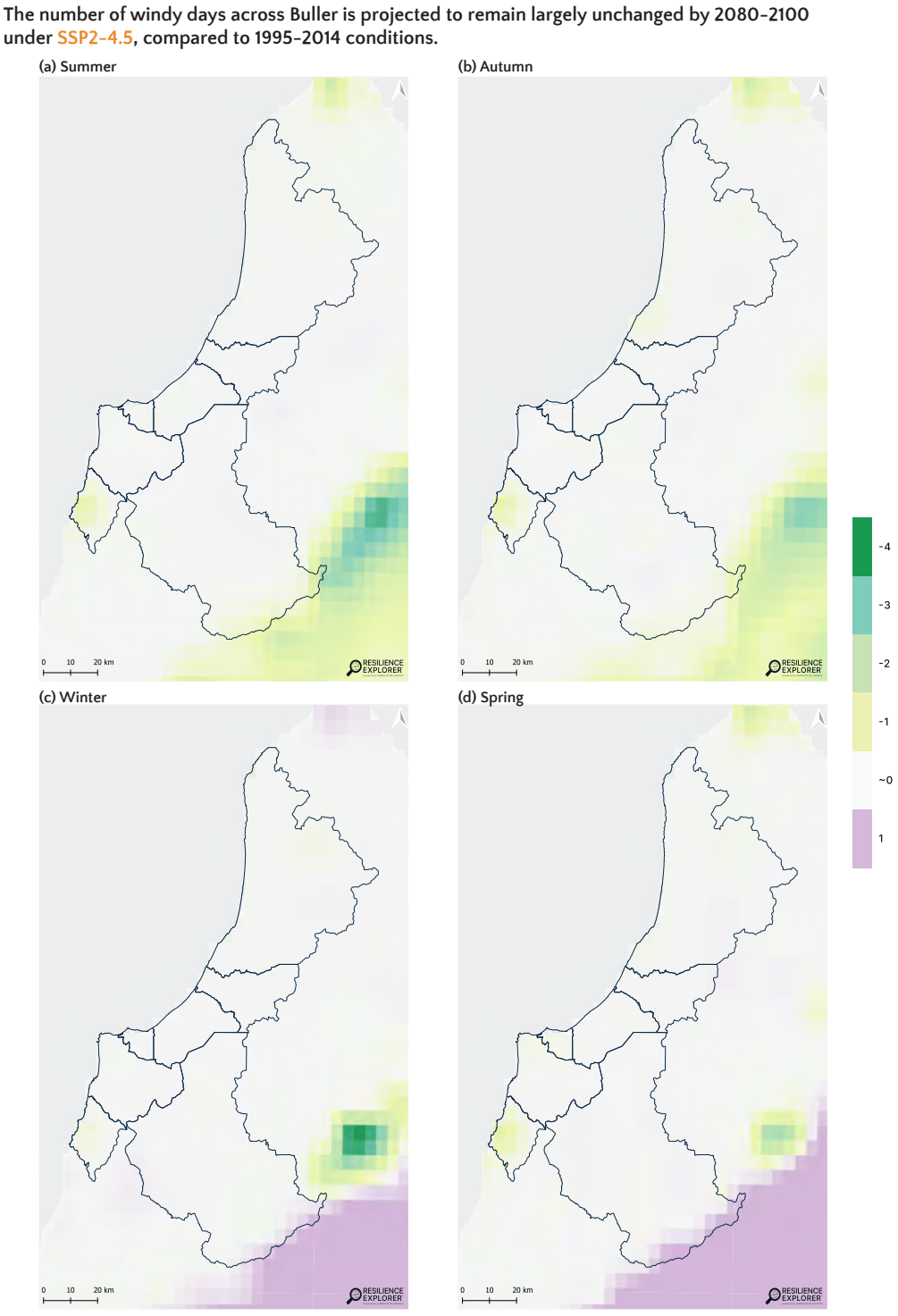


Figure 3.6: Change in the number of days with wind above 10m/s by 2080-2100 under SSP2-4.5 compared to 1995-2014 (seasonally).

3.3 Domains

The risk assessment is structured around the five value domains, as indicated by the Ministry for the Environment—Manatū Mō Te Taiao guidance. The risk assessment focuses on the physical risk associated with climate change and does not address transitional risks associated with socio-economic, cultural and political changes. The domain structure starts with the natural environment with respect to Te ao Māori principles, whereby the natural environment is emphasised as the priority, supported by relationships with people.

