



AGENDA

Ordinary Meeting of the
Buller District Council

Commencing at 3:30PM
Wednesday 28 May 2025

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 2025 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: Clock Tower Chambers, Westport. Live streamed on Buller District Council YouTube Channel



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BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 1

Prepared by Simon Pickford
Chief Executive Officer

APOLOGIES

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

DRAFT RECOMMENDATION

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

OR

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

BULLER DISTRICT COUNCIL

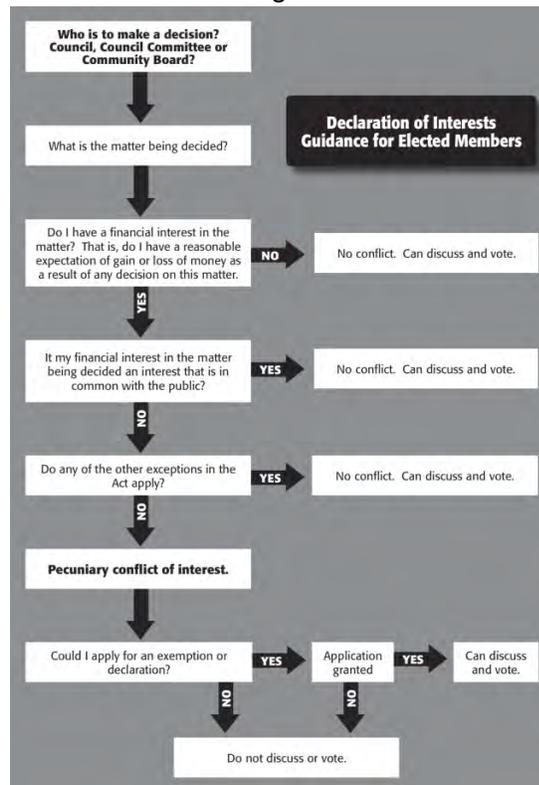
28 MAY 2025

AGENDA ITEM: 2

Prepared by Simon Pickford
Chief Executive Officer

MEMBERS INTEREST

1. 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.
2. Councillors are encouraged to advise the Governance Secretary, of any changes required to their declared Members Interest Register.
3. The attached flowchart may assist members in making that determination (Appendix A from Code of Conduct).



4. **DRAFT RECOMMENDATION:**
That Members disclose any financial or non-financial interest in any of the agenda items.

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 3

Prepared by Simon Pickford
Chief Executive Officer

Attachments 1. Council Extraordinary Meeting Public Minutes 23 April 2025
2. Council Meeting Public Minutes 30 April 2025
3. Council Extraordinary Meeting Public Minutes 14 May 2025

CONFIRMATION OF MINUTES

1. **DRAFT RECOMMENDATION**

That Council receive and confirm the Public Minutes from:

- **Extraordinary Council Meeting 23 April 2025**
- **Council Meeting 30 April 2025**
- **Extraordinary Council Meeting 14 May 2025**



EXTRAORDINARY MEETING OF THE BULLER DISTRICT COUNCIL, HELD AT 1:30PM ON WEDNESDAY 23 APRIL 2025 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT.

PRESENT: Mayor J Cleine, Deputy Mayor A Basher, Cr P Grafton, Cr G Neylon, Cr T O'Keefe, Cr A Pfahler, Cr C Reidy, Cr R Sampson, Cr L Webb

PRESENT VIA ELECTRONIC LINK: Cr J Howard

IN ATTENDANCE: S Pickford (Chief Executive Officer), S Bastian (Group Manager Regulatory Services), P Numan (Group Manager Corporate Services), K Trigg (Group Manager Community Services), J Salmond (Corporate and Strategic Planning Manager), S Mutch (Ernst & Young)

IN ATTENDANCE VIA ELECTRONIC LINK: A Blom (Group Manager Infrastructure Services)

MEDIA: E Curnow (Westport News)

MEETING DECLARED OPEN AT: 1.31pm

1. APOLOGIES (Page 6)

Discussion:

Cr G Weston and N Tauwhare (IWI Representative)

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

Mayor J Cleine/Deputy Mayor A Basher
10/0

CARRIED UNANIMOUSLY

2. MEMBERS INTEREST (Page 7)

Discussion:

Nil

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

Mayor J Cleine/Cr P Grafton
10/0

CARRIED UNANIMOUSLY



3. REPORT FOR ADOPTION OF THE 2025-2034 DRAFT LONG-TERM AND DRAFT LONG-TERM PLAN CONSULTATION DOCUMENT (Page 8)

Discussion:

J Salmond spoke to the report and answered questions.

S Mutch spoke to the audit opinion and answered questions.

Meeting adjourned at 2.12PM

Meeting reconvened at 2.23PM

Cr C Reidy departed the meeting at 3.04PM

Recommendation 1 has been amended to include “draft” as follows:

RESOLVED That Council

1. Receives the EY draft audit report on the Buller District Council 2025-34 Long-Term Plan Consultation Document and supporting information, and notes that the EY audit report is to be included in the consultation document.

Deputy Mayor A Basher/Cr P Grafton
9/0

CARRIED UNANIMOUSLY

2. Approves the financial strategy 2025-2034.

Deputy Mayor A Basher/Cr P Grafton
5/4

Cr R Sampson against
MOTION CARRIED

3. Adopts the Buller District Council Draft LTP 2025-2034 as the principal document relied on for the content of the consultation document.

Deputy Mayor A Basher/Cr P Grafton
6/3

Cr R Sampson against
MOTION CARRIED

4. Adopts the draft Long-Term Plan consultation document as the statement of proposal for the public participation in decisions on the content of the Draft Long-Term Plan 2025-2034.

Deputy Mayor A Basher/Cr P Grafton
6/3

Cr R Sampson against
MOTION CARRIED

5. Approve the Chief Executive Officer or Mayor to sign off on any grammatical or minor amendments to the consultation document that



may arise through audit.

Deputy Mayor A Basher/Cr P Grafton
9/0
CARRIED UNANIMOUSLY

- 6. Notes the consultation period will run from Friday 25 April 2025 and closes at 4.30pm on Monday 26 May 2025.

Deputy Mayor A Basher/Cr P Grafton
9/0
CARRIED UNANIMOUSLY

- 7. Notes the Submission hearings are scheduled for Monday 9 June and Tuesday 10 June 2025.

Deputy Mayor A Basher/Cr P Grafton
9/0
CARRIED UNANIMOUSLY

- 8. Notes the deliberations are scheduled for the 11 and 12 June 2025.

Deputy Mayor A Basher/Cr P Grafton
9/0
CARRIED UNANIMOUSLY

There being no further business the meeting concluded 3.26PM

- **Next meeting:** Extraordinary Council Meeting Wednesday 30 April 2025, 3:30PM, Clocktower Chambers, Westport

Confirmed:

Date:



ORDINARY MEETING OF THE BULLER DISTRICT COUNCIL, HELD AT 3:30PM ON WEDNESDAY 30 APRIL 2025 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT.

PRESENT: Mayor J Cleine, Deputy Mayor A Basher, Cr G Weston, Cr T O'Keefe, Cr G Neylon, Cr L Webb, Cr P Grafton, Cr C Reidy

PRESENT VIA ELECTRONIC LINK: Cr R Sampson, Cr J Howard, Cr A Pfahlert

IN ATTENDANCE: S Pickford (Chief Executive Officer), K Trigg (Group Manager Community Services), A Blom (Group Manager Infrastructure Services), S Bastion (Group Manager Regulatory Services), P Numan (Group Manager Corporate Services), J Curtis (Manager Capital Works), J Salmond (Corporate and Strategic Planning Manager), C Borrell (Governance Assistant)

IN ATTENDANCE VIA ELECTRONIC LINK: Nil

MEDIA: E Curnow (Westport News)

PUBLIC FORUM:

Ray Curnow: Processes for allowing or disallowing speakers in the public forum section of council meetings. Presented a proposed amendment to Buller District Council Standing orders:

"Additional Paragraph to 15.2 Restrictions/Nga Herenga In cases where the chairperson declines a request to speak, the name of the speaker declined and the reason(s) for the decision to decline the speaking request will be recorded on the agenda for the meeting concerned."

Garry Howard: *Brougham House; Finance questions; Setting of fees;*

1. Background to Council office options as undertaken 2014-16.
2. Explanation of \$11m increase in debt over past ten months.
3. No details of setting fees as recommended by Auditor Generals office and LGNZ

Phil Rutherford: Item 8: Waste Management Contract Renewal - Scope of Services Variation

MEETING DECLARED OPEN AT: 3.48PM

1. APOLOGIES (Page 7)

Discussion:

N Tauwhare (IWI Representative), Cr A Pfahlert joining the meeting late.



RESOLVED That Buller District Council receives apologies from N Tauwhare (IWI Representative) and accepts Cr A Pfahlert request for leave of absence.

Cr L Webb/Deputy Mayor A Basher

10/0

CARRIED UNANIMOUSLY

2. MEMBERS INTEREST (Page 8)

Discussion:

Nil

RESOLVED

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

Mayor J Cleine/Cr P Grafton

10/0

CARRIED UNANIMOUSLY

3. CONFIRMATION OF PREVIOUS MINUTES (Page 9)

Discussion:

Public minutes 16 April dated 9 April. Corrected to 16 April.

RESOLVED

That Council receive and confirm the Public Minutes from:

- Council Meeting 26 March 2025
- Council Extraordinary Meeting 09 April 2025
- Council Extraordinary Meeting 16 April 2025

Cr G Weston/Cr P Grafton

10/0

CARRIED UNANIMOUSLY

4. COUNCIL ACTION POINT LIST (Page 32)

Discussion:

Nil

RESOLVED

That Council receive the Council Action Point List for information.

Cr P Grafton/Cr T O'Keefe

10/0

CARRIED UNANIMOUSLY



5. PROPERTY RATIONALISATION PROJECT UPDATE (Page 34)

Discussion:

K Trigg spoke to the report and answered questions.

RESOLVED

That the Property Rationalisation Project Update dated 30 April 2025 be received.

Deputy Mayor A Basher/Cr G Weston

10/0

CARRIED UNANIMOUSLY

6. ORDER OF CANDIDATES FOR 2025 TRIENNIAL ELECTION (Page 37)

Discussion:

P Numan spoke to the report and answered questions.

RESOLVED

That Council pursuant to Clause 31(1) of the Local Electoral Act Regulations 2001, confirm that the names of the candidates at the 2025 triennial council elections for Buller District Council and any subsequent by-elections be arranged in random order of surname.

Deputy Mayor A Basher/Cr T O'Keefe

10/0

CARRIED UNANIMOUSLY

7. DEVELOPMENT WEST COAST APPOINTMENTS PANEL REPRESENTATIVE (Page 41)

Discussion:

J Salmond spoke to the report and answered questions.

Cr A Pfahlert joined the meeting via electronic link at 4.07PM

RESOLVED

That Council

1. Receive this report

2. Appoint Mayor Cleine as the Buller District Council representative on the Development West Coast Appointments Panel.

Cr T O'Keefe/Deputy Mayor A Basher

10/0/1

Mayor J Cleine abstained

MOTION CARRIED



8. WASTE MANAGEMENT CONTRACT RENEWAL - SCOPE OF SERVICES VARIATION (Page 46)

Discussion:

A Blom spoke to the report and answered questions.

Cr R Sampson departed the meeting (due to a power cut) at 4.33PM and was not in the room for the vote on recommendation 1.

Cr P Grafton departed the meeting at 4.42PM

Cr P Grafton returned the meeting at 4.43PM

Cr R Sampson returned to the meeting at 4.55PM during recommendation 2 debate.

Cr T O'Keefe departed the meeting at 5.23PM and was not in the room for the vote on recommendation 5.

Cr T O'Keefe returned to the meeting at 5.25PM

Recommendation 3 was amended and reads as below:

RESOLVED

That Council

1. Receives the report.

Mayor J Cleine/Deputy Mayor A Basher

10/0

CARRIED UNANIMOUSLY

2. Rescind the following resolution of the Council meeting 26 June 2024 for Item 7: *"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."*

Cr P Grafton/Cr G Weston

7/4

**Cr C Reidy, Cr G Neylon, Cr L Webb, Cr R Sampson against
MOTION CARRIED**

3. Approves the new Rubbish Collection Model for Zone 1 of rubbish collection services to be provided through a contractor on behalf of the Council, by using 80L, 120L and 240L wheelie bins (user choice), funded via targeted rates for those who do not opt-out, with collection frequency options requested as part of the tender process.

Mayor J Cleine/Cr A Pfahlert

7/4

MOTION CARRIED



4. Approves that households in Zone 1 may opt out of the rubbish collection services if they wish, and that no refuse collection rate would apply to that property.

Mayor J Cleine/Deputy Mayor A Basher

7/4

MOTION CARRIED

5. Notes that opt-out properties will still be rated for other waste management services, such as recycling.

Mayor J Cleine/Cr G Weston

6/3

MOTION CARRIED

6. Approves that the Westport and Reefton Resource Recovery Centres be operated through a contractor who retains the revenue, sets the gate fees, and covers the operational and rubbish disposal costs.

Cr P Grafton/Cr G Weston

10/1

MOTION CARRIED

7. Approves a separate procurement process of the contract to operate the Karamea and Maruia landfills.

Mayor J Cleine/Deputy Mayor A Basher

11/0

CARRIED UNANIMOUSLY

8. Notes that as consultation was completed in April 2024 and the June 2024 resolution has not yet been implemented, no further community consultation is required on the scope of services for the Waste Management Contract renewal.

Cr P Grafton/Cr G Weston

7/4

**Cr C Reidy against
MOTION CARRIED**

The meeting adjourned at 5.33PM

Cr A Pfahlert departed the meeting at 5.33PM

The meeting reconvened at 5.45PM

**9. BULLER HOLDINGS LIMITED (BHL) LETTER OF EXPECTATION
2025/2026 (Page 79)**

Discussion:

J Salmond spoke to the report and answered questions.



Cr A Pfahlert returned to the meeting at 5.52PM and abstained from the vote as not present for the debate.

RESOLVED

That Council

1. Receives the report.
2. Approve the Letter of Expectation (with any amendments as required).
3. Instruct the Chief Executive Officer to forward the Letter of Expectation to Buller Holdings Limited.

Cr T O'Keefe/Cr J Howard

10/0/1

Cr A Pfahlert abstained as not present for discussion

MOTION CARRIED

10. MAYOR'S REPORT (Page 86)

Discussion:

Mayor J Cleine acknowledged with sadness the recent passing of subcommittee members Justine Kelly (Maruia–Springs Junction) and Peter Gibson (Karamea).

The Council extended its sincere condolences to C McDonald (Governance Secretary) on her personal loss, recognising her valued contribution to the organisation.

RESOLVED

1. Receives the Mayors Monthly Update Report for 30 April 2025 for information and discussion.

Deputy Mayor A Basher/Cr A Pfahlert

11/0

CARRIED UNANIMOUSLY

2. Notes Inwards and Outwards Correspondence and provide direction for any responses required.

Deputy Mayor A Basher/Cr A Pfahlert

11/0

CARRIED UNANIMOUSLY

3. Confirms membership of Local Government New Zealand for 2025/26 and approves payment of the membership fee of \$47,552.83 excl gst.

Deputy Mayor A Basher/Cr A Pfahlert

9/2

Cr C Reidy against

MOTION CARRIED



11. CHIEF EXECUTIVE OFFICER'S REPORT (Page 150)

Discussion:

S Pickford spoke to the report and answered questions.

Cr A Pfahlert departed the meeting 6.13PM
 Cr A Pfahlert returned to the meeting 6.14PM
 Cr P Grafton departed the meeting 6.15PM
 Cr P Grafton returned to the meeting 6.16PM

RESOLVED

That the Chief Executive Officer's Report dated 26 April 2025 be received.

Mayor J Cleine/Deputy Mayor A Basher

11/0

CARRIED UNANIMOUSLY

12. PORTFOLIO LEADS VERBAL UPDATE (Page 163)

Discussion:

Cr C Reidy departed the meeting at 6.18PM
 Cr C Reidy returned to the meeting 6.20PM
 Cr A Pfahlert departed the meeting 6.19PM
 Cr A Pfahlert returned to the meeting 6.20PM
 Cr A Pfahlert departed the meeting 6.21PM
 Cr A Pfahlert returned to the meeting 6.24PM

RESOLVED

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

a) Inangahua Community Board – Councillor Webb

Next meeting 13 May in Reefton.

b) Regulatory Environment & Planning - Councillors Neylon and Basher

Have advertised for community members for District Licencing Committee. Cr J Howard and Cr L Webb attended recent RMA hearing as observers in preparation to sit on the next one.

c) Community Services - Councillors Howard and Pfahlert

The three tenants have moved from Russell St to Queen St and are happy.

d) Infrastructure - Councillors Grafton and Weston

Had meeting today. LTP submissions may affect infrastructure projects.

e) Corporate Policy and Corporate Planning - Councillors Reidy and Sampson

Nil



f) Smaller and Rural Communities - Councillors O'Keefe and Webb

Working with subcommittees around Long-Term Plan submissions. Seddonville campground exterior painting has begun, new fire installed. Waimangaroa Subcommittee are having another Fish and Chip night 1 May.

g) Iwi Relationships - Ngāti Waewae Representative Ned Tauwhare and Mayor Cleine

Noted N Tauwhare (IWI Representative) has a family member unwell affecting his ability to attend.

h) Te Tai o Poutini Plan – Mayor Cleine and Councillor Neylon

Hearings are complete. Commissioners are making recommendations which the Committee will review. To be complete prior to the local body elections.

i) Joint Committee Westport Rating District – Mayor Cleine, Councillor Howard and Councillor Reidy

Meeting early April. Full agenda is available on the West Coast Regional Council website.

j) Regional Transport Committee – Councillor Grafton.

Nil

Mayor J Cleine/Deputy Mayor A Basher

11/0

CARRIED UNANIMOUSLY

PUBLIC FORUM RESPONSE

Ray Curnow: Mayor to write a response and staff to adopt the suggestion as standard operating procedure. The next Council may consider amendment to Standing Orders.

Garry Howard: Response will advise:

1. Direction for submitting on Long-Term Plan Consultation.
2. Report will be presented to Council at the meeting 28 May.
3. Group Manager Corporate Services to provide response directly to Mr Howard and Councillors.

Phil Rutherford: Response will be made around the resolutions made today.



13. PUBLIC EXCLUDED REPORT (Page 164)

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 under LGOIMA
PE 1	Simon Pickford Chief Executive Officer	Confirmation of Previous Public Excluded Minutes	<p>(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</p> <p>(s 7(2)(j)) - prevent the disclosure or use of official information for improper gain or improper advantage.</p> <p>(s 7(2)(b)) - protect information where the making available of the information would</p> <ul style="list-style-type: none"> i. Disclose a trade secret ii. Be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
PE 2	Mayor Jamie Cleine	CEO Performance and Remuneration Review Process	(s7(2)(i)) - To carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

Mayor J Cleine/Cr P Grafton

11/0

CARRIED UNANIMOUSLY

MOVED INTO PUBLIC EXCLUDED: 6.38PM



EXTRAORDINARY MEETING OF THE BULLER DISTRICT COUNCIL, HELD AT 3:30PM ON WEDNESDAY 14 MAY 2025 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT.

PRESENT: Mayor J Cleine, Cr J Howard, Cr R Sampson, Deputy Mayor A Basher, Cr A Pfahlert, Cr P Grafton, Cr G Weston

PRESENT VIA ELECTRONIC LINK: Cr T O'Keefe, Cr G Neylon, Cr C Reidy

IN ATTENDANCE: A Blom (Group Manager Infrastructure Services), J Salmond (Corporate and Strategic Planning Manager), K Trigg (Group Manager Community Services), S Bastion (Group Manager Regulatory Services), P Numan (Group Manager Corporate Services), C McDonald (Governance Secretary)

IN ATTENDANCE VIA ELECTRONIC LINK: Nil

MEDIA: Ellen Curnow (Westport News)

MEETING DECLARED OPEN: 3:31pm

1. APOLOGIES (Page 6)

Discussion:

Cr L Webb, N Tauwhare (Iwi Representative)
Cr T O'Keefe has a departure time of 4:45pm

RESOLVED That Buller District Council receives apologies from Cr L Webb and N Tauwhare (Iwi Representative) and accepts Cr T O'Keefe's request for leave of absence.

Mayor J Cleine/Deputy Mayor A Basher
10/0

CARRIED UNANIMOUSLY

2. MEMBERS INTERESTS (Page 7)

Discussion:

Nil.

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

Mayor J Cleine/Cr G Weston
10/0

CARRIED UNANIMOUSLY



3. REPORT FOR ADOPTION OF THE LOCAL WATER DONE WELL CONSULTATION DOCUMENT (Page 8)

Discussion:

J Salmond and A Blom spoke to the report and answered questions.

Feedback was provided to staff around changes and corrections to the consultation document.

It was clarified after recommendation three had been voted on that it is a legal requirement of Council to have a preferred option in the consultation document.

It was noted that had this information been known prior to voting, Cr G Neylon would have voted in favour recommendation two.

RESOLVED That Council

1. Receives the report

Cr P Grafton/Cr J Howard
10/0
CARRIED UNANIMOUSLY
2. Adopts the draft Local Water Done Well Consultation Document

Cr P Grafton/Cr G Weston
8/2
Cr C Reidy against
MOTION CARRIED
3. Approve the Chief Executive Officer or Mayor to sign off on any grammatical or minor amendments to the consultation document if required

Deputy Mayor A Basher/Cr A Pfahlert
9/1
Cr C Reidy against
MOTION CARRIED
4. Confirms the preferred choice of creating a multi-council water services organisation with two or more councils

Cr G Weston/Cr P Grafton
8/2
Cr C Reidy against
MOTION CARRIED
5. Notes the consultation period will run from Friday 16 May 2025 and closes at 4.30pm on Monday 13 June 2025

Mayor J Cleine/Deputy Mayor A Basher
10/0
CARRIED UNANIMOUSLY



6. Notes the Submission hearings are scheduled for Monday 30 June and Tuesday 1 July 2025

Mayor J Cleine/Cr R Sampson

10/0

CARRIED UNANIMOUSLY

7. Notes the deliberations are scheduled for 2 and 3 July 2025 but could be moved forward if required after the hearings are finished

Mayor J Cleine/Cr G Weston

10/0

CARRIED UNANIMOUSLY

MEETING DECLARED CLOSED: 4:25pm

Next Meeting: Wednesday 28 May 2025, 3:30pm, Clocktower Chambers,
Palmerston Street, Westport

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 4

Prepared by Simon Pickford
Chief Executive Officer

Attachments 1. Council Action Points May 2025

COUNCIL ACTION POINT LIST

1. **REPORT PURPOSE**

A summary of council resolutions requiring actions.

2. **DRAFT RECOMMENDATION**

That Council receive the Council Action Point List for information.

Council Action Points – CURRENT

No	Meeting Date / Action Point	Responsible	Update	Date Required By
25	<p>28 February 2024 Punakaiki Campground Lease D Marshall to bring back reports to April Council regarding proposal from the Leasee Update 25 September 2024 Staff to report on what needs to come back to Council in terms of decision-making regarding modifications and negotiations to the lease. Update 27 November 2025 Staff to also report on what element of Rate Payer money has been invested into the Campground.</p>	<p>D Marshall M Sutherland P Numan</p>	<p>Staff have been focused on achieving the additional funding from TIF during the last month and on preparing the draft enhanced annual plan. 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. <u>Update 26 June 2024</u> 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. <u>Update 31 July</u> The 28 August Update is to include Camp Development Plans of the Leasee <u>Update 28 August</u> Due to staff illness this will be included in the September update to Council with the update on the Punakaiki Wastewater Treatment Plant <u>Update 19 Sept 2024</u> Commencement of negotiations are being deferred until after the completion of the upgrade of the Punakaiki Wastewater Treatment Plant and due to staff changes in the Property Portfolio. <u>Update 9 October 2024</u> Development of options for leasing and ownership of the Punakaiki Beach Camp will be undertaken following the completion of the Punakaiki Beach Camp Wastewater Disposal System Upgrade (expected completion by end of October 2024) <u>Updated 12 November 2024</u> The Punakaiki Beach Camp Wastewater Disposal System Upgrade was completed by the end of October 2024 and the work is not in its maintenance period that expires in March 2025. This Action Point is now referred to the Group Manager Corporate Services with regards to the lease conditions and an update on this is to be brought to the December Council Meeting. <u>Update 12 December 2024</u> Once all the information requested is gathered, a report outlining this information will be brought back to Council in the new year <u>Update February 2025</u> Punakaiki Campground lease rental review is due November 2025. As part of facilitating the lease rental review - Council needs to update the Asset Management Plan. An Independent Contractor has been engaged to perform this work and once finalised an update will be reported to Council. <u>Update March 2025</u> Asset Management Plan report due for completion 30 June 2025. Rent review due for completion following 16/11/25 review as detailed in Lease terms and conditions.</p>	<p>26 June 2024 28 August 2024 25 September 2024 30 October 2024 27 November 2024 18 December 2024 26 February 2025 26 March 2025 Ongoing</p>
26	<p>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.</p>	<p>K Trigg A Blom</p>	<p><u>Update 30 October 2024</u> Staff to investigate if the report needs to come to council prior to 18 December meeting. <u>Update 12 December 2024</u> A report is due to come back to Council in the new year from Infrastructure Services to outline options. <u>Update March 2025</u> Report planned for April Council meeting. <u>Update April 2025</u> Staff working on this report have been consumed by the LTP, so the Brougham report had to be deprioritised. <u>Update May 2025</u> A report is included in the May Council Agenda</p>	<p>18 December 2024 26 February 2025 26 March 2025 30 April 2025 28 May 2025</p>

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 5

Prepared by Bronwyn Little
Senior Policy Advisor

Reviewed by Simon Bastion
Group Manager Regulatory Services

Attachments 1. Dangerous And Insanitary Buildings Policy (Current)
2. Dangerous, Affected and Insanitary Buildings Policy – Statement of Proposal
3. Dangerous, Affected and Insanitary Buildings Policy (proposed draft)

Public Excluded: No

DRAFT DANGEROUS, AFFECTED AND INSANITARY BUILDINGS POLICY REVIEW

1. EXECUTIVE SUMMARY

- The Buller District Council (BDC) Dangerous and Insanitary Buildings Policy is due for review.
- A draft Dangerous, Affected and Insanitary Buildings Policy has been prepared which includes improvements to enhance clarity, reference to the latest legislation and provides more information around the processes used in assessment.
- The draft policy was endorsed by the Risk and Audit Committee which recommended Council adopt the draft by Council and associated Statement of Proposal before undertaking public consultation.
- Staff are seeking Council's adoption of the draft Dangerous, Affected and Insanitary Buildings Policy and the Statement of Proposal, attached as Attachment 2 and Attachment 3.
- Council's approval is sought to undertake consultation in accordance with Section 83 (Special Consultative Procedure) of the Local Government Act 2002.

2. **DRAFT RECOMMENDATION**

That the Council:

1. **Receives the report.**
2. **Notes the updates and amendments proposed in the draft Dangerous, Affected and Insanitary Buildings Policy (Attachment 2).**
3. **Notes the endorsement of the draft Policy and recommendations of the Risk and Audit Committee to Council to adopt the Policy and associated Statement of Proposal for public consultation.**
4. **Adopts the draft Dangerous, Affected and Insanitary Buildings Policy (Attachment 2) and associated Statement of Proposal (Attachment 3); and**
5. **Instructs the Chief Executive to proceed with consultation on the draft Dangerous and Insanitary Buildings Policy as required under the Building Act 2004 (section 132) and Local Government Act 2002 (section 83).**

3. **ISSUES & DISCUSSION**

4. **BACKGROUND**

5. Building Act 2004:

Council must adopt a policy on dangerous, affected, and insanitary buildings for the District under section 131 of the Building Act 2004 (BA2004). The policy must state the approach that Council will take in performing its functions as prescribed in the BA2004 and Council's approach for performing those functions and its application to heritage buildings. Councils are obligated to review and adopt policies on dangerous, affected, and insanitary buildings every five years. Consultation with the public on the draft version of the policy is required and must follow the special consultative procedures for its review under Section 83 of the Local Government Act 2002.

6. It should be noted that under Section 132 (5) of the BA2004 the policy does not cease to have effect because it is due for review or is being reviewed.

7. Buller District Council Policy

The current Buller District Council (BDC) policy was last reviewed in June 2017 to incorporate the changes to the BA2004 resulting from the Building (Earthquake-prone Buildings Amendment) Act 2016. That amendment required the removal of reference to earthquake prone buildings in existing the Dangerous, Earthquake-Prone and Insanitary Buildings Policy.

8. Proposed Draft Policy Overview:
The BA2004 defines dangerous, affected, and insanitary buildings. The draft Policy sets out the criteria by which such buildings are assessed, and how Council interprets the BA2004 in requiring the remediation of buildings identified to be meeting these criteria.
9. It is the responsibility of building owners to remedy situations where their property meets the criteria of being dangerous or insanitary and the draft Policy provides a mechanism for Council to enforce such action to be taken by building owners. The draft Policy covers all buildings in Buller District
10. Staff have reviewed the current policy and prepared a draft policy in consultation with the Ministry for Building, Innovation and Employment (MBIE) who have responsibility for auditing councils for compliance under the BA2004. Several improvements been incorporated in the draft document which provide further clarity and reflect changes in the BA2004.
11. Improvements include the following:
 - Setting out a clear purpose for the policy
 - Updating references to legislation
 - Outlining the specific assessment criteria (Assessment Risk Priority Matrix)
 - Expanding and clarifying the investigation and enforcement process
 - Including more information on affected buildings
 - Updating formatting to current BDC standards to improve readability
12. It is important to note that these improvements are simply clarifying Council's policy approach to fulfilling obligations that are established by the BA2004. The updates provide greater clarity for the public on how Council interprets and implements the BA2004 through the identification, assessment, and remediation of unsafe buildings in the region.
13. The Risk and Audit Committee considered and endorsed the draft Policy at the meeting of 16 April 2025. The Committee recommended that Council adopt the Policy and associated Statement of Proposal for public consultation.
14. Statement of Proposal:
The Statement of Proposal is a document that forms the basis for community consultation on a local authority's proposals regarding a specific matter. It outlines the local authority's intentions, providing the community with a clear understanding of what is being proposed and why.

15. **OPTIONS**

16. **Option 1 – Adopt the draft Policy and Statement of Proposal attached**

Adopt the draft Policy and Statement of Proposal and instruct the Chief Executive Officer to proceed with consultation in accordance with both the BA2004 and the Local Government Act 2002.

17. **Advantages**

- Compliance with current legislation and MBIE audit requirements.
- Clarification for the community and building owners of the process by which BDC will identify and assess both dangerous and insanitary buildings in the district.
- Clear information on the process of identifying affected buildings for owners.
- Consultation will provide community input into the new policy.

18. **Disadvantages**

- No disadvantages identified

19. **Option 2 – Status Quo**

Continue with the current Policy.

20. **Advantages**

- No advantages have been identified.

21. **Disadvantages**

- Legislative requirements for review of policy not met.
- Auditing requirements from MBIE will not be complied with.

22. **PREFERRED OPTION**

Option 1 is the preferred option as it complies with legislation while providing the community and building owners with clarity around the process of identification and assessment of dangerous, affected and insanitary buildings.

23. **NEXT STEPS**

- Council adopts the draft policy and Statement of Proposal for consultation
- Public consultation undertaken in accordance with Section 83 Local Government Act 2002.

24. **CONSIDERATIONS**

25. **Strategic Impact**

The draft Policy will contribute towards the overall safety and health of the community while ensuring that the district continues to develop and thrive.

26. **Significance Assessment**

The draft Policy covers all buildings in the Buller District and its implementation could impact any building owner or occupant in the community. However, as the draft Policy only applies current government legislation, the significance is considered to be low.

27. **Risk Management Implications / Opportunities**

The following risks or opportunities are identified with the issues identified in this report.

28. Engagement - external

To date Council has engaged with MBIE to develop the draft policy. MBIE have endorsed the content of the draft Policy and will further assess it once a final Policy has been adopted. Community consultation will take place in accordance with Section 83 (special consultative procedure) of the Local Government Act 2002 as required under the BA2004 once Council has adopted the draft.

29. Engagement – internal

The Territorial Authority and Compliance Officer has developed this draft Policy with input from the Senior Policy Advisor and other members of the building team.

30. Legal

Failure to review and adopt the Policy would result in non-compliance with the BA2004.

31. Property Owners Views.

It is possible that large property portfolio holders may consider any changes to the Policy an imposition. However, as the Policy simply outlines and clarifies Council's approach to requirements under the BA2004, and the revised Policy does not materially alter how Council implements the provisions of the BA2004, this is not considered a significant risk.

32. **Policy & Legislative Considerations**

Beyond fulfilling Council's statutory obligations under the BA2004 to review and consult using the special consultative procedure, there are no other legal considerations associated with adoption of the draft Dangerous, Affected, and Insanitary Buildings Policy 2025 and associated Statement of

Proposal by Council. Consultation will be undertaken in accordance with Section 83 of the Local Government Act 2002.

33. **Māori Impact Statement**

The 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.

34. **Financial Considerations**

The adoption of the draft Policy by council will trigger public consultation however any costs associated with this process are expected to be managed within existing budgets.

35. **Communication Internal / External**

Communications regarding this decision and any subsequent decision of Council will be managed by the Communications and Engagement team.



DANGEROUS AND INSANITARY BUILDINGS POLICY

Source:	Council		
Date:	16/12/2009		
Reviewed:	2014	Next review:	2019
See also:	Building Act 2004, Local Government Act 2002, Department of Building and Housing's guidance documents		

1. INTRODUCTION AND BACKGROUND

Section 131 of the Building Act 2004 (BA 2004) requires territorial authorities to adopt a policy on dangerous and insanitary buildings. In developing this policy the Buller District Council has balanced the need to protect public health and safety against the economic implications of requiring significant remedial building work and the community's desire to protect heritage structures.

This document sets out the policy adopted by Buller District Council and includes:

1. The approach that the Buller District Council will take in performing its functions under the BA 2004;

2. Buller District Council's priorities in performing those functions; and

3. How the policy will apply to heritage buildings.

The Building (Earthquake-prone Buildings) Amendment Act 2016 has established a new nationally consistent system for identifying and remediating earthquake-prone buildings.

2. BUILDING ACT PRINCIPLES

The principles to be applied in performing functions or duties or exercising powers under the Act are as detailed under Section 4 (2)(a-p) of the BA 2004.

