councils have worked on a combined submission in that

is to be signed by all three CEOs of the Region. Staff circulated the draft submission. Positive feedback was received, and the submission was lodged (**Attachment 1**). It is attached to this report for retrospective approval.

Resilient Westport – Master Planning

Following the early engagement workshops in April, the Master Planning team held the second round of workshops at Epic Westport in late May. As with round 1, the team fielded a wide range of positive feedback and interest from industry, government stakeholders and the community. Further engagement is ear-marked for the coming months to continue this important conversation and planning around future options for growth and settlement in our District.

Resource Consenting

The team is continuing to field interest from the development sector regarding subdivisions and new housing, which remains an encouraging sign. 251 planning related enquiries were received via email and phone during May (compared to 205 for April).

Thirteen Resource Consent applications have been received for May, with four granted for the month. These statistics are slightly lower than for this time last year.

Council received 24 LIM applications and issued 29 LIMS for May – with all completed within 10 days. These statistics saw an improvement on numbers this time in 2023.

Building

For May 22 Building applications were received, with 32 consents granted during this time, including 6 dwellings (compared to 20 consents granted for April).

94 inspections were carried out during May, compared to 60 and 52 for March and April respectively. 100% of building consents were issued within 20 days.

May's figures have certainly trended upwards from March and April. The processing of PIMs and LIMs remains at a steady to high volume.

Also positively, two staff members gained their competencies for processing and inspecting solid fuel burners - all within 6 months, which has been a great contribution to the overall competency of the Building team.

Animal Control and Environmental Health

The team has now completed the printing and preparation for Dog Registrations. A major yearly undertaking for the team, with great additional support from IT and Customer Services teams.

As per recent months, animal control matters and liquor licensing applications remain at a high volume – a consistent trend.

Resilient Westport Floating Lagoon Repairs and Vegetation Clearance

During a recent assessment, WCRC identified that some low points along the stop bank at the 'Floating Lagoon' need topping up. It was also identified during this assessment that some properties have gardens, sheds, steps, rocks, and other structures encroaching onto Council land at the same location where this repair work is necessary. Vegetation clearance on the BDC land is scheduled to begin in the coming months. The initial maintenance work on the existing stop bank, including topping up low sections, is then scheduled to begin once the above clearing is completed.

A letterbox drop informing residents of the WCRC repair project was undertaken 18 June, and Council staff will be working with any residents on a case-by-case basis regarding specific enquiries or the moving of structures.

KMTT

The end of May saw the finish of 'on the ground' work on the KMTT Restoring and Protecting Flora project, with local contractors MBC Environmental completing their contract to deliver 27,253 hours of weed control and restoration planting.

The project was finished on a high with a series of community planting days at Kūkūwai Reserve along the Kawatiri Coastal Trail, and around the Floating Basin. The team's hope is that by the wider community connecting to these sites, they will step into the ongoing preservation and restoration of these areas, maintaining the incredible results the team has achieved to date.

Library Carpeting

The Sue Thompson Casey Library recarpeting project has been successfully completed within the planned timelines and the library has reopened. This was a significant undertaking and the previous carpet had been exposed to public use for more than 20 years. Library staff and external contractors worked hard to deliver a successful outcome for the community.

Grants

The review and preparation for the upcoming grant rounds are progressing well. This initiative is critical for enabling our community to apply for funding and continue their valuable work.