3.3.1 Natural Environment

The Buller District covers a diverse and unique natural environment, encompassing alpine, wetland, coastal, lowland, and forested areas. The landscape is characterised by mountainous terrain, terraced valleys, and approximately 175 kilometres of the Tasman Sea coastline. Over 80% of the district's land area is in conservation estate, highlighting the significance of its indigenous biodiversity.

Climate change poses various risks to this natural environment, including increased temperatures, changes in rainfall patterns, reduced snow and ice cover, sea level rise, coastal inundation, flooding, extreme weather events, storm surges, drought, ocean acidification, and marine heatwaves (Table 3.3). While direct studies on climate change impacts on New Zealand's biodiversity are scarce, emerging research indicates that these effects are frequently indirect, interrelated, and mutually reinforcing [22]. The changes to the natural environment can have cascading effects of the human, built and economic domains.

This section examines the potential impacts of climate change on the natural environment in Buller District, focusing on terrestrial ecosystems, coastal and marine ecosystems, freshwater ecosystems, and the unique karst and cave systems.

Risk to Terrestrial (land-based) Ecosystems

Buller District's terrestrial ecosystems span from coastal to alpine environments, with extensive indigenous forest cover. The northern part of Buller has almost entirely indigenous podocarp-beech forest. Coastal forests in the north are dominated by nikau palm, karaka, and northern rata, with some areas also having rangiora, titoki, kiekei and supplejack vines, offering a sub-tropical character. In central Buller, beech forests dominate the lowland and montane areas, while southern parts have coastal forests comprised of northern rata, native pines, kiekei and supplejack vines. These forests support numerous indigenous bird species; some are vulnerable or threatened, including the great spotted kiwi, kaka, kereru, blue duck, kea, petrel and rock wren, as well as other threatened indigenous species like the giant land snail.

Annual temperatures in Buller are projected to increase by at least 2°C by 2090 (with an SSP2-4.5 scenario). By 2090, Buller could have up to 35 or more extreme heat days with average temperatures over 25°C [19]. This temperature rise is expected to impact forest ecosystems in several ways:

- Increased vegetation growth supported by rising CO_2 levels [23].
- More frequent seed masts in beech and tussock species, potentially exacerbating invasive pest issues and increasing predation pressure [24].

- Shifts in species distribution ranges, with indigenous forest ecosystems likely moving southwards and upwards [25].
- Increased prevalence of invasive or exotic species that are more tolerant of environmental changes [22].
- Reduced ability of indigenous forests to recover from extreme weather events due to increased competition from exotic species and changing habitats [24]
- Higher wildfire risk due to more extreme heat days [25], particularly in inland Buller and the mānuka dominated landscapes in southern Buller.

The alpine and sub-alpine ecosystems in the Paparoa Ranges and coal plateau are particularly vulnerable to temperature increases and reduced snow cover. These changes could impact species such as the Kahurangi gecko, cascade gecko, kea, rock wren, giant land snails, and great spotted kiwi, all of which have restricted habitats and are already threatened.

By 2090, the West Coast is likely to experience increased extreme wind and the intensity of tropical cyclones will increase [26]. The risk of extreme wind events will likely be more frequent and continue to impact the forest compositions as previously experienced by Cyclone Ita and Fehi.

Risk to Coastal and Marine Ecosystems

Buller's coastal environment includes sandy beaches, cliffs, and estuarine lagoons, supporting culturally significant resources and providing important habitats for various species, including Hector's dolphins, little blue penguins, and fur seals. The marine areas have culturally significant resources regarded as taonga by Poutini Ngāi Tahu, including weaving plants such as pingao and harakeke, and mahinga kai such as whitebait, shellfish, and other fish species.

Buller is likely to experience a sea level rise of approximately 0.6m by 2090 (under SSP5-8.5). This, combined with increased extreme weather events, poses significant risks to coastal ecosystems:

- Habitat instability, loss, or degradation affecting seabird breeding and feeding behaviors [24].
- Increased pressure from invasive species through predation, competition, or diseases [27].
- Threats to significant bird breeding colonies, particularly at Punakaiki, the only mainland breeding location for the nationally threatened Tāiko (Westland Petrel).