3. DEFINITIONS OF BUILDINGS COVERED BY THIS POLICY

The definitions of dangerous and insanitary buildings are set out in sections 121 and 123 of the BA 2004 and are as follows:

121 *Meaning of dangerous building*

- (1) *A building is dangerous for the purposes of this Act if,—*
- (a) *in the ordinary course of events (excluding the occurrence of an earthquake), the building is likely to cause—*
 - (i) *injury or death (whether by collapse or otherwise) to any persons in it or to persons on other property; or*
 - (ii) *damage to other property; or*
 - (b) *in the event of fire, injury or death to any persons in the building or to persons on other property is likely because of fire hazard or the occupancy of the building.*
- (2) *For the purpose of determining whether a building is dangerous in terms of subsection (1)(b), a territorial authority—*
- (a) *may seek advice from members of the New Zealand Fire Service who have been notified to the territorial authority by the Fire Service National Commander as being competent to give advice; and*
 - (b) *if the advice is sought, must have due regard to the advice.*

123 *Meaning of insanitary building*

A building is insanitary for the purposes of this Act if the building—

- (a) *is offensive or likely to be injurious to health because—*
 - (i) *of how it is situated or constructed; or*
 - (ii) *it is in a state of disrepair; or*

- (b) *has insufficient or defective provisions against moisture penetration so as to cause dampness in the building or in any adjoining building; or*
- (c) *does not have a supply of potable water that is adequate for its intended use; or*
- (d) *does not have sanitary facilities that are adequate for its intended use.*

4. OVERALL APPROACH

4.1 Policy Principles

Buller District Council has noted that provisions of the BA 2004 in regard to dangerous and insanitary buildings reflect the government's broader concern with the health and safety of the public in buildings and, more particularly, the need to address human safety in the event of an earthquake.

Council is committed to ensuring that the Buller District is a safe and healthy place to live and work while also ensuring that the District continues to develop and thrive. This policy supports the following outcomes from the Buller District Long Term Community Plan:

Outcome 1 Health:	<i>Healthy communities with access to quality facilities and services.</i>
Outcome 3 Safety:	<i>A region that is a safe place to live.</i>
Outcome 4 Environment:	<i>The distinctive character of the environment is appreciated and retained.</i>

This policy was developed and finalized after due consultation with Buller District Council ratepayers and stakeholders in accordance with Section 83 of the Local Government Act 2002.

4.2 District Characteristics

Local buildings comprise a range of types and ages with construction techniques ranging from wood and unreinforced masonry buildings to a few modern multi-storey steel and concrete buildings. The great majority of buildings are one or two-storey only.

5.1 Policy Approach

Conversions of existing buildings, lack of maintenance, lack of appropriate facilities, overcrowding and un-consented alterations can cause serious health and safety problems.

The failure to obtain a building consent or the use of buildings for unauthorised purposes can pose a danger to the occupants as well as users. Dangers may include danger of collapse, inadequate fire protection or means of escape.

The development of the New Zealand Building Code and associated standards creates, over time, an effective “raising of the bar” for the standards which buildings and Building Owners must meet. Existing buildings must be maintained appropriately in order to continue to meet such standards.

The Council is actively involved in educating the public on BA 2004 matters with a view to encourage owners to obtain building consent where necessary. The Council treats building safety as a serious matter; buildings must be safe for their intended use and for Occupiers.

5.2 Identifying Dangerous or Insanitary Buildings

The Council will identify potentially dangerous or insanitary building on the basis of:

1. Complaints from members of the public.
2. Advice received from Council staff.
3. Complaints or advice from other agencies (e.g. local health providers, NZ Police, trades people).

5.3 Assessment/Prioritisation Criteria

The Council will assess potentially dangerous or insanitary buildings in accordance with sections 121 or 123 of the Act as appropriate and in terms of the level of risk to public health or safety that is presented.

The Council will give priority to buildings that have been determined to present such a high level of risk as to warrant immediate action to remove the risk.

Options for such immediate action include:

- Prohibiting any person from occupying or using the building;
- If necessary, erecting barriers and warning signs, plus securing the building to prevent entry until such time as remedial action can be taken;
- Undertaking remedial action under s129 of the BA 2004. Note that, in the case of insanitary buildings, the Council reserves the right to use its powers available under s34 of the Health Act, 1956.

Where the Council undertakes remedial action under either s129 of the BA 2004 or s34 of the Health Act, all costs will be recoverable from the building owner(s) as provided for in the relevant legislation.

Buildings that are determined to present a serious risk which is not immediate will be subject to the minimum timeframes for reduction or removal of the danger (being not less than 10 days) as set out in s124(1) (c) of the Act.

In addition to remedial action, the BA 2004 also empowers the Council to prosecute Building Owners and this power may be considered at times by the Council.

5.4 Investigation and Enforcement Process - Dangerous or Insanitary Buildings

The Council will:

1. Respond to and investigate all building complaints received.
2. Identify from these investigations any buildings that are dangerous or insanitary.
3. Assess the level of risk presented by the building and, if required, take immediate action.
4. Inform the owner and occupier of the building to take action to reduce or remove the danger or insanitary condition, as required by s124 and s125 of the Act.
5. Liaise with the New Zealand Fire Service when Council deems it appropriate, in accordance with s121 (2) of the Act which provides that:

“For the purpose of determining whether a building is dangerous in terms of s121 subsection (1) (b), a territorial authority-

(a) May seek advice from members of the New Zealand Fire Service who have been notified to the territorial authority by the Fire Service National Commander as being competent to give advice; and

(b) If the advice is sought, must have due regard to the advice.”

6. Where the building is a heritage building listed in Council's District Plan or a building listed in the Heritage New Zealand List, the Heritage New Zealand shall also be advised and consulted.

If the building is found to be dangerous or insanitary but does not present an immediate risk the Council may:

7. Attach written notice to the building requiring work to be carried out on the building, within a time stated in the notice being not less than 10 days, to reduce or remove the danger.
8. Give copies of that notice to the building owner, occupier and every person who has an interest in the land, or is claiming an interest in the land, as well as the Heritage New Zealand, if the building is a registered heritage building.

9. Contact the owner at the expiry of the time period set down in the notice in order to gain access to the building to ascertain whether the notice has been complied with.
10. Where the danger is the result of non-consented building work the owner will formally be requested to provide an explanation as to how the work occurred and who carried it out and under whose instructions.
11. Pursue enforcement action under the BA 2004 and Health Act 1956 and recover actual and reasonable costs.

All owners have a right of objection as defined in the Act, which can include applying to the Department of Building and Housing for a determination under s 177(e) of the Act. Council will reserve the right to recover costs of this process from Objectors and / or Building Owners.

5.5 Interaction between this Policy and Related Sections of the Act

Section 41 of the BA 2004 provides for situations where, because of the urgency of the work to be done to remove the danger, it is not practical to apply for a building consent before the work is undertaken. In these cases an application for a certificate of acceptance may be required. However, prior to any action being taken it is essential that building owners provide a written proposal of any proposed works to the Council for agreement on the matter.

5.6 Record Keeping

Any buildings identified as being dangerous or insanitary will have a requisition placed on the Council's records for the property on which the building is situated until the danger or insanitary condition is remedied.

In addition, the information will be placed on any Land Information Memorandum (LIMs) and will be available for public release in accordance with the provisions of Local Government Official Information and Meetings Act 1987.

5. PLANNING

Buller District Council will:

- (i) enter into mutual aid agreements with other Territorial Authorities / Building Control Authorities to share resources;
- (ii) develop a current list of contacts with other organisations that may co-operate during an emergency;
- (iii) use the national rapid assessment forms and stickers when assessing building structural damage;
- (iv) identify priorities for building evaluation; and
- (v) prepare a database for receiving and recording information.

6. OBJECTIONS

In the first instance, building owners or other directly affected parties who wish to object to a building being (or not being) declared dangerous or insanitary should record their objections in writing to the Council's Chief Executive Officer who will undertake an investigation of the circumstances of the building and the reasons behind the Councils' decision on the matter and arrange for the executive management of Council to review the decision and if necessary to hear evidence from parties involved. The executive management decision will be provided by way of response to an objection.

Further legal remedies and application to the Department of Building and Housing for a Determination are also available to Building Owners.

The Council reserves the right to recover actual and reasonable costs incurred in conducting review and objection processes, in accordance with fees set from time to time.

Priority will be given to objections where the building has been declared to be of such as risk as to require immediate remedial action so that no undue delays are caused.

9.1 Determinations

Building owners and a variety of other interested parties can formally object to the Council's decision through the right to apply to the Chief Executive of the Department of Building and Housing for a determination. Determinations can be applied for concerning the Council's decisions to issue or not issue a consent or code compliance certificate, or to exercise its powers concerning dangerous or insanitary buildings. Sections 176 – 190 of the BA 2004 lay out the requirements for determinations.

7. ECONOMIC IMPACT OF POLICY

The economic impact of the dangerous and insanitary buildings is assessed as being minor, since there are relatively few such issues each year.

8. REVIEW

Pursuant to section 132 of the BA 2004 this policy is required to be reviewed by the Council every 5 years. Any amendment or replacement of the policy must be in accordance with the Local Government Act 2002 Special Consultative Procedure.

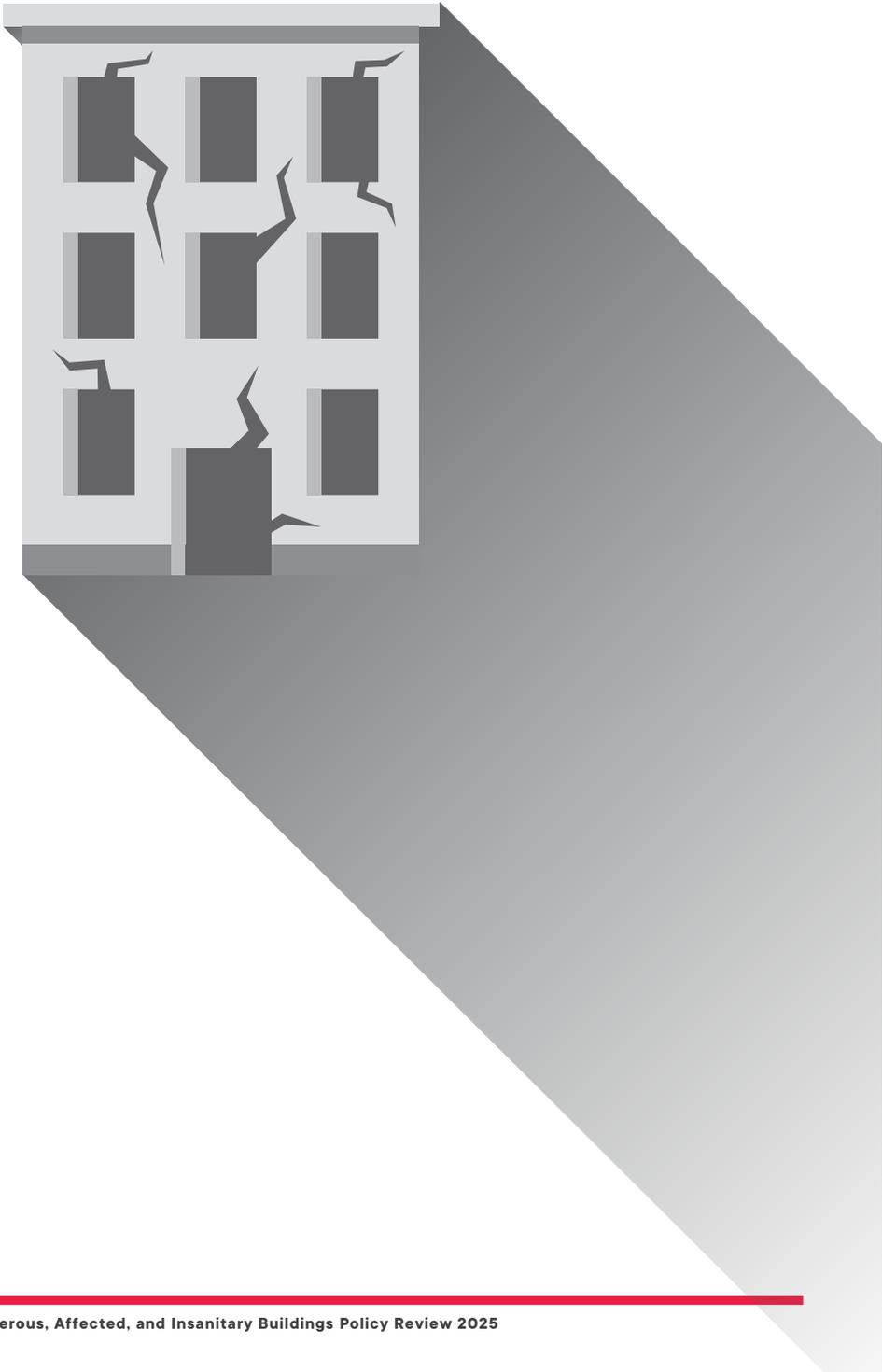
Consultation document



Dangerous, Affected, and Insanitary Buildings Policy Review

2025

Statement of Proposal



Background

Buller District Council's (BDCs) Policy for Dangerous, Affected, and Insanitary Buildings is under review, and we would like your feedback.

Consultation is open from Monday 9 June to 4:30 on Friday 11 July 2025.

The proposal is to adopt an amended Dangerous, Affected, and Insanitary Buildings Policy (attached to this Statement of Proposal). A Policy is required under the Building Act 2004 (the Act) and the current Policy was adopted in 2017. Under Section 132(4) of the Act the Policy is required to be reviewed every 5 years (noting that the existing Policy continues to be active until the review is completed).

Before the Policy is adopted Council must seek the views of the community and consider any submissions received under the requirements of Section 83 (Special Consultative Procedure) of the Local Government Act 2002. After consideration of the submissions Council will decide on a final version of the Policy which will be adopted.

The intent of the Dangerous, Affected and Insanitary Buildings Policy is to reduce the risk of injury, death, ill health or damage that may occur as a result of dangerous, affected, and/or insanitary buildings. We have undertaken a review of our Policy to make sure it is still effective and are proposing some changes to bring the Policy up to date and to make it clear how Council identifies, assesses and manages these buildings.

The draft Policy is attached to this Statement of Proposal and is available on Council's community engagement hub Let's talk Buller.

More information about the proposed Policy, key changes, and how to have your say can be found further on in this document and also on Council's community engagement hub Let's talk Buller.

What is a Dangerous, Affected and Insanitary Buildings Policy?

Each Council must have a Dangerous, Affected and Insanitary Buildings Policy.

This Policy outlines how buildings deemed to be potentially dangerous, affected and/or insanitary will be identified, assessed and categorised, and what action will be taken to address these buildings in the Buller District.

The Policy must include:

- the approach Council will take in relation to at-risk buildings
- Council's priorities for this approach
- how the Policy will apply to heritage buildings.

This Policy does not cover dams, or any part of a building that is a dam, or earthquake-prone buildings as these have their own requirements under the Act.

Why are we reviewing the Policy?

The Policy must be reviewed every five years, in consultation with the community. The Policy is now due for review.

We think that in general our current approach and Policy are working well for our community, but we are proposing some improvements to:

- take account of legislative requirements and changes
- improve transparency and consistency
- include periodic assessments of buildings by staff
- update the Policy structure and general readability of the document

While the general wording of the Policy has been revised for clarity, the practical implementation remains largely unchanged. The proposed Policy will continue to enable a local response in meeting Council's obligations under the Act to identify and remedy dangerous, affected and insanitary buildings. The proposed Policy will contribute to Council achieving the objective of the Act to ensure that buildings do not endanger the health and safety of the people who use them.

We are keen to hear from building owners and our wider community about what you think of the proposed Policy.

Key proposed changes:

Proposal 1: Take account of legislative requirements

Description	Inclusion of 'affected buildings' in the Policy title and references throughout the Policy	
Policy references	1.1 Purpose 1.2 Interpretation 1.5 Background 1.7 Policy principles 2.1 Policy Approach	2.3 Assessment Criteria 2.4 Affected Buildings 2.5 Enforcement and Action 2.9 Record Keeping
Reason	Section 132A of the Act requires the Council to amend any existing Policy to take account of affected buildings. This means that for any building that is in close proximity to a building that is determined as 'dangerous', the Council has the ability to determine whether it fits the definition of 'affected' and to seek to mitigate any risk if it is. The draft Policy includes provisions for 'affected' buildings and the name of the draft Policy has been changed to include 'affected' buildings.	

Description	Interpretation section - includes affected and heritage buildings	
Policy references	1.2 Interpretation	
Reason	The Act requires Council to take into account both affected (S. 132A) and heritage (S. 131) buildings. Definitions of these buildings are therefore included in Section 1.2 (Interpretation) to ensure building owners and the community understand these terms.	

Proposal 2: Improve transparency and consistency active requirements

Description	Inclusion of 'purpose' and expansion of 'principles' on which the Policy is based.	
Policy references	1.1 Purpose 1.6 Building Act 2004 Principles	1.7 Policy Principles
Reason	The purpose and principles form the basis on which the Policy has been developed and reviewed. Their inclusion in the document provides context to the Policy.	

Description	Assessment Priority Matrix and Investigation Process	
Policy references	2.3 Assessment Criteria	2.4 Investigation Process
Reason	Inclusion of the Assessment Priority Matrix in the Policy clearly explains how the assessment of identified buildings is undertaken by Council. The investigation process is also outlined for the different types of buildings covered by the Policy - dangerous, affected and insanitary buildings. This provides the community and building owners with certainty around how buildings are investigated and assessed under the Policy. The assessment criteria and investigation process are current practice for Council. Including them in the Policy itself better informs building owners and the community of the details of the assessment and process.	

Description	Enforcement and Action
Policy references	2.7 Enforcement and Action
Reason	<p>This section outlines the various levels of action needed from the building owners depending on the priority assigned to the building through the use of the assessment priority matrix. It clearly states what is expected from building owners if the outcome of the assessment indicates immediate action is required. If the building presents a serious risk but the priority level is high to low, rather than immediate, the Policy sets out the action that will be taken by Council and references the timeframes set out in the Act. It also notes that Council may place a building identified in a poor state on a register for regular monitoring.</p> <p>This section therefore provides building owners with a clear picture of what will happen if a building has been assessed as dangerous or insanitary.</p>

Description	Record Keeping
Policy references	2.11 Record Keeping
Reason	<p>This section has been expanded to clearly outline the information that will be placed on the Land Information Memorandum (LIM) until the danger or insanitary condition is remedied. This makes the process clear and complete for building owners and those who are seeking LIMs.</p>

Proposal 3: Includes periodic assessments by staff to identify deteriorating buildings.

Description	Additional way of identifying deteriorating buildings - periodic assessments by BDC staff.
Policy references	2.2 Identifying Dangerous and Insanitary buildings
Reason	<p>The Council is committing to periodically undertaking a process to actively identify buildings which are deteriorating in the district. As a result more buildings are likely to be identified and assessed with enforcement and action taken if required. This will assist Council to achieve the purpose of the Policy which is to keep the community safe</p>

Proposal 4: Update the Policy structure and general readability of the document

Description	The structure and readability of the Policy
Policy references	Overall document
Reason	<p>The Council has developed and used a Policy template which enables the reader to navigate the document easily. There are clear headings and a logical structure to the Policy which will help building owners and the wider community to understand the process of identification, assessment and action/enforcement.</p>

Options considered

The Buller District Council has considered the reasonably practical options for the future of the Dangerous, Affected and Insanitary Buildings Policy. The advantages and disadvantages of each option are outlined on the following pages. We are proposing to proceed with Option 1.

Option 1

Adopt the proposed Dangerous, Affected, and Insanitary Buildings Policy

- This is our preferred option.

Advantages

- The Policy has been developed based on latest available information, advice and guidance from the Ministry of Business Innovation and Employment (MBIE).
- It accurately reflects BDCs approach and current practice.
- The flow and readability of the Policy has been improved to assist both staff and community to understand the process.

Disadvantages

- Aspects of the Policy may be unfamiliar to, or unsupported by, the community.

Option 2

Retain the current Dangerous and Insanitary Buildings Policy

Advantages

- The current Policy is familiar to the community and staff

Disadvantages

- Does not reflect current BDC approach or practices.
- Does not align with best practice guidance and advice from MBIE.
- Would be silent on aspects of the Building Act 2004 that are relevant to this Policy.
- Does not take advantage of the opportunity to improve the flow and readability of the Policy.

**Let's
talk**

Tell us what you think:

**What is your
preferred option**



How you can have your say

We welcome your feedback on the Dangerous, Affected, and Insanitary Buildings Policy. Submissions are open from Monday 9 June to 4:30 on Friday 11 July 2025.

You can make your submission by:



Online:

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talk

OR download a submission form and;



Email: Send your submission to
submissions@bdc.govt.nz



Post:

Post to Buller District Council, PO Box 21,
Westport 7866



Deliver:

You can drop it off at Councils' Westport
offices, the Reefton Visitor and Service
Centre and our libraries.



Hearing:

For those wanting to present their views to the Council, a hearing will be held in July/ August 2025. You will need to indicate on your submission form that you would like to attend the hearing and give us an email or physical address for us to make contact with you to confirm a time for you to present your views at the hearing.



BULLER
DISTRICT COUNCIL
Te Kaunihera O Kawatiri

**Dangerous, Affected, and Insanitary
Buildings Policy Review Statement of
Proposal**

May 2025



BULLER
DISTRICT COUNCIL
Te Kaunihera O Kawatiri

Dangerous, Affected and Insanitary Buildings Policy

Creation Date:		Consulted on:	
Approved Date:		Date for Review:	
Author:		Authorised by:	
Version:			
Also, Refer to:			

1. INTRODUCTION

1.1 PURPOSE

The purpose of this Policy is to reduce the risk of injury, death, ill health or damage within Buller communities by identifying and managing dangerous, affected and insanitary buildings in the district.

1.2 INTERPRETATION

Affected building is defined as any building that is adjacent to, adjoining, or nearby -

- a dangerous building as defined in section 121 of the Building Act 2004 (BA2004); or
- a dangerous dam within the meaning of section 153 of BA2004.

Dangerous building is defined under Section 121 of the BA2004 as:

- a) A building is dangerous for the purposes of the BA2004 if, in the ordinary course of events (excluding the occurrence of an earthquake), the building is likely to cause –
 - injury or death (whether by collapse or otherwise) to any persons in it or to persons on other property; or
 - damage to other property; or
 - in the event of a fire, injury or death to any persons in the building or to persons on other property is likely because of fire hazard or the occupancy of the building.
- b) For the purpose of determining whether a building is dangerous in terms of subsection (1)(b), a territorial authority –
 - may seek advice from members of the Fire and Emergency New Zealand (FENZ) who have been notified to the territorial authority by the Fire and Emergency National Commander as being competent to give advice; and
 - if the advice is sought, must have due regard to the advice.”

Insanitary building is defined under Section 123 of the BA2004 as:

A building is insanitary for the purpose of the BA2004 if the building is offensive or likely to be injurious to health because –

- of how it is situated or constructed; or
- it is in a state of disrepair; or
- has insufficient or defective provisions against moisture penetration so as to cause dampness in the building or in any adjoining building; or
- does not have a supply of potable water that is adequate for its intended use; or
- does not have sanitary facilities that are adequate for its intended use.”

Heritage building is defined in the interpretation section of BA2004 and has been summarised for the Buller District as the following:

- a) identified as heritage, including within a scheduled historic heritage place or;
- b) Identified within the Buller District Plan Part 14 Schedule of Historic Buildings and Sites or within the proposed Te Tai o Poutini Plan Schedule One – Historic Heritage (Buildings and Areas);
- c) listed in the New Zealand Heritage List/Rārangi Kōrero under the Heritage New Zealand Pouhere Taonga Act 2014
- d) subject to a Heritage Order, or a heritage-related covenant on the title; constructed prior to 1900.

1.4 Scope:

This document sets out the policy for such buildings as adopted by the Buller District Council (Council) and applies to all buildings within the district.

1.5 Background:

Section 131 of BA 2004 requires territorial authorities to adopt a policy on dangerous and insanitary buildings. In developing this policy, the Buller District Council has balanced the need to protect public health and safety in accordance with the purpose (Section 3) of the BA2004. At the same time the economic implications of requiring significant remedial building work on heritage buildings in relation to community expectations in protecting and preserving heritage buildings also considered.

This document sets out the policy adopted by Buller District Council and includes:

- 1.1. The approach that the Buller District Council will take in performing its functions under BA 2004 which includes the 2013 amendment to BA2004, requiring councils to also consider affected buildings in their policies.
- 1.2. Buller District Council's priorities in performing those functions.
- 1.3. How the policy will apply to heritage buildings.

The Act also specifically recognises that heritage buildings may require a variation to such an approach if their heritage values are to be maintained and not compromised. For instance, council can consider dispensations and waivers for issues of safety and sanitary conditions for heritage buildings and consider lateral or innovative approaches to achieving the desired level of compliance.

In managing dangerous, insanitary or affected buildings a special consideration will also be given to the structural stability and adequate fire protection provisions or means of escape from buildings to ensure a safe egress from a building in a situation of danger which will be considered with any waivers for heritage buildings and earthquake prone buildings.

1.6 Building Act 2004 Principles

The principles to be applied in performing functions or duties or exercising powers under the BA2004 are as detailed under Section 4 (1)(2) (a-q) and 121-132A. Special consideration is to be given to Heritage buildings and will advise Heritage New Zealand Pouhere Taonga as required under Section 125(2)(f) if building work is required and 131(2)(c) in how the policy will apply to heritage buildings and considering earthquake prone buildings which require urgent works to remove or reduce risks under Section 133 (BV)-(BW).

1.7 Policy Principles

Council will continue to investigate complaints made to Council from community, adjoining affected building owners and buildings identified by staff in the course of their work. Council will also identify dangerous, insanitary buildings and buildings that appear to be deteriorated and in poor condition within the district that may not meet the criteria currently but would if no repairs or building work are completed within the near future.

Buildings in a deteriorated or poor condition are placed on a monitoring register and periodically visually assessed on the external condition of the building for residential and also internal condition for commercial/ industrial buildings.

Council will contact these building owners and establish rapport to educate and ultimately improve the living conditions of our communities within the district.

Council is committed to ensuring that the Buller District is a safe and healthy place to live and work while also ensuring that the district continues to develop and thrive.

This policy was developed and finalised after due consultation with Buller District Council ratepayers and stakeholders in accordance with Section 83 of the Local Government Act 2002.

1.8 District Characteristics

The local buildings vary widely in type and age, encompassing construction techniques from traditional wood and unreinforced masonry to modern multi-storey steel and concrete structures. The district has only a few three-storey buildings, with the majority consisting of one or two storeys.

2. POLICY

2.1 Policy Approach:

Council will use a best practice approach in identifying, assessing, prioritising, investigating and enforcement actions for dangerous, insanitary an affected buildings within the Buller District.

A risk matrix will be used to determine the priority criteria of the dangerous, insanitary or affected building types and condition.

A variety of factors can result in a building to be deemed dangerous, insanitary or affected including conversions of existing buildings, lack of maintenance, lack of appropriate facilities, overcrowding and un-consented alterations which can cause serious health and safety problems.

The failure to obtain a building consent or the use of buildings for unauthorised purposes can pose a danger to the occupants as well as users. Dangers may include danger of collapse, inadequate fire protection or means of escape.

The development of the New Zealand Building Code and associated standards has created, over time, the current standards which buildings and Building Owners must meet. Existing buildings must be maintained appropriately to continue to meet such standards.

The Council is actively involved in encouraging the public to discuss their development plans with Council on the BA 2004 matters with a view to encourage owners to obtain building consent where necessary. The Council treats building safety as a serious matter; buildings must be safe for their intended use and for Occupiers which includes affected buildings (effect on adjacent, adjoining or nearby buildings).

2.2 Identifying Dangerous and Insanitary Buildings

The Council will identify potentially dangerous or insanitary building on the basis of: -

- Complaints from members of the public
- Advice received from Council staff
- Complaints or advice from other agencies (e.g. local health providers, NZ Police, trades people)
- Periodically actively identifying buildings in the district that are deteriorating with obvious damage and structural issues that can lead to insanitary, and/or dangerous conditions.

2.3 Assessment Criteria

The Council will assess potentially dangerous or insanitary buildings in accordance with sections 121 or 123 of the Act as appropriate and in terms of the level of risk to public health or safety that is presented. Council will use a 'best practice' approach in managing dangerous, insanitary and affected buildings in the district. This would include responding and investigation of complaints, identifying buildings, prioritising actions, timeframes for notices and building work. The Council will give priority to buildings that have been determined to present such a high level of risk as to warrant immediate action to remove the risk.

The Risk Priority Matrix will be used to determine the priority criteria for dangerous, insanitary and affected buildings.

Assessment Risk Priority Matrix and Priorities for Action

Council will use the following matrix to determine the priority level and therefore timeframe within which the assessment will be completed.

Assessment Priority Matrix

Risk Calculator (Level of Risk x Consequence of Failure)

Level of Risk	CONSEQUENCE OF FAILURE				
	Negligible (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
Very High (5)	5	10	15	20	25
High (4)	4	8	12	16	20
Medium (3)	3	6	9	12	15
Low (2)	2	4	6	8	10
Very Low (1)	1	2	3	4	5

Priority for Action

Priority	Score	Working Days
Immediate	≥15	1
High	10-14	3
Medium	6-9	10
Low	≤5	20

Level of Risk Definitions:

Very high: Accessed daily by large groups of people (e.g. Hospital, education facility, Police station, prison, community centre, supermarket)

High: Accessed regularly by small groups of people (e.g. Office, shops, apartment building)

Medium: Accessed daily (e.g. Dwelling)

Low: Infrequent access, or exposure to hazard (e.g. Detached domestic garage/workshop/sleepout).

Very Low: Unlikely to be occupied, space typically used for storage only (e.g. Farm shed/hay barn).

Consequence of Failure Definitions:

Negligible: No injuries, no inconvenience to building users, no impact on adjacent building/property.

Minor: No injuries, some inconvenience to building users, unlikely to impact on adjacent building/property.

Moderate: No injuries, inconvenience to building users, likely to impact on adjacent building/property.

Major: Serious injury or death, evacuation or short-term sheltering may be required.

Extreme: Multiple deaths/serious injuries, failure of building likely to impact on adjacent building/property, evacuation or short/long term sheltering is required.

2.4 Investigation Process

With regard to investigation the Council will:

- Investigate all buildings complaints received
- Investigate those buildings identified by Council
- Identify from these investigations any buildings that are dangerous or insanitary

- Assess the level of risk presented by the building by using the Assessment Risk Priority Matrix and Priorities for Action above and, if required, take immediate action
- Inform the owner and occupier of the building to take action to reduce or remove the danger or insanitary condition, as defined by Section 121, 123 and powers of Territorial Authority under Section 124 and Section 125 of the Act
- In the case of insanitary conditions will seek advice from the Medical Officer of Health
- Liaise with Fire and Emergency New Zealand (FENZ) when Council deems it appropriate, in accordance with Section 121 (2) of the Act.

2.4.1 Dangerous Buildings

For the purpose of determining whether a building is dangerous in terms of Section 121 subsection (1) (b) of the Act, Council:

- May seek advice from members of FENZ in accordance with Section 121(2) who have been notified to the territorial authority by the FENZ National Commander as being competent to give advice; and
- If the advice is sought, must have due regard to the advice.

Where the building is a heritage building listed in Council's District Plan, Te Tai o Poutini Plan or a building listed in the Heritage New Zealand List, Heritage New Zealand shall also be advised and consulted and the building will be managed in accordance with all relevant policy documents.

2.4.2 Insanitary Buildings

In assessing insanitary buildings in accordance with Section 123 of the BA2004 within Buller District, Council will use some of the following criteria to assess the building.

The council will determine:

- if the building is occupied;
- what the building is being used for; and
- whether the insanitary conditions pose a reasonable probability of being potentially dangerous to the health of any occupants.

Where a building is occupied, considerations may include:

- adequacy of available sanitary facilities;
- adequacy and availability of drinking water;
- ventilation;
- the separation of kitchen and other sanitary facilities;
- potential for moisture penetration taking into account construction materials and any defects in roof and walls; and
- the extent to which the building is offensive to adjacent and nearby properties

- Relevant Building Codes as appropriate which may include any of the following:
 - E1 (Surface Water)
 - E2 (External Moisture)
 - E3 (Internal Moisture)
 - G1 (Personal Hygiene)
 - G3 (Food Preparation)
 - G4 (Ventilation)
 - G12 (Water Supplies)
 - G13 (Foul Water)

2.4.3 Affected buildings

When the Council is satisfied a building is dangerous, the Council will contact the owners of any buildings it considers are, or are likely to be, affected buildings before it takes any action in relation to the dangerous building. The Council will discuss with owners of affected buildings the circumstances of the owner or the future plans for the site. Such knowledge could affect, for example, the time in which repairs are to be undertaken. If the Council decides to issue a notice restricting entry to an affected building (Under Section 124 (1)(b), (c) or (d) BA2004), the Council will ensure the first person to receive a copy of the notice is the owner of the building, followed by the occupants (if any). Copies of notices to owners and occupants will be given in person where practicable.

Where a building is identified as being affected, that information will be put on the relevant property file and disclosed in any land information memorandum or project information memorandum issued for the building, until the danger is removed.

2.5 Enforcement and Action:

2.5.1 Immediate Priority:

When the assessment the Assessment Risk Priority Matrix determines that the building is an Immediate Priority the action may include any or all of the following:

- Prohibiting any person from occupying or using the building;
- If necessary, erecting barriers and warning signs, plus securing the building to prevent entry until such time as remedial action can be taken;
- Undertaking remedial action under s129 of the BA2004. Note that, in the case of insanitary buildings, the Council reserves the right to use its powers available under s34 of the Health Act, 1956.

Where the Council undertakes remedial action under either s129 of the Act or s34 of the Health Act 1956, all costs will be recoverable from the building owner(s) as provided for in the relevant legislation. Council will notify the Medical Officer of Health if there are insanitary conditions or where occupants may be neglected or infirm.

2.5.2 High to Low Priority:

Buildings that are determined to present a serious risk which is not immediate will be subject

to the minimum timeframes for reduction or removal of the danger (being not less than 10 days) as set out in s124(1) (c) of the Act.

If the building is found to be dangerous or insanitary but does not present an immediate risk the Council:

- May seek advice from members of FENZ in accordance with Section 121(2) who have been notified to the territorial authority by the FENZ National Commander as being competent to give advice; and
- If the advice is sought, must have due regard to the advice.
- Attach written notice in accordance with Section 125 of the Building Act to the building requiring work to be carried out on the building, within a time stated in the notice being not less than 10 days, to reduce or remove the danger.
- Give copies of that notice to the building owner, occupier and every person who has an interest in the land, or is claiming an interest in the land, as well as the Heritage New Zealand, if the building is a registered heritage building.
- Contact the owner at the expiry of the time period set down in the notice in order to gain access to the building to ascertain whether the notice has been complied with.
- Where the danger is the result of non-consented building work the owner will be formally requested to provide an explanation as to how the work occurred and who carried it out and under whose instructions.
- Pursue enforcement action under the BA2004 and Health Act 1956 and recover actual and reasonable costs. Council may consider taking action by issuing Notice to Fix in accordance with section 164(1)(a) of the Building Act 2004 if there is reasonable evidence that a specified person is contravening or failing to comply with act' or any regulations.
- Where building work is required and not completed within a reasonable speed under a notice issued, Council will apply to District Court for an order to do so and will notify the owner at least 10 days prior to the application to address the risk to building users or affected buildings in accordance with Section 126-128
- Where any unsafe condition is identified by Council for dangerous substances or inappropriate storage, Work Safe is to be notified in accordance with the requirements set out in Health and Safety at Work Act 2015 (Hazardous Substances Regulation) and Hazardous Substances and New Organisms Act 1996

2.5.3 Additional Powers:

In addition to remedial action, the BA2004 also empowers the Council to prosecute building owners and this power may be considered at times by the Council

2.5.4 Other Buildings

Buildings identified as in poor state but do not fall within the scope of dangerous or insanitary will be placed on the Dangerous Affected and Insanitary Buildings Monitoring register with either a six monthly or annual reinspection assigned to the compliant.