Key Highlights:

- **Review Status:** The review process is near completion, ensuring that all necessary criteria and guidelines are thoroughly evaluated.
 - New forms and an information brochure are currently being designed and will be completed by mid-July
 - Website information will be a lot more user friendly within the grants section and completed by mid-July
 - The full years dates will be posted on all channels so communities can plan
- **Release Schedule:** The official closing dates grant rounds are as follows:

| • Round One - Community Grants & Community Led Revitalisation Found | | |
|---|----------------|---|
| | Date | Comments |
| Advertising | 29 July-19 Aug | Across all channels and letters to previous applicants that funds are opening |
| Applications close | 24 Aug | Online and paper versions at service centres, library |
| Councillor Review | 26 Aug – 6 Sep | Time for councillors to read submissions and submit any questions to staff |
| Administration | 2-10 Sep | Collation of answered questions and prep for workshop |
| Councillor Workshop | 11 Sep | Recommendations made |
| Administration | 15 -23 Sep | Additional questions & Agenda Report prep |
| Council Meeting | 25 Sep | Funding decision |
| Administration | 1-11 Oct | Letters to applicants |
| Payment Date | 21 Oct | Money paid |

| Round Two - Community Grants & Rural Travel Fund | | |
|--|-----------------|---|
| | Date | Comments |
| Advertising | 27 Jan – 17 Feb | Across all channels and letters to previous applications that's funds are opening |
| Applications close | 22 Feb | Online and paper versions at service centres, library |
| Councillor Review | 24 Feb -7 March | Time for councillors to read the submission and submit to staff any questions |
| Administration | 3 -11 March | Collation of answered questions and prep for workshop |
| Councillor Workshop | 12 March | Recommendations made |
| Administration | 13 -21 March | Additional questions & Agenda Report prep |
| Council Meeting | 26 March | Funding decision |
| Administration | 27 -11 March | Letters to applicants |
| Payment Date | 20 April | Money paid |

| Creative Community's | | | |
|----------------------|------------------------|------------------------|--------------------------|
| | Round One Closing date | Round Two Closing date | Round Three Closing date |
| Advertising | 1 July | 7 Oct | 17 Feb |
| Applications close | 5 Aug | 11 Nov | 24 March |



West Coast Councils – NZTA Emergency Works Policies Review Submission

Our details

| | |
|--------------------------------|--|
| Name | Simon Pickford, Paul Pretorius and Darryl Lew |
| Email address | c/o: cbowie@rationale.co.nz |
| Submitting on behalf of | Buller District Council, Grey District Council and West Coast Regional Council |

1. Buller, Grey, and West Coast Regional Councils jointly provide the following feedback to the NZTA Emergency Works Policies – review and consultation.

Summary Comments:

2. The Councils acknowledge the shared challenge that both NZTA and local Road Controlling Authorities (RCA) are experiencing to sustainably fund our response to the increasing scale and intensity of weather-related events.
3. While helping NZTA to address NLTF funding pressure, the proposed changes to the eligibility criteria and funding assistance rates will transfer considerable costs and risk to (local) Road Controlling Authorities (RCA) who are themselves under extreme pressure on their local share to fund core maintenance, operation, and renewal activities.
4. More frequent and intense storm events resulting in flooding of roads and instability of adjoining land have highlighted the vulnerabilities of the West Coast network, and how this creates disruptions and at times, displacement for our communities. Examples of the impact of such network disruptions include stranded tourists, no ability to move fast moving consumer goods and freight, impact on primary industries such as extraction industry, mining and farming, impact on Westland Milk Products and milk tankers, loss of access to Department of Conservation activities, pest control, estate management and the various Great Walks.
5. The likely consequence of the proposed Policy changes, in conjunction with forecast intensity and frequency of future weather events, is a reduction in level of service to our communities and businesses, potential for longer term or permanent road closures, loss of access, and unintended negative social and economic consequences.

Feedback on Proposed Changes:

6. **Note with concern** the change in qualifying return period for an emergency event to a minimum frequency 1-in-20-year event. This is a significant event size increase, and as event return periods are changed as climate models are updated it is likely that a qualifying 1-in-20-year event today could soon be a non-qualifying 1-in-15-year event. Further, NIWA forecasts for weather-related events through to 2040, under the RCP 4.5 projection, predict increased intensity of (ex)tropical cyclones, short duration (1 hour) extreme rainfalls +13.6% per 1°C increase, and long duration (1-in-2-year, 120-hour duration) rainfall events +4.8% for every 1°C increase. A further note is that some routes can be impacted and closed by any event with any return period and a more robust trigger on road reinstatement support from Central Government may in fact be based on the road's importance level in the ONF.