Marine ecosystems face additional challenges from marine heatwaves, ocean acidification, and higher annual temperatures [28]. These changes are likely to impact species survival rates, breeding success, and overall ecosystem balance.

Risk to Freshwater Ecosystems

Buller District is home to several significant river systems, including the Buller, Heaphy, Karamea, Ngākawau, Mokihinui, Maruia, Inangahua, and the upper reaches of the Grey River. The Buller River is the largest river system in the district, and most of the river and tributaries are protected by a Water Conservation Order. These freshwater ecosystems are particularly vulnerable to climate change due to their fragmented and sensitive habitats [29].

Buller District is predicted to have higher rainfall, particularly in winter and spring [26]. Projected increases in rainfall and extreme weather events are likely to affect freshwater ecosystems in several ways:

- Changes in river flows and increased flooding risk.
- Accelerated erosion and sediment deposits in channel beds.
- Altered water quality and habitat availability [30].
- Increased water temperatures will increase the growth of algal blooms
- Impacts on species such as whitebait, which may face increased predation pressure from exotic species like trout in warmer temperatures [31].
- Potential nest failures and population declines for river-dwelling species like whio (blue duck).

Wetlands in the district, mostly ephemeral swamps and pakihi bogs, may shift towards more permanent states due to increased rainfall [32].This could put certain species at risk, such as the threatened orchids found in the Westport pakihi bog, including the lady's tresses and the grass-leaved greenhood [33].

Alpine and sub-alpine freshwater ecosystems, including tarns and lakes, are likely to shrink or decline due to reduced snowfall and temperature increases [22].

Risk to Natural Features and Structures

Buller District features significant karst areas in Karamea, Charleston, and Punakaiki. These formations are hydrologically sculpted limestone with distinctive soils, micro-climates, flora, fauna, and hydrology, making them particularly fragile to climate change impacts [34, 35]. Over 100 caves have been catalogued in Buller [36].

The karst formations have significant ecological, cultural, and economic value:

- Unique flora and fauna, including cave ferns, grasses, de-pigmented koura, cave spiders, and cave wētā [36].
- Fossil and archaeological value.
- High recreational and tourist value, particularly in the Paparoa and Kahurangi National Parks.

Climate change is likely to affect these unique systems through increased surface erosion due to extreme rainstorms and higher annual precipitation, impacting structures like the pancake rocks and limestone arches [35]. There is likely to be higher cave temperatures affecting ventilation, speleothem growth, and condensation corrosion processes [37]. Additionally, there will be potential changes in cave ecosystems, with some species like glow worms potentially benefiting from increased temperatures and rainfall [38].

3.3.2 Built Environment

The built environment in the Buller District, comprising physical infrastructure, transport networks, and buildings, faces increasing risks from climate change-related natural hazards. This assessment focuses on coastal flooding and landslide risks across the district, as well as river flooding and groundwater impacts, though data limitations exist for these latter hazards.

Risk to Buildings and Facilities Due to Coastal Flooding

Coastal flooding poses a significant and increasing risk to buildings and facilities in the Buller District. Analysis of the data shows the following impacts from a 1% Annual Exceedance Probability (AEP) coastal flood event at different sea level rise increments:

- Residential Buildings: approximately 15,000 in total. With sea level rise of 1m, over a quarter of all buildings in the district could be at risk. This represents a significant threat to residential areas and potential displacement of residents.
  - Present day (0cm): 1,500 (10%) at risk
  - 20cm sea level rise: 2,000 (14%) at risk
  - 1m sea level rise: 3,842 (26%) at risk
- Roads: 1,139.52 km total. While the percentage of affected roads seems relatively low, even small increases in flooded road length can significantly impact connectivity and emergency response capabilities.
  - Present day (0cm): 36.4 km (3.2%) at risk
  - 20cm sea level rise: 45.1 km (4.0%) at risk
  - 1m sea level rise: 78.4 km (6.9%) at risk
- Wastewater Pumps: 3,514 total. The increase in at-risk wastewater pumps highlights the vulnerability of the district's sanitation system.
  - Present day (0cm): 438 (12.5%) at risk
  - 20cm sea level rise: 657 (18.7%) at risk
  - 1m sea level rise: 1,837 (52.3%) at risk

The impacts of coastal flooding on buildings can include structural damage, loss of contents, disruption to services, and in severe cases, complete loss of the building. This can have cascading effects on the community, economy, and social services. Assets can be damaged through coastal inundation, such as seawater intrusion or by the force of large waves. The coastal areas of the Buller District are most at risk, with particular concern for Westport town centre and surrounding low-lying areas, coastal settlements such as Punakaiki and northern Buller, and critical infrastructure near the coast, including roads, water treatment facilities, and power substation (Figure 3.8).