2.6 Heritage Buildings

Waivers and other dispensations will not be automatically granted to heritage buildings under this policy. All owners have a right of objection as defined in the BA2004, which includes applying to the Ministry of Business Innovation and Employment (MBIE) for a determination under Section 177(3)(f) of the BA2004. Council will reserve the right to recover costs of this process from objectors and/or building owners.

2.7 Determinations

If any owner disputes a Council decision, or proposed action, relating to the exercise of the Council's powers under sections 124 or 130 of the BA2004, the owner may apply for a determination from the Chief Executive of the Ministry of Building, Innovation and Employment, under Section 177(3)(f) of the BA2004. Sections 176 – 190 of the BA 2004 lay out the requirements for determinations. Such a determination is binding upon the Council.

The Council reserves the right to recover actual and reasonable costs incurred in conducting review and objection processes, in accordance with fees set from time to time.

2.8 Interaction between this Policy and Related Sections of the BA2004

Section 41 of the BA 2004 provides for situations where, because of the urgency of the work to be done to remove the danger, it is not practical to apply for a building consent before the work is undertaken. In these cases, an application for a certificate of acceptance may be required. However, prior to any action being taken it is essential that building owners provide a written proposal of any proposed works to the Council for agreement on the matter.

2.9 Record keeping

Any buildings identified as being dangerous or insanitary will have a requisition placed on the Council's records for the property on which the building is situated until the danger or insanitary condition is remedied.

In addition, the information will be placed on any Land Information Memorandum (LIMs) and will be available for public release in accordance with the provisions of Local Government Official Information and Meetings Act 1987 and the Local Government Act 2002.

The following information will be placed on the Land Information Memorandum (LIM):

- The notice issued informing the owner that the building is dangerous and where necessary notice of the requirement to evacuate.
- a copy of the letter to owner, occupier and any other affected parties that the building is dangerous; and

- a copy of the notice given under section 124(1) that identifies the work to be carried out on the building and the timeframe given to reduce or remove the danger.

2.10 PLANNING

Buller District Council will:

- enter into mutual aid agreements with other Territorial Authorities / Building Control Authorities to share resources;
- develop a current list of contacts with other organisations that may cooperate during an emergency;
- use the national rapid assessment forms and stickers when assessing building structural damage;
- identify priorities for building evaluation; and
- prepare a database for receiving and recording information.

2.11 ECONOMIC IMPACT POLICY

Due to the very low number of dangerous or insanitary buildings encountered annually by the Council, the economic impact of this policy is considered to be negligible.

3 POLICY REVIEW

Pursuant to section 132 of the BA2004 this policy is required to be reviewed by the Council every 5 years. Any amendment or replacement of the policy must be in accordance with Section 83 of the Local Government Act 2002 (Special Consultative Procedure).

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 6

Prepared by Penny Bicknell
Programme Manager

Reviewed by Paul Numan
Group Manager Corporate Services

Attachments 1. BDC – RIF Application 241218
2. Kānoa - RIF Approval Letter – BDC Port Upgrade
3. DWC – 2025-04-30 Letter Advice Approval of RIF Port

Public Excluded: No

REGIONAL INFRASTRUCTURE FUND – PORT INFRASTRUCTURE

1. **EXECUTIVE SUMMARY**

In August 2024, Buller District Council (BDC) submitted a stage one, preliminary application to the Ministry of Business, Innovation and Employment's (MBIE) Kānoa, Regional Economic Development & Investment Unit (Kānoa) with six infrastructure initiatives for funding with Development West Coast (DWC) agreeing to co-fund Port and Airport initiatives across all three District Councils. The West Coast Ports Infrastructure Upgrade programme comprises multiple upgrade projects across the West Coast's three main ports – Westport Port, Greymouth Port and Jackson's Bay Wharf.

2. In December 2024, Kānoa, invited BDC to submit a full application for the six initiatives (**see attachment 1**).

3. The Westport Port six initiatives are:

- 1) Extension of floating pontoon berths (increased capacity);
- 2) Improved vessel berthing on the Fisherman's wharf;
- 3) Construction of a Roll-On Roll-Off (RORO) ramp facility;
- 4) Extension of dredging capability via a new ancillary dredge pump;
- 5) Infrastructure improvements to the former Holcim #1 wharf area; and
- 6) Wharf capability improvements in the 'Blue Shed' precinct.

4. On 4 March 2025, BDC received formal approval from Kānoa for up to \$3.216 million funding through a Suspensory Loan for initiatives 1 – 4 above, subject to a funding agreement (**see attachment 2**). These initiatives are referred to as 'Stage 1 Resilience upgrade works'. Initiatives 5 and 6 are referred to as 'Stage 2 and it is not known whether approval for funding will be given for these.
5. On 30 April 2025, BDC received formal approval from DWC of the suspensory loan of \$1.656 million for the RIF Westport Port Upgrade project . This was approved by Trustees at their meeting on 28 April 2025, subject to a funding agreement (**see attachment 3**).

6. **DRAFT RECOMMENDATION**

That the Council

- 1) Approves the Ministry of Business, Innovation and Employment RIF Suspensory Loan Agreement for up to \$3.216 million for Stage one of the Westport Harbour Infrastructure Programme**
- 2) Approves the Development West Coast Suspensory Loan Agreement for \$1.656 million in co-funding towards the RIF Westport Harbour Infrastructure Programme**
- 3) Delegate the authority to the Chief Executive Officer to finalise negotiations for the Ministry of Business, Innovation and Employment Loan Agreement. the DWC Loan and any required Security Agreements.**
- 4) Delegate the authority to the Chief Executive Officer to execute the Agreements.**
- 5) Note this project will be added to the 2025/2026 and 2026/2027 budgets as per Financial Delegation 4.9.**

7. **ISSUES & DISCUSSION**

8. **BACKGROUND**

9. The West Coast Ports Infrastructure Upgrade programme is a cross-region initiative to improve the resilience and efficiency of the region's ports
10. The West Coast Ports Infrastructure Upgrade programme comprises multiple upgrade projects across the West Coast's three main ports – Westport Port, Greymouth Port and Jackson's Bay Wharf.

11. This RIF investment proposal focuses on planned Stage 1 Resilience upgrade works for Westport Port which have a low commercial potential.
12. Stage 1 will provide the foundation to enable Stage 2 to take place. Stage 2 will be focused on elements that will support crowding-in of new partnership with the mining company Westland Mineral Sands Group and, if approved, would be progressed as a commercial partnership arrangement with Westland Mineral Sands Group.
13. The proposed works across Stage 1 at Westport have a total project value of \$4.872 million.
14. The infrastructure upgrades provide an important resilience role for the West Coast region and wider South Island by providing facilities that offer emergency management functions for access to the region supporting the recovery of the regional economy in the case of natural disasters.
15. Development West Coast (DWC) has committed funding of up to up to \$1.656 million co-investment for the port upgrade projects. (As Resilience projects, the level of co-funding required is between 30 – 40 percent and for the purposes of this proposal were assessed by Kānoa at 34%).
16. The projects are strategically aligned with the aims of the RIF established by Cabinet as they:
 - a. are resilience infrastructure which will increase the capacity of the port to respond to and continue economic activity during major events such as extreme weather.
 - b. align with West Coast's regional priority for infrastructure resilience.
 - c. help address long-standing regional challenges around climate change adaptation and mitigation.
17. The upgrades support wider regional benefits through complementary activity including the enablement and expansion of mining logistics for mines in the wider region, and the expansion of facilities provided to the growing number of fishing fleet operators accessing Westport and Greymouth Ports.
18. Benefits of investment include:
 - a. Improved functionality for the ports and wharves, including enhanced transport logistics for the mineral sector.
 - b. Improved port financial viability through better functionality, capacity and increased scale.
 - c. Reduced impacts of major seismic and weather events by providing sea access to the West Coast.

19. **Alignment with other government programmes and priorities**
Infrastructure upgrades are needed for West Coast ports to continue to support the local and wider regional fisheries sector
20. As part of its plan to rebuild and grow the economy, the Government is aiming to double exports over the next 10 years to support the growth of the New Zealand economy.
21. This recognised the ocean economy as a key sector to enable growth, with coalition commitments in place to make it easier to consent new fisheries and aquaculture infrastructure. The sector offers an opportunity for New Zealand to diversify its economic and trade profile and grow new employment opportunities for our regions.
22. **Confirmation of this project as a strategic priority for the West Coast region**
The West Coast Mayors and Chairs forum confirmed that the Hokitika Airport upgrade and the West Coast Ports Upgrade programme are among the highest resilience projects for the region – and provide an enabling platform to support the growth of the tourism, fishing and mining sectors.
23. As an example, the upgrade of the Ports will enable the investment into bulk logistics infrastructure which is crucial for the transportation of heavy minerals concentrate out of the West Coast (aligning with central government aspirations to double exports within the next ten years). The ongoing viability of a commercial airline operator to be able to continue to provide a safe and reliable service to an upgraded airport facility at Hokitika ensures technical and specialist fly-in fly-out staff from the new Westland Mineral Sands and TiGa Resources mines being established at Ruatapu and Barrytown respectively as well as the Snowy River goldmine, east of Greymouth which is moving into full production.

24. **The Stage 1 projects are summarised as follows:**

No.	Project Description	Total Project Cost	Kānoa RIF funding
1	Expansion of floating pontoon structure – addition of 15 marina berths to the existing floating pontoon structure due to being at full capacity with a waitlist of up to nine commercial operators requiring berth space. [Stage 1]	\$3.157 million	\$2.084 million
2	Fisherman's Wharf Upgrade – installation of new fenders / buffers on the 180 metre Fisherman's Wharf so smaller commercial vessels can access the facility. This is currently not possible given the current spacing of wharf piles which mean smaller vessels are at risk of being crushed beneath the wharf as the tide rises. [Stage 1]	\$0.245 million	\$0.162 million
3	Roll-on / Roll-off (RORO) Ramp Facility – installation of a RORO facility to support response and recovery options for flat-bottomed barges and vessels to access and deliver bulk resources to and from the district in the event of a natural disaster i.e. Alpine Fault rupture (AF8), flood events. [Stage 1]	\$1.155 million	\$0.762 million
4	Ancillary pump for Kawatiri Dredge – installation of a new Bell 200 pump on the dredge to ensure the safe operating viability of Westport Harbour (and other commercial harbours the dredge currently services). The existing dredging capability is based on suction and grab equipment that operates beneath the vessel footprint meaning dredging is only possible in places that the dredge can navigate over leaving considerable 'blind' spots in harbours and channels. [Stage 1]	\$0.315 million	\$0.208 million
	Total DWC co-funding Total RIF funding	\$4.872 million	\$3.216 million \$1,656 million \$4,872 million

25. **FINANCIAL OBLIGATIONS**

The Ministry and DWC are offering Suspensory Loans for the Project.

26. The contracting process creates no rights or obligations on either party until a Loan Agreement has been signed on behalf of both parties and exchanged.

27. Both Suspensory Loans will be suspended on the Maturity date in part or full pari passu.

28. Principal and interest will accrue to the Maturity date with no repayments.

29. On completion of the project, BDC will supply independent certification confirming completion and can then request that the Ministry and DWC cancel the Facilities and write-off all Amounts Outstanding.

30. If satisfied that the Project is complete and with the Cancellation Request, the Ministry and DWC will by notice to the Borrower cancel the Facility and write off all Amounts Outstanding, in which case the Borrower will have no further obligation under the Loan Agreements. Any Security Documents will then be released.

31. **OPTIONS**

32. **Option 1 – Status Quo**

This option would maintain the status quo of the Port with no additional investment in infrastructure

33. **Advantages**

- No financial risk or additional debt incurred by Council.
- Avoids potential administrative complexities related to the Port and funding agreements
- No disruption to Port operations whilst the project is completed

34. **Disadvantages**

- Non-alignment with strategic priorities of the West Coast Region
- Missed opportunity for additional berthing opportunities and income
- Missed opportunity for safer berthing for fishing vessels which would attract vessels that currently avoid Westport Harbour for safety reasons
- Missed opportunity to establish additional Resilience infrastructure for emergency purposes
- Missed opportunity to enable the Kawatiri dredge to operate in restricted areas.

35. **Option 2 – RIF – Westport Harbour Infrastructure Programme**
This option takes advantage of the Suspensory loan being offered by the Ministry of Business, Innovation and Employment and the co-funding from DWC being offered via a Suspensory Loan to BDC to fund the Stage 1 infrastructure programme.
36. **Advantages**
- Alignment with West Coast Region strategic priorities
 - Alignment with other Government programmes and priorities
 - Fifteen new Marina berths bringing additional revenue for the Port
 - Safe berthing at Fisherman’s wharf for smaller fishing vessels
 - Installation of a RORO ramp facility to support response and recovery in a state of emergency
 - Ancillary pump for the Kawatiri dredge allowing the dredge to work in more restricted spaces which will increase the commercial opportunities at other Ports
37. **Disadvantages**
- Some financial risk should the project not be completed
 - Administrative complexities with loan funding and securities
 - Some disruption to Port activities whilst the project is being delivered
38. **RECOMMENDED OPTION**
Option Two is the recommended option
39. **NEXT STEPS**
1. Finalise the Funding agreements with the Ministry and DWC
 2. Satisfy any Conditions Precedent outlined in the Funding Agreements
 3. Project Implementation and Procurement
40. **CONSIDERATIONS**
41. **Strategic Impact**
This project aligns with the BDC 2021-2031 Long-Term Plan KPI for Port activities to be ring-fenced.
42. **Significance Assessment**
Section 76AA of the Local Government Act requires the Council to adopt a policy on significance and engagement.
43. This report is assessed as being of low significance.

44. **Risk Management Implications / Opportunities**
The following risks or opportunities are identified with the issues identified in this report.
- There is a risk to Council should the programme commence and not be completed. This risk is seen as low.
 - The programme of work delivers commercial opportunities for Port operations.
45. Engagement – external
There has been no external engagement.
46. Engagement – internal
Internal engagement has taken place with Harbour staff to ensure alignment with Harbour strategy
47. **Policy & Legislative Considerations**
- Legal advice will be considered in negotiating the loan agreements
 - This proposal does not depart from any Council policy
48. **Māori Impact Statement**
The 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.
49. **Financial Considerations**
On completion of the projects there is no financial implication relevant to this decision
50. **Communication Internal / External**
The Ministry announced the RIF funding through a Media Release



Application for Funding Regional Infrastructure Fund (RIF)

About this form

The purpose of this form is for potential projects to be tested by Kānoa – Regional Economic Development & Investment Unit ('Kānoa – RD') against the Regional Infrastructure Fund settings and eligibility criteria and to test your projects alignment with the RIF objectives. Before completing this form we recommend that you read the full eligibility criteria which can be found at: [RIF Eligibility Criteria | Grow Regions](#).

If Kānoa – RD has invited you to apply:

Please complete the full application form and submit this to Kanoa@mbie.govt.nz. Projects may be invited to apply by Kānoa – RD where potential applicants have discussed a project with a Kānoa – RD representative and they believe the project to likely be eligible. Please also supply all required documents as mentioned in Section 7, Question 22.1 of this form.

If Kānoa – RD has not invited you to apply

Please complete and submit only Section 1 and Appendix 1 (Terms and Conditions and Declarations) of this application form and submit this to Kanoa@mbie.govt.nz. Kānoa – RD will then assess the information in Section 1 to determine your projects eligibility, if your project has been determined as eligible you will then be invited to complete the remainder of the application (Section 2-7). If you are unsure if you are eligible for funding we encourage you contact your Kānoa – RD Regional Advisor through the enquiry portal [Contact us | Grow Regions](#).

Completing and submitting your application

If you have any questions regarding the form or process please refer to the GrowRegions website [RIF Application Process | Grow Regions](#) or contact Kanoa@mbie.govt.nz or your Kānoa – RD regional contact.

If you are referencing content within documentation that is being supplied in addition to this application, e.g. a business case, consents, feasibility study etc., please reference the title and relevant page of the appropriate document throughout this form.

By submitting your application form and pro forma you are agreeing to the terms and conditions of applying for Regional Infrastructure Fund investment which can be found in Appendix 1.

If you are applying on behalf of several parties, you need the consent of all parties to submit this application. An Agent with Authority to act can add other applicants during the application process. You will be the point of contact for this application, but you must give us all required information about all applicants.

Next Steps

1. Complete relevant sections of this form:
 - a. Section 1 and Appendix 1 only if you have not been invited to apply by Kānoa – RD.
 - b. The full application if Kānoa – RD has invited you to submit the full application.
2. Email your completed form to Kanoa@mbie.govt.nz.
3. Applicants will receive acknowledgment of their submission.
4. Applications will be assessed for eligibility and alignment with RIF objectives.
5. Kānoa – RD will advise whether your application can proceed or is ineligible. If your application can proceed, you will be invited to complete the Sections 2-7 (for those that were not originally invited to apply).
6. Kānoa – RD will be in contact if there are any questions regarding the content of your application. If insufficient evidence or information is provided this will prevent Kānoa – RD's evaluation from proceeding.
7. Once assessment is complete, Kānoa – RD will provide recommendations to decision makers.

Section 1: Key Information

1. Provide the details of the applicant organisation/entity for which funding is being requested:

Applicant Entity legal name:	<input type="text"/>
Contracting Entity legal name (if known):	<input type="text"/>
Contracting Entity type:	<input type="text"/>
Registered Office address:	<input type="text"/>
Entity or business website (if applicable):	<input type="text"/>
New Zealand Business Number (NZBN):	<input type="text"/>
Registered Company Number:	<input type="text"/>

2. Provide the details for the key contact person for this application:

Contact name and role:	<input type="text"/>	
Email address:	<input type="text"/>	Telephone: <input type="text"/>

3. Provide a brief description on what the funding sought from the Regional Infrastructure Fund would be used for:

Project Title:	<input type="text"/>
Brief project description:	<input type="text"/>

4. Describe what the co-funding (funding not from the RIF) will be used for. Additionally, if this is part of a wider project and/or programme, and/or it links to other projects, please provide details of this:

<input type="text"/>

5. Provide the details of the proposed project location:

Region:	<input type="text"/>	District:	<input type="text"/>
Physical Address:	<input type="text"/>		
Owner(s) of the project land (according to Land Title):	<input type="text"/>		

6. Select the sector that will benefit the most from the completion of the proposed project:

Sector	
--------	--

7. Please provide dates and commentary on the various stages of your proposal:

Stage	Date completed or forecast to be complete	Description (include commentary on activities that the forecast is contingent upon e.g. when consenting or design needs to conclude)
Consenting		
Detailed design, costing and procurement		
Capital raise / co-funding secured		
Construction Commencement		
Construction period		

8. Please check applicable boxes and provide brief information where necessary against each of the following eligibility criteria, please note this is only a portion of the eligibility criteria as some are answered throughout this form. For the full eligibility criteria please check [RIF Eligibility Criteria | Grow Regions](#):

#	Criteria – The proposed project . .	Check if applicable	How does your project satisfy the relevant criteria?
1	Will focus on delivering a 'hard infrastructure' asset or completing physical works that protect existing Crown/local infrastructure or assets developed through the RIF.	<input type="checkbox"/>	
2	Will contribute to improving regional resilience and/or productivity.	<input type="checkbox"/>	

3	Fits at least one of the RIF funding component definitions (Resilience or Enabling infrastructure).	<input type="checkbox"/>	Component:	
			Explain how:	
4	Is connected to regional priorities and can demonstrate evidence of relevant regional and local support, either through existing regional development mechanisms, or through another relevant body such as a council, iwi, economic development governance group or other representative group.	<input type="checkbox"/>		
5	Can be delivered, including an implementation plan appropriate to the size, scale and nature of the project, robust project governance/decision-making systems and risk identification and management.	<input type="checkbox"/>		
6	Requires government financial support to progress or to crowd-in private investment (either within the proposed region or elsewhere) – i.e., the project would otherwise not progress without RIF support.	<input type="checkbox"/>		
Additional Eligibility Criteria if your project is for an asset in an individual business:				
7	Will catalyse benefits or services for other businesses or the community.	<input type="checkbox"/>		
8	Be with a business that has a primary focus on at least one of the following areas: Energy security, Water Security, Food Security, Connectivity (transport solutions or digital connectivity) or growth of a Māori-owned business that is critical to enabling outcomes throughout a community or region.	<input type="checkbox"/>		

¹ For more information on K?noa – RD key phrases please visit [RIF Key Phrases | Grow Regions](#)

9. Please set out the proposed sources of funding to complete your proposed project:

Source of Funding ² :	Funding Type <i>[Grant / Loan / Equity / Asset / In-Kind / TBC]</i>	Amount (\$)	Status / Commentary <i>[i.e., secured / in principle / to be confirmed]</i>
Regional Infrastructure Fund (via this application)			
Total Project Cost/Funding Required:			

Read before progressing

If you have not contacted and been invited to submit a full application by your Kānoa – RD regional advisor (who can be contacted through [Contact us | Grow Regions](#) to discuss your projects likely eligibility), please complete Section One and Appendix One only and submit to Kanoa@mbie.govt.nz, Kānoa – RD will then assess your eligibility information and either;

1. Invite you to submit a full application if you satisfy the eligibility criteria; or,
2. Advise you that your project is ineligible for funding from the Regional Infrastructure Fund.

The remaining sections (2-7) are only required in you have been invited to submit a full application.

² If you have more co-funding entities than lines available in this form, please email Kanoa@mbie.govt.nz with a full table breakdown of all co-funding entities along with the submission of your application.

Section 2: Detailed Project Information and Outcomes

- 10. Please attach with this application a project budget with applicable milestones included.
- 11. Please provide a copy of any consents obtained for the proposed project with this application.
- 12. Estimate the average Full-Time Equivalents (FTE) per year required to deliver this project and created FTE as a result of the proposed project (if any):

Occupations	Average FTE (Annually)	
	During construction	Post construction
Managers (including project managers)		
Professionals (including accountants, engineers, architects, etc)		
Technicians and trades workers		
Machinery operators and drivers		
Labourers		
Retail, clerical and administrative workers		
Other		
Total FTE		

- 13. List the key benefits of your project on the wider community, region, economy and/or sector including years from commencement for realisation e.g. From Year 2, Years 2-5. If any economic impact assessment studies have been done, please attach submit them along with your application form.

Rank	Main benefits	How the project provides this benefit	Value (\$ or Low / Medium/High)	Year/s
1				
2				
3				
4				
5				

14. Please indicate which of the following RIF outcomes your project will contribute to, how it will deliver on the objective (if it does), and in what years from commencement will it contribute (Year 1, 2, 5, 30+ etc.). Projects do NOT need to fit all outcomes.

Overall RIF outcomes	Applicable	How will the project contribute to this	From Year...	To Year...
Increased flood protection				
Reduced impacts of natural disaster				
Vital assets and services protected				
Increased water security				
Increased private investment in local economies				
Improved access to finance for local firms and Māori				
Strengthened local & Māori economies & communities				
More local jobs				
More high-pay local jobs				
Increased local innovation				
Increased local productivity				

Section 3: Commercial Information

15. Please provide a copy of any business case and cost benefit analysis (or equivalent) if you have one with this application.
16. Please describe the commercial case of the project in terms of:
- › Identified need for this infrastructure for users;
 - › Current and projected demand (indicate any offtake/supply agreements if there are any in place);
 - › Competitive environment and other key players in the market; and,
 - › Logistics requirements for movement of key materials and products.

Section 4: Financial Information

17. As part of the evaluation, we will undertake a financial analysis of the recipient, and the proposed project. Please provide information on the following aspects:
- › Financial position of the proposed funding recipient (historical financial statements, and forecasts – as set out below)
 - › Why funding cannot be sourced from other sources (e.g., banks, investors)?
 - › Details of any borrowings of the contracting entity
 - › Council applicants, please provide details of your most recent credit rating, debt ceiling limits and interest rates offered by the Local Government Funding Agency (LGFA).

18. Please attach with this application a copy of your financial statements for the last three years (including cashflow, balance sheet, profit and loss).
19. Please attach with this application a copy of qualified accountant produced profit and loss, cashflow and balance sheet forecasts (minimum 3 years), including a summary of underlying assumptions

Section 5: Management Analysis

20. Please provide responses to the following questions to support Kānoa management analysis in relation to the proposed contracting entity:

#	Question	Response		
1	What is the ownership structure?			
2	What is the management structure?	Role	Name	Relevant Experience
3	Who will manage the project?	Role	Name	Relevant Experience
4	How will the project be delivered?			

5	What are the workforce requirements, and is this workforce available?	
6	How will this project impact on your delivery of your usual business?	
7	What are your plans for future ownership of this infrastructure and the operational requirements?	

Section 6: Risks and mitigations information:

21. Please describe the key risks (e.g. project delivery, construction, operational, macroeconomic) that you have identified and mitigations for each risk. If you have a risk management plan, please provide that with this application.

Risk	Mitigation	Rating [High / Medium / Low]

Section 7: Applicant and submission readiness

22. Please check applicable boxes where necessary against each question of readiness.

#	Checklist for required and optional documents:	Check if applicable
1	Necessary documents include: <ul style="list-style-type: none"> › Copies of Consents › Project budget identifying applicable milestone payments › Financial statements for the last three years (including cashflow, balance sheet, profit and loss) › Qualified accountant produced profit and loss, cashflow and balance sheet forecasts (minimum 3 years), including a summary of underlying assumptions › Trust Deed (if applicable) 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
2	Optional documents if already available: <ul style="list-style-type: none"> › Feasibility Study › Business Case › Cost Benefit Analysis › Information Memorandum (if used for capital raising) › Risk Management Plan › Economic Impact Assessment › Cultural Impact Assessment › Environmental Impact Assessment › Letters of Support › Governance Structure › Other, please describe in your response to Question 23. 	<input type="checkbox"/> <input type="checkbox"/>

23. Is there anything else you would like to tell us about your project, that has not been covered in this application:

Appendix 1 – Terms and conditions of this application

General

The terms and conditions are non-negotiable and do not require a response. Each applicant that submits an application request for the Regional Infrastructure Fund (“RIF”) funding has confirmed by submitting this application that these terms and conditions are accepted without reservation or variation.

The Regional Infrastructure Fund is a government initiative which is administered by Kānoa – Regional Economic Development & Investment Unit (“Kānoa – RD”), a unit within the Ministry of Business, Innovation and Employment. Any reference to Kānoa – RD in these terms and conditions, is a reference to MBIE on behalf of the Crown.

Reliance by Kānoa – RD

Kānoa – RD may rely upon all statements made by any applicant in an application and in correspondence or negotiations with Kānoa – RD or its representatives.

Each applicant must ensure all information provided to Kānoa – RD is true and accurate at the time of submission. Kānoa – RD is under no obligation to check any application for errors, omissions, or inaccuracies. Each applicant will notify Kānoa – RD promptly upon becoming aware of any errors, omissions, or inaccuracies in its application or in any additional information provided by the applicant.

Ownership and intellectual property

Ownership of the intellectual property rights in an application does not pass to Kānoa – RD. However, in submitting an application, each applicant grants Kānoa – RD a non-exclusive, transferable, perpetual licence to use and disclose its application for the purpose of assessing and decision making related to the RIF application process. Any hard copy application or documentation supplied by you to Kānoa – RD may not be returned to you.

By submitting an application, each applicant warrants that the provision of that information to Kānoa – RD, and the use of it by Kānoa – RD for the evaluation of the application and for any resulting discussions, will not breach any third-party intellectual property rights.

Confidentiality

Kānoa – RD is bound by the Official Information Act 1982 (“OIA”), the Privacy Act 2020, parliamentary and constitutional convention and any other obligations imposed by law. While Kānoa – RD intends to treat information in applications as confidential to ensure fairness for applicants during the assessment and decision-making process, the information can be requested by third parties and Kānoa – RD must provide that information if required by law. If Kānoa – RD receives an OIA request that relates to information in this application, where possible, Kānoa – RD will consult with you and may ask you to confirm whether the information is considered by you to be confidential or still commercially sensitive, and if so, to explain why.

Kānoa – RD may disclose any application and any related documents or information provided by the applicant, to any person who is directly involved in the RIF assessment process on its behalf including officers, employees, consultants, contractors and professional advisors of Kānoa – RD or of any government agency. The disclosed information will only be used for the purpose of participating in the RIF application and assessment process, which may include carrying out due diligence.

In the interests of public transparency, if an application is approved for funding, the application (and any related documents) may be published by Kānoa – RD. Commercially sensitive and personal information will be redacted by reference to the provisions of the Official Information Act 1982.

Limitation of Advice

Any advice given by Kānoa – RD, any other government agency, their officers, employees, advisers or other representatives about the content of your application does not commit the decision maker.

No contractual obligations created

No contract or other legal obligations arise between Kānoa – RD and any applicant out of, or in relation to, the application and assessment process, until a formal written contract (if any) is signed by both Kānoa – RD and a successful applicant.

No process contract

The RIF application and assessment process does not legally oblige or otherwise commit Kānoa – RD to proceed with that process or to assess any particular applicant’s application or enter into any negotiations or contractual arrangements with any applicant. For the avoidance of doubt, this application and assessment process does not give rise to a process contract.

Costs and expenses

Kānoa – RD is not responsible for any costs or expenses incurred by you in the preparation or processing of an application.

Exclusion of liability

Neither Kānoa – RD or any other government agency, nor their officers, employees, advisers or other representatives will be liable (in contract or tort, including negligence, or otherwise) for any direct or indirect damage, expense, liability, loss or cost (including legal costs) incurred or suffered by any applicant, its affiliates or other person in connection with this application and assessment process, including without limitation:

- a. the assessment process
- b. the preparation of any application
- c. any investigations of or by any applicant
- d. concluding any contract
- e. the acceptance or rejection of any application, or
- f. any information given or not given to any applicant(s).

By participating in this application and assessment process, each applicant waives any rights that it may have to make any claim against Kānoa – RD. To the extent that legal relations between Kānoa – RD and any applicant cannot be excluded as a matter of law, the liability of Kānoa – RD is limited to \$1.

Nothing contained or implied in or arising out of the RIF documentation or any other communications to any applicant shall be construed as legal, financial, or other advice of any kind.

Inducements

You must not directly or indirectly provide any form of inducement or reward to any officer, employee, advisor, or other representative of Kānoa – RD or any other government agency in connection with this application and assessment process.

Governing law and jurisdiction

The RIF application and assessment process will be construed according to, and governed by, New Zealand law and you agree to submit to the exclusive jurisdiction of New Zealand courts in any dispute concerning your application.

Public statements

Kānoa – RD and any other government agency, or any relevant Minister, may make public in whole or in part this application form including the following information:

- > the name of the applicant(s)
- > a high-level description of the proposed activity
- > the total amount of funding and the period for which funding has been approved (if successful)
- > the region and/or sector to which the project relates

Kānoa – RD asks applicants not to release any media statement or other information relating to the submission or approval of any application to any public medium without prior written agreement of Kānoa – RD.

Use and disclosure of information

Kānoa – RD will require you to provide certain information, including personal information, on application forms if you wish to apply for funding and for the purpose of administering the RIF. Providing this information is voluntary, but If you do not provide all the information that is required on an application form, Kānoa – RD may be unable to process or otherwise progress your application.

If personal information is collected, it will be managed according to this privacy statement. MBIE will generally only use personal information provided in the application process for the purpose of administering the RIF which includes assessing an application you have submitted, contracting, monitoring compliance and reporting. Please do not provide more personal information about yourself or others than is required or requested. Information collected may be subject to Official Information Act and/or Privacy Act requests.

Kānoa – RD may use personal information provided to them through the application and while administering the RIF for other reasons permitted under the Privacy Act (e.g., with your consent, for a directly related purpose, or where the law permits or requires it).

MBIE may disclose the information collected, including personal information, within MBIE or externally, for example, with Ministers and other Government Agencies for the purpose of administering the RIF and reporting on it. Otherwise, MBIE will generally not otherwise disclose personal information provided or collected through this application unless required or otherwise permitted by law. For example, we may seek your consent to undertake additional due diligence checks and request information from other relevant third parties. If an application is approved for funding, information provided in the application and any related documents may be used for the purpose of contracting.

You have the right to ask for a copy of any personal information that is held about you and to ask for it to be corrected if you think it is wrong. To do so, please contact us at Kanoa@mbie.govt.nz. Please also contact us at this email address if you would like certain information not to be externally disclosed, and MBIE will consider the request upon our own review of reasons raised to withhold information.

Electronic signature

You can only file documents and information with Kānoa – RD using an electronic signature if you are the signatory or have authority to act on behalf of the signatory, and are using software that complies with Kānoa – RD standards, in particular keeping records of transactions where an electronic signature has been used. Once a document with your electronic signature has been filed with Kānoa – RD, the information is considered:

- › provided with your full knowledge and agreement
- › authentic and accurate
- › not amended after your electronic signature was added to the document, unless a change has been clearly marked on the document.

You're responsible for:

- › safeguarding how and when your electronic signature and credentials are used on documents and information
- › managing who has authority to use your electronic signature on your behalf, for example, a chartered accountant.

If your electronic signature on a document or information is filed with Kānoa – RD, you won't be able to dispute having signed and approved the document or information. If Kānoa – RD question the authenticity of an electronic signature or online transaction, you must be able to demonstrate on request the validity of the software used to apply your electronic signature to the document.

You must use electronic signature software that captures authentication, time and source details for any online transaction where a document with your electronic signature has been filed. These details must be held within the software itself, in the form of a file that:

- › is maintained in its original form with no amendments, and
- › can be provided to Kānoa – RD, if requested, within a specified time.

The file must be treated as a record, as defined by the Companies Act 1993, and a business record as defined by the Evidence Act 2006.