7. **Note with concern** the change in enhanced FAR from +20% to +10% for events exceeding 10% of annual maintenance spend. This change is compounded by the significant increases in maintenance costs the RCAs are experiencing so the dollar trigger is much higher than it is for the 2021-24 approved NLTP programme. The impact of this is the % increase in cost to RCAs increases at a higher rate than the % savings to the NLTF.
8. **Note with concern** the change to bespoke FAR provisions proposing removal of NZTA's role as funder of local share when an Approved Organisation (AO) cannot afford its local share, and that this would only apply if matched by Crown top-up to NLTF. This is a significant change to the status quo and removes NZTA Board's ability to consider the impact of extreme events on local communities' ability to recover and restore appropriate levels of service. Buller District Council is now completing emergency works from devastating 2021 and 2022 storm events with capital works in the order of \$16.5m. This was delivered with a 95% bespoke FAR, for which Council is very grateful to NZTA, and without this support the community of Buller (low density population and high deprivation) would not have been able to deliver this return to service for our communities. Without such funding, it is likely Council would have had to reallocate expenditure from its core maintenance and renewals programme resulting in poor road maintenance outcomes.
9. **Recommend** NZTA consider cumulative non-qualifying event impacts and how these are funded in the Emergency Works Policy Review. The West Coast regularly experiences highly localised and relatively short duration rainfall events which fall below the current 1-in-10-year and 10% annual maintenance spend triggers per event. However, given the regular frequency of these which have a 1-in-2-year return period the cumulative effect of these events and annual cost to respond is significant. It is a bit like the straw that breaks the camel's back, lots of small events can lead to a significant failure and low of service.
10. **Recommend** NZTA collaborate with RCAs in the Network Outcome Contract regions to take a cohesive approach to planning and investment that will mitigate / minimise the impact of future events, and to engage with local communities, iwi, businesses, and other stakeholders that consider which parts of the network are prioritised to restore levels of service, and to consider which parts may require consideration of a different level of service / alternative to recovery. Given the inter-dependency between local roads and the state highway network, particularly on the West Coast, we believe a multi-agency approach is vital.
11. **Recommend** our Civil Defence / Emergency Management colleagues to be included in discussions about appropriate response to emergency events, including engagement with the community on reduced levels of service or alternate approached to recovery as proposed.
12. **Note with concern** the potential to deal with multiple Crown agencies where a bespoke FAR is agreed. Our experience with this process is that it often requires government Ministers sign-offs, it is particularly inflexible, inefficient, and does not always lead to the best outcomes from a recovery or asset management perspective, including inability to make change as recovery unfolds.
13. **Request** use of NZTA's well established systems and processes, and experienced Investment Advisors to work with RCAs on the response to major events as the primary point of collaboration between RCAs and external Crown agencies and Minister's offices.
14. **Note with concern** the timeline for implementation which may require increased funding during the upcoming NLTP period. The Council's are well progressed in their Enhanced Annual Plan process and the West Coast Regional Land Transport Plan has already been consulted on. Development of these documents has required substantial prioritisation of budgets within a constrained funding envelope, the potential for increased local share for emergency works will likely be at the expense of our maintenance, operation, and renewal programmes.

15. **Recommend** funding for WC140: Minor Events is increased to accommodate the increased demand for funding likely to result from more events qualifying under this funding category due to the proposed 1-in-20-year event change.
16. **Recommend** increased funding for WC357: Resilience Improvements to build resilience in advance of an event and reduce the need for emergency works.
17. **Support** the updated definitions of like for like to ensure it is modern enough to officially include some level of resilience improvement.
18. **Recommend** the updated definition of 'current design standards' provide clarity on what 'improvements of a minor nature to restore level of service' and 'meeting engineering requirements to manage the risk and consequence of hazards' means in practice given that 'improvement in resilience' is excluded. What is the threshold where meeting engineering requirements becomes an improvement?