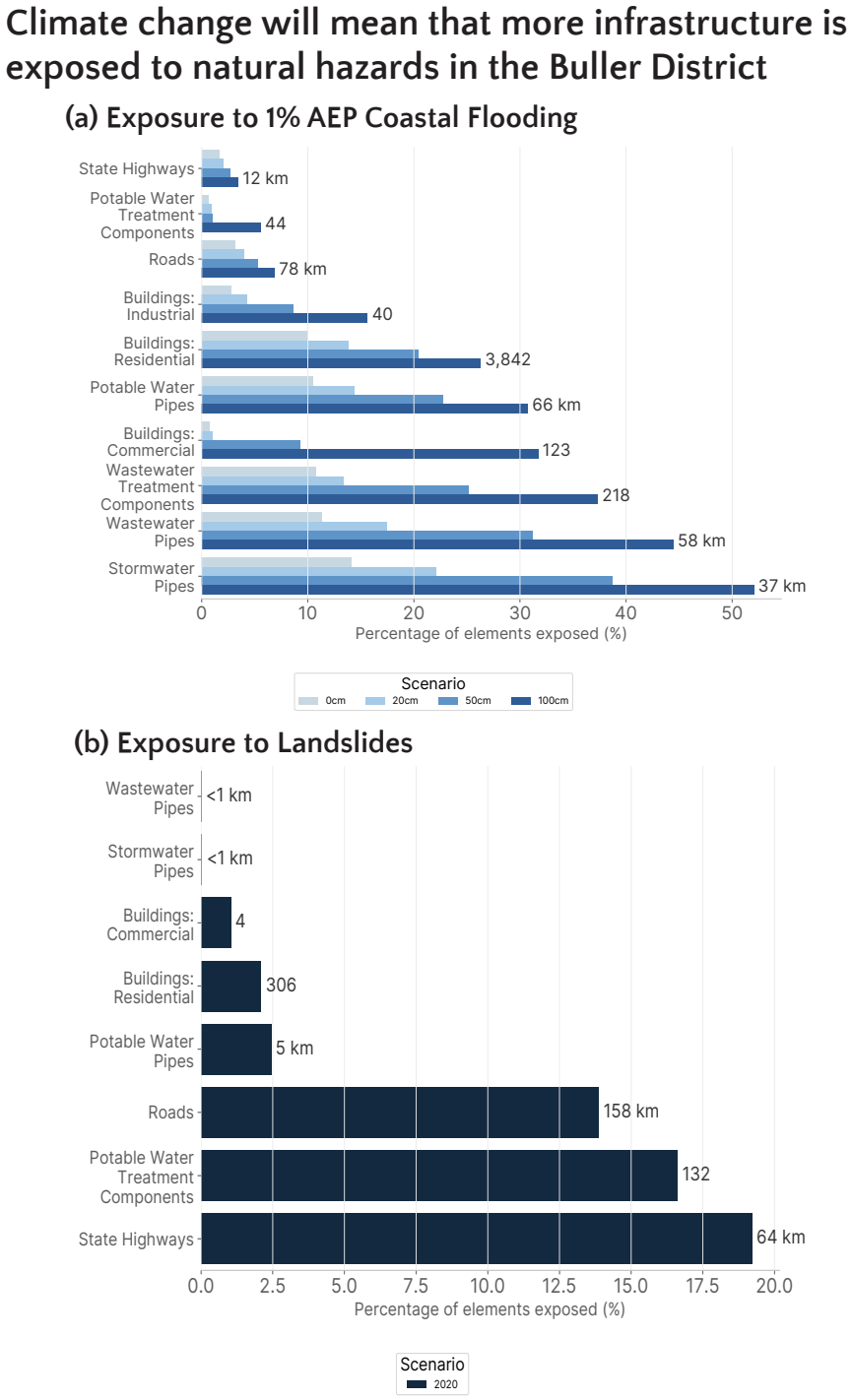


Figure 3.7: Exposed infrastructure across the Buller District to coastal flooding and landslides.