Declarations

1. The contracting entity is compliant and will continue to comply with all applicable laws, regulations, rules and professional codes of conduct or practice including but not limited to health and safety and employment practices Yes: No:
2. Has this applicant ever been declined Crown Funding in the past? Yes: No:
3. Has the applicant or the contracting entity ever been insolvent or subject to an insolvency action, administration or other legal proceedings? Yes: No:
4. Has any individual involved in the proposed project (including the Applicant’s Leadership Team, directors, partners, or trustees, or any key members of the project) ever been insolvent or subject to an insolvency action, administration or other legal proceedings, or actively involved in any organisation which has? Yes: No:
5. Has any individual in the proposed project (including the Applicant’s Leadership Team, directors, partners, or trustees, or any key members of the project) ever been adjudged bankrupt or is an undischarged bankrupt? Yes: No:
6. Has any individual in the proposed project (including the Applicant’s Leadership Team, directors, partners, or trustees, or any key members of the project) ever been under investigation for, or been convicted of, any criminal offence? Yes: No:
7. The applicant has no outstanding tax or rate obligations as at the time of application. Yes: No:
8. Are there any actual, potential or perceived conflicts of interest that the applicant or any of the key personnel have in relation to this project.³ Yes: No:

If you answered “No” to question 1 or “Yes” to any question from 2 to 8 please provide a description below:

³ “In a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully. . .” www.oag.govt.nz/2007/conflicts-public-entities

By completing the details below, the applicant makes the following declarations about its application for Kānoa – Regional Economic Development & Investment Unit funding for the project (“application”):

- I have read, understand and agree to the Terms and Conditions of applying for Kānoa – Regional Economic Development & Investment Unit funding which are attached as Appendix 1.
- The statements and the Declarations in the application are true and the information provided is complete and correct, and there have been no misleading statements or omissions of any relevant facts, nor any misrepresentations made.
- I have secured all appropriate authorisations to submit the application, to make the statements and to provide the information in the application.
- I have obtained the permission of each member of the project team to provide the information contained in this application and those individuals are aware of, and agree to, the Terms and Conditions of applying for Kānoa – Regional Economic Development & Investment Unit funding which are attached as Appendix 1.
- I consent to this application being publicly released if funding is approved.
- The applicant warrants that it has no actual, potential or perceived conflict of interest (except any already declared in the application) in submitting the application or entering into a contract to carry out the project. Where a conflict of interest arises during the application or assessment process, the applicant will report it immediately to Kānoa – Regional Economic Development & Investment Unit by emailing Kanoa@mbie.govt.nz.
- I understand that the falsification of information, supplying misleading information, or the suppression of material information in this application, may result in the application being eliminated from the assessment process and may be grounds for termination of any contract awarded as a result of this application process.
- The applicant consents to Kānoa undertaking due diligence including any third-party checks as may be required to fully assess the application.

Full name:

Title / position:

Signature / eSignature: 

Date: / /
DD MM YYYY



Attachment 1: Location plan of application initiatives

Attachment 2: Details and scope of application initiatives

Initiative 1: Floating Pontoon Extension

Estimated cost: \$3,157,000

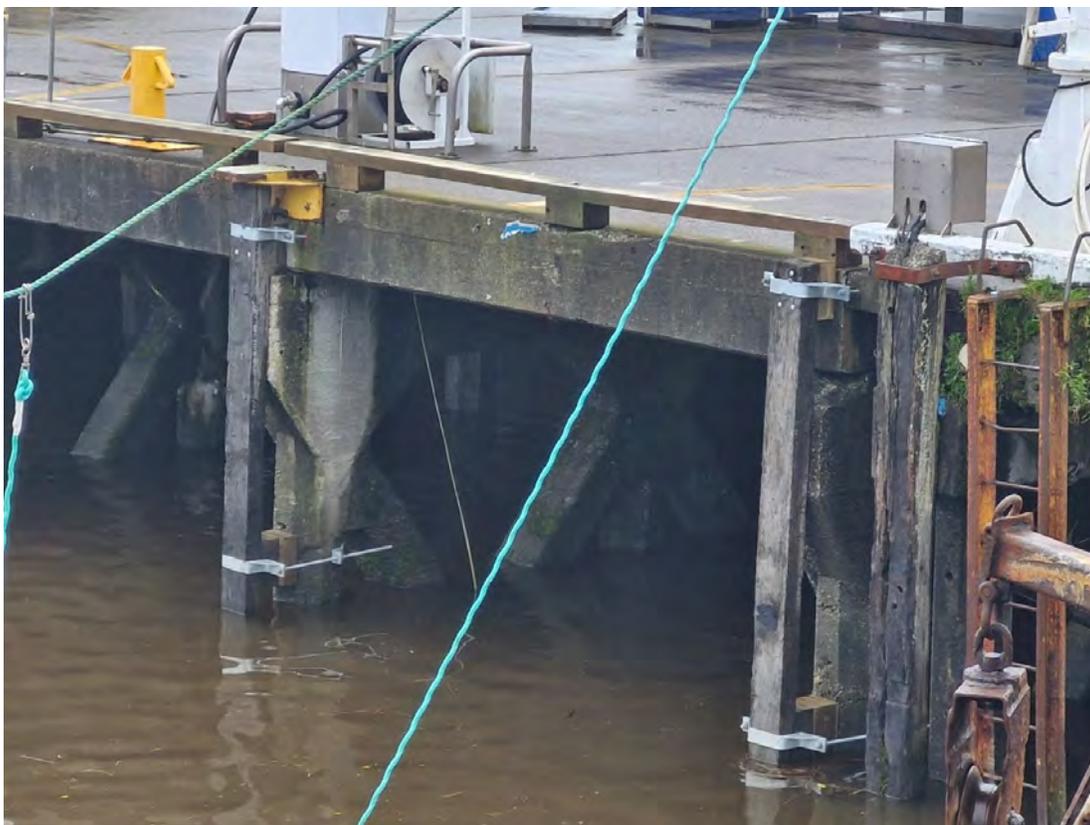
Description/background: In 2020, the current floating pontoon structure was installed. 32 vessels/boats can be berthed against the structure. This generates \$110,000 of annual income for Westport Harbour. The success of this initiative has created demand amongst other recreational and commercial users such that a waiting list for existing berths has developed. Planning and investigations confirm that an additional 15 berths could be added to the existing capacity, which has the potential to create a further \$50,000 of annual revenue via berthing fees for Westport Harbour. Half of this revenue can be achieved as confirmation has been received from the owners of boats who want to berth in Westport if there was capacity. We expect the other half of the berths to be utilised and convert to actual income based on the type of boats known to be currently seeking berthing capacity. A cost estimate for the additional 15 berths has been received from Bellingham's who carried out the construction of the existing pontoon structure. The existing pontoons were granted a building consent exemption. Design and construction would take approximately 11 months. Layout of the new pontoons is shown in the schematic below. Demolition of some existing, dilapidated timber jetties is required to make way for the floating pontoon extension.



Initiative 2: Fisherman's Wharf Fender/Buffer Upgrade

Estimated cost: \$245,000

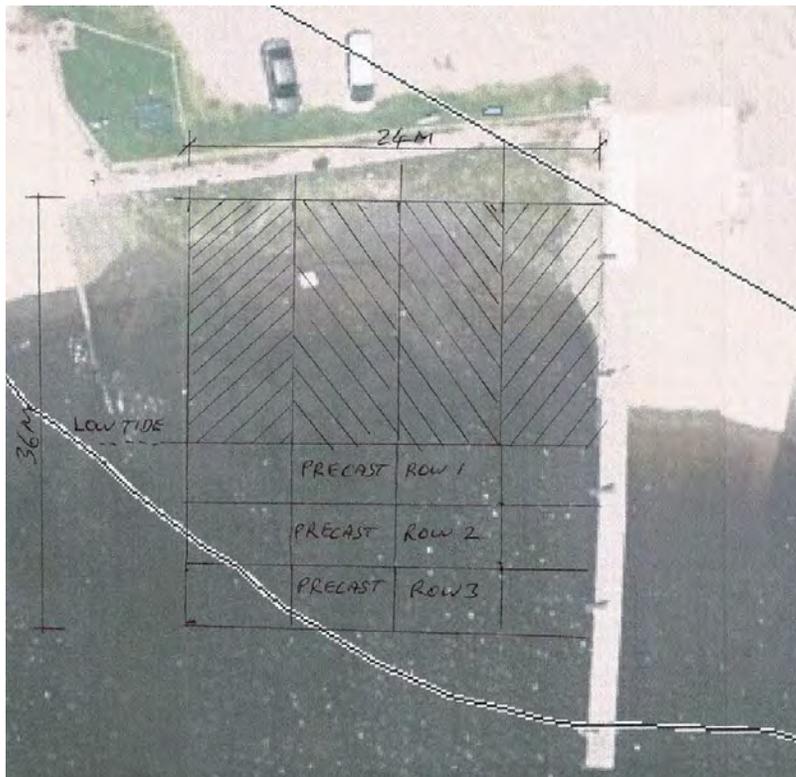
Description/background: There is an approximately 180m long berthing edge to the Fisherman's Wharf that provides valuable vessel berthing space. The challenge with this area however is that the wharf piles are spaced too widely and or set under the drip line of the wharf edge, meaning that small vessels risk being crushed beneath the wharf when the tide rises. As such, a large portion of the potential fee-paying users for this length (being smaller vessels) cannot use this section of wharf, compromising wharf capacity and revenue-generation. A simple solution to this problem is to install new buffers/fenders to existing piles so that the berthing line is outside (beyond) the wharf edge, removing the hazard and opening up new berthing opportunities for casual/transient users. The established fleet of fishing vessels will also have more capacity at the height of their various varietal seasons to berth alongside the wharf knowing that the Fisherman's wharf has acceptable pile and fender protection. This work involves the fabrication and installation of nine (9) new fender/buffer piles along the wharf length using a design and technique previously established and proven (example shown in photo below). Recycled hardwood timbers have even been set aside to contain the cost. The work can be completed with local expertise and fabrication and would take approximately 2-3 months to complete, with approximately 8 FTEs. The cost estimate is based on a quotation and is considered credible.



Initiative 3: Roll-On Roll-Off (RORO) Ramp Facility

Estimated cost: \$1,155,000

Description/background: After an AF8 seismic event, road and rail access into the Westport area will likely be closed for at least 6 months, possibly much longer, and the region is expected to have to operate as an 'island' state. The initial response and recovery phases after such an event will rely on being able to move resources to and from the area via the Westport Airport (assuming tarmac integrity) but bulk requirements will only be able to be met via the Westport Harbour. The existing wharves lack permanent cranes, and the one mobile crane located in the area may not necessarily be located on the day of an AF8 event in the Westport area or be able to move to the harbour area. The installation of a Roll On/Roll Off (RORO) ramp in the Westport Harbour area will be a key asset to support response and recovery options using a variety of flat-bottomed barges and associated vessels to deliver and remove bulk resources to and from the district. The best and most cost-effective site for a RORO ramp facility is in the Westport Harbour 'Floating Basin', leveraging an existing boat ramp to make it more fit for the loading and unloading of barges from the ramp. The type of vessels available and able to access the proposed RORO ramp exist in Marlborough and would be able to get to the site within about 50 to 60 hours (weather and tide depending). The benefit of such vessels is that they are able to enter the port on a wide range of tidal and weather conditions (without requiring a Pilot) and can load and unload from the bow, meaning there is easy access to the roading network for laden vehicles without requiring specific unloading gear like cranes etc. These vessels are able to 'beach' and unload without the need for a wharf structure. Other vessels and operators exist elsewhere around New Zealand, providing redundancy in the event Marlborough-based operators are not available. The RORO ramp is based on an approximately 864m² landing ramp with three 6m rows of precast panels placed from the low tide mark to extend another 18 metres into the Floating Basin to accommodate landing craft at any tide level. The RORO ramp would be about 24m wide by 36m deep (schematic below). To establish vessel access to the RORO ramp, river channels and Floating Basin approaches to the ramp will require dredging and deepening. The cost of this dredging is included in the RORO costing. Design finalisation and construction would be completed within 6 months. The cost estimate is based on a local supplier quotation, bringing credibility to the estimate.



Initiative 4: Ancillary pump for Kawatiri Dredge

Estimated cost: \$315,000

Description/background: The Kawatiri dredge is a key piece of enabling plant, critical to the operating viability of Westport Harbour. Its existing dredging capability is based on suction and grab equipment that operates beneath the vessel footprint. This means that dredging is only possible in places that the Kawatiri dredge can navigate over (or into). This leaves considerable 'blind' spots in harbours and channels all over New Zealand that cannot be dredged by such means and that present constraint, hazard, or productivity impact to the controlling authorities. Bell Pumps supply ancillary dredging pumps that can be extended and operated distant from such a vessel as the Kawatiri dredge, increasing the effective reach and area of dredging. A Bell pump (200 model) has been identified that if added to the Kawatiri dredge, could extend the dredging reach by up to 18m, providing in-port dredging benefits and opening up commercial out-of-port dredging opportunities. An assessment of the dredging demand landscape by the Kawatiri dredge master indicates up to \$2.9M of commercial dredging opportunities in four New Zealand ports in 2025 alone that are currently unattainable without the ancillary Bell pump. Acquisition of the proposed Bell pump and associated pipes and hardware could significantly change the financial viability of the dredge and contribute positively to Westport Harbour. The pump and pipe hardware are sourced from overseas and the cost estimate is based on current foreign exchange rates (and is therefore subject to fluctuation).

BELL 200 Hydraulically Driven Dredging Pump Buller District Council – Kawatiri Vessel Upgrade



Initiative 5: Holcim #1 Wharf Upgrades

Estimated cost: \$550,000

Description/background: This initiative has two distinct components, namely:

- 1) Burial of overhead powerlines that exist along a 500m length of the bulk precinct transport corridor (but for the purposes of this application, are attributed to the Holcim #1 wharf area) – estimated at \$300,000; and
- 2) Installation of a new access gate and lighting to the bulk precinct area of Westport Harbour to better secure the port operations, increase the usable area, and improve safety outcomes – estimated at \$150,000 to \$250,000. For the purposes of this application, the upper limit has been adopted until more planning and specifics can be determined that may reduce this cost.

Burial of overhead power lines

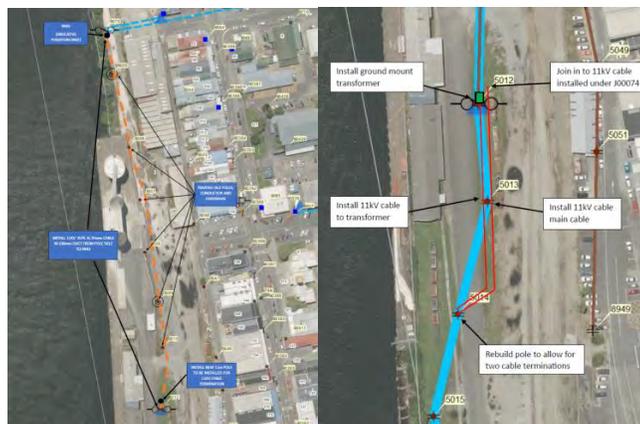
The proposal involves relocating and burying the power lines and poles that exist along a 500m length of the trucking corridor within the bulk precinct and Holcim #1 Wharf operational area (refer images below). These power lines provide constraint and risk for the trucking and tipping of heavy mineral sands (current activity) and also affect plans to focus the development of this area into a bulk aggregate/quarry staging and export area. The lines pass across and beside the trucking corridor and staging areas. The estimated cost for this project is approx. \$300,000, based on a quote from Buller Electricity Limited (BEL) and an estimate of the civil component works. The relocation of the power lines would provide immediate benefits, including:

- **Increased Storage Area, Market Access and Productivity:** By moving and burying the power lines, additional space becomes available for storing revetment rock, aggregate, and decorative stone. This expansion allows the region to export (domestically), and viable coastal shipping, currently stranded assets, resulting in economic benefits. This benefits existing businesses in the region by connecting them to previously unattainable markets. By utilising highly efficient coastal shipping (equivalent to 200 trucks per barge), road traffic volumes are reduced, carbon emissions are reduced, and productivity increases.
- **Improved Safety:** This investment removes the significant safety risk of people and plant having to operate beneath live overhead power lines.

Security Gate

The location of the existing security gate is well within the operating Port area and needs to be reviewed. Establishing a new security gate at the eastern (upstream) end of the bulk precinct would better secure the area and increase the usable space (by removing internal impediments). Significant aspects of a new security gate are power and lighting provision, and gate foundations. The estimated cost for this project falls within the range of \$150,000 to \$250,000, subject to further refinement. The benefits of this initiative include:

- **Improved Health and Safety:** By relocating the security gate and lighting, the area becomes safer and more secure.
- **Expanded Port Area:** The relocation allows for a larger internal port area, facilitating additional storage of aggregate on the port.
- **Access control:** a fit-for-purpose security gate will offer improved functionality, meaning rapid access control in the event of emergency more controlled access management.



Initiative 6: Blue Shed Wharf Upgrade

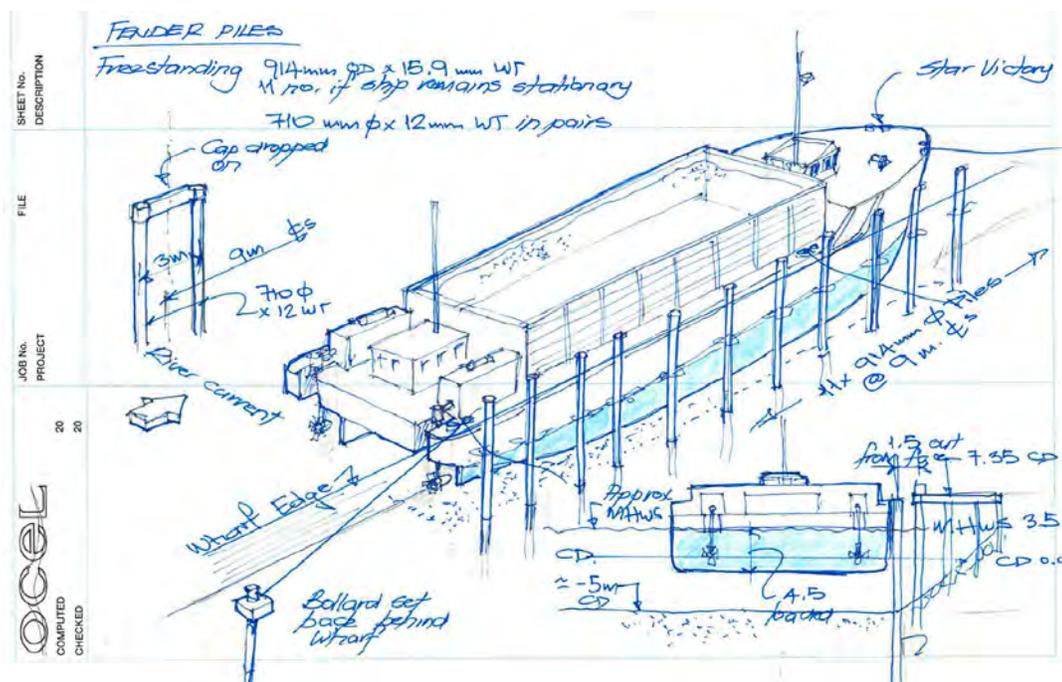
Estimated cost: \$3,500,000

Description/background: This initiative has two distinct aspects and includes:

- 1) Blue Shed wharf mooring improvements (mooring pile installation) to enable vessels to be secured and loaded in this area; and
- 2) Wharf retaining wall strengthening, to enable the weight of heavy equipment (conveyor) for loading product (mineral sands) from land onto ship.

The area currently houses the 'Blue Shed' – covered bulk storage for export-quality heavy mineral sands – and has the potential for stockpile expansion in this area. The dilapidated state of the wharf and underlying retaining wall in this area does not allow mooring and loading of vessels alongside this area, nor the operation of heavy machinery and plant landside (necessary for stockpiling and loading) without the risk of retaining wall failure/ground collapse. Both of the above initiatives address these issues and significantly improve the functionality, capability, and productivity of this part of the port.

The proposed mooring improvement is shown in the below design concept and involves eleven (11) 914mm diameter piles driven at 9m centres to create a competent berthing face, plus mooring hardware.



The proposed under-wharf retaining wall strengthening involves constructing (driving) a new approximately 140m-long retaining wall behind the existing, dilapidated wall immediately south of the Blue Shed to improve structural integrity of the wharf and ground competency, allowing for surcharging/loading of the landside of the retaining wall by heavy machinery involved in stockpiling and vessel loading. This investment enables the productive use of this part of the port, significantly improving the logistics and capacity/productivity of Westport Harbour. Westland Mineral Sands currently operate from this area via long term lease and if successful with this application, propose to concentrate on heavy mineral sand distribution from this area and grow and expand aggregate, quarry rock, and decorative stone exports from the other bulk precinct (Holcim #1) further upriver. This has the potential to be a boon for the West Coast, increasing market access of the West Coast's high-quality rock (via coastal shipping) and lowering the cost to market and hence procurement price for roading and infrastructure projects throughout New Zealand, many of which are central and local government funded. Similarly, coastal barge supply of other goods from the West Coast, such as prefabricated housing, lowers the cost to market and hence operating cost for West Coast businesses and purchase price for New Zealander's (including government-funded housing). The estimate for this initiative is based on real and current rates for equivalent work being undertaken upriver as part of flood recovery work.

Attachment 3: Section 2 - Detailed Project Information and Outcomes

10. Please attach with this application a project budget with applicable milestones included.

A high-level project budget for the initiatives included in this application is included below:

Initiative	Description	Estimated Cost	Comments/Notes
1	Floating pontoons	\$ 3,157,000.00	Based on concept and supplier quote
2	Fisherman's Wharf	\$ 245,000.00	Based on concept and supplier quote
3	RORO ramp	\$ 1,155,000.00	Based on concept and supplier quote
4	Dredge pump	\$ 315,000.00	Based on quote (equipment sourced from overseas and exposed to FOREX fluctuation)
5	Holcim #1	\$ 550,000.00	Based on quote and estimate
6	Blue Shed wharf	\$ 3,500,000.00	Based on estimate/market rates
	Project Total	\$ 8,922,000.00	
	Less pledged co-funding	\$ 2,800,000.00	
	Net application amount	\$ 6,122,000.00	May reduce based on WMS co-funding discussions and outcome. Application made on the basis of a suspensory loan

A high-level programme for the initiatives included in this application is included below, showing input stages and forecast milestone timeframes. The overall programme is forecast for completion within 15 months of funding confirmation, with many initiatives completed sooner.

Initiative	Description	Month 1 to 5	Month 6 to 10	Month 11 to 15
1	Floating Pontoons	Detailed design; statutory approvals; procurement	Demolition; construction commencement	Construction completion
2	Fisherman's Wharf	Procurement; construction commencement and completion		
3	RORO ramp	Procurement; statutory approvals; construction commencement	Construction completion (including dredging of vessel access)	
4	Dredge pump	Procurement; acquisition and completion		
5	Holcim #1	Design; statutory approvals; procurement; construction commencement	Construction completion	
6	Blue Shed wharf	Detailed design; statutory approvals; procurement	Construction commencement	Construction completion

11. Please provide a copy of any consents obtained for the proposed project with this application.

No consents or other statutory approvals have been sought or secured, as the fate of the application needs to be determined to enable progression and finalisation of designs and other details necessary to accurately describe and apply for the various approvals and exemptions. Provision to do this has been allowed for in the above programme/milestone details.

Attachment 4: Section 3 – Commercial Information

15. Please provide a copy of any business case and cost benefit analysis (or equivalent) if you have one with this application.

A detailed business case or cost benefit analysis has not been provided with this application, rather a qualitative and high-level case is outlined in the questions and answers below.

16. Please describe the commercial case of the project in terms of:

- **Identified need for this infrastructure for users;**
- **Current and projected demand (indicate any offtake/supply agreements if there are any in place);**
- **Competitive environment and other key players in the market; and,**
- **Logistics requirements for movement of key materials and products.**

The initiatives included in this application have all been identified by established users of Westport Harbour who are acutely aware of and familiar with the range of opportunities and constraints that can unlock or constrain value-generation and growth. A number of these initiatives have been identified for many years, with no opportunity to pursue them;

Demand for the various initiatives is proven and established. A waiting list already exists for floating pontoon berths (Initiative 1); Fisherman's Wharf berthing (Initiative 2) use and demand already exists (but is constrained and hazardous by existing conditions); RORO ramp (Initiative 3) capability is likely to be a critical resilience/lifeline facility in the event of a significant event compromising existing transport links; the acquisition of a Bell pump (Initiative 4) to extend the Kawatiri dredge's working capability would open up commercial dredging opportunities that are not currently accessible; and the infrastructure improvements included in Initiative 5 and 6 enable compartmentalisation of the Buller River wharf precinct into separate bulk aggregate and heavy mineral sand operations for which demand is also proven.

In relation to competitive environment considerations, Initiative 1, 2, and 3 are effectively immune to competition considerations as these are place-based initiatives where there are no alternatives that undermine or weaken the case. Competitive environment considerations are relevant to Initiative 4, 5, and 6, however only to the extent that the proposed initiatives make Westport Harbour and the activities involved more competitive and viable. For Initiative 3, there are few dredging suppliers nationally, and the acquisition of a Bell dredge pump to augment the Kawatiri dredge's reach and capability opens up the possibility of five (5) commercial dredging opportunities amounting (in aggregate) to \$3.6M in the next 1 to 2 years alone (these opportunities would otherwise not be feasible for the Kawatiri dredge). This not only offers value and opportunity for Westport Harbour to strengthen its financial position, but it lifts the service level capability and options for New Zealand ports requiring such services. The infrastructure enhancements involved in Initiative 5 and 6 significantly increase market access for West Coast suppliers (exporters) of quality bulk aggregates and heavy mineral sands, supporting access to cost-effective aggregates for New Zealand customers.

The logistics requirement for movement of key materials really only relates to Initiative 5 and 6. These initiatives remove key safety constraints (by burying overhead power lines constraining stockpile areas); enlarge and secure storage and operating areas for bulk aggregates and heavy mineral sands, and establish wharf capability and structural integrity required for loading and bulk transport of these products via coastal shipping.

Attachment 5: Section 4 – Supporting Financial Information

BDC has approved an Enhanced Annual Plan for FY2024 -25 due to the change in Government and accounting for 3 Waters assets. Below is a table showing the Rate increases set out in the 2021 -2031 Long Term Plan and the rate increases that have been applied in the 2023-24 Annual plan and 2024-25 Enhanced Annual Plan. With this increase in rates, the annual rates collected is only \$21.4m which makes up approximately 52% of revenue. Council strives to minimise reliance on rates income by considering external investment opportunities and external funding options.

Buller has a high level of deprivation, low incomes, and an ageing population. An annual increase in expenditure of \$140,000 equates to 1% rate rise.

Rate increases

AP 2020/2021	LTP 2021/2022	LTP 2022/2023	LTP 2023/2024	LTP 2024/2025	LTP 2025/2026	LTP 2026/2027	LTP 2027/2028	LTP 2028/2029	LTP 2029/2030	LTP 2030/2031
2.3%	6.7%	6.3%	5.4%	4.8%	1.1%	0.8%	(0.3%)	0.8%	1.8%	1.0%

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%

	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

BDC's net debt in the FY2024-25 Enhanced Annual Plan of \$36.9m exceeds the net debt limit of \$25m set in the Financial Strategy and exceeds the net debt forecast for YE 2024-25 in the 2021-2031 Long Term Plan of \$23.8m.

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 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.

After the flooding events of 2021 and 2022, DIA commissioned Morrison Low to report on the Council's financial position. The following is an excerpt from their report:

- *Council's Financial Strategy is heavily influenced (and constrained) by the economic wealth of the community. It has a relatively high level of deprivation:*
 - *Only 20% of the population have a personal income greater than \$50,000 pa (compared to 31% nationally)*
 - *42% of the population has a level of personal income less than \$20,000 p.a.*
 - *The current projected population is 9,600 and is predicted to decline gradually*
 - *There is an overweighting to those over 60 years old.*
- *Further the financial constraint on Council is reflected by Ministry of Business Innovation and Employment data¹ that the district's median household income at \$54,600 is the lowest in the country.*
- *This heavily influences the Financial Strategy and resultant decisions of Council.*

Given the above metrics and the current increase in Rates from the Enhanced Annual Plan of 2024-25, as well as the expectation that rates increases don't appear to be alleviating anytime soon, Council is cognisant of the fact that the community does not have the ability to fund further significant rates increases. The community must also pay WCRC rates, including many being affected by needing to pay increased rates within the special rating district for flood protection currently being put in place.

BDC would not be able to progress this project without RIF support and is not in a position to contribute co-funding and further burden the ratepayer.

Westport Port and Kawatiri Dredge Financial Performance 2018-2024

The Dredge and Harbour activities only became ring fenced and self funded from 1 July 2021

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2018-2024 Total Actuals
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	
Kawatiri Dredge								
Income	0	1,382,504	1,091,634	937,098	1,645,243	2,312,682	4,035,573	11,404,735
Salaries	0	9,526	97,370	82,653	172,449	202,263	329,541	893,803
Interest	0	0	0	0	0	0	50,813	50,813
Depreciation	0	0	0	5,300	7,314	12,659	13,000	38,273
Direct Costs	41,687	614,991	778,866	1,418,038	1,098,284	1,451,518	2,623,655	8,027,039
Dredge Slipping	0	447,084	190,286	(154,052)	84,118	1,579,849	1,371	2,148,656
Overheads	0	0	0	0	162,277	127,787	149,412	439,476
Net Operating Surplus/(Deficit)	(41,687)	310,903	25,112	(414,841)	120,802	(1,061,394)	867,781	(193,325)
Cumulative since 1 July 2021								(72,812)
Capital & Funding								
Capital Expenditure	0	0	145,067	69,860	600	45,785	16,967	278,279
less depreciation funded in operating surplus	0	0	0	5,300	7,314	12,659	13,000	38,273
Net capital to fund	0	0	145,067	64,560	(6,714)	33,126	3,967	240,006
Net Activity Surplus/(Deficit)	(41,687)	310,903	(119,955)	(479,401)	127,515	(1,094,521)	863,814	(433,331)
Cumulative since 1 July 2021								(103,191)
Westport Port								
Income	156,530	137,230	249,989	207,686	176,118	198,923	212,077	1,338,554
General Rates	(156,301)	273,116	367,477	83,235	0	0	0	567,527
Salaries	25,306	160,265	167,636	227,723	242,628	174,283	251,231	1,249,072
Interest	13,882	55,424	55,699	55,074	57,746	58,424	58,104	354,353
Depreciation	49,287	52,955	58,852	73,314	87,942	98,400	100,000	520,750
Direct Costs	171,092	388,800	319,991	361,925	328,763	307,425	426,927	2,304,923
Overheads	0	27,566	51,742	89,878	63,464	86,436	89,556	408,641
Net Operating Surplus/(Deficit)	(259,338)	(274,664)	(36,454)	(516,992)	(604,426)	(526,044)	(713,741)	(2,931,659)
Cumulative since 1 July 2021								(1,844,211)
Capital & Funding								
Capital Expenditure	1,040,000	8,125	80,386	1,801	0	13,659	301,582	1,445,553
less depreciation funded in operating surplus	49,287	52,955	58,852	73,314	87,942	98,400	100,000	520,750
less sale of asset (Bob Gower)		150,000						150,000
Net capital to fund	990,713	(194,830)	21,534	(71,513)	(87,942)	(84,741)	201,582	774,803
Net Activity Surplus/(Deficit)	(1,250,051)	0	(57,988)	(445,479)	(516,484)	(441,303)	(915,323)	(3,706,461)
Cumulative since 1 July 2021								(1,873,110)
Loans Raised	(1,340,000)	0	0	0	0	0	(270,000)	(1,610,000)
Loan Principal	0	0	0	0	0	0	0	0
Transfers from Depreciation Reserves	0	0	(191,268)	(1,801)	0	0	0	(193,069)
Net capital spending deficit/(surplus funding)	(510,051)	16,250	(88,484)	(443,678)	(516,484)	(413,985)	(582,159)	(4,491,534)
Combined Results								
Combined Net Operating Surplus/(Deficit)	(301,025)	36,239	(11,342)	(931,833)	(483,624)	(1,587,439)	154,040	(3,124,984)
Cumulative since 1 July 2021								(1,917,023)
Combined Activity Surplus/(Deficit)	(1,291,738)	310,903	(177,943)	(924,880)	(388,968)	(1,535,824)	(51,509)	(4,139,793)
Cumulative since 1 July 2021								(1,976,301)

Westport Harbour Financial Forecast

ACTIVITY	2023/24 Actu	2024/25 AP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP	2031/32 LTP	2032/33 LTP	2033/34 LTP	2034/35 LTP
COMMERCIAL INFRASTRUCTURE			Dec-25 Jun-26	Dec-26 Jun-27	Dec-27 Jun-28	Dec-28 Jun-29	Dec-29 Jun-30	Dec-30 Jun-31	Dec-31 Jun-32	Dec-32 Jun-33	Dec-33 Jun-34	Dec-34 Jun-35
WESTPORT PORT												
Opening Balance	-927,719	-1,985,567	-2,601,956	-3,192,835	-3,787,583	-4,450,185	-5,091,730	-5,752,212	-6,432,333	-7,133,752	-7,860,863	-8,614,782
Income												
Lease income	-78,287	-81,759	-81,759	-83,803	-85,814	-87,616	-89,369	-91,067	-92,797	-94,560	-96,262	0
Wharfage	-12,145	-17,000	-17,000	-17,425	-17,843	-18,218	-18,582	-18,935	-19,295	-19,662	-20,016	0
Wharfage Other	0	-4,000	-4,000	-4,100	-4,198	-4,287	-4,372	-4,455	-4,540	-4,626	-4,710	0
Wharfage Mineral Sands	0	-126,000	-126,000	-129,150	-132,250	-135,027	-137,727	-140,344	-143,011	-145,728	-148,351	0
Berthage Fees	-105,879	-99,000	-99,000	-101,475	-103,910	-106,093	-108,214	-110,270	-112,366	-114,501	-116,562	0
Other Income	-15,766	-10,900	-10,900	-11,173	-11,441	-11,681	-11,915	-12,141	-12,372	-12,607	-12,834	0
Harbour Vessel Income	0	0	5,000	0	0	0	0	0	0	0	0	0
Pilotage Income	0	-48,000	-48,000	-49,200	-25,190	-25,719	-26,234	-26,732	-27,240	-27,758	-28,257	0
External Funding	0	0	0	0	0	0	0	0	0	0	0	0
Total Income	-212,077	-386,659	-381,659	-396,325	-380,647	-388,640	-396,413	-403,945	-411,620	-419,441	-426,991	0
Operating Expenditure												
ACC Levy	423	425	434	445	456	465	474	483	493	502	511	0
Salaries & Wages	239,177	246,506	247,795	261,606	275,117	288,762	302,493	316,258	330,327	344,683	359,310	0
Kiwi Superannuation	7,958	7,395	7,434	7,848	8,253	8,663	9,075	9,488	9,910	10,340	10,779	0
Accuro Subsidy	0	0	0	0	0	0	0	0	0	0	0	0
Southern Cross Subsidy	3,673	3,507	3,522	3,718	3,910	4,104	4,299	4,495	4,695	4,899	5,106	0
Loan Interest	58,104	60,230	56,654	52,913	49,000	44,906	40,623	36,143	31,456	26,553	21,423	46,734
Depreciation	0	216,999	215,818	262,017	264,439	263,139	229,185	193,887	182,957	182,209	211,633	236,856
Consultants Fees	11,131	7,364	7,519	7,707	7,892	8,058	8,219	8,375	8,534	8,696	8,853	0
Contractor Depth Soundings	29,000	0	0	0	0	0	0	0	0	0	0	0
Pilotage expenses	18,294	41,240	42,106	43,159	25,253	25,784	26,299	26,799	27,308	27,827	28,328	0
Advertising	693	982	1,003	1,028	1,053	1,075	1,096	1,117	1,138	1,160	1,181	0
Cleaning	4,292	6,382	10,000	6,679	6,839	6,983	7,122	7,258	7,396	7,536	7,672	0
General Expenses	7,433	4,910	5,013	5,138	5,262	5,372	5,480	5,584	5,690	5,798	5,902	0
Security	24,020	10,801	11,028	11,304	11,575	11,818	12,054	12,283	12,517	12,755	12,984	0
Licences & Permits	343	982	1,003	1,028	1,053	1,075	1,096	1,117	1,138	1,160	1,181	0
MNZ Compliance	11,172	5,891	6,015	6,165	6,313	6,446	6,575	6,700	6,827	6,957	7,082	0
Waste Disposal	9,294	10,367	10,585	10,850	11,110	11,343	11,570	11,790	12,014	12,242	12,463	0
Insurance	59,553	58,914	60,151	61,655	63,134	64,460	65,750	66,999	68,272	69,569	70,821	0
Legal Fees	13,627	4,910	5,013	5,138	5,262	5,372	5,480	5,584	5,690	5,798	5,902	0
Westreef Outwork	0	0	0	0	0	0	0	0	0	0	0	0
Westreef Waste Disposal	0	0	0	0	0	0	0	0	0	0	0	0
Postage/Courier/Freight	20	982	1,003	1,028	1,053	1,075	1,096	1,117	1,138	1,160	1,181	0
Power	63,753	93,674	95,640	98,031	100,384	102,492	104,542	106,528	108,552	110,614	112,606	0