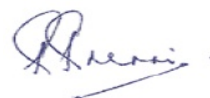
As an example, if a drainage facility or retaining wall is currently not sufficient to manage the risk and consequence of hazards and subsequently fails, presumably an improvement in resilience is needed to restore levels of service and manage this known risk. Does this meet the definition of current design standards or is this considered a resilience improvement and does not qualify under WC140 or WC141. There would need to be clear direction and clarity on such matters.
19. **Support** the proposal to make it easier to apply for resilience improvements after an event.
20. **Recommend** NZTA prioritise funding for improvement works to be carried out at the same time as emergency works, this may be in the form of an unallocated fund for resilience improvements to be approved after an event.
21. **Recommend** NZTA provide support via WC003: Investment Management for the AMP improvements needed to identify potentially uneconomic roads and to carry out the proposed condition of an enhanced FAR where the "AMP has considered, in advance, which parts of the network are prioritised to restore LOS, and which parts may require consideration of a different LOS / alternative to recovery".

Undersigned:

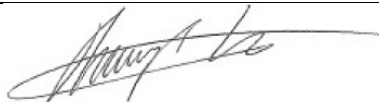
Simon Pickford
CEO, Buller District Council



Paul Pretorius
CEO (acting) Grey District Council



Darryl Lew
CEO, West Coast Regional Council



BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 14

Prepared by Simon Pickford
Chief Executive Officer

PORTFOLIO LEADS VERBAL UPDATE

1. REPORT SUMMARY

A summary of updates is verbally provided by each of the new Portfolio Leads and Council Representatives listed below.

2. DRAFT RECOMMENDATION

That Council receive verbal updates from the following Chairs and Council Representatives, for information:

- a. Inangahua Community Board – Cr L Webb
- b. Regulatory Environment & Planning - Councillors Neylon and Basher
- c. Community Services - Councillors Howard and Pfahlert
- d. Infrastructure - Councillors Grafton and Weston
- e. Corporate Policy and Corporate Planning - Councillors Reidy and Sampson
- f. Smaller and Rural Communities - Councillors O’Keefe and Webb
- g. Iwi Relationships - Ngāti Waewae Representative Ned Tauwhare and Mayor Cleine
- h. Te Tai o Poutini Plan – Mayor J Cleine and Cr G Neylon
- i. Joint Committee Westport Rating District – Mayor J Cleine, Cr J Howard and Cr C Reidy
- j. WC Health Localities Project - Cr G Neylon
- k. Regional Transport Committee – Cr Phil Grafton

BULLER DISTRICT COUNCIL

26 JUNE 2024

AGENDA ITEM: 15

Prepared by Simon Pickford
Chief Executive Officer

PUBLIC EXCLUDED

1. REPORT SUMMARY

Subject to the Local Government Official Information and Meetings Act 1987 S48(1) right of Local Authority to exclude public from proceedings of any meeting on the grounds that:

2. DRAFT RECOMMENDATION

That the public be excluded from the following parts of the proceedings of this meeting:

| Item No. | Minutes/Report of: | General Subject | Reason For Passing Resolution Section 7 LGOIMA 1987 |
|----------|--|---|---|
| PE 1 | Krissy Trigg Group Manager Community Services | Flood Recovery Temporary House Options | s7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) |
| PE 2 | Krissy Trigg Group Manager Community Services | Flood Recovery Temporary House Options | s7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) |
| PE3 | Simon Pickford – Chief Executive Officer | Confirmation of Public Excluded Minutes | (s 7(2)(i)) - enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or (s 7(2)(j)) - prevent the disclosure or use of official information for improper gain or improper advantage. |