Risk to Infrastructure from River Flooding

River flooding poses a significant risk to the Buller District, with the Buller and Inangahua Rivers having caused substantial flooding in the past. Climate change is likely to increase the frequency and intensity of extreme rainfall events, exacerbating these risks. While detailed data on river flooding is limited for much of the Buller District, specific information for Greater Westport illustrates the significant present-day risk to the built environment.

Based on data for a 1% AEP flood event under current conditions, the exposure of infrastructure in Greater Westport is severe. Over three-quarters of residential (76.4%) and commercial (76.1%) buildings are at risk, along with more than half (56.0%) of industrial buildings. The transportation network is also highly vulnerable, with 44.5% of roads, including 31.7% of state highways, at risk.

Water infrastructure faces even greater exposure. Approximately 70% of potable water pipes, 80.9% of stormwater pipes, and 75.3% of wastewater pipes are at risk. The situation is even more critical for pump stations, with 82.9% of potable water, 88.6% of stormwater, and 83.6% of wastewater pump stations at risk. Additionally, over half (51.6%) of the wastewater treatment plant units are exposed to flooding risk.

These figures underscore the extreme vulnerability of Greater Westport's built environment to river flooding under current conditions. Climate change is projected to exacerbate these risks significantly. For instance, under the 2100 RCP8.5 scenario, the percentage of at-risk residential buildings is expected to increase to 83.0%, and commercial buildings to 98.2%, with similar increases across all infrastructure types.

The implications of this high level of exposure are severe. River flooding can cause extensive damage to buildings, roads, bridges, and other critical infrastructure, as well as lead to erosion of riverbanks, potentially undermining nearby structures. The high percentage of at-risk infrastructure suggests that essential services could be severely disrupted during flood events, impacting not only Westport but potentially the entire district. The risks in the built environment cascade into the other value domains, further highlighting the implications of climate change.

While the exact percentages will vary across the Buller District, many communities along rivers are likely to face similar levels of risk. Key areas of concern across the district include Westport and surrounding areas near the Buller River, communities along the Inangahua River such as Inangahua Junction and Reefton, and low-lying areas near other rivers and streams throughout the district, such as Karamea, Seddonville and Mohikinui, Hector and Ngākawau.

Risk to Infrastructure from Landslides

The Buller District's topography makes it susceptible to landslides, particularly during intense rainfall events. Analysis of current landslide exposure data reveals:

- Residential Buildings: 306 out of 14,619 (2.1%) at risk
- Roads:
  - 158.1 km out of 1,139.5 km (13.9%) at risk
  - State Highway: 64.5 km out of 335.5 km (19.2%) at risk

While the overall percentage of buildings at risk is relatively low, the impact on road infrastructure is significant, with nearly 14% of roads and 19% of state highways exposed to landslide risk. This could

lead to isolation of communities and disruption of essential services. The high percentage of at-risk potable water treatment plants (16.6%) is also a concern, as damage to these facilities could affect water supply to large areas.

Climate change is expected to increase the frequency and intensity of extreme rainfall events (Figure 3.3), which may exacerbate landslide risks. This could lead to more frequent landslides affecting roads and individual properties, and increased potential for large-scale landslides that could impact multiple infrastructure types simultaneously.

Risk to Infrastructure from Groundwater Rise

Groundwater rise, often associated with sea-level rise and changing precipitation patterns, can have several impacts on infrastructure:

- Building Foundations: Rising groundwater can compromise the structural integrity of buildings, leading to foundation damage, increased dampness, and mold growth.
- Underground Infrastructure: Buried pipes, cables, and storage tanks may be affected, potentially leading to increased corrosion, buoyancy issues, and reduced operational lifespan.
- Road Substructures: Higher groundwater levels can weaken road substructures, leading to more frequent maintenance needs and potential road failure.
- Wastewater Systems: Elevated groundwater can infiltrate sewer systems, overloading treatment plants and potentially causing system failures.
- Increased Liquefaction Risk: Higher groundwater levels can increase the risk of soil liquefaction during seismic events, posing additional risks to all types of infrastructure.