Westport Harbour Financial Forecast

COMMERCIAL INFRASTRUCTURE		Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	
		Jun-26	Jun-27	Jun-28	Jun-29	Jun-30	Jun-31	Jun-32	Jun-33	Jun-34	Jun-35	
Printing & Stationery	0	491	501	514	526	537	548	558	569	579	590	0
Subscriptions & Publications	0	5,891	6,015	6,165	6,313	6,446	6,575	6,700	6,827	6,957	7,082	0
Rates	43,856	32,436	36,791	39,605	41,203	42,430	43,226	43,739	44,965	46,302	47,510	0
Rents & Leases	21,031	16,482	18,828	17,249	17,663	18,034	18,394	18,744	19,100	19,463	19,813	0
Repairs & Maintenance	45,654	26,019	26,567	27,231	27,885	28,470	29,040	29,591	30,154	30,727	31,280	0
Harbour Master Vessel R&M	25,483	39,524	10,276	10,533	10,786	11,012	11,232	11,446	11,663	11,885	12,099	0
Training	1,318	9,819	10,025	10,276	10,522	10,743	10,958	11,166	11,378	11,595	11,803	0
Telephone/Internet	4,418	6,220	6,351	6,510	6,666	6,806	6,942	7,074	7,208	7,345	7,478	0
Travel	1,765	7,364	7,519	7,707	7,892	8,058	8,219	8,375	8,534	8,696	8,853	0
Vehicle Operating Costs	7,774	5,891	6,015	6,165	6,313	6,446	6,575	6,700	6,827	6,957	7,082	0
Fuel - Other Vessels & Equipment	40	982	1,003	1,028	1,053	1,075	1,096	1,117	1,138	1,160	1,181	0
Harbour Master Vessel Fuel	1,145	29,457	30,076	30,828	31,568	32,231	32,875	33,500	34,136	34,785	35,411	0
Sundry	0	2,074	2,117	2,170	2,222	2,269	2,314	2,358	2,403	2,448	2,493	0
Health & Safety	1,933	5,287	5,398	5,533	5,666	5,785	5,900	6,013	6,127	6,243	6,356	0
Overheads - Mgr Corporate	7,764	8,656	8,567	9,075	9,543	9,871	10,232	10,726	11,650	12,020	12,327	1,279
Overheads - Information Systems	22,368	33,297	37,236	40,302	43,067	43,778	43,388	44,654	44,836	45,901	47,354	7,620
Overheads - Human Resources & H&S	13,392	10,678	12,505	12,228	12,364	12,856	13,352	13,902	14,499	15,061	15,602	378
Overheads - Corporate & Customer St	46,032	73,369	71,451	80,252	80,636	84,481	87,640	89,912	93,415	100,604	108,458	3,564
Total Operating Expenditure	805,933	1,096,398	1,084,977	1,160,827	1,169,244	1,192,717	1,181,035	1,168,278	1,181,481	1,209,186	1,267,689	296,432
Capital Expenditure												
Land	0	0	0	0	42,090	0	0	0	0	0	0	0
Other Assets	270,000	41,204	2,215	2,270	2,325	2,374	2,421	2,467	2,514	2,562	2,608	0
Other Plant	5,446	0	15,038	0	0	0	0	0	0	0	590,178	0
Software	13,093	4,908	5,013	5,138	5,262	5,372	5,480	5,584	5,690	5,798	5,902	0
Buildings	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital Expenditure	288,539	46,112	22,266	7,409	49,677	7,746	7,901	8,051	8,204	8,360	598,688	0
External Contributions												
Loan Repayments - Principal	0	77,537	81,113	84,854	88,768	92,862	97,144	101,625	106,312	111,215	116,344	167,827
Transfer from Depreciation Reserve	0	-216,999	-215,818	-262,017	-264,439	-263,139	-229,185	-193,887	-182,957	-182,209	-211,633	-236,856
Loans Raised	0	0	0	0	0	0	0	0	0	0	-590,178	0
Required from General Rates	0											
Activity Closing Balance	-1,985,567	-2,601,956	-3,192,835	-3,787,583	-4,450,185	-5,091,730	-5,752,212	-6,432,333	-7,133,752	-7,860,863	-8,614,782	-8,842,183

Dredge Operation - Financial Forecast

COMMERCIAL INFRASTRUCTURE	Dec-25 Jun-26	Dec-26 Jun-27	Dec-27 Jun-28	Dec-28 Jun-29	Dec-29 Jun-30	Dec-30 Jun-31	Dec-31 Jun-32	Dec-32 Jun-33	Dec-33 Jun-34	Dec-34 Jun-35		
KAWATIRI DREDGE												
Opening Balance	-921,220	-57,405	694,392	1,683,700	1,959,867	2,996,350	3,865,247	4,007,870	4,471,236	4,172,548	4,669,966	5,359,695
Income												
Slipping external contribution	0	0	0	0	0	0	0	0	0	0	0	0
Nelson Dredging Income	-917,073	-546,000	-546,000	-559,650	-573,082	-585,116	-596,819	-608,158	-619,713	-631,488	-642,855	0
Out of Port Dredging Income	0	-546,000	-546,000	-559,650	-573,082	-585,116	-596,819	-608,158	-619,713	-631,488	-642,855	0
Westport Gravel Removal Income	-3,118,500	-1,638,000	-1,638,000	-1,678,950	-1,719,245	-1,755,349	-1,790,456	-1,824,475	-1,859,140	-1,894,463	-1,928,564	0
Floating Jetties Project Dredging Incr	0	0	0	0	0	0	0	0	0	0	0	0
Total Income	-4,035,573	-2,730,000	-2,730,000	-2,798,250	-2,865,408	-2,925,582	-2,984,093	-3,040,791	-3,098,566	-3,157,439	-3,214,273	0
Operating Expenditure												
ACC Levy	428	430	439	450	461	470	480	489	498	508	517	0
Salaries & Wages	322,726	0	0	0	0	0	0	0	0	0	0	0
Salaries & Wages - Nelson Campaign	0	0	0	0	0	0	0	0	0	0	0	0
Salaries & Wages - Westport Gravel R	0	0	0	0	0	0	0	0	0	0	0	0
Kiwi Superannuation	6,387	0	0	0	0	0	0	0	0	0	0	0
Loan Interest	50,813	0	0	0	0	38,640	162,972	130,183	95,607	59,147	23,028	0
Depreciation	0	54,401	14,264	14,290	52,299	217,221	344,076	338,007	333,227	331,662	331,662	331,662
Consultants Fees	75,376	35,938	36,692	37,609	38,512	39,321	40,107	40,869	41,646	42,437	43,201	0
Contractor Fees - Nelson Campaign	0	170,856	174,443	178,804	183,095	186,940	190,679	194,302	197,994	201,756	205,387	0
Contractor Fees - Out of Port Work	0	170,856	174,443	178,804	183,095	186,940	190,679	194,302	197,994	201,756	205,387	0
Contractor Fees - Westport Gravel R	1,716,777	512,567	523,330	536,413	549,287	560,822	572,039	582,907	593,983	605,268	616,163	0
General Expenses	4,317	1,964	2,005	2,055	2,104	2,149	2,192	2,233	2,276	2,319	2,361	0
MNZ Compliance	30,242	14,729	15,038	15,414	15,784	16,115	16,438	16,750	17,068	17,393	17,706	0
General Campaign Costs Nelson	2,785	4,026	4,110	4,213	4,314	4,404	4,493	4,578	4,665	4,754	4,839	0
General Campaign Costs Out of Port	0	4,026	4,110	4,213	4,314	4,404	4,493	4,578	4,665	4,754	4,839	0
General Exp Westport Gravel Remov	21,456	12,077	12,331	12,639	12,943	13,214	13,479	13,735	13,996	14,262	14,518	0
Insurance	51,285	53,246	54,365	55,724	57,062	58,260	59,425	60,554	61,705	62,877	64,009	0
Insurance - Nelson Campaign	0	0	0	0	0	0	0	0	0	0	0	0
Legal Fees	659	2,946	3,008	3,083	3,157	3,223	3,288	3,350	3,414	3,479	3,542	0
Legal Fees - Nelson Campaign	0	0	0	0	0	0	0	0	0	0	0	0
Westreef Outwork - Nelson Campaign	0	0	0	0	0	0	0	0	0	0	0	0
Postage/Courier/Freight	602	0	0	0	0	0	0	0	0	0	0	0
Postage/Freight - Nelson Campaign	0	0	0	0	0	0	0	0	0	0	0	0
Power	17,312	19,147	19,549	20,038	20,519	20,950	21,369	21,775	22,188	22,610	23,017	0
Power - Dredging Activity	0	0	0	0	0	0	0	0	0	0	0	0
Printing & Stationary Dredge	0	0	0	0	0	0	0	0	0	0	0	0
Repairs & Maintenance	377,778	149,740	152,884	156,706	160,467	163,837	167,114	170,289	173,524	176,821	180,004	0
Dredge Slipping	1,371	443,818	18,246	752,705	16,836	17,189	160,539	17,866	799,351	18,551	20,066	0
Dredge Slipping Provision	0	0	0	0	0	0	0	0	0	0	0	0
R&M - Nelson Campaign	41,271	0	0	0	0	0	0	0	0	0	0	0
R&M -Westport Gravel Removal	0	0	0	0	0	0	0	0	0	0	0	0
Travel	5,219	14,939	15,252	15,633	16,008	16,345	16,672	16,988	17,311	17,640	17,958	0
Travel - Westport Gravel Removal	7,395	0	0	0	0	0	0	0	0	0	0	0
Phone Dredging Outwork	0	0	0	0	0	0	0	0	0	0	0	0
Fuel - General	438	2,550	2,604	2,669	2,733	2,791	2,846	2,900	2,956	3,012	3,066	0
Fuel - Nelson Campaign	0	42,768	43,666	44,758	45,832	46,794	47,730	48,637	49,561	50,503	51,412	0
Fuel - Out of Port Work	0	49,830	50,877	52,149	53,400	54,522	55,612	56,669	57,746	58,843	59,902	0
Fuel Dredging Outwork Westport Gr	267,877	107,116	109,366	112,100	114,791	117,201	119,545	121,817	124,131	126,490	128,766	0
Sundry	0	0	0	0	0	0	0	0	0	0	0	0
Sundry Expenses - Westport Gravel R	0	0	0	0	0	0	0	0	0	0	0	0
Health & Safety	2,866	1,473	1,504	1,542	1,579	1,612	1,644	1,675	1,707	1,739	1,771	0
H&S - Nelson Campaign	0	0	0	0	0	0	0	0	0	0	0	0

Dredge Operation - Financial Forecast

COMMERCIAL INFRASTRUCTURE	Dec-25 Jun-26	Dec-26 Jun-27	Dec-27 Jun-28	Dec-28 Jun-29	Dec-29 Jun-30	Dec-30 Jun-31	Dec-31 Jun-32	Dec-32 Jun-33	Dec-33 Jun-34	Dec-34 Jun-35		
Health & Safety Westport Gravel Rer	0	0	0	0	0	0	0	0	0	0		
Overheads - Mgr Corporate	7,764	8,656	8,567	9,075	9,543	9,871	10,232	10,726	11,650	12,020	12,327	1,279
Overheads - Information Systems	5,592	33,297	37,236	40,302	43,067	43,778	43,388	44,654	44,836	45,901	47,354	7,620
Overheads - Human Resources & H&I	3,348	3,559	4,168	4,076	4,121	4,285	4,451	4,634	4,833	5,020	5,201	126
Overheads - Corporate & Customer !	132,708	114,920	112,459	120,396	125,901	145,561	166,639	175,344	182,186	194,506	202,113	4,990
Total Operating Expenditure	3,154,791	2,029,875	1,594,956	2,375,860	1,721,224	1,976,861	2,422,618	2,280,811	3,060,716	2,286,025	2,290,115	345,677
Capital Expenditure												
Other Assets	16,967	802,729	0	514	762,878	2,551,563	1,096	0	569	0	0	0
Total Capital Expenditure	16,967	802,729	0	514	762,878	2,551,563	1,096	0	569	0	0	0
Loan Repayments - Principal	-864,000	0	160,000	160,000	160,000	297,044	761,831	634,621	669,197	705,657	566,090	0
Transfer from Depreciation Reserve	0	-54,401	-14,264	-14,290	-52,299	-217,221	-344,076	-338,007	-333,227	-331,662	-331,662	-331,662
Loans Raised	864,000	-800,000	0	0	-762,878	-2,551,563	0	0	0	0	0	0
Required from General Rates	0											
Activity Closing Balance	-57,405	694,392	1,683,700	1,959,867	2,996,350	3,865,247	4,007,870	4,471,236	4,172,548	4,669,966	5,359,695	5,345,680
Separate balances transfers	863,815	751,797	989,308	276,166	1,036,484	868,897	142,623	463,366	-298,688	497,419	689,729	-14,015

Attachment 6: Section 5 – Management Analysis

20. Please provide responses to the following questions to support Kānoa management analysis in relation to the proposed contracting entity:

How will the project be delivered?

Include relevant information on:

- key milestones in the work programme;
- governance (e.g. project management meetings, and oversight);
- access to necessary materials to build (where appropriate);
- if you will use local contractors (where appropriate);
- what is the procurement plan to deliver this project; and
- any other succinct relevant project delivery information not included elsewhere.

The project will be delivered in accordance with best practice project planning, management, and delivery disciplines focussing on detailed planning, risk management, process control, and oversight. Sound planning and risk identification will be a key focus in the early stages to unlock project success and will include scope, programme (milestone), quality, risk, statutory approvals, and procurement planning. Buller District Council has a demonstrated track record of successful delivery of directly comparable port-related projects in the last 4 years and proposes to use the same approaches and personnel.

Once established, Project Control Group (PCG) meetings are typically held every fortnight to monitor progress (against plan) and discuss and agree changes and upcoming milestones/decisions. Project oversight and assurance (governance) structures are in place for all key capital projects delivered by Buller District Council and if successful with this application, this project would fold into those processes. This involves monthly reporting (against plan) by the Project Manager to the Programme Manager, and Programme Manager representation and reporting to Elected Members and subcommittees, also on a monthly basis.

Procurement processes will necessarily follow Council's Procurement Policy which drives fairness, transparency, and value for money (public benefit), but there will undoubtedly be a range of tasks that are suited to local suppliers and that will be accessible to such suppliers either via direct sourcing (for small value low risk work) or via open competitive sourcing (for higher value and more complex work). Comparable projects delivered with Kānoa funding in previous years achieved a high (75%) participation rate from local suppliers. Detailed procurement planning will comprise one of the key project initiation tasks once the fate of this application is determined. The proposed Project Manager has a Diploma in NZ Public Sector Procurement (September 2024) and will lead this work.

In summary, the nature, scale, and complexity of the initiatives included in this application are directly comparable to recently and successfully delivered projects elsewhere in the Westport Harbour precinct and are well within the project management and governance capability and capacity of the Buller District Council and its proposed team.

5. What are the workforce requirements, and is this workforce available?

Include relevant information on:

- if the project will create new on-going high value roles, if so, how many;
- if the project will employ local job-seekers and/or apprentices/trainees;
- the project's recruitment strategy;
- if the project will provide training opportunities (noting RIF funds do not cover this); and,
- if the workforce required is available or do you anticipate any issues with this?

Workforce requirements are relevant to the project implementation/delivery phase and post-completion phase. Workforce requirements have been estimated (quantified) in Section 2 of this application and are not repeated

here for brevity. Note these estimates are considered realistic and potentially conservative, especially in relation to the long-term workforce demand and contribution that Initiative 6 might make.

Most of the project implementation/delivery phase personnel will be sourced from existing supplier bases. For transparency, these are not necessarily new roles, but it does provide additionality and extension to existing roles, creating significant benefit.

Many of the post-completion workforce opportunities stemming from the project involve skilled, new, well-paid roles. Post-completion workforce needs will generally be entirely met by local supply or involve out-of-region personnel who are recruited to the region to secure a new role.

Workforce personnel for the project implementation/delivery phase will generally be recruited/sourced via supplier procurement processes rather than direct/individual recruitment. Workforce recruitment for the post-completion phase will follow recruitment processes of the controlling entity and is likely to be more incremental and individual role focussed.

Targeted workers (encompassing diversity and unskilled workers) remain a key objective of all work, but this needs to be balanced against the skill, competency, and safety requirements of the individual roles and project demands. Recent history shows that there is real constraint to widespread, mass inclusion of targeted workers in at least the project implementation/delivery phase of such a project, but some opportunities and participation is nonetheless expected.

Workforce and supplier availability is changeable and highly dependent on timing and external (nationwide) factors driving workload. If current market circumstances hold, there is expected to be good availability of quality contractors and suppliers required to deliver and implement the project.

6. How will this project impact on your delivery of your usual business?

Include relevant information on:

- how you will manage delivery and operation of this new infrastructure in addition to your usual business delivery

Delivery of the infrastructure is proposed using contracted resources and suppliers, imposing no additional demand on usual business operations and roles (other than liaison and integration for success as part of user/owner input). Once delivered, the assets easily integrate into the suite of Westport Harbour infrastructure that is quite easily managed and operated under existing resource levels.

7. What are your plans for future ownership of this infrastructure and the operational requirements?

Include relevant information on:

- future ownership plans (at least 10 years after the proposed term of the project)
- operational requirements
- repairs and maintenance requirements

With the exception of elements included in Initiative 5, ownership of the infrastructure will vest with Buller District Council. Initiative 5 involves burial of an overhead powerline that constrains port operations in the bulk precinct. This asset is owned by the local lines company and would need to be buried on KiwiRail land due to achieve the lowest cost/best value outcome (a formal permissions process will be undertaken to enable this). Ownership of the buried powerline will remain with the lines company; however, the value of this initiative is in removing the overhead line hazard and constraint, not in burying the asset.



4 March 2025

Attention: Simon Pickford

Buller District Council
6 – 8 Brougham Street
WESTPORT

Email: Simon.Pickford@bdc.govt.nz

Dear Simon

Regional Infrastructure Fund Application - Outcome

Thank you for your application to Kānoa – Regional Development & Commercial Services (Kānoa) seeking funding under the Regional Infrastructure Fund (RIF) in relation to the West Coast Ports Infrastructure Upgrade Programme - Westport Port (Project).

I am pleased to advise at the Regional Development Ministerial Group meeting Ministers approved RIF loan funding for the Project according to following key terms:

Borrower	Buller District Council
Loan Funding (Suspensory)	Up to \$3.216 million
Term	Up to a maximum of 10 years
Interest	Local Government Funding Agency (LGFA) equivalent rate with interest capitalisation until maturity
Repayment terms	Loan repayments will be suspended on Maturity date in part or full pari passu with Development West Coast
Security and subordination	Appropriate security that reflects the investment.

This approval is subject to the Ministry's standard conditions and the following additional conditions:

- i updated financial forecasts for Westport Port as a ring-fenced operation.
- ii evidence adequate co-funding is secured and contributed to the Westport port projects.
- iii cost benefit analysis (or similar) to the satisfaction of Kānoa.





I will be in contact with you within 14 days to organise an in-person/Teams meeting to work toward a shared understanding of what is required and when, followed by providing you with a draft of a standard form RIF loan agreement for your review.

The contracting process creates no rights or obligations on either party until a Loan Agreement has been signed on behalf of both parties and exchanged, so that each party holds a copy of the duly executed agreement.

The Ministry anticipates that the Minister for Regional Development may release a statement announcing successful applicants and projects. Please note this information is **strictly confidential** and must remain embargoed until the Minister's announcement. We will confirm with you when the announcement has been made.

As part of Kānoa – Regional Development & Commercial Service's standard funding process, we will include your organisation's name and the amount of funding approved under the RIF on the Ministry's website ([What we have funded | Grow Regions](#)) and may refer to the details as part of the announcement of the results and follow up communications.

If you have any questions, please do not hesitate to contact me.

Yours sincerely,

Warren Gilbertson
PRINCIPAL REGIONAL ADVISOR (SOUTH ISLAND)

Kānoa – Regional Development & Commercial Services
Ministry of Business, Innovation & Employment

cc. Heath Milne, CEO Development West Coast
Email: heath@dwc.org.nz





10907/2025-03-13

30 April 2025

Te Ohu Whakawhanake o Te Tai Poutini

Simon Pickford
Chief Executive Officer
Buller District Council
P O Bo 21

WESTPORT 7866**Email : Simon.Pickford@bdc.govt.nz**

Dear Simon

REGIONAL INFRASTRUCTURE FUND (RIF)**Westport Port Upgrade – Suspensory Loan Application \$1.656M**

I am pleased to advise the Buller District Council's application for a suspensory loan of \$1.656M towards the RIF Westport Port Upgrade project was approved by Trustees at their meeting on 28 April 2025, subject to the following key terms and conditions:

Loan Pre-conditions

1. Consistent with the initial Kanoa pre-conditions:
 - a) Updated financial forecasts for Westport Port as a ringfenced operation.
 - b) Cost benefit analysis (or similar) to the satisfaction of DWC, in conjunction with Kanoa.
 - c) Evidence adequate co-funding is secured and contributed to the Westport Port projects. Verification of the \$3.216 million RIF commitment by Kanoa.
2. Final approval by DWC on the basis that all Kanoa pre-conditions have been met and confirmed by Kanoa.

Loan Conditions

1. Security in place to the satisfaction of DWC.
2. Should Terms of this agreement not be adhered, DWC reserves the right to call for a repayment of the outstanding amount and interest that has accrued.
3. The Borrower providing a Drawdown certificate for each tranche supported by relevant invoices and documentation.
4. On-going project reporting (to be determined) to be provided to DWC by the Buller District Council, consistent with Kanoa reporting.
5. Any other Loan Conditions or Additional Undertakings as required to the satisfaction of DWC.
6. Should there be an Event of a distribution to the borrower for a stake in the asset within up to 10 years, DWC is to receive a share of the distribution that is proportionate to their contribution as a percentage of the asset value of the assets of the company.
7. DWC receives appropriate recognition of its support of the project in relevant media and communications.

The above key terms and conditions will be documented and clarified where necessary within a formal loan agreement incorporating DWC's standard terms and conditions and circulated for signature in due course.

Yours faithfully

HEATH MILNE
Chief Executive Officer

Phone: 03 769 7000
Freephone: 0800 768 0140
Email: info@dwc.org.nz
Web: www.dwc.org.nz

1st Floor, Brunner House
54 Tainui St, Greymouth - Mawhera 7805
PO Box 451, Greymouth - Mawhera 7840

WEST COAST
UNTAMED. NATURAL WILDERNESS

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 7

Prepared by Brent Oldham
Manager Infrastructure Planning

Reviewed by Anthony Blom
Group Manager Infrastructure Services

Public Excluded: No

BROUGHAM HOUSE AND VICTORIA SQUARE BUILDINGS PROJECT

1. **EXECUTIVE SUMMARY**

To meet post-disaster operational requirements, Civil Defence buildings should be constructed to be Importance Level 4 (IL4). For BDC, the existing building fulfilling this function are the Victoria Square Complex (Emergency Operations Centre) with Brougham House providing accommodation for critical infrastructure.

2. Assessments of both Victoria Square and Brougham House show that these facilities will be uninhabitable after a medium to large sized seismic event.

3. Preliminary investigations have given a rough order of costs to proceed with facility replacement. This report seeks the approval to initiate a project to scope replacement options and confirm likely budgets.

4. A February 2024 report on Council Facilities included a resolution to bring plans forward to the 2027-37 LTP. That resolution will need to be revoked in order to progress these recommendations within the current LTP.

5. Bringing this project into the current LTP provides for the existing lease of the Ellery's building to expire and not be renewed as well as exploiting the ability to reduce other operating costs as new facilities are less costly to run. It also helps mitigate a business continuity risk for all of Council's operations.

6. **DRAFT RECOMMENDATION**

That the Council:

1. Receives the report;

2. Revokes resolution 3 from item 6 of the Brougham House Upgrade Update Report, dated 28 February 2024:

3. Instructs staff to bring forward a scoping study on the future of Brougham House, EOC and Library to the 2027-2037 Long Term Plan.

3. Approves the proposed objectives for a focused project scope;

4. Approves the initiation of the project so a project manager can be assigned and begin an indicative business case for Council approval by December 2025;

5. Note the work to develop an indicative business case will be funded through the \$120,185 proposed in the 25/26 draft LTP. Any further work beyond the scope and design would require further resolutions from Council.

7. **ISSUES & DISCUSSION**

8. **BACKGROUND**

9. Requirements

With the ongoing reviews of Civil Defence resourcing in Buller after the July 2021 floods and scientific research indicating there is a 75% probability of an Alpine Fault earthquake of approximately magnitude 8 occurring in the next 50 years, Council has been investigating options for response in a large-scale emergency event for the Emergency Operations Centre (EOC) and for business continuity. Seismic risk areas as defined in the Building Act 2004 show Westport as being in a high-risk area¹.

10. The first and most fundamental requirement for an operational response facility is having dependable access to the building, and minimal risk from geological features such as potential instability and other hazards like flooding and tsunami. The location should also take into account the risk posed by adjacent and nearby buildings, including those on primary routes to the building. Reasonable proximity to council buildings and the facilities of other response agencies are also relevant considerations.

11. Building resistance for earthquake, wind and snow hazards has been set since the 1970s by a risk factor that reflects building importance classification. The higher importance levels are used in cases where structural failure would lead to an unusually high level of life, economic or other loss; or to meet post-disaster operational requirements.

12. The Importance Level (IL) classifications reflect the consequence of failure of the building, as shown in Table 3.1 from AS/NZS1170 Part 0 reproduced below.

¹ [Seismic Risk Areas](#)

Consequences of Failure	Description	Importance Level	Comment
Low	Low consequence for loss of human life, <i>or</i> small or moderate economic, social or environmental consequences	1	Minor structures (failure not likely to endanger human life)
Ordinary	Medium consequence for loss of human life, <i>or</i> considerable economic, social or environmental consequences	2	Normal structures and structures not falling into other levels
High	High consequence for loss of human life, <i>or</i> very great economic, social or environmental consequences	3	Major structures (affecting crowds)
		4	Post-disaster structures (post-disaster functions or dangerous activities)
Exceptional	Circumstances where reliability must be set on a case by case basis	5	Exceptional structures

13. Importance Level 4 provisions apply to structures with special post-disaster facilities, which typically include Police, Fire and Ambulance stations, key hospital facilities, lifeline utility control rooms and civil defence emergency operations centres².
14. For Buller District Council to have continued functionality to be ready to respond and recover from emergency events, particularly a large-scale earthquake event such as an Alpine Fault rupture, an IL4 rated building is preferred for the Emergency Operations Centre (currently Victoria Square). In addition, there is a need to house critical infrastructure for Council business continuity such as IT servers, building / land use records and other equipment (currently Brougham House). For ongoing post-disaster business as usual Brougham House should be rated at a minimum of IL3.
15. In mid-2021, Council embarked on a thorough investigation and assessment process to understand the performance related challenges of its Brougham House premises and Victoria Square complex.
16. The outcome of a previous paper, presented at the 28 February 2024 council meeting concerning upgrades to Brougham House and the EOC, was an instruction to staff to include provisions for these upgrades the 2027-2037 Long Term Plan.
17. Revoking that resolution now and proceeding earlier with the scope/design of new facilities is supported by the following:
 - there is an opportunity to not extend the current lease on the Ellery's building, in either July 2026 or July 2029, with those lease funds able to offset interest costs for a new build.
 - Council now has a clearer understanding of Business Continuity risks – in particular the inability to re-enter Brougham House following a large seismic event. Any equipment or files stored in that building would be lost.

² [2020-11-Technical-Note-Final-Report.pdf](#)

18. Brougham House Current Building Condition
In 2022 a building report on both buildings was commissioned and peer reviewed, Brougham House was found to be between 34-45% of the New Building Standard (NBS). This means that the building can only handle between 34-45% of the seismic load a new building with the same importance level would be designed to. Therefore, it is less likely that Brougham House will be able to be used post-disaster.
19. Brougham House was built in the mid-1950's with a significant extension added in the early 1970's. Recently there have been further essential upgrades in the form of a new switchboard and HVAC system. However, the building is approximately 70 years old with some original wiring, weak central columns and a compromised roof structure.
20. Critical infrastructure essential for business continuity, including IT servers and communications gateways such as internet, VFM radio, and the SCADA control and monitoring systems, are located in Brougham House. Without SCADA, remote operation and monitoring of vital treatment plants and equipment (like pump stations) is not possible. At 34-45% of the NBS, Brougham House is not likely to be able to be re-habited following a major seismic event and is assessed as a significant risk under item 14 of the Risk Register. Council is not yet aware of the NBS rating for the leased Ellery's building but notes there are no visible earthquake strengthening works in the building. Brougham House is not currently able to accommodate all staff – hence the continued need to lease the Ellery's building.
21. Victoria Square Emergency Operations Centre Current Building Condition
The EOC for Buller District, part of the Victoria Square Complex, is a key Importance Level (IL) 4 facility. IL ratings are based on the consequences of failure. IL4 is deemed the appropriate level for an EOC, as its functionality will be critical to our District's response to a major earthquake.
22. A 2022 report on Victoria Square assessed it to be at 70% of the NBS, showing that it would be likely to survive an initial shock but would be unable to be used post-event.
23. It is unlikely to be economically viable to strengthen the EOC to the IL4 standard.
24. Post Earthquake Risk
Neither building would be unlikely to be re-entered following a sizable seismic shock. This would preclude recovery of personal items, or phones and laptops; nor to restart/recover IT systems, equipment or physical records. Many homes would also be damaged by this shock, and many staff would be unable to easily work from home.
25. Civil Defence will have only rudimentary facilities to work from, (inflatable tents and converted containers), if there was no EOC, however those facilities are not likely to be sustainable over the medium or long term.

26. Without these buildings, the Council's ability to meet the needs of the community in response and the subsequent long recovery period would be severely impacted.
27. Current operating expenses
Council staff are currently located in two facilities: Brougham House and the upper floor of the Ellery's building. Brougham House is council-owned with a remaining book value of \$173,117 (including the garages). The Ellery's Building is leased by Council with a cost of \$85,000 per annum. The lease term runs until 25 July 2026 with an optional three-year right of renewal to 25 July 2029.
28. As Victoria Square is part of the wider grandstand structure and owned by Council, costs for repairs and maintenance and depreciation are not separated in this report.
29. Proposed outcomes
To allow for a focused scope, the proposed objectives for the project are:

Objective Name	Objective Description
Council buildings can be used post-earthquake	Emergency Operations Centre and Council Business as Usual staff and systems have continued functionality to be ready to respond and recover from emergency events.
Ability to accommodate personnel in multi-use buildings	Has the ability to be used by long-term Civil Defence and Business As Usual staff concurrently across both facilities.
Costs are to be affordable to the Buller ratepayers	Costs for the replacement of Brougham House and the EOC building have an estimated cost of \$6.5 million with reduced operation and maintenance costs post-construction. Net addition Annual Cost to ratepayers to be kept to a minimum.

30. Finances
The indicative whole-of-life costs for the project have been forecast with the following key points:
- The effective life of a new build is 50 years
 - Capital costs for the project would be loan funded over 30 years with annual principal and interest payments for years 1-30 of \$397,503, then depreciating from year 31-50.
 - The Brougham House Building and Garaging has a book value of \$173,117 with annual depreciation of \$42,450 due to be paid off by 30 June 2031. If Brougham House were to be demolished or sold, the depreciation charges would immediately cease.
31. The financial analysis and impact on rates for each proposed building is as follows:

EMERGENCY OPERATIONS CENTRE					
Summary of annual expenses	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP
R & M/Insurance/Power	33,830	34,736	35,616	36,427	37,221
Overheads allocated	11,070	14,684	15,078	16,291	16,709
Loan repayments	16,020	16,020	200,280	200,280	200,280
	60,920	65,440	250,974	252,998	254,210
less rents	7,950	8,130	8,302	8,466	8,627
General rate funding	52,970	57,310	242,672	244,532	245,583
% of general rate funding	0.4%	0.4%	1.6%	1.6%	1.5%
Capital expenditure					
- EOC replacement	120,185	2,881,200			
Loan repayments are based on a 30 year loan term with an interest rate of 4.5%					
Depreciation on this new build will not be funded until the loan is repaid					

BROUGHAM HOUSE					
Summary of annual expenses	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP
R & M/Insurance/Power	173,232	179,039	183,921	188,227	192,157
Overheads allocated	35,577	36,709	37,409	43,750	37,608
Ellery Building rent and outgoings	78,871	83,512	88,082		-
Loan repayments	62,599	62,599	62,599	275,842	275,842
Annual Operating Costs	350,279	361,859	372,012	507,819	505,607
Increased Cost				135,807	133,596
Capital expenditure					
- Brougham House replacement	-	514,500	2,958,992	-	-
- minor capital items	5,792	5,960	43,425	6,274	6,424
Loan repayments are based on a 30 year loan term with an interest rate of 4.5%					
Depreciation on this new build will not be funded until the loan is repaid					
Leased accommodation will be terminated as negotiated with property owner					

32. **OPTIONS**

33. **Option 1 – Do nothing**

This option means that the project will not be initiated, and no further work will be undertaken on replacement of either Brougham House or the Emergency Operations Centre.

34. **Advantages**

- No additional capital costs are spent by Council

35. **Disadvantages**

- Ongoing lease costs will be required to accommodate staff (Ellery's Building)
- The Emergency Operations Centre remains at risk of not being usable in the event of a large-scale, catastrophic emergency event.
- By remaining in the Brougham House building, key infrastructure for business continuity such as the IT and communications infrastructure is at risk of not surviving in the event of a large-scale catastrophic emergency event.
- Normal (BAU) Council functions would be disrupted following an event that prevents staff from re-entering Brougham House

36. **Option 2 – Initiate project to move to an indicative business case (recommended)**

The project will commence into the indicative business case with an options assessment included within, for Council approval by December 2025 in time for confirmation of year 2 in the LTP.

37. This would be funded through the \$120,185 proposed in the 25/26 draft LTP. Note, any further work beyond the scope and design would require further resolutions from Council.

38. **Advantages**

- Council will better understand the likely costs of developing new EOC and offices before making decisions to proceed.
- The Emergency Operations Centre and Council offices will be designed to be usable after a large-scale disaster event.
- Key infrastructure for business continuity will be incorporated into the design.
- The design scope will aim to combine Council staff and allow for a multi-use building in emergency events including a large-scale event with emergency response and recovery staff required for a longer period (months to years).

39. **Disadvantages**

- Council incurs design and scope development costs.

40. **PREFERRED OPTION**

The preferred option is option 2 – initiate the project to move to an indicative business case.

41. **NEXT STEPS**
The project will operate under the Council's project management framework for high complexity projects with a project manager assigned. The project will commence into the indicative business case with an options assessment included within, for Council approval by December 2025 in time for confirmation of year 2 in the LTP. Following approval, the planning phase including stakeholder engagement, design and procurement would be undertaken for a final business case to confirm the project for Council approval including delivery/implementation timeframes.
42. **CONSIDERATIONS**
43. **Strategic Impact**
This project has been included in the draft Long-Term Plan 2025-2034 that is currently undergoing consultation with ratepayers.
44. **Significance Assessment**
This report is assessed as being low significance with engagement and decision-making points being required through the project's lifespan.
45. **Risk Management Implications / Opportunities**
The following risks or opportunities are identified with the issues identified in this report:
- If the budget is insufficient to complete the objectives, then the project will be unaffordable to ratepayers.
 - If the operating savings are not realised, then the project will be unaffordable to ratepayers.
 - If the design does not meet the requirements, then the buildings will not be fit for purpose, both as an Emergency Operations Centre and the Council business.
46. These risks will be managed by assigning a Project Manager and using the Project Management Framework for decision making points.
47. **Policy & Legislative Considerations**
There is no legal context, issue or implication relevant to this decision
48. **Māori Impact Statement**
The 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.
49. **Financial Considerations**
The financial implications are discussed in the background of this report.
50. **Communication Internal / External**
As this project is in the initial stages of its lifespan, limited communications have been completed. If approved, a full stakeholder workshop will be completed and stakeholder engagement set up by the

Project Manager including BDC staff, West Coast Emergency Management and other emergency functions such as LandSAR

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 8

Prepared by Simon Pickford
Chief Executive Officer

Public Excluded: No

WEST COAST HEALTH TRUSTEE – REAPPOINTMENT OF TRUSTEE

1. **REPORT PURPOSE**

To recommend the reappointment of Graeme Neylon as trustee of West Coast Health.

2. **DRAFT RECOMMENDATION**

That Council endorse the nomination of Graeme Neylon as Trustee to the West Coast Health Board until 20 March 2028.

3. **EXECUTIVE SUMMARY**

The West Coast Primary Health Organisation (PHO) trading as (t/a) West Coast Health has requested that Buller District Council (BDC) nominate an individual to act as a Trustee of West Coast Health for a term that runs through until 20 March 2028.

4. **DISCUSSION**

The West Coast Primary Health Organisation t/a West Coast Health has nine trustees, each of whom serves a term of three years. The Trust Deed 'stagger' the terms, such that each year three Trustee positions come up for nomination, the next year a different three and so on.

5. One of the positions on the West Coast Health Board is nominated by Buller District Council. The term of the current trustee appointed by Buller District Council (Graeme Neylon) expired 20 March 2025.

6. On 17 April 2025, West Coast Health requested Council to provide it with a nomination of an individual to act as a Trustee of West Coast Health for a term that runs from 21 March 2025 through until 20 March 2028. This nomination is required in advance of the West Coast Health board meeting on 19 June 2025.

7. The West Coast Health website <https://westcoasthealth.nz/> gives some idea of the ranges of services in which West Coast Health is engaged. The latest Annual Report is also on the website.
8. With that in mind, a sensible approach would be to continue with the existing BDC representative Graeme Neylon, who has indicated he is agreeable to continuing as the Buller District Council representative.
9. The standard considerations have been thoroughly evaluated, and there are no additional comments at this time.

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 9

Prepared by John Salmond
Corporate and Strategic Planning Manager

Reviewed by Simon Pickford
Chief Executive Officer

Attachments 1. Signed LTP 2025 Letter of Engagement - EY

LETTER OF ENGAGEMENT – EY

1. **REPORT PURPOSE**

This report provides Council with a copy of the draft Audit Engagement Letter covering the audit of the Consultation Document and the draft 2025-2034 Long Term Plan (LTP).

2. **EXECUTIVE SUMMARY**

The Office of the Auditor General has appointed Stuart Mutch using the staff and resources of Ernst & Young (EY) under section 32 and 33 of the Public Audit Act 2001, to carry out the audit of the Council's Consultation Document and draft LTP.

3. Attached to this report is the Audit Engagement letter. It covers: the terms of the audit engagement and the respective responsibilities of the Council and the auditor, the audit scope and objectives, the approach to undertaking the audit, areas of emphasis, logistics and professional fees.

4. The Local Government Act 2002 (LGA) requires our auditors to:

- Consultation Document – Determine whether the Consultation Document gives effect to the purpose specified in the LGA and the quality of the information and assumptions underlying the information contained in the Consultation Document.
- LTP – report on whether the LTP gives effect to the purpose to section 93 (6) of the LGA and that the information and assumptions underlying the forecast information provided in the LTP are of good quality.

5. **DISCUSSION**
The engagement letter was received on the 22 April 2025 so therefore was too late to be included in the April Council meeting.
6. The professional fees which are quoted in the document represents an inflation adjusted amendment to the 2021-31 LTP and has been provided from the Office of the Auditor-General and the fees are set out below:
 - **April 2025 - \$60,000**
 - **May 2025 - \$20,000**
 - **June 2025 - \$25,735**

Total \$105,735
7. The standard considerations have been thoroughly evaluated, and there are no additional comments at this time.
8. **DRAFT RECOMMENDATION**
That the Letter of Engagement from EY dated 28 May 2025 be received.



**Shape the future
with confidence**

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The Councillors
c/o Simon Pickford
Chief Executive
Buller District Council
PO BOX 21
Westport 7866

31 March 2025

Dear Simon

AUDIT ENGAGEMENT LETTER: AUDIT OF THE CONSULTATION DOCUMENT AND LONG-TERM PLAN FOR THE PERIOD COMMENCING 1 JULY 2025

This audit engagement letter is sent to you on behalf of the Auditor-General, who is the auditor of all “public entities”, including Buller District Council (the Council), under section 14 of the Public Audit Act 2001.

The Council elected to defer the adoption of its 2024-34 long-term plan (LTP) in accordance with clause 48(1) of Schedule 1AA of the Local Government Act 2002 (the Act) and will instead adopt an audited 2025-34 LTP as required by clause 49(1)(a) of Schedule 1AA of the Act.

The Auditor-General has appointed me, Stuart Mutch, using the staff and resources of Ernst & Young, under section 32 and 33 of the Public Audit Act 2001, to carry out the audit of the Council’s consultation document and LTP.

This letter outlines:

- the terms of the audit engagement and the respective responsibilities of the Council and me as the Appointed Auditor;
- the audit scope and objectives;
- the approach taken to complete the audit;
- the areas of audit emphasis;
- the audit logistics; and
- the professional fees.



1 SPECIFIC RESPONSIBILITIES OF THE COUNCIL FOR PREPARING THE CONSULTATION DOCUMENT AND THE LONG-TERM PLAN

Our audit will be carried out on the basis that the Council acknowledges that it has responsibility for preparing the consultation document and LTP, by applying the Council's own assumptions, in accordance with the Local Government Act 2002 (the Act) (in particular, the requirements of Part 6 and Schedule 10) and in accordance with generally accepted accounting practice in New Zealand. We assume that elected members are familiar with those responsibilities and, where necessary, have obtained advice about them.

For clarity, we note the following statutory responsibilities as set out in the Act:

- section 93 of the Act requires the Council to have an LTP at all times, and Part 1 of Schedule 10 prescribes the information that must be included in the LTP;
- section 111 requires all information that is required to be included in the LTP to be prepared in accordance with applicable generally accepted accounting practice standards;
- section 83 (with reference to section 93A) sets out the special consultative procedure that the Council is required to follow to adopt the consultation document and LTP; and
- section 93C(4) requires an auditor's report on the consultation document, and section 94 requires a separate opinion on the LTP.

Please note that the audit does not relieve the Council of any of its responsibilities.

Other general terms are set out in the relevant sections of this letter and Appendix 1.

2 OUR AUDIT SCOPE

The Act requires us to provide two separate reports, as follows:

- on the consultation document, a report on:
 - whether the consultation document gives effect to the purpose specified in section 93B; and
 - the quality of the information and assumptions underlying the information in the consultation document.



- on the LTP, a report on:
 - whether the LTP gives effect to the purpose in section 93(6); and
 - the quality of the information and assumptions underlying the forecast information provided in the LTP.

We expect our work to assess the quality of underlying information and assumptions to be a single, continuous process during the entire LTP preparation period.

Our focus for the first limb of each report will be to assess whether the consultation document and the LTP meet their respective statutory purposes. Given the different purposes of each document, we will assess the answers to different questions for each report.

Our focus for the second limb of each report will be to obtain evidence about the quality of the information and assumptions underlying the information contained in the consultation document and LTP. How we obtain this information depends on our judgement, including our assessment of the risks of material misstatement of the information and assumptions underlying the information contained in the consultation document and LTP, whether because of fraud or error.

Our audit reports do not:

- provide a guarantee of absolute accuracy of the information in the relevant document;
- provide a guarantee that the Council has complied with all relevant legal obligations;
- express an opinion on the merits of any policy content; or
- include an opinion on whether the forecasts will be achieved.

3 OUR APPROACH TO THIS AUDIT

3.1 The content of the consultation document

The Act emphasises the discretion of the Council to decide what is appropriate to include in the consultation document and the associated consultation process. In deciding what to include in the consultation document, the Council must have regard to its significance and engagement policy, and the importance of other matters to the district and its communities.



We will need to understand how the Council has approached the task of applying its significance and engagement policy, and how it has weighed the importance of other matters in deciding what to include in the consultation document. This will help inform our assessment of whether the consultation document achieves its statutory purpose.

3.2 Adopting and auditing the underlying information

Before adopting the consultation document, section 93G of the Act requires the Council to prepare and adopt the information that:

- is relied on by the content of the consultation document;
- is necessary to enable the Auditor-General to issue an audit report under section 93C(4); and
- provides the basis for the preparation of the LTP.

The information to be prepared and adopted needs to be enough to enable the Council to prepare the consultation document.

We consider that local authorities will need to have thought comprehensively about how best to meet the requirements of the Act. Consistent with the guidance of Taituarā, Local Government Professionals Aotearoa, our view is that core building blocks of an LTP will be needed to support an effective consultation document. This will include, but not be limited to, draft financial and infrastructure strategies and the information that underlies them, including asset management information, assumptions, defined levels of service, funding and financial policies, and a complete set of financial forecasts.

We will work with management to understand the information proposed to be adopted and assess whether it will enable us to issue an audit report under section 93C(4).

From a practical perspective, it will be important that the Council is well advanced with the preparation of the full LTP when it issues the consultation document. Otherwise, you may find it difficult to complete the work and adopt the full LTP before your deadline. The same is true for the audit work. The more audit work that can be completed at the first stage of the process, the less pressure there will be on you and the audit team at the end of the process.



3.3 Control environment

The Council is responsible for establishing and maintaining accounting and internal control systems (appropriate to the size of the Council), supported by written policies and procedures, designed to prepare the consultation document and LTP, and to provide reasonable quality information and assumptions underlying the information contained in these documents.

Our approach to the audit will be to identify, confirm, and assess the Council's key processes and controls over the underlying information and the production of both the consultation document and the LTP. The purpose of this assessment is to enable us to plan the most effective and efficient approach to the audit work needed to provide our two audit reports. Our assessment is not for the purpose of expressing an opinion on the effectiveness of the Council's internal controls.

We will carry out a review of the control environment to help us understand the approach taken to develop the consultation document and LTP, develop expectations of what should be included in the consultation document and LTP, and identify areas of potential audit risk. This will involve discussions with elected representatives and selected staff throughout the Council, review of publicly available information about the Council, updating our knowledge of Council issues developed during recent years, and a review of Council minutes since the last audit review.

3.4 Project management, reporting deadlines, and audit progress

The development of the consultation document and LTP is a significant and complex project, and a comprehensive project plan is required for a successful LTP process. It is also essential that there is commitment throughout the organisation for the project, starting with the elected representatives. The involvement of senior management and elected representatives is important in deciding what to include in the consultation document.

The LTP has complex and inter-related information needs and draws together plans, policies, decisions, and information from throughout the Council and its community. We recognise that the Council will be doing its LTP preparation over an extended period. A more efficient and cost-effective audit can be achieved when audit work and feedback is provided in "real time" or on an "auditing as you go" basis as the underlying information is developed.



Consequently, we will discuss with you and your staff the Council's approach to preparing and completing the LTP. We expect that the Council is approaching its preparation on a project basis and recognise that our audit work should "shadow" that project timetable. The success of this "auditing as you go" approach will depend on the Council's project management of the overall LTP process, which should include time for audit work at appropriate points in the process.

4 OUR PARTICULAR AREAS OF AUDIT EMPHASIS

4.1 The impact of the Local Water Done Well reform programme on the 2025-34 LTPs

The Government is progressing its Local Water Done Well reform programme. The Local Government (Water Services Preliminary Arrangements) Act 2024 (the WSPA Act) establishes the Local Water Done Well framework and the preliminary arrangements for the new water services system. The Local Government (Water Services) Bill was introduced in December 2024. This Bill will establish the enduring settings for the new water services system.

The WSPA Act requires Council to prepare a water services delivery plan. In broad terms, a water services delivery plan is intended to be a strategic decision-making tool for councils to consider current and future delivery of water services, and will:

- set out how councils will deliver high-quality, financially sustainable water services in the long run; and
- include information on councils' water services, how much they need to invest, and how they plan to finance and deliver it through their preferred water service delivery model.

Among other things, water services delivery plans must identify the anticipated or proposed model or arrangement for delivering water services. The Council must formally consult its community on the anticipated or proposed model or arrangement for delivering water services.

Water services delivery plans must be submitted to the Secretary for Local Government by 3 September 2025, unless an extension is granted.



Given the required content of the water services delivery plan, we expect there will be a level of consistency between the content of the water services delivery plan and the information, and assumptions used to support the three waters forecasts included in the LTP. Checking that the LTP is consistent with the water services delivery plan, where it has been completed and available, will be a focus of this audit. Specifically, we will check whether the following information included in the water services delivery plan is reflected in the LTP:

- What the Council proposes to do to ensure that the delivery of water services will be financially sustainable by 30 June 2028.
- How Council will separate revenue from, and delivery of, water services from its other functions and activities.
- The anticipated or proposed model or arrangements for delivering water services.
- The capital and operational expenditure required to deliver the water services.

We acknowledge that the water services delivery plan is required later than the 2025-34 LTP. If the submitted water services delivery plan is not available, we will consider what substantive decisions elected members have made about the content of the water services delivery plans. Where possible, we will review the most completed draft available.

We also expect the Council to consider how the proposed new requirements set out in the Local Government (Water Services) Bill could impact on its operations. If the impact is significant, the Council may need to reflect that impact in the forecasts set out in the 2025-34 LTP.

4.2 Financial strategy and infrastructure strategy

The Act requires a local authority to prepare two key strategies as part of the LTP: the financial strategy and the infrastructure strategy.

The purpose of the financial strategy is to:

- facilitate prudent financial management by the local authority by providing a guide for the local authority to consider proposals for funding and expenditure against; and
- provide a context for consultation on the local authority's proposals for funding and expenditure by making transparent the overall effects of those proposals on the local authority's services, rates, debt, and investments.



The purpose of the infrastructure strategy is to:

- identify significant infrastructure issues for the local authority during the period covered by the strategy; and
- identify the principal options for managing those issues and the implications of those options.

For the two strategies to be effective, they must be closely aligned. Section 101B(5) allows for them to be combined into a single document.

Although the Act clearly sets the minimum requirements for these strategies, it does not define the only things that can be in a strategy. A good strategy should include what is needed to be a good quality strategic planning document. In the case of the infrastructure strategy, the principles of ISO 55000 should be considered, particularly where the Council is seeking to prepare a best practice strategy.

Our focus when reviewing both strategies is to assess whether the Council has met the purpose outlined in the Act and presented the strategies in a coherent and easily readable manner. Specifically, we will:

- confirm that the two strategies are appropriately aligned;
- understand the effect of the financial forecasts included in the infrastructure strategy on the prudence of the financial strategy; and
- assess the reasonableness of the prepared forecasts by:
 - understanding how the Council has applied the effect of its assumptions (for example, allowing for changing demographics, the implications of the changing climate, the condition and performance of critical assets) and levels of service on expenditure decisions and outlined the implications of these decisions in the strategies;
 - reviewing the Council's relationship between its renewal capital expenditure and depreciation expenditure forecasts; and
 - checking that the infrastructure strategy is appropriately inflated.

The Council's financial modelling is a significant component of the underlying information that supports both the financial strategy and infrastructure strategy. We will place particular emphasis on the integrity and effectiveness of the financial modelling of all local authorities.



An additional role played by these strategies is to facilitate accountability to the community. It is critical that these strategies are presented in such a way that they are engaging and informative, and support the presentation of issues, options, and implications presented in the consultation document.

4.3 Assumptions

The quality of the Council's financial forecasts is significantly affected by whether the assumptions on which they are based are defined and reasonable. The Act recognises this by requiring all local authorities to clearly outline all significant forecasting assumptions and risks underlying the financial estimates in the LTP (Schedule 10, clause 17). *Prospective Financial Statements* (PBE FRS 42) also requires the disclosure of significant assumptions.

We will review the Council's list of significant forecasting assumptions and confirm that they are materially complete. We will also test the application of selected assumptions in the financial forecasts to check they have been reasonably applied. Finally, we will confirm that:

- all significant forecasting assumptions disclose the level of uncertainty associated with the assumption; and
- for all significant forecasting assumptions that involve a high level of uncertainty, the uncertainty and an estimate of the potential effects of the uncertainty on the financial forecasts are appropriately disclosed in the LTP.

We consider that the significant forecasting assumptions are crucial to the underlying information for the consultation document and will complete our review during our audit of the consultation document.

Climate change assumption

We will continue to focus on the assumptions that the Council has made about climate change and the adequacy of other information and disclosures relating to climate change.

We will review the Council's climate change assumptions to determine whether they are reasonable and supportable. We will assess the quality of the supporting information the Council is using in developing its assumptions and disclosures included in the LTP, the consultation document (if relevant), and the adopted underlying information.

We do expect the Council to reflect information on the impacts of climate change identified in the last three years in its climate change assumptions and work plans outlined in the LTP.



Historical Use of Assumptions

Council have historically sought to maintain an effective understanding of its infrastructure assets so that decision could be made in regard to their expected useful lives and the extent to which renewal programmes could be deferred. Council's greatest financial assumption-based challenge for planning purposes has been in relation to the extent to which external funding from the New Zealand Transport Authority, other Central Government agencies or other parties could be built into funding expectations in relation to key infrastructure projects. In addition to the importance of financial assumptions, the assumptions adopted by Council in relation to the future expectations of authorities in relation to the compliance of water services has been and will continue to be a key assumption impacting Council's long-term planning.

4.4 Quality of asset-related forecasting information

A significant portion of the Council's operations relates to the management of its infrastructure. These activities typically make up about 60% of operational expenditure and 85% of capital expenditure.

To prepare reasonable quality asset information, the Council needs to have a comprehensive understanding of its critical assets and the cost of adequately maintaining and renewing them. An important consideration is how well the Council understands the condition of its assets and how the assets are performing.

In reviewing the reasonableness of the Council's asset-related forecasting information, we will:

- assess the Council's type asset management planning systems and processes;
- understand what changes the Council proposes to its forecast levels of service;
- understand the Council's assessment of the reliability of the asset-related information;
- consider how accurate recently prepared budgets have been; and
- assess how matters such as affordability have been incorporated into the asset-related forecasts prepared.

Depending on what we identify in completing the above, we may have to complete further detailed testing on the Council's asset-related information.



5 OTHER MATTERS

5.1 Our independence

It is essential that the audit team and Ernst & Young remain both economically and attitudinally independent of the Council (including being independent of management personnel and the Council). This involves being, and appearing to be, free of any interest that might be regarded, whatever its actual effect, as being incompatible with integrity, objectivity, and independence.

5.2 Publication of the consultation document and adopted long-term plan on the Council's website

The Council is responsible for the electronic presentation of the consultation document and LTP on its website. This includes ensuring that there are enough security and controls over information on the website to maintain the integrity of the presented data. Please ensure that your project plan allows time for us to examine the final electronic file version of the respective documents, including our audit report, before their inclusion on the website.

We need to do this to ensure consistency with the paper-based documents that have been subject to audit.

6 AUDIT LOGISTICS

6.1 Audit timing

During discussions in January and February 2025 Council has reflected on the challenges in relation to completing modelling and adequate documentation for the purposes of supporting the Consultation Document. As a consequence of the uncertainty associated with the timing of information being available it was agreed we would make one on-site visit at Council and then undertake further work remotely as information is made available.

The key dates in the audit timetable are as follows:

- Self-assessment provided to Council

The Self-Assessment was completed by Council in 2024 prior to the decision to defer Councils Long Term Plan until 2025. We have agreed not to undertake this again in 2025.

Key on-site visit (Key Risks and Issues Discussions)

12 March 2025



We have completed our interim visit focused on developing a more in-depth understanding of Councils strategies, modelling and key issues on site during March.

Proposed consultation document available	31 March 2025
Audit report on consultation document required	23 April 2025
Draft report to governors on consultation document engagement	23 April 2025
Proposed LTP for adoption available	12 June 2025
Draft report to governors on LTP engagement	23 June 2025
Audit report on adopted LTP required	30 June 2025
Finalised report to governors on LTP engagement	21 July 2025

Should we encounter any significant problems or delays during the audit, we will inform you immediately.

We have an electronic audit management system. This means that our auditors will complete most of their work on their laptops. Therefore, we would appreciate it if the following could be made available during our audit:

- a suitable workspace for computer use (in keeping with the health and safety requirements discussed in Appendix 1); and
- electronic copies of key documents.

As noted in section 3.4, our audit work needs to be done as you develop your underlying information and prepare your consultation document and LTP, to ensure the timely completion of our audit.

To ensure that we meet agreed deadlines, it is essential that the dates agreed are adhered to.

7 PROFESSIONAL FEES

Our audit fee, covering both the consultation document and the LTP for the period commencing 1 July 2025, is \$105,735 (excluding GST and disbursements). This represents an inflation adjusted amendment to the 2021-31 LTP audit fee and has been provided by the Office of the Auditor-General.



In the unlikely event that the actual hours to carry out the audit of the consultation document and LTP are fewer than the estimated hours used to calculate the above audit fee, and this results in an hourly rate of more than \$220 per hour, the audit fee will be reduced so that the hourly rate is a maximum of \$220 per hour.

This will be the first LTP audit that we will complete for your Council. This is because the Office of the Auditor-General reallocated your annual audit to Ernst and Young from the financial year ending 30 June 2022. Budgeting for the audit hours for a new engagement is challenging because we don't have our own history or experiences with the organisation to determine the reasonable number of hours required to perform an efficient audit.

The Office of the Auditor-General has provided the estimated fee level for this year's LTP audit. The fee has taken into account the number of hours it took to complete the audits of the past two LTPs. During the LTP audit and following the completion of the audit we will discuss with you the hours and fees, so we both have helpful information for setting audit fees for the next LTP audit in 2027.

The proposed fee is based on the following assumptions:

- Information required to conduct the audit is complete and provided in accordance with the agreed timelines. This includes the draft consultation document and the full draft financial strategy, draft infrastructure strategy and key underlying assumptions and information that supports the draft consultation document.
- There will be an appropriate level of assistance from your staff.
- All documentation (consultation document, LTP, and all other underlying documentation) provided will be subject to appropriate levels of quality review before submission for audit.
- The consultation document and LTP will include all relevant disclosures.
- We will review, at most, two drafts of each of the consultation document and LTP during our audit.
- We will also review one printer's proof copy of the consultation document and LTP and one copy of the electronic version of the consultation document and LTP (for publication on your website).
- There are no significant changes in the structure or level of operations of the Council impacting on the audit, such as the establishment of a CCO to deliver core functions or a major restructuring of groups of activities.



- The local authority is preparing forecast financial statements for the “Council parent” only, rather than including consolidated forecast financial statements for the Council and any controlled entities in the adopted LTP.

If information is not available for the visits as agreed, any of the assumptions listed above are not met, the scope and/or amount of work changes significantly, or the systems and controls the Council use to prepare the underlying information and assumptions cannot be relied on, we will seek to recover additional costs incurred as a result. We will discuss with you any issues at the time. This fee is exclusive of any subsequent amendments the Council might make to the adopted LTP under section 93D.

We wish to interim bill as work progresses. We propose the following billing arrangements:

	\$
April 2025	60,000
May 2025	20,000
June 2025	<u>25,735</u>
Total	105,735

Actual and reasonable disbursements will be recovered in addition to these core fees. As noted above, a significant element of our work will be undertaken remotely. As a consequence, we will seek to minimise the level of disbursements incurred.

PERSONNEL

Our personnel involved in the management of the audit are:

<i>Stuart Mutch</i>	<i>Partner</i>
<i>Ahmed A Sofe</i>	<i>Associate Director</i>

Given the short timeframes between the delivery of Councils material underlying the Consultation Document and the adoption date and the uncertainty in relation to when this material would be provided in February or March 2025, it is likely that Stuart Mutch will take a more hands on approach to the engagement as he manages the availability of staff and material from Council that will be a focus of our audit.



8 AGREEMENT

Please sign and return the attached copy of this letter to indicate that:

- it is in accordance with your understanding of the arrangements for this audit of the consultation document and LTP for the period commencing 1 July 2025; and
- you accept the terms of the engagement set out in this letter that apply specifically to the audit of the consultation document and LTP and supplement the existing audit engagement letter dated 3 May 2022 for the years 30 June 2022 to 30 June 2025.

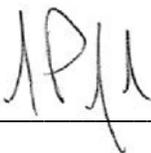
If there are any matters requiring further clarification, please do not hesitate to contact me.

Yours sincerely

Stuart Mutch
Partner
On behalf of the Auditor-General
Wellington, New Zealand

cc John Salmond, Corporate and Strategic Planning Manager

I acknowledge that this letter is in accordance with my understanding of the arrangements of the audit engagement. I also acknowledge the terms of the engagement that apply specifically to the audit of the consultation document and LTP, and that supplement the existing audit engagement letter.

Signed:  _____ Date: 22 April 2025

Simon Pickford
Chief Executive Officer



Appendix 1: Terms of the engagement that apply specifically to the audit of the consultation document and LTP

Objectives

The objectives of the audit of the consultation document and LTP are:

- to provide independent reports on the consultation document (under section 93C(4) of the Act) and on the LTP (under section 94(1) of the Act) about:
 - whether each document gives effect to the relevant statutory purpose; and
 - the quality of the information and assumptions underlying the information included in each document; and
- to report on matters relevant to the Council's planning systems that come to our attention.

Our audit involves performing procedures that examine, on a test basis, evidence supporting assumptions, amounts, and other disclosures in the consultation document and LTP, and evaluating the overall adequacy of the presentation of information.

We also review other information associated with the consultation document and LTP to identify whether there are material inconsistencies with the audited consultation document and LTP.

Provision of a report to the governors of the Council

At a minimum, we will report to the governors of the Council at the conclusion of the engagement. The report communicates matters that come to our attention during the engagement and that we think are relevant to the Council. For example, we will report:

- any weaknesses in the Council's systems; and
- uncorrected misstatements noted during the audit.

Please note that the Auditor-General may refer to matters that are identified in the audit of consultation documents and LTPs in a report to Parliament if it is in the public interest, in keeping with section 20 of the Public Audit Act 2001.



Materiality

Consistent with the annual audit, the audit engagement for the consultation document and LTP adheres to the principles and concepts of materiality during the 9-year period of the LTP and beyond (where relevant).

Materiality is one of the main factors affecting our judgement on the areas to be tested and the nature and extent of our tests and procedures performed during the audit. In planning and performing the audit, we aim to obtain assurance that the consultation document and LTP, and the information and assumptions underlying the information contained in these documents, do not have material misstatements caused by either fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence a reader's overall understanding of the consultation document and LTP.

Consequently, if we find material misstatements that are not corrected, we will refer to them in the audit report. Our preference is for any material misstatement to be corrected, avoiding the need to refer to misstatements.

The standards applied when conducting the audit of the consultation document and adopted long-term plan

Our audit is carried out in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we consider particular elements of the Auditor-General's Auditing Standards and International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information* that are consistent with those requirements.

Responsibilities

General responsibilities

The general responsibilities of the Council for preparing and completing the consultation document and LTP are consistent with those for the annual report, as set out in the audit engagement letter dated 3 May 2022 but noting that the consultation document and LTP include forecast information.

These responsibilities include those set out in Appendix 1 of that audit engagement letter as detailed below:



- Appendix 1: Respective specific responsibilities of the Council and the Appointed Auditor:
 - responsibilities for compliance with laws and regulations; and
 - responsibilities to establish and maintain appropriate standards of conduct and personal integrity.

Specific responsibilities

The Council is responsible for:

- maintaining accounting and other records that:
 - correctly record and explain the forecast transactions of the Council;
 - enable the Council to monitor the resources, activities, and entities under its control;
 - enable the Council's forecast financial position to be determined with reasonable accuracy at any time; and
 - enable the Council to prepare forecast financial statements and performance information that comply with legislation; and
- providing us with:
 - access to all information and assumptions relevant to preparing the consultation document and LTP, such as records, documentation, and other matters;
 - additional information that we may request from the Council for the purpose of the audit;
 - unrestricted access to Council members and employees that we consider necessary; and
 - written confirmation of representations made to us in connection with the audit.

Health and safety of audit staff

The Auditor-General and Ernst & Young take seriously their responsibility to provide a safe working environment for audit staff. Under the Health and Safety at Work Act 2015, we need to make arrangements with you to keep our audit staff safe while they are working at your premises.



We expect you to provide a safe work environment for our audit staff that is without risks to their health and safety. This includes providing adequate lighting and ventilation, suitable desks and chairs, and safety equipment, where required. We also expect you to provide them with all information or training necessary to protect them from any risks they may be exposed to at your premises. This includes advising them of emergency evacuation procedures and how to report any health and safety issues.

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 10

Prepared by	Jamie Cleine Mayor
Reviewed by	Simon Pickford Chief Executive Officer
Attachments	1. Mayors Correspondence
Public Excluded:	No

MAYORS MONTHLY UPDATE REPORT

1. **REPORT PURPOSE**

This report is to provide commentary and updates on significant events, meetings and workstreams attended by or involving the mayor. The Mayoral inwards and outwards correspondence is provided for information, discussion and direction on any responses required.

2. Council is also asked to consider any change to how BDC will be represented at the 2025 LGNZ National Conference.

3. **DRAFT RECOMMENDATION**

That the Council:

1. **Receives the Mayors Monthly Update Report for May 2025 for information and discussion.**
2. **Notes Inwards and Outwards Correspondence and provide direction for any responses required.**
3. **Notes council's LGNZ Conference and Zone Meetings Policy.**
 - a. **Notes the 2025 conference is hosted in Christchurch and this creates a more affordable opportunity to consider additional delegates attend on a one-off basis.**
 - b. **Resolves that (insert number) Councillors are authorised to attend the 2025 LGNZ national conference.**

4. **DISCUSSION**

5. **ECONOMIC UPDATE – INFOMETRICS**

On 12 May Councillors received a briefing and presentation from Brad Olsen, Chief Economist, from economic advisory firm, Infometrics. Although the Buller economy is exposed to many similar headwinds to New Zealand more generally, there are some areas where we are holding up better than most and some emerging trends may be favourable for the local economy.

6. Some key points:

- Buller leads the West Coast in consumer spending with positive growth in this area of 1.4% – most regions are contracting/reducing, especially in urban areas.
- House values have risen 1.6% in 2024 however are still 1.7% behind their peak set in 2023.
- Housing is still amongst the most affordable, with values at circa 3.5x household income compared to 6.5x nationally. This measure of affordability is considered to outweigh the slightly lower salaries in Buller than nationally.
- New Building consents are down from the peak of recent years, however still above both the long run average and pre-covid levels.
- Non-Residential construction remains well up on long term averages.
- House listing numbers are following national trends up however they haven't sky rocketed like some areas, this indicates a reasonably balanced supply and demand situation albeit sluggish.
- Guest nights are softer, but still good compared to rest of New Zealand.
- Tariff/trade wars likely to soften international tourist arrivals as consumer spending in affected countries tightens. US visitor arrivals are back to pre covid levels and are more likely to be independent higher value tourists, this is more aligned to the Buller tourist offering. Whereas Chinese visitors are still at only 60% of pre-covid levels.
- Population of Westport has been growing slowly but steadily since 2022, now exceeds 4500 residents. Easily the second largest urban area on the West Coast. Total district population is now 10,500 the highest since 2013.
- Farm input costs have stabilised but are 27% above 2020 levels. Milk payouts are at record levels, \$124m more paid into West Coast economy than in 2024. Dairy exceeded \$500m for the first time. Predicted 2025/26 payout is to remain at these elevated levels.
- Inflation remains a concern with sentiment taking a turn upwards with predictions now at 4.5%.