No specific modelling has yet been completed on groundwater rise for the Buller District. While the extent of groundwater rise risk in the Buller District is unknown, coastal areas and low-lying regions near rivers are likely to be most susceptible. It is recommended that:

- A comprehensive groundwater monitoring network be established across the district.
- Future infrastructure planning consider potential groundwater rise, especially in vulnerable areas.
- Further research be conducted to understand the local factors influencing groundwater levels and their potential future changes.

Areas exposed to and isolated by mapped hazards. Understanding where is at risk and to what hazards can support prioritising resilience interventions.

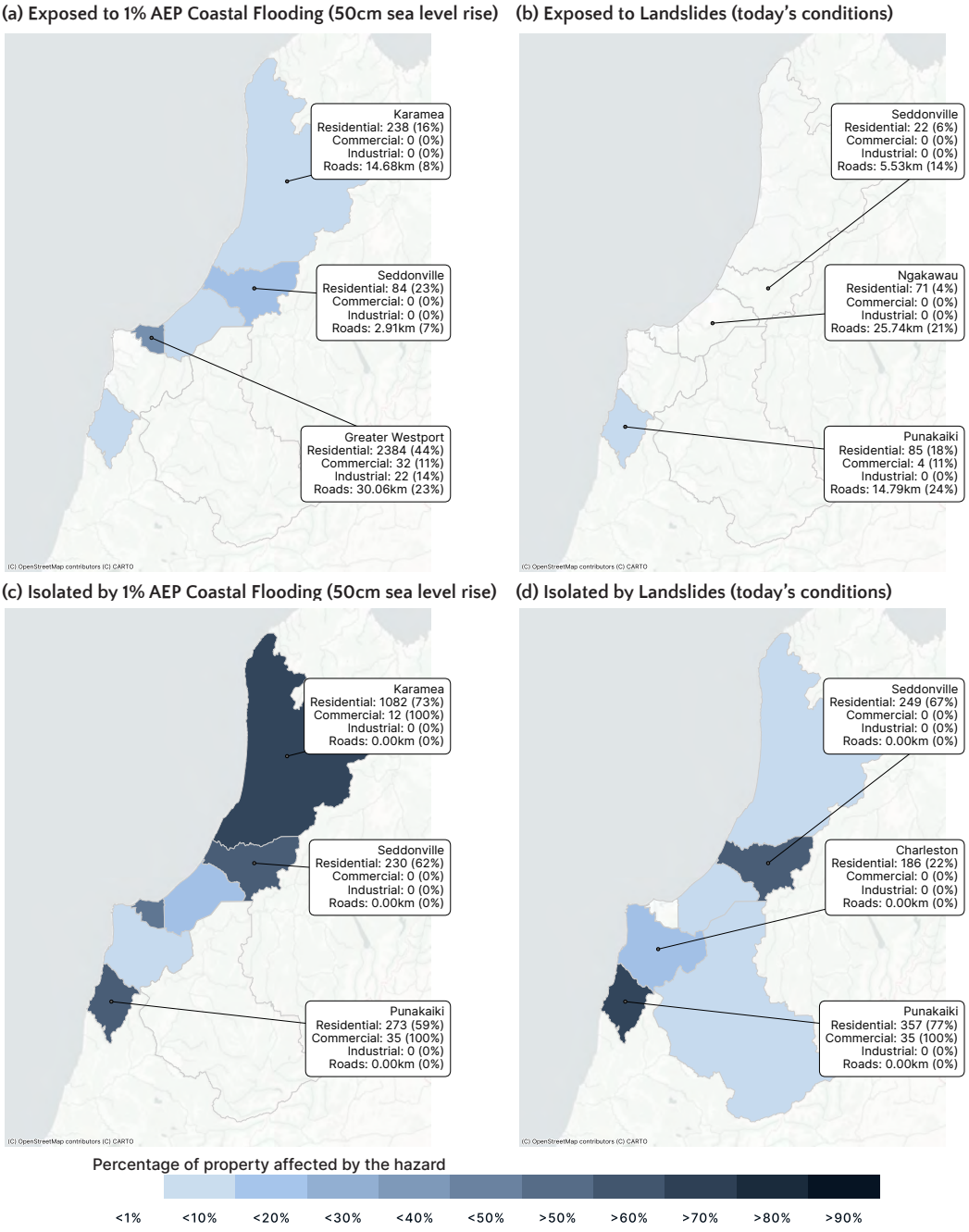


Figure 3.8: Exposed properties across the Buller District to coastal flooding and landslides.