7. **MAYORS TASKFORCE FOR JOBS (MTFJ)**
8. **MTFJ Buller Co-ordinator Julie Moore:**
We have consistent referrals and communication from case managers and regular meetings/emails with our MSD work broker. We are currently working alongside the work broker supporting two employers who have employed job seekers recently.
9. We have 3 Buller High School students that we have funded to attend the Outward Bound Whakatipu programme next month.
10. We are also collaborating with Te Ha O Kawatiri to deliver a four-week course centred around their māra kai. This will start soon.
11. We have begun working with Te Reo a Te Taiohi (TRATT) to see how we can support them delivering a "Festival of Buller's future", youth event in Westport. MTFJ will be supporting with workshops helping rangatahi with skills needed when entering the workforce e.g. CV's, interview techniques. In addition to this, it is hoped we will be able to mentor a young person through into employment.
12. MTFJ Buller has achieved 24 sustainable employment outcomes as at the end of April. Our target to the end of June is 30.
13. **Mayors Comment:**
Good to see the steady progress to achieving our contracted outcomes. This only happens through the persistence and innovation by Julie and Ruby to get these young people into sustainable employment. We are excited to be closing out the final three months of the contract with high profile events, including a job expo and youth leadership event. The latter being an inaugural effort to build a regional event that inspires, connects and supports young people across Buller district.
14. **MINISTERIAL VISIT – HON MARK MITCHELL**
The Hon Mark Mitchell, Minister of Emergency Management and senior NEMA officials visited Westport to officially open the recently completed Holcim No2 and Kawatiri wharves. These wharves were seriously damaged in both the 2021 and 2022 flood events which compromised the safety and functionality of the asset and also damaged the back sheathing, where the wharf intersects with the land/riverbank. This back-sheathing plays a role in flood protection by preventing the flooded river from bursting through into the town from underneath the wharf.
15. The wharf renewal was the final project in the NEMA funded “tranche 2” of \$17.1m across a number of projects

16. Many of the Tranche 2 projects considered opportunities to build resilience (betterment), not just putting back but improving and making things more fit for the future. Dredging, lifting of sewage pumps, WaStop valves, other stormwater improvements, work to protect the historic landfill site in Reefton were all included as well as the wharf renewal.
17. The project delivery spanned successive councils, successive Ministers, and many staff changes at BDC.
18. This community owes a debt of gratitude to the efforts of our BDC staff of the time, that identified what needed fixing and championed, collaborated and negotiated a package that has made a meaningful and lasting contribution to our recovery.
19. NEMA has been a trusted partner of council throughout the recovery and development of the Tranche 2 programme. This included supporting our funding applications that were outside of policy and required Cabinet approval. This partnership continued throughout the delivery phase with the ultimate sign-off made by NEMA as projects completed.
20. Following the official event, members of the West Coast Emergency Management Joint Committee (WCEM) and other emergency agencies workshopped the recent discussion document released by Department of Prime Minister & Cabinet. This was an opportunity to provide feedback to the Minister and NEMA officials on new Emergency Management legislation to be introduced to parliament later this year. WCEM will provide a written submission in response to the discussion document and will monitor progress of any new Bill through the legislative process and provide formal submissions in due course.
21. **LGNZ NATIONAL CONFERENCE - CHRISTCHURCH**
The annual conference of LGNZ (SuperLocal) is being held in Christchurch 16-17 July 2025. The conference also coincides with the LGNZ Annual General Meeting and the Mayors Taskforce for Jobs Annual General Meeting.
22. Further information including the programme and keynote speakers is available from the conference website lgnzconference.co.nz
23. 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."

24. In line with this policy, it is intended that the Mayor and CEO will attend the 2025 conference.
25. Council has previously decided to send more delegates outside of policy. This most recently occurred at the 31 May 2023 meeting where Cr Reidy & Cr Neylon put forward motions that were unanimously resolved to send four Councillors to the conference which in that year was also held in Christchurch.
26. **Things to Consider:**
Council is asked to consider if it wishes to send additional delegates to the 2025 Conference and confirm this by resolution. The alternative is to remain in line with policy and only the Mayor and CEO would attend.
27. Given the relative closeness of Christchurch, it could be more affordable for additional delegates to attend this particular conference.
28. Another consideration may be the local elections later this year and the intentions of elected members to re-stand or not, this may be a factor in considering the value of attendance.
29. The estimated cost of attending is detailed in the table below, noting that additional delegates could share travel expenses by carpooling, reducing the per person cost indicated.

Costs	Estimated Cost
Early Bird tickets (until 13 June) per delegate	\$1400.00
Accommodation (3 nights) per room	\$600.00
Travel (usual kilometre claim rates/vehicle)	\$680.00
Total per delegate, (reduces if carpooling)	\$2680.00

30. **LOCAL EVENTS & STAKEHOLDER ENGAGEMENT**
I continue to take opportunities to promote and advocate for Buller. This includes providing ad hoc media comment, attending various meetings with stakeholders and attending events across the District. Some of these include:
- Corrections Department – I met with senior staff from corrections. We discussed the process they follow when prisoners at higher risk of re-offending are being re-integrated to society. I was also briefed on opportunities for projects and partnerships that those serving community-based sentences could be tasked with.

- BDC Long Term Plan – I attended drop-in sessions to meet with community members at Mokihinui, Karamea, Westport and Charleston
- Clean Streams Karamea, I was hosted by Craig Stenhouse, Board Chair. Craig provided a tour of the native tree nursery and talked me through the business. Circa 100,000 trees are produced from the site annually which occupies BDC road reserve. This is a very innovative use of public land and generating employment and environmental gains in Karamea and Buller.
- Granity Volunteer Fire Brigade – 50-year Service medal Murray Watson. I attended this event and provided a speech on behalf of the community. This was an opportunity to acknowledge the significant contribution fire brigade members make to the community across Buller, and the families that support them to do this work. I also acknowledged the collaboration between brigades as they share knowledge and equipment across Buller.
- NZ Airports Assn, Airports Day. I was invited to present a case study to this event hosted at Parliament buildings in Wellington. The focus was to highlight the broader economic and social importance of air connectivity to the regions and the issues/challenges of sustaining this. The event was hosted by Hon James Meager and created an opportunity to speak directly with the minister, policy makers and industry stakeholders. Some form of regional air-connectivity support is an active work-stream of the government with Cabinet expected to consider options in the medium term. My preparation and content was supported by Development West Coast.
- Kawatiri Coastal Trail Trust, I met with trustees to discuss their strategy to support the operational costs of the trail now the majority of capital investment is complete. One important component of this will be advocacy to gain “great ride” status, a scheme administered by MBIE to support the operational costs cycle trails of significance.

31. The standard considerations have been thoroughly evaluated, and there are no additional comments at this time.

32. **CORRESPONDENCE**

For Council consideration – see attached

Incoming Correspondence 2025	From	Subject
28 April 2025	Hon Chris Penk, Minister for Building and Construction	BDA's – building inspections update
28 April 2025	RSA ANZAC Day	Letter of Thanks
6 May 2025	Minister of Local Govt, Simon Watts	Local Water Done Well Progress
21 May 2025	Minister of Local Govt, Simon Watts	Financial Sustainability of Water Services

Outgoing Correspondence 2025	To	Subject
23 April 2025	Ernst & Young	Letter of Representation – LTP Audit
24 April 2025	Paul Reynolds	Public Forum Response - RAC
30 April 2025	Letter of Support	West Coast Heritage
2 May 2025	Phil Rutherford	Public Forum Response
5 May 2025	G Howard	Public Forum Response
5 May 2025	R Curnow	Public Forum Response

Hon Chris Penk

Minister for Building and Construction
 Minister for Land Information
 Minister for Small Business and Manufacturing
 Minister for Veterans
 Associate Minister of Defence
 Associate Minister of Immigration



28 APR 2025

Your Worships,

I am grateful for the engagement of many building consent authorities (BCAs) in recent months to ensure that together we can make building easier, quicker and more affordable. To ensure timely building inspections, I recently announced a Government-set target that at least 80 per cent of building inspections be conducted within a period of three working days.

While many BCAs are already delivering most inspections within three working days, others may find meeting this new requirement a challenge. I respectfully encourage you to consider a broad range of options to meet this requirement, including undertaking more remote inspections and taking a risk-based approach to undertaking inspections.

On that note, the Government has decided not to require remote inspections by default. My thanks to those BCAs who engaged with the Ministry of Business, Innovation and Employment (MBIE) and me on the subject, during our recent consultation. All the same, it is my expectation that all BCAs should have the capability and systems to deliver remote inspections so that they can provide timely and flexible inspection services.

The regulations implementing the new three-working-day timeframe standard will be made by September. It is my hope and expectation that BCAs will begin preparing ahead of that date so they can meet the timeframes.

Compliance will be assessed through International Accreditation New Zealand's current two-yearly audits. To monitor progress, I have asked MBIE to collect data from BCAs and report on inspection wait times from quarter three 2025. MBIE will contact your organisation soon with further information.

Finally, please be assured that, as previously advised, I am continuing to work on options to re-balance BCAs' liability. As you are well aware(!), liability is currently "joint and several" in nature and I acknowledge the constraints posed by this. I plan to share more information on this area of intended reform later this year. It is my expectation such a change will help support a more targeted building consent system and free up inspection resources to be focused on the higher risk work that needs it.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Chris Penk'.

Hon Chris Penk
Minister for Building and Construction

Westport RSA
137-139 Palmerston Street
Westport



Telephone: 03 7898872
EMAIL:
secretary@rsawestport.co.nz
accounts@rsawestport.co.nz
treasurer@rsawestport.co.nz

28 April 2025

Mayor Jamie Cleine
Buller District Council
37-39 Brougham St
Westport

Dear Jamie,

On behalf of Westport RSA, I'd like to thank you for taking the time to speak at our ANZAC Day Civil Service on Friday 25th April this year. Also, your attendance at Granity's Dawn Service, and you being at the later Service at Waimangaroa was also very welcome.

Your Westport address, being the first, largely sets the tone for the remainder of the service and was very much appreciated by all. Our Veterans realise the significance of your words, and I'm sure the rest of the audience also now appreciate their significance and understand a little more as well.

So, once again thank you for taking time out of your busy Council schedule to join us on ANZAC Day 2025.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Martyn Preece', is written over a light blue horizontal line.

Martyn Preece
President

Hon Simon Watts

Minister of Climate Change
 Minister for Energy
 Minister of Local Government
 Minister of Revenue



MIN032

Jamie Cleine, Mayor of Buller District Council, mayor@bdc.govt.nz
 Tania Gibson, Mayor of Grey District Council, mayor@greydc.govt.nz
 Helen Lash, Mayor of Westland District Council, mayor@westlanddc.govt.nz

cc: Simon Pickford, Chief Executive, Buller District Council
 Joanne Soderlund, Chief Executive, Grey District Council
 Barbara Phillips, Chief Executive, Westland District Council
 Peter Haddock, Chair West Coast Regional Council
 Darryl Lew, Chief Executive, West Coast Regional Council

Dear Mayors

Local Water Done Well progress

Further to our meeting on 22 April 2025, I commend the progress your councils are making on a joint model for delivering water services. I expect this work to continue at pace, given the fast-approaching deadline for submitting your water services delivery plans (plans).

There are significant benefits attached to regional models for water services delivery. This includes more preferable borrowing terms, efficiencies of scale, and access to professional expertise to oversee delivery of water services.

Working towards a regional model involves considerable work and effort across all councils involved. For example, agreeing the priorities of a joint arrangement, undertaking financial modelling, and coordinating approaches to community consultation and council decision making.

I understand from Department officials that much of this work is still to be done by your councils. I want to ensure you have the support needed to continue to progress work towards your regional model and meet the deadline for submitting your plan(s).

To this end, I encourage you to reach out to the Department for support, such as to provide you with considerations and analysis for investigating and establishment planning for a multi-council owned water council-controlled organisation (CCO).

I also encourage you to consider whether you would like a Crown facilitator to assist your councils in ensuring progress with your plans. I will also continue to seek advice on whether it would be beneficial to assist your councils to prepare a plan(s).

A Crown facilitator can provide tailored guidance, facilitate collaboration among councils, or assist with joint planning efforts. These facilitators are not necessarily there to impose decisions but to help councils develop robust, achievable and financially sustainable plans that meet their unique needs.

I am keen to ensure that if needed, your councils have access to this support early in the plan development process to support the delivery of a financially sustainable plan(s) by the 3 September 2025 deadline.

I do not anticipate granting extensions to this deadline given the various avenues of support the Government has made available.

Guidance for consultation on long-term plans (LTPs) and related audit processes

At our meeting you raised the issue of receiving a qualified audit opinion on your LTPs and water services consultation. A small number of councils have raised similar issues.

In March 2025 I wrote to councils, including Grey and Westland district councils, to provide guidance about consultation on LTPs and related audit processes. This included providing suggested disclosures for councils consulting on their 2025-34 LTPs. I have attached a copy of this guidance here.

The Department has provided all councils with consistent advice about the indicative timeline for Plan development. That advice indicated that consultations with your communities should be taking place between February and April 2025. I understand your councils are behind most other councils in terms of the development of your plan(s) and therefore the timing of your community consultation.

I understand you have been working closely with the Department and they intend to meet with you in the coming weeks to work through the options available. As you are about to consult your communities on water options this will be important to help provide more certainty in your LTP financials, which is a requirement to resolve the emphasis of matter in the audit report. I have been advised that other councils in this situation have been able to resolve the emphasis of matter by completing their consultation and making a final determination on their approach for water services.

I encourage you to continue to work with Department officials on next steps.

Thank you for your continued engagement and work together as a region to deliver Local Water Done Well. I look forward to seeing continued progress.

Yours sincerely,

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a long horizontal stroke that tapers to the right.

Hon Simon Watts
Minister of Local Government



March 2025

LOCAL WATER DONE WELL

Guidance: Disclosures for councils consulting on their 2025-34 long-term plans

This document provides guidance for disclosures where councils are consulting on the proposed content of their Long-term Plans at the same time as they are consulting on the future delivery of water services.

This applies to councils that deferred their 2024-34 LTPs by a year to cover the nine-year period 2025-34.

The Department of Internal Affairs and the Office of the Auditor General have discussed the disclosures to ensure transparency in the consultation with communities during this period of uncertainty during council decision-making on future delivery of water services.

Background

A small number of councils are undertaking consultation on their 2025-34 LTP in parallel with consultation on their plans for future delivery of water services, rather than in a combined process.

As part of their LTP process, councils must adopt the information necessary to support the content of the consultation document for the LTP. The underlying information must be prepared in accordance with generally accepted accounting practice, meaning it needs to be based on the council's most likely scenario and best available information.

The Auditor-General's audit report on the consultation document covers this underlying information.

If there is a lack of alignment between the financial information underlying the consultation on the council's LTP, and the financial information presented in its water services consultation, this will affect the audit report on the LTP consultation document.

In such cases, the audit report on the consultation document for the LTP would need to be modified because the underlying information will not have been prepared in accordance with generally accepted accounting practice.

Disclosure notes for council use

The suggested disclosures are intended as a guide for councils to consider.

If a council is in situation 1 or 3, there would not be a discrepancy in the underlying financial information for each consultation. Therefore, *prima facie*, the audit report would not contain a modified audit opinion. If a council is in situation 2, there would be a discrepancy in the underlying financial information. Therefore, *prima facie*, the audit report would contain a modified audit opinion.

Council situation	Suggested minimum disclosure notes for LTP consultation document
<p>1. In-house water services model preferred; LTP consultation document consistent with water services consultation material</p> <ul style="list-style-type: none"> The council's preferred water services model is to retain water services in-house (status quo). The underlying financial information for the council's LTP is therefore consistent with its water services consultation material. However, the council's preferred model is subject to the outcome of community consultation and a final council decision. 	<p>DISCLOSURE: This LTP consultation document is based on underlying financial information that retains water services. As permitted under the Local Government (Water Services Preliminary Arrangements) Act 2024, the council is consulting separately on its preferred future arrangements for water services. The council's proposed approach is to continue with the status quo and retain water services delivery in-house. However, this is subject to the outcome of community consultation and a final council decision.</p>
<p>2. Asset owning water CCO model preferred; LTP consultation document inconsistent with water services consultation material</p> <ul style="list-style-type: none"> The council's preferred water services model is a water council-controlled organisation (CCO) (single council or multi-council owned). In the underlying financial information for the LTP consultation document, the council retains water services in-house (status quo). This has been done because the council's preferred model is subject to the outcome of community consultation and a final council decision. This means that the financial information underlying the council's LTP consultation document has not been prepared in keeping with generally accepted accounting practice and is inconsistent with its water services consultation material (as it has not been prepared based on council's most likely scenario and best available information). 	<p>DISCLOSURE: This LTP consultation document is based on underlying financial information that retains water services. As permitted under the Local Government (Water Services Preliminary Arrangements) Act 2024, the council is consulting separately on its preferred future arrangements for water services. The council's proposed approach is to establish a water council-controlled organisation. However, this is subject to the outcome of community consultation and a final council decision. This means that the underlying financial information relating to water services in this LTP consultation document differs to the financial information presented in the council's water services consultation material.</p> <p><i>[The Council should separately explain why the information underlying the council's draft LTP has not been prepared in keeping with generally accepted accounting practice.]</i></p>
<p>3. Asset owning water CCO model preferred; LTP consultation document excludes financial information relating to water services</p> <ul style="list-style-type: none"> The council's preferred water services model is a water CCO (single council or multi-council owned). In the underlying financial information for the LTP consultation document, the council has chosen to exclude water services from the date that the transfer is assumed to happen, to be consistent with its preferred water services model. However, the council's preferred model is subject to the outcome of community consultation and a final council decision. 	<p>DISCLOSURE: The financial information underlying this LTP consultation document does not contain water services. As permitted under the Local Government (Water Services Preliminary Arrangements) Act 2024, the council is consulting separately on its preferred future arrangements for water services. Financial information relating to water services is contained in that consultation material. The council's preferred approach is to establish a water council-controlled organisation. However, this is subject to the outcome of community consultation and a final council decision.</p>

Questions? Contact wmdp@dia.govt.nz or your auditor.

*For an explanation audit report types see the appendix to the OAG report [Observations from our audits of councils' 2024-34 long-term plans](#)

Hon Simon Watts

Minister of Climate Change
 Minister for Energy
 Minister of Local Government
 Minister of Revenue



MIN039

Mayor Jamie Cleine, Buller District Council, mayor@bdc.govt.nz
 Mayor Tania Gibson, Grey District Council, mayor@greydc.govt.nz
 Mayor Helen Lash, Westland District Council, mayor@westlanddc.govt.nz

Dear Mayors

Financial sustainability of water services

I am writing to underline the importance of financial sustainability requirements and the new economic regulation regime under Local Water Done Well. I also want to take this opportunity to acknowledge the work you are doing to implement Local Water Done Well in your local area, and to set out our next steps in the months ahead.

I understand you are continuing to progress work on a joint model for delivering water services, including working together to understand the viability of a multi-council CCO.

Delivery of financially sustainable water services sits at the core of Local Water Done Well, and it will form the basis for how the Department of Internal Affairs will assess Water Services Delivery Plans (Plans).

As the economic regulator, the Commerce Commission will also play a key role in ensuring water services providers collect sufficient revenue and invest sufficiently in quality water infrastructure and services on an ongoing basis.

With the Local Water Done Well framework, tools and guidance largely in place, it is now up to you to consider your options, continue to work with each other, and make the decisions required to ensure clean, safe, reliable, and financially sustainable water services for your communities.

I recognise these are challenging conversations, and I back the efforts you are making to get water services right for your communities now and for future generations.

Assessing financial sustainability

Water Services Delivery Plans provide a framework for councils to assess the financial sustainability of their water services and chart a course for improvement.

The Local Government (Water Services Preliminary Arrangements) Act 2024 sets out the Plan requirements, including that Plans must explain what a council proposes to do to ensure that the delivery of water services will be financially sustainable from 1 June 2028.

While the Department will be providing further guidance to councils about the Plan assessment process later this month, there are a couple of key areas I wanted to emphasise in relation to financial sustainability at this stage in your Plan development:

- **Meeting financial sustainability requirements and working together.** The Act defines financial sustainability as ensuring revenues are sufficient to fund long-term investment in water services and meet all regulatory requirements.

I have been clear in my expectation that councils should be working together to address financial sustainability challenges, as you are already doing.

In particular, I expect councils to be actively considering working with and supporting their neighbouring councils, especially smaller and rural councils, particularly given there is no requirement for price harmonisation under Local Water Done Well.

As you'll be aware, collaboration enables resource sharing, efficiency gains, better access to financing, and lower costs for ratepayers. Having a pipeline of future work across a region also provides greater investment certainty, and the potential to build a strong future workforce.

- **Long-term thinking and solutions.** While Plans must cover a 10-year period, they can also include information that covers a further 20 years if the information identifies investment requirements for water services infrastructure or to support future housing growth and urban development. Councils should be planning and making decisions with an enduring focus on financial sustainability, with these outcomes in mind.
- **Efficiency of water use and demand management through usage-based charging.** The Local Government (Water Services) Bill provides a five-year timeframe to transition away from using property values as a factor in setting water charges, to new charging mechanisms such as water metering and volumetric charging.

Water metering and volumetric charging can help reduce water consumption, assist in quick identification of leaks and help manage water losses, which supports the ongoing efficiency and effectiveness of water infrastructure. Councils should be considering these tools (where they are not already in place) as part of their future arrangements.

Under the economic regulation regime, over time the Commerce Commission will also be able to consider whether prices are efficient. Including, for example, whether prices reflect the cost of providing services and whether providers are using water resources efficiently.

Economic regulation regime for water services

As you progress your Plan, it is important to keep in mind that the entities that make core decisions on water supply and wastewater services will be subject to economic regulation under the Commerce Act 1986. These decisions include those relating to the level of charges or revenue recovery and/or capital and operating expenditure.

As a minimum, all regulated suppliers (councils and water organisations) that have responsibility for these core decisions will be subject to information disclosure. This means the Commerce Commission will require regulated suppliers to publish robust information about the planning, investment, and performance of their water supply and wastewater services.

The Commission will also publish a summary and analysis of that information, to promote greater understanding of the performance of individual regulated suppliers, including their relative performance compared with other providers, and changes in performance over time.

The Local Government (Water Services) Bill also gives the Commission other regulatory tools that they will be able to implement as needed. This includes the ability to set minimum and maximum revenue thresholds, providing a clear expectation to regulated suppliers about what level of revenue needs to be collected for investment in, and operation of, water infrastructure. The Commission will also monitor and enforce the requirement that revenue from regulated water services is spent on regulated water services (financial ringfence).

Where it is considered necessary, the Bill contains a designation process whereby the Commission may be given the power to implement quality regulation, performance requirement regulation, and price-quality regulation for specific suppliers.

I am encouraging all councils to consider the implications of the new economic regulation regime as you are making decisions on your future water services delivery arrangements. I have asked the Commission to engage closely with councils to provide information about the new regime. Please contact the Department if you would like them to facilitate a meeting if you have not done so already.

Next steps and support available

I want to maintain the momentum as we approach the 3 September deadline for submission of Plans. The Department will be ready to accept early submission of Plans by councils that are able to. Please keep this in mind in your planning.

As I previously indicated, I do not intend to grant extensions to the deadline for submitting Plans given the progress made so far, and various avenues of support that have been and continue to be available. If you have not yet set a date for consulting with your communities on your future plans for water services delivery, please do so as soon as possible and continue to seek support from my officials to enable consultation to start by the end of May.

Where a Plan is not submitted on time, I will be considering using my powers under legislation to intervene, such as by appointing a Crown water services specialist.

Crown facilitators also continue to be available to assist your councils in ensuring progress with your plans.

My officials also continue to be available to support your continued work towards your regional model. I encourage you to get in touch with the Water Services Delivery Plan team at wmdp@dia.govt.nz if they can be of assistance to you.

I look forward to seeing continued progress on your plans for future delivery of water services and commend your efforts to support this critical future thinking while continuing to maintain your business-as-usual water services maintenance and ongoing activities.

Thank you for your continued engagement and support as we work to implement Local Water Done Well. You may wish to share this correspondence with your elected members.

Yours sincerely,

A handwritten signature in blue ink that reads "Simon". The signature is written in a cursive style with a large, stylized 'S' and a long horizontal stroke at the end.

Hon Simon Watts
Minister of Local Government



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23 April 2025

Stuart Mutch
Partner
Ernst & Young
PO Box 490
WELLINGTON

Dear Stuart

LETTER OF REPRESENTATION FOR THE AUDIT OF BULLER DISTRICT COUNCIL'S LONG-TERM PLAN CONSULTATION DOCUMENT

This representation letter is given in connection with your audit, conducted on behalf of the Auditor-General, of Buller District Council's (the Council's) Long-term Plan (LTP) consultation document for the nine years commencing 1 July 2025.

This representation letter is provided to you in connection with your responsibility under the Local Government Act 2002 (the Act) to report on:

- whether the consultation document gives effect to the purpose set out in section 93B of the Act; and
- the quality of information and assumptions underlying the forecast information provided in the consultation document.

We understand that your audit was carried out in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we understand you took into account particular elements of the Auditor-General's Auditing Standards and International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We also understand that your audit was (to the extent that you deemed appropriate) for the purposes of expressing an opinion about whether the consultation document provides an effective basis for public participation in the Council's decision-making processes about the proposed content of the 2025-34 long-term plan and on the quality of the information and assumptions underlying the information provided in the consultation document, and that the audit would not necessarily disclose any or all irregularities should any exist.

We acknowledge that actual results are likely to be different from the forecast information on which the consultation document is based because anticipated events frequently do not occur as expected and the variation may be material, and that you express no opinion about whether the forecasts will be achieved. We

also acknowledge that you do not express an opinion on the merits of any policy content of the consultation document.

We confirm, to the best of our knowledge and belief, the following representations:

General

- 1 The Council accepts that it is responsible for the preparation of a consultation document that meets the requirements of the Act.
- 2 In complying with the requirements of the Act in relation to the preparation of the consultation document, we have acted in such a manner and included in the consultation document such detail as we consider on reasonable grounds to be appropriate.
- 3 The consultation document has been prepared using the best information currently available to the Council and, accordingly, the forecast information underlying the consultation document is our best forecast of anticipated events for the nine years commencing 1 July 2025.
- 4 The consultation document has been prepared and is consistent with the Council's own policies and strategies and of other organisations where appropriate.
- 5 We believe the effects of uncorrected misstatements in the underlying information are immaterial, both individually and in the aggregate, to the consultation document as a whole.

New Zealand Transport Agency Funding of the Special Purpose Road 2027/28 to 2033/2034

- 6 We acknowledge the significance of the identified audit difference in relation to uncertainty associated with the forecast funding from the New Zealand Transport Agency in regards to the Special Purpose Road for the periods 2027/28 to 2033/34. We acknowledge your position that this additional funding has not been confirmed. However, we consider the forecast revenue and associated capital and operational expenditure to be supportable on the basis on our assessed requirements for the Special Purpose Road to support resilience and enduring access for the District.

Underlying information and assumptions

- 7 The forecast information, including the continued recognition of Three Waters assets, has been properly prepared on the basis of the underlying information, decisions of Council and the assumptions adopted. The assumptions and information underlying the forecast information have a reasonable and supportable basis in the context of the Council's position and have been based on the best information currently available to the Council. The assumptions are consistent among themselves, consistent with the current strategies and plans of the Council, and have been consistently applied.

- 8 All significant forecasting assumptions have been included in the preparation of the forecast information and have been clearly identified in the underlying information on which the consultation document is based. Where significant forecasting assumptions have a high level of uncertainty, that uncertainty has been stated and the potential effects of the uncertainty on the forecast financial information have been disclosed in the adopted underlying information and will be included in the long-term plan when it is adopted.
- 9 The consultation document is based on the adopted underlying information that will form the basis of the long-term plan. The underlying information includes all the items of operating expenditure and capital projects the Council reasonably expects will be done in the nine years covered by the plan, based on the best information currently available to the Council.
- 10 The forecast of capital expenditure and operating expenditure contained in the adopted underlying information that supports the consultation document are supported by, and consistent with, underlying information such as asset management plans and the infrastructure strategy.
- 11 The records maintained by the Council were adequate for the preparation of the underlying information on which the consultation document is based.
- 12 We have made available to you all supporting documentation on the underlying information and assumptions used to prepare the consultation document.
- 13 All minutes of meetings of the Council and its sub-committees held to date have been made available to you for inspection, including summaries of recent meetings for which minutes have not yet been prepared or approved.

Water services delivery plan

- 14 Council have not reached a decision in relation to the future ownership and operational control of three water assets. Council have not determined a preference or completed a water services delivery plan for consultation. Therefore, the consultation document for the Long Term Plan and adopted underlying information has been prepared on a consistent basis with continuing to provide water services in their current form, which the Council proposes to include as an option in the future community consultation on the water services delivery plan.

Performance framework

- 15 Forecast information and proposed performance measures provide an appropriate framework for the meaningful assessment of the actual levels of service. Proposed performance measures reflect the intended levels of service for those activities the Council has chosen to carry out. Proposed performance targets are based on the equivalent basis of reasonable and supportable assumptions and underlying information.

Systems and processes

- 16 The Council accepts that it is responsible for establishing and maintaining systems and processes designed to provide reasonable assurance about the integrity and reliability of the forecast information on which the consultation document is based. The Council has maintained effective systems and processes, and they operated to generate accurate and reliable forecast information.

Legislative compliance

- 17 The Council accepts that it is responsible for ensuring that all applicable aspects of the Act that affect the consultation document have been complied with. To the best of its knowledge, the Council has complied with all legislative requirements in the preparation of the consultation document.
- 18 The Council has followed the decision-making provisions of Part 6 of the Act in making decisions about the content and options considered for inclusion and exclusion from the consultation document.
- 19 The Council intends to follow the special consultative procedures outlined in section 93A of the Act in relation to the consultation document. We acknowledge our responsibility to provide a consultation document that enables the consultation to be done. In considering this, we are satisfied the information provided can be readily understood by interested or affected people.
- 20 We have a significance and engagement policy that outlines the Council's approach to determining the significance of proposals and decisions in relation to issues, assets, and other matters in accordance with section 76AA of the Act.
- 21 The Council has considered the balanced budget requirements outlined in section 100 of the Act, and is managing its revenue, expenses, assets, liabilities, and general financial dealings prudently as required by sections 101 and 101A of the Act. We have made adequate provision to meet the expenditure needs of the Council identified in the underlying information that has formed the basis of the consultation document.
- 22 The Council has adopted the following policies that underlie the consultation document:
- a revenue and financing policy that complies with section 103 of the Act and has been prepared following consideration of the matters outlined in section 101(3) of the Act;
 - a liability management policy that complies with section 104 of the Act;
 - a significance and engagement policy that complies with section 76 of the Act;
 - a policy on development contributions or environmental contributions (previously called financial contributions) that complies with section 106 of the Act;

- a policy on remission and postponement of rates on Māori freehold land that complies with section 108 of the Act;
- a rates postponement policy adopted under section 110 or rates remission policy adopted under section 109 of the Act.

These policies have formed the basis for the financial parameters used in the preparation of the consultation document.

- 23 We consider that the underlying information and recommended direction inherent in the consultation document supports financial prudence.

Generally accepted accounting practice

- 24 The accounting policies applied to the forecast financial statements underlying the consultation document comply with generally accepted accounting practice and are those that the Council intends to use in the future for reporting historical financial statements. Any change in accounting policy from policies previously applied and reported in historical financial statements will be disclosed in the accounting policies included in the underlying information.
- 25 The estimated effect of the revaluation of service delivery assets has been incorporated into the underlying information on which the consultation document is based.
- 26 The underlying forecast financial information on which the consultation document has been based has been prepared in accordance with PBE FRS 42, *Prospective Financial Statements*.
- 27 The forecast financial information on which the consultation document has been prepared is in accordance with the accounting policies.
- 28 The Council's assumption about future price changes on the forecast financial information on which the consultation document has been based is also based on best information currently available to the Council and is reasonable and supportable.

Publication of the consultation document and related audit report on the Council's website

- 29 The Council accepts that it is responsible for the electronic presentation of the audited consultation document.
- 30 The electronic version of the audited consultation document and related audit report presented on the website are the same as the final signed version of the audited consultation document and audit report.



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- 31 We have clearly differentiated between audited and unaudited information in the presentation of the consultation document on the Council's website and understand the risk of potential misrepresentation in the absence of appropriate controls.
- 32 We have assessed the security controls over the audited forecast information and the related audit report and are satisfied that procedures in place are adequate to ensure the integrity of the information provided.

These representations are made at your request, and to supplement information obtained by you from the records of the Council and to confirm information given to you orally.

Yours faithfully

Jamie Cleine

Mayor of Buller District Council

Appendix 1: Schedule of Unadjusted Audit Differences 2025/26 – 2034/35

		Uncorrected Misstatements									
Account	EY Ref	2026	2027	2028	2029	2030	2031	2032	2033	2034	
Revenue	Overstatement of NZTA Revenue Funding on SPR due to unsupported assumption		\$ 4,020,417	\$ 4,104,746	\$ 4,184,360	\$ 4,258,778	\$ 4,327,517	\$ 4,396,902	\$ 4,452,944		
Expenses	Overstatement of Expenditure on SPR due to unsupported assumption		\$ 473,269	\$ 475,361	\$ 476,373	\$ 476,218	\$ 474,811	\$ 473,090	\$ 468,933		
	Understatement of Expenditure as a consequence non-recognition of additional depreciation due to revaluation.	\$ 421,499	\$ 432,353	\$ 443,254	\$ 455,718	\$ 461,954	\$ 469,951	\$ 480,031	\$ 492,825		
Operating surplus	(*) - Overstated	-\$ 421,499	-\$ 3,979,501	-\$ 4,072,639	-\$ 4,163,705	-\$ 4,244,514	-\$ 4,322,657	-\$ 4,403,843	-\$ 4,476,836		
Current assets											
Current liabilities											
Non-current assets	Capital Works on SPR Overstated.		\$ 3,547,148	\$ 3,629,385	\$ 3,707,987	\$ 3,782,560	\$ 3,852,706	\$ 3,923,812	\$ 3,984,011		
	Assets overstated due to non-recognition of depreciation	\$ 421,499	\$ 432,353	\$ 443,254	\$ 455,718	\$ 461,954	\$ 469,951	\$ 480,031	\$ 492,825		
Non-current liabilities											
Equity											

24 April 2025

Paul Reynolds

Via email: jfyhoney56@gmail.com

Kia ora Paul,

RAC Public Response

Thank you for taking the time to speak and share your views at the Risk and Audit Committee meeting last week. You spoke specifically regarding Agenda item 7, the Climate Adaption Plan Update, being presented at the meeting.

I would like to invite you to a public workshop on the Resilience Explorer tool (REx). This tool was used to provide robust, area-specific risk evidence.

Please let me know if you would like a specific reminder when this workshop will occur.

Kind regards



Cr Andrew Basher
Acting Chair RAC



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OFFICE OF THE MAYOR
Jamie Cleine

30/04/2025

Attn: Chairperson
Heritage West Coast
PO Box 499,
Greymouth.

To whom it may concern,

On behalf of Buller District Council, I am pleased to offer our strong support for Heritage West Coast's application for funding to deliver a one-year programme of training workshops and skill-building sessions across the West Coast region.

Heritage West Coast has been an invaluable partner in our district's efforts to preserve, celebrate, and promote our unique heritage. Their leadership and collaborative approach have enabled heritage groups in Buller, including those in remote communities such as Karamea and Granity, to access strategic planning, project support, and professional development that would otherwise be out of reach.

The proposed workshops are directly aligned with the needs identified by heritage groups and volunteers in our district.

Buller District Council has previously provided funding support to Heritage West Coast and has seen first-hand the impact of their work. We are confident that this project will further strengthen the capacity of our local heritage sector, grow community engagement, and contribute to the wellbeing and cultural vibrancy of the West Coast.

We wholeheartedly endorse this application and encourage the Trust to support Heritage West Coast in delivering this initiative.

Yours faithfully

Jamie Cleine
Buller District Mayor



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OFFICE OF THE MAYOR

Jamie Cleine

2 May 2025

Phil Rutherford

Via email: rutherford@xtra.co.nz

Dear Phil,

Public Forum Response 30 April 2025

Thank you for speaking at public forum on the proposed solid waste collection tender, in particular the options for zone 1 one.

Council discussed your suggestions, and the various other feedback received over the two earlier consultations.

The resolutions approved by council sought to try and cater to the low volume user by making available a smaller bin size and/or alternative collection frequency as options. These options are to be included in a scope change with the companies involved in the tender process. In terms of “pay as you throw” council has tried to take a pragmatic approach to a workable solution, rather than seeking to be leading the industry on things like technology and charging mechanisms as you had advocated for.

The solid waste charges will only be applied to those that want the service.

Starting from 1 July 2026, owners of properties eligible for rubbish collection will have the choice between an 80L, 120L or a 240L wheelie bin, or they can opt to drop off their rubbish at the transfer stations and pay the per tonne charge. Alternatively, they can arrange a private collection service with a commercial operator. If people select a regular collection, the targeted rate will vary according to the bin size chosen and will be charged as part of the property's rates bill. If a property owner opts out, the property will only be charged the targeted rate for the recycling collection.

With these changes now resolved by council, staff will draft a new scope of service and go out for a revised procurement process to the current tenderers to be finalised in late 2025. Given the size of the contract, final approval of a preferred tender will be made by council in due course.

In the meantime, council has extended the contract of the existing provider for one year and current services will remain unchanged until transition into the new service begins in 2026.

Although not exactly what you were advocating for, I hope that the way forward decided by council goes some way to incorporating your feedback.

Best regards



Jamie Cleine
Buller District Mayor



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OFFICE OF THE MAYOR

Jamie Cleine

5 May 2025

Garry Howard
Via email: garryhowd@gmail.com

Dear Garry,

Public Forum Response 30 April 2025

Thank you for speaking at public forum on three topics which I will cover off as below on behalf of Council.

Capital Works Expenditure and Debt

You raised concern at the debt drawdown over the past ten months of this financial year and the lack of reporting of this, with concern spending was out of control.

The Risk and Audit Committee (RAC) receives regular reporting on councils' capital projects. The most recent being at the April meeting as agenda item 9. This report details the approved total Annual Plan Capital Budget of \$16,502,775 for the current year. The report details progress against that budget and shows any variance budget vs cost to date. This report is intended to inform councillors or the public on capital projects, what is being spent and where. Note the report to the April RAC was reporting on the period ended January 2025. I will provide via separate email the latest update and breakdown on borrowings that was provided to Councillors by GM Corporate Services, this was following a question from Cr Sampson at the April RAC meeting. Please get in touch if you require any further explanation.

Brougham House & EOC

As with most significant or complicated capital projects, there are a number of phases required getting to procurement then construction. My understanding is that any specifics on the project are yet to be resolved by Council. A report on the options available is due to the May council meeting. Staff have advised they believe that report will cover off the matters you have raised in the public forum.

I understand that at this point staff have identified a need to decide on Brougham House and the EOC in the short to medium term and included a financial provision in the Draft LTP based on a possible option. I would expect a project like this would be a multi-year project with budget

required over successive years. Further deliberation and discussion through the LTP consultation process may result in changes to the timeframes, budget or scope of the project based off the consultation feedback and subsequent council decision making.

Council would welcome your submission on this and any insight into your preferred way forward. Council has not made any decisions to proceed with a new building at this time.

Council Fees & Charges

Council has adopted the fees and charges proposed and included in the Draft LTP. We acknowledge that some of the proposed fees and charges are changed from previous years. Council's expectation and intention is that these should be justifiable and reasonable in terms of recovering the cost of services provided. If you believe this is not the case, you can make a submission to the draft LTP to that effect to ensure councillors have an opportunity to understand and deliberate on any specific changes needed.

You can find more information and make a submission via the following link
<https://letstalk.bullerdc.govt.nz/long-term-plan-2025-2034>

Best regards



Jamie Cleine
Buller District Mayor



Westport office
6-8 Brougham Street, PO Box 21
Westport 7866, New Zealand
Freephone 0800 807 239
Phone 03 788 9111

Reefton Visitor & Service Centre
67-69 Broadway, PO Box 75
Reefton 7851, New Zealand
Phone 03 732 8821
Phone 03 732 8391

OFFICE OF THE MAYOR

Jamie Cleine

5 May 2025

Ray Curnow

Via email: raycurnow11@gmail.com

Dear Ray

Ray Curnow - Public Forum Response 30/4/2025

Thank you for speaking at public forum about aspects of the public forum process currently used by council.

I note you remained in the public gallery so will have heard the discussion.

I think your suggested addition to the standing orders is helpful and would provide greater clarity to the public on any person dis-allowed speaking time at public forum and the reasons for such. Note, it has been my experience that very few people are prevented from speaking.

Given the later stage of this triennium is upon us, it is preferred that any formal change to the standing orders be incorporated into standing orders to be considered by the incoming council, shortly after the October local elections.

However, our Governance Assistant has taken note and will give effect to your suggestion operationally if the need arises until the end of this triennium.

Thank you for your continued interest in council and supporting our combined efforts to be as transparent and democratic in the way we conduct business.

Best Regards
Mayor

Jamie Cleine
Buller District Mayor

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 11

Prepared by Simon Pickford
Chief Executive Officer

Attachments 1. Regulatory Report May 2025

Public Excluded: No

CHIEF EXECUTIVE OFFICER'S REPORT

1. **REPORT PURPOSE**

This report provides an overview of activities across the previous month and a 'horizon-scan' of upcoming strategic focus areas and opportunities. No decision is needed in relation to this information.

2. **DISCUSSION**

3. **Legislation tracker**

4. Additions and amendments are highlighted in yellow.

5. The table below outlines the known and anticipated future legislation with some direct impact on the local government sector. Legislation is classified into three categories:

- in the final stages of the Parliamentary process (**orange**) - the Bill has passed the point where public submissions or other action can influence the final design of legislation (i.e. the Bill is reported from the Select Committee. It is unusual for Parliament to accept an amendment in the Committee of the House stage that is not promoted by the Government)
- live for submissions (**white**) – legislation is on the Parliamentary Order paper and is either open for submission or awaits a referral to the Select Committee
- upcoming (**green**) - legislation has been signalled in coalition agreements or Ministerial statements, etc noting that some items may be speculative.

6. Additions and amendments are marked in yellow.

7. The Credit Contracts and Customer Finance Bill has been removed from the tracker as it has minimal impact on the sector. No other Bills have left the tracker this month.

8. The following Bills have been added to the tracker this month: the Local Government (Port Companies Accountability) Amendment Bill (awaiting first reading); the Valuers Bill (open for submissions), and the Electoral Amendment Bill (expected in late 2025).
9. The following other Bills moved into the Parliamentary process: the Regulatory Standards Bill (awaiting first reading), the Building and Construction (Small Stand-alone Dwellings) Amendment Bill (awaiting first reading), the Public Works (Critical Infrastructure) Amendment Bill (open for submissions) and the Rates Rebate Amendment Bill (budget legislation – a submission process is unlikely).
10. Note: The information provided is correct as of 23 May 2025.

Bill	Description	Status in Parliament
<p>Responding to Abuse in Care Legislation Bill (Government Bill)</p> <p>Introduced 12 November 2024</p>	<p>Allows the Chief Archivist to audit agencies more frequently.</p>	<p>Awaiting second reading.</p>
<p>Statutes Amendment Bill (Government Bill)</p> <p>Introduced 23 September 2024</p>	<p>Omnibus Bill making technical and non-controversial amendments to legislation (often these are to correct drafting errors).</p>	<p>Awaiting second reading</p>
<p>Crimes (Countering Foreign Interference) Amendment Bill (Government Bill)</p> <p>Introduced 14 November 2024</p>	<p>The Bill strengthens the law around foreign interference targeting New Zealand. The Bill brings local authorities into the provisions related to the wrongful communication, retention or copying of official information in section 78A of the Crimes Act.</p>	<p>Awaiting second reading.</p>

<p>Resource Management Act (Consenting and Other System Changes) Amendment Bill</p> <p>Introduced 9 December 2024</p>	<p>This Bill amends the Resource Management Act 1991 to progress Government priorities, including making it easier to consent new infrastructure, encouraging investment in renewable energy, and making medium-density residential standards optional for councils.</p>	<p>Bill referred to Environment Select Committee – submissions closed. Select Committee report due 17 June.</p>
<p>Local Government (Water Services) Bill (Government Bill)</p> <p>Introduced 10 December 2024</p>	<p>Gives effect to the Government decisions about the powers and duties of new water services entities, and the framework for economic regulation. Makes changes to quality regulation and powers of Taumata Arowai.</p>	<p>Bill referred to the Finance and Expenditure Select Committee. Submissions closed. Report due 17 June. We understand that legislation is expected in September.</p>
<p>Customer Guarantees (Right to Repair) Amendment Bill (Members' Bill)</p> <p>Introduced 19 February 2025</p>	<p>Bill requires companies to hold stocks of spare parts to enable repair of goods that develop a fault.</p>	<p>Bill referred to Economic Development, Science and Innovation Select Committee. Submissions closed.</p>
<p>Term of Parliament (Enabling a 4 Year Term) Legislation Amendment Bill (Government Bill)</p> <p>Introduced 27 February 2025</p>	<p>Provide for a four-year term for Parliament, subject to a referendum and certain criteria around membership of Select Committees</p>	<p>Bill referred to the Justice Select Committee. Submissions closed. Report due 5 September.</p>

<p>Land Transport Management (Time of Use charging) Amendment Bill (Government Bill)</p> <p>Introduced 16 December 2024</p>	<p>Gives effect to the Government decisions to allow time of use charging on roads that meet policy criteria.</p>	<p>Bill referred to the Transport and Infrastructure Select Committee. Submissions closed. Report due 4 September.</p>
<p>Sale and Supply of Alcohol (sale of Alcohol on the morning of Anzac Day, Good Friday, Easter Monday and Christmas Day) Amendment Bill</p> <p>Members' Bill</p> <p>Introduced on 20 February 2025</p>	<p>Bill would extend the sale of alcohol to those four named days.</p>	<p>Submissions closed</p>
<p>Regulatory Standards Bill</p> <p>Government Bill</p> <p>Introduced on 19 May</p>	<p>Bill aims to reduce the amount of poor-quality regulation by setting quality standards and reporting requirements against those standards.</p>	<p>Awaiting first reading</p>
<p>Building and Construction (Small Stand-alone Dwellings) Amendment Bill (aka Granny Flats Bill)</p> <p>Government Bill</p> <p>Introduced 22 May 2025</p>	<p>Enables small stand-alone dwellings of up to 70 square metres to be built without a building consent if certain conditions are met</p>	<p>Awaiting first reading</p>
<p>Rates Rebate Amendment Bill</p> <p>Government Bill</p> <p>Introduced 22 May 2025</p>	<p>Extends coverage of the Rates Rebate Scheme</p>	<p>Introduced 22 May as a budget measure – unclear if submissions will be called for.</p>

<p>Public Works Act (Critical Infrastructure Amendment) Bill</p> <p>Government Bill</p> <p>Introduced 14 May 2025</p>	<p>Bill provides for the faster delivery of critical infrastructure projects through an expedited acquisition process.</p>	<p>First reading on 15 May. Submissions to the Primary Production Select Committee. Submissions close 13 June.</p>
<p>Valuers Bill</p> <p>Government Bill</p> <p>Introduced 14 May 2025</p>	<p>Modernises the Registration of Valuers Act</p>	<p>First reading on 15 May. Submissions to the Primary Production Select Committee. Submissions close 27 June.</p>
<p>Resource Management (Prohibition on the Extraction of Freshwater for On-selling) Amendment Bill</p> <p>Members' Bill</p> <p>Introduced on 13 March 2025</p>	<p>This Bill would amend the Resource Management Act to make the extraction of freshwater for the purpose of on-selling in a packaged form a prohibited activity,</p>	<p>A member's bill awaiting first reading. (Debate started on 21 May).</p>
<p>Local Government (Port Companies Accountability) Amendment Bill</p> <p>Members' Bill</p> <p>Introduced on 22 May 2025</p>	<p>Reverses the exclusion of port companies from the rules applying to a CC).</p>	<p>A member's bill awaiting first reading.</p>
<p>Local Government Systems Improvements Bill</p> <p>Government Bill</p>	<p>Gives effect to proposed change of purpose of local government, rate-capping and performance comparisons.</p>	<p>Signalled in the back-to-basics announcements at the LGNZ Conference. Expected in June 2025.</p>
<p>Te Ture Whenua Māori Amendment Bill</p>	<p>Amends Te Ture Whenua Māori Act 1993 to "better</p>	<p>Announced in the release of the Quarter One 2025 Action Plan. Policy decisions in the</p>

Government Bill	enable Māori economic development”.	first quarter and legislation late 2025. This may include changes to the Rating Act?
RMA Replacement Bill Government Bill	A new act to “manage environmental effects that arise from the use of natural resources”.	Signalled in coalition agreements – late 2025.
Urban Development and Infrastructure Bill Government Bill	Bill to enable urban development and infrastructure. This act will also be aligned with the Government’s Going for Housing Growth plan and its 30-year National Infrastructure Plan.	Signalled in coalition agreements – mid-late 2025.
Building Act Amendment Bill Government Bill	More comprehensive changes to Building consenting making it easier for private BCAs, address barriers to voluntary consolidation, national consenting body, ensuring national consistency, strengthening roles and responsibilities, new consent pathway for commercial buildings, new assurance pathways more self-certification – further streamlining, risk and liability.	Late 2025?
Emergency Management Bill Government Bill	The Government will implement a programme of changes in five broad areas: <ul style="list-style-type: none"> • Give effect to the whole-of-society 	In preparation – expected late 2025

	<p>approach to emergency management.</p> <ul style="list-style-type: none"> • Support and enable local government to deliver a consistent minimum standard of emergency management across New Zealand. • Professionalise and build the capability and capacity of the emergency management workforce. • Enable the different parts of the system to work better together. • Drive a strategic focus on implementation and investment to ensure delivery. 	
Treaty Clauses Legislation Bill Government Bill	Bill implementing results of the review of existing Treaty clauses in legislation.	Mid-late 2025
Local Government (Infrastructure Funding and Financing) Amendment Bill Government Bill	Bill will replace development contributions with a system of development levies. Possible changes to targeted rates.	Signalled in Ministerial speech on 28 February, Expected in September 2025
Infrastructure Funding and Financing Amendment Bill Government Bill	Would give effect to refinements to the vehicle for special purpose vehicles.	Signalled in Ministerial speech on 28 February, Expected in September 2025
Biosecurity Amendment Bill Government Bill	Bill to give effect to any policy decisions to modernise this legislation. Consultation closed December 2024.	Mid-late 2025

Regulatory Standards Bill Government Bill	Bill to improve standards of government regulation and the policy-making process in general. (This would give effect to any policy decisions arising from the November 2024 consultation document).	Signalled for introduction in late -2025.
Public Works Act Amendment Bill #2	Bill to implement results of the wider PWA review.	Signalled by Ministers of Land Information and Infrastructure.
Land Transport Legislation Bill Government Bill	Bill to place government under an obligation to prepare the GPS Land Transport with a ten-year investment horizon (as signalled in the draft GPS). Will empower road tolling. Will be needed to empower transition away from fuel excise, and value capture.	Signalled by minister – expected in late-2025.
Waste Management Bill	Implementing the conclusions of the 2023 consultation on waste management?	Not clear how fast this is progressing within MFE. Mid-late 2025.
Emissions Trading Scheme Amendment Bill	Introduces the split gas approach and methane targets referred to in the National/Act agreement.	Not clear how fast this is progressing within MFE.
Hazard Substances and New Organisms Amendment Bill	Liberalises the laws around GMOs as set out in the National/Act agreement.	Not clear how fast this is progressing.
Climate Adaptation Bill	Bill sets the legal framework for powers and responsibilities with respect to climate adaptation. If there is a climate	Late 2025.

	adaptation fund it will be in this Bill.	
Electoral Amendment Bill	Will remove the rights of prisoners to vote.	Late 2025.
GST Amendment Bill	A Bill may be needed to give effect to any decision to hypothecate a share of the revenue from GST for new builds to the sector?	Signalled in the ACT/National agreement for investigation. Likely to be and end of 2025 (if at all).

11. **Regulatory Report**
See **Attachment 1**.
12. **Publication of local government metrics**
In August 2024, the Government announced measures to refocus councils in response to cost-of-living concerns.
13. In November, Cabinet approved proposals included in the Local Government (System Improvements) Amendment Bill. This Bill lays the foundation for a new council performance measurement framework.
14. The overarching objectives of the performance measurement project are to ensure that information about how councils are performing is readily accessible in a central location, consistent and comparable.
15. The Department of Internal Affairs (DIA) will publish a set of council profiles on its website annually, including key performance metrics for each council, with the first release scheduled for 30 June 2025. The initial profiles will include metrics relating to financial performance. Other metrics and benchmarks will be added in future years, following some changes to council reporting requirements in law, to provide greater context and a more complete picture of council performance.
16. The initial set of metrics is based on already-public data from sources including long-term plans. Council profiles will be accompanied by a guide and glossary to provide contextual information about each metric. For example, the guide will include concise explanations about the necessity of debt, the impacts of a high growth population, relevance of land area, and the roles and responsibilities of different council types.
17. **Libraries**
The libraries team have identified the need for targeted youth activities. A recent trial of 'Night Mode' was incredibly successful, leading to a decision to permanently

allocate the 5pm – 8pm timeslot on Tuesdays at the Sue Thomson Casey Library until the end of 2025 for this purpose.

18. Night Mode has been designed to encourage youth into the library spaces to study and interact, with other activities being offered too. In addition, the team have reconfigured the layout within the library to have a separate young adult section, utilising the computer room space more effectively.
19. The Connections Librarian is about to begin engaging with schools in Reefton to look at a similar option at the Inangahua County Library within the Reefton Visitor and Service Centre.
20. **Theatre**
The facility was recently the venue of choice for a large contingent of visitors for a successful Golden Oldies Hockey festival and cabaret.
21. The standard considerations have been thoroughly evaluated, and there are no additional comments at this time.
22. **DRAFT RECOMMENDATION**

That the Chief Executive Officer's Report dated 28 May 2025 be received.



Regulatory Report

28 May 2025
Simon Bastion
 Group Manager, Regulatory Services

Group Manager Update

The TTPP workload for Joint Committee members will intensify through to October and the RAM commissioner reports are finalised and require committee sign-off.

Planning Manager has been tasked with reviewing the outcomes of the RMA commissioners prior to joint committee meetings. The review will provide a summary document for the joint committee to evaluate when assessing the commissioners' decisions.

We continue to follow through on the increase in non-compliance across the board which has diverted staff from direct consent processing. There will be further work in the coming months regarding a number of matters of concern.

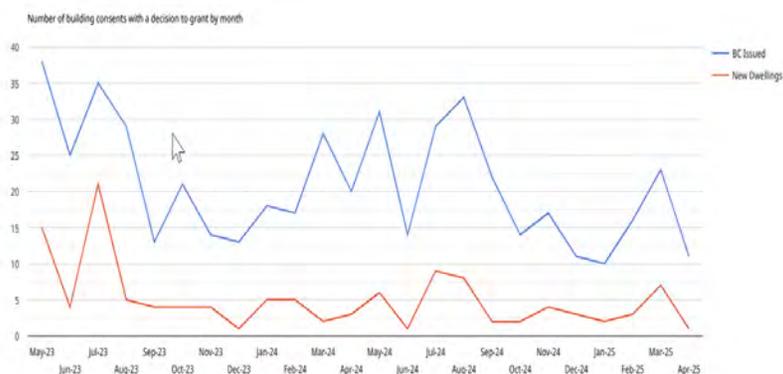
The new regulation for LIM's comes into effect on the 1st July and staff attend a Top of the South forum on the subject. There are some minor alterations we can apply but based on what we provide now we are in alignment with the new regulation.

Business Connect project is underway with IT project managing the integration and execution. A full review of our Regulatory Applications forms has been completed to ensure they meet best practise. A full communication process will be linked to the launch date. This will improve our service delivery through online forms for Regulatory Services so that historical information can be retained for the applicants. We expect this project to have its first new templates developed and online from July 25.

We continue to work closely with CDEM team to validate community readiness in regard to resources and supplies. The focus will be on the community welfare centres to ensure they have the ability to stand alone during an extended crisis.

We will start revising the Business Continuity Plans for the Buller council. The current plans need a full revision to ensure we have the plans to manage any future business crisis. The work has now been contracted and will be completed by mid-July for a final signoff in August.

Building Team Building Consents



Total Building Consents - April - 18 consents issued (1 dwelling)

BC Granted/Issued
 Monthly for All Building Types and All Complexities



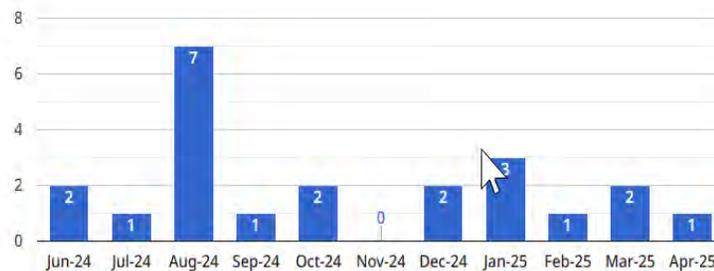
INSPECTIONS – 73 inspections undertaken

Inspections Undertaken
Monthly for All Building Types and All Complexities



Project Information Memorandum (PIM) – 2 PIM's

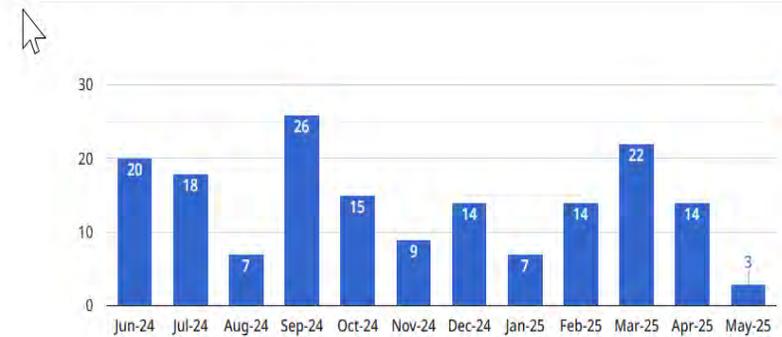
All PIM Apps Issued (Incl. PIM Only and PIM/BC)
Monthly for All Building Types and All Complexities



- Compliance Schedule audits have been completed.
- Assessing flood damaged dwellings that were placard 2021 and 2022. Have a new format to assess properties that are still outstanding.

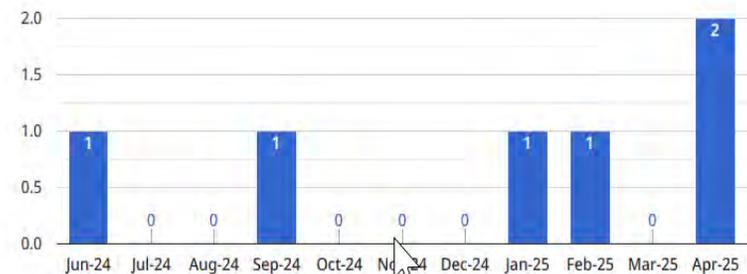
Code Compliance Certificate – 22 CCC issued – all within 20 day time frame

CCC Issued
Monthly for All Building Types and All Complexities



Consent Processing Times vs Statutory Timeframe

BC Decision to Grant - 21 or More Stat Days
Monthly for All Building Types and All Complexities

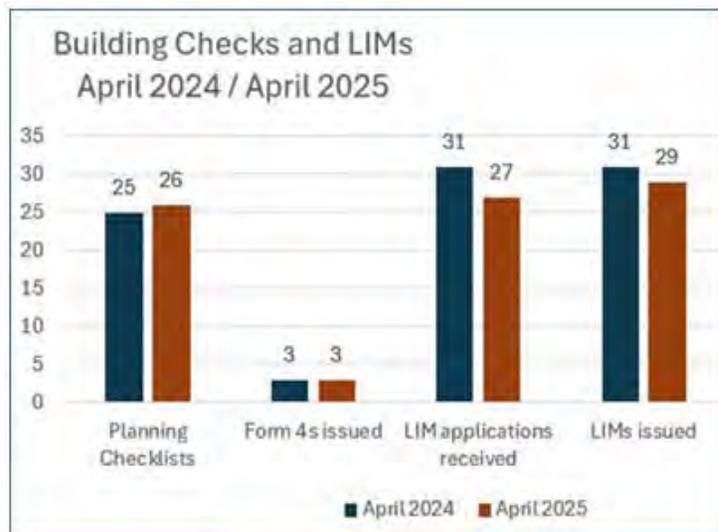
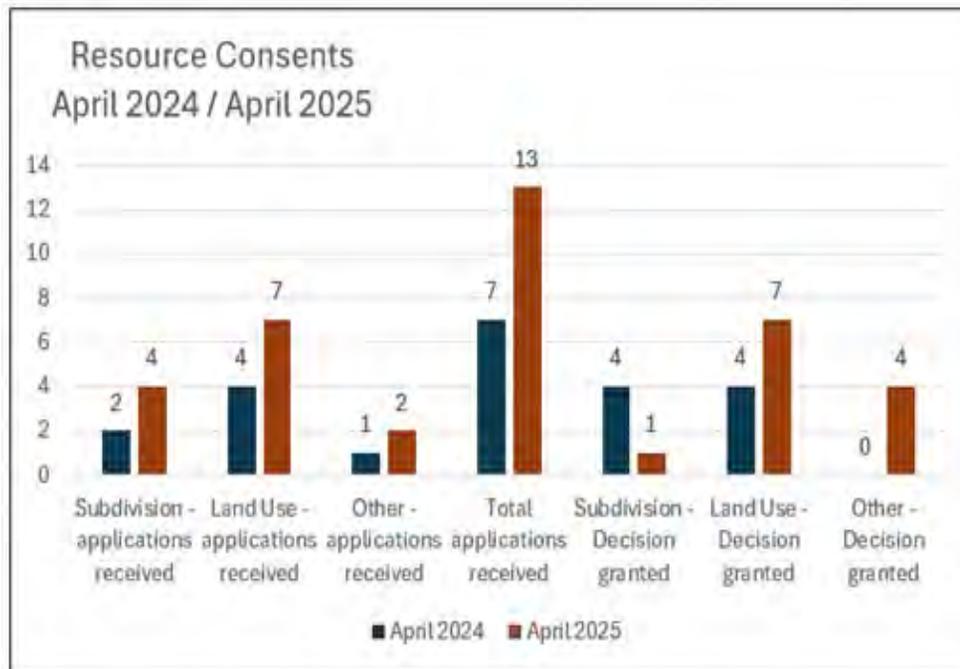


2 consents granted after 20 days.

BC240292 – The applicant's response to RFI was assessed as not-resolved. – The statutory time frame for BC has been exceeded for the following reason: Picked up after 20 days

BC230021A1 – Processing officer missed a step in the process and the time clock kept running un-noticed. – The statutory time frame for BC has been exceeded for the following reason: Forgot to issue BC.

	April 2024	April 2025
Subdivision - applications received	2	4
Land Use - applications received	4	7
Other - applications received	1	2
Total applications received	7	13
Subdivision - Decision granted	4	1
Land Use - Decision granted	4	7
Other - Decision granted	0	4
Total Decisions granted	8	12
Planning Checklists	25	26
Form 4s issued	3	3
LIM applications received	31	27
LIMs issued	31	29
Enquiries	204	200



Compliance Team

Animal Control:

- Unregistered dogs – We are currently at 68 unregistered dogs across the district with 20 of those now on a payment plan. We will continue with property visits until the new registration begins.
- Some of these visits are tailored around working with a range of people who are struggling financially, suffer varying degrees of mental health issues etc. Working with these people takes time and delicate discussions to reach the right solution. 1 dog rehomed.
- We are preparing for the dog registration period – this is usually a very hectic process for both council and dog owners.

General Compliance Complaints:

- An increase in noise complaints related to a couple of addresses
- Working closely with Police & Allied security on the call out process.
- Investigating camping grounds as an annual audit. Have identified several unregistered camping grounds that will be followed up over the next few months

Alcohol

- 21 new applications received for April
- We have caught up on the backlog of licence applications
- Have reviewed and updated licence applications form online to ensure consistency with legislation and to ensure we capture all information required.
- Awaiting DLC Chair report on Seddonville Hotel

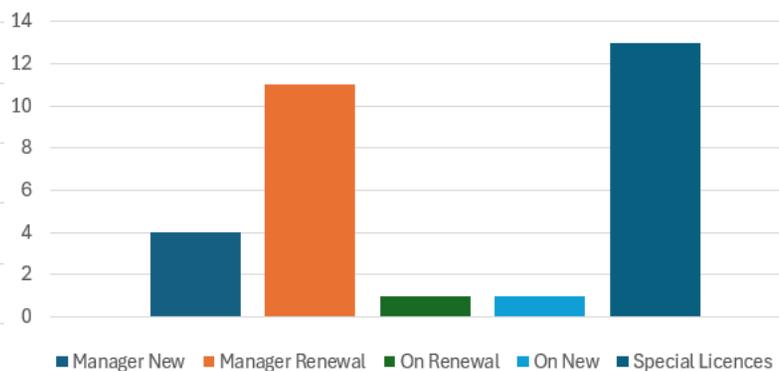
Freedom camping:

- The visitor numbers are significantly down and the freedom camping season is officially closed.
- The Campers' habits have been excellent this season with minimal rubbish being left behind.
- Conversations underway with the Hector/Ngakawau/Granity community regarding the availability of toilets 24/7
- We have completed works at the Hector Camping area with an upgrade of signage and the placement of large rocks to restrict access.
- Some vandalism occurred In Hector with signage removed.

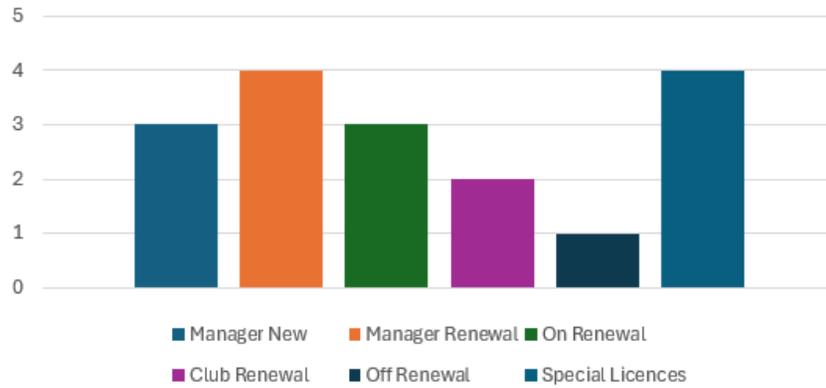
Liquor Licence Application Received
April 2025 - Total 21



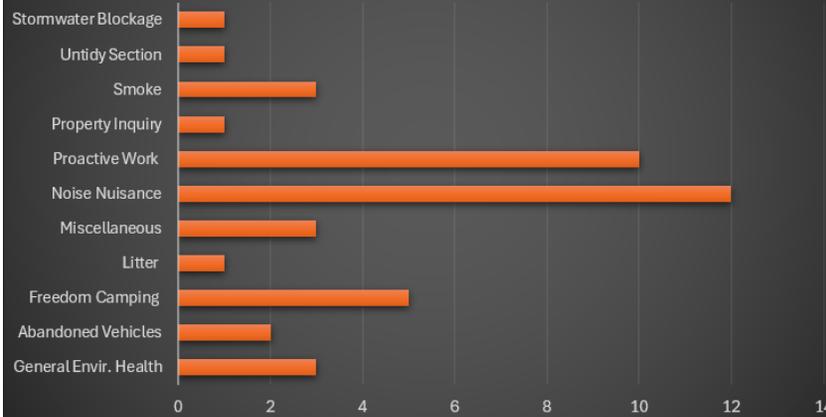
Liquor Licences Issued
April 2025 - Total 30



Liquor Licences in Progress
April 2025 - Total 17



Enviromental Services
Service Requests March 2025 (Total 42)



Animal Management and Compliance Service
Requests April 2025 (Total 42)



Master Planning Update

Early works continue on Stage Three of the Westport Master Plan, the below provides a high-level update on progress after Council endorsement to proceed with seeking external funding and early engagement with PAMU.

- Early negotiations are being undertaken with PAMU
- A briefing to the Development West Coast Board was undertaken on 28/04/25
- Various meetings held with Central Government agencies
- Communication with key stakeholders and industry continues
- Buller District Council placed the project forward for the Infrastructure Priorities Project Programme through to the NZ Infrastructure Commission – this is a multi-step business case development framework
- The project has been endorsed for a panel presentation at Adaptation Futures Conference 2025
- An LGNZ award application has been put forward for the project works
- Council continues to work with Central Government to pursue external funding opportunities

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 12

Prepared by: Simon Pickford
Chief Executive Officer

PORTFOLIO LEADS VERBAL UPDATE

1. **REPORT PURPOSE**
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 – Councillor 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 Cleine and Councillor Neylon
 - i) Joint Committee Westport Rating District – Mayor Cleine, Councillor Howard and Councillor Reidy
 - j) Regional Transport Committee – Councillor Grafton

BULLER DISTRICT COUNCIL

28 MAY 2025

AGENDA ITEM: 13

Prepared by: Simon Pickford
Chief Executive Officer

PUBLIC EXCLUDED REPORT

1. **REPORT SUMMARY**

Subject to the Local Government Official Information and Meetings Act 1987 (LGOIMA) 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 under LGOIMA
PE 1	Simon Pickford Chief Executive Officer	Confirmation of Previous 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. (s 7(2)(b)) - protect information where the making available of the information would i. Disclose a trade secret ii. Be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Item No.	Minutes/ Report of:	General Subject	Reason For Passing Resolution under LGOIMA
PE 2	Simon Pickford Chief Executive Officer	Westport Rating District Joint Committee – Appointment of Community Representative	(s7(2)(a)) protect the privacy of natural persons, including that of deceased natural persons
PE 3	Mayor Jamie Cleine	Chief Executive Annual Salary Review May 2025	(s7(2)(a)) protect the privacy of natural persons, including that of deceased natural persons (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