3.3.3 Human

The Human Domain encompasses all aspects of social and cultural spheres shaping the district's identity and resilience. People's skills, knowledge, and physical and mental health are foundational elements of the human domain, contributing to the district's workforce, innovation, and well-being. These aspects are complemented by the norms, rules, and institutions of society, which govern behaviour, facilitate cooperation, and promote social cohesion. Indigenous Māori culture also enriches the human domain, with traditional practices, values, and knowledge systems contributing to the district's identity and heritage.

As of 2023, Buller District had a population of 9,670, and has been experiencing a sustained decline of 0.4% over the previous five years [39]. At the time of the 2018 census, almost 92% of the population identified as Pākehā or European and 11.2% identified as Māori [40], with approximately 600 people who whakapapa to Ngāti Waewae, a hapu of Ngāi Tahu.

The district's demographic profile presents unique challenges:

- Aging Population: 30.4% of Buller's population is over 65, nearly double the national average of 16.5%.
- Youth Population: Only 14.1% of the population is less than 14 years, lower than the national average of 18.5%.
- With an aging population, the Buller community has a high dependency ratio of 80.1%, compared to the national average of 54% [41]. The dependency ratio depicts the number of people not of working age who may require further support and social services.

Cultural heritage sites, such as the Kawatiri Museum in Westport and the coal mines throughout Buller, represent the district's historical and cultural identity, particularly its mining heritage. These landmarks are integral to the community and contribute to a collective sense of belonging. Events such as the Buller Anniversary Weekend and the Westport Whitebait Festival provide platforms for cultural expression and community engagement. These festivals play a crucial role in fostering social cohesion and promoting cultural exchange among residents and visitors alike.

Climate change could impact the social and cultural dynamics of Buller, challenging community resilience, cultural heritage, and health. Displacement and migration resulting from climate-induced events such as floods and sea-level rise threaten to disrupt social networks and cultural traditions, potentially leading to a loss of cultural identity. This is particularly relevant for coastal towns in Buller that have a strong connection with the land and their community. Concurrently, coastal erosion and environmental degradation endanger the preservation of cultural heritage sites and practices, threatening cultural significance. The unique landscapes of the Paparoa and Kahurangi National Parks, which are integral to the district's identity and tourism, may also face climate-related challenges.

Additionally, climate change can exacerbate health risks, with extreme weather events leading to injuries and increased stress on healthcare services. Changes in vector-borne diseases may emerge or spread in the district. These impacts not only threaten physical health but also mental wellbeing, as communities face increased stress, anxiety, and trauma from climate-related disasters, such as the significant flooding events Buller has experienced in recent years. The district's reliance on industries like mining, agriculture, and tourism, which are vulnerable to climate change, adds another layer of potential stress to the community's social and economic fabric.

Risk to Physical Health

The risk to physical health is primarily assessed through population exposure to various hazards:

- By 2050, coastal flooding 1% AEP risk could threaten at least 1,700 residents (17.7% of the district's population) (Figure 3.10).
- Although data is not available for the rest of the district, river flooding threatens 87% of residents in Westport under current conditions.

These exposure levels indicate a substantial proportion of the population at risk of direct physical harm from extreme weather events, which are likely to increase in frequency and severity due to climate change. The high proportion of elderly residents (30.4% over 65) may exacerbate these risks, as older populations may have a higher vulnerability to climate-related health impacts due to factors such as higher prevalence of chronic health conditions and reduced mobility, which can limit their ability to respond effectively to extreme weather events.

Beyond the immediate risks of flooding events, climate change impacts can have significant cascading effects on physical health through changes in housing quality. For example, flooding, rising groundwater and sea-level rise can contribute to cold, damp living conditions in affected homes [42]. This creates a reinforcing cycle where poor housing quality influences heating costs and heat retention, leading to persistent dampness, rot, and mould growth. These conditions can result in a wide range of physical health issues, particularly respiratory and cardiovascular illnesses [43, 44]. The health impacts are often more severe for vulnerable populations, including children, the elderly, and those with pre-existing health conditions [42].

Risk of Losing Access to Essential Services

The isolation of communities due to hazard events poses further risk to public health and safety by cutting off access to emergency services, healthcare, food supplies, and other critical resources [45]. This is particularly challenging in Buller as many critical resources are located in Westport. This reliance means that impacts on Westport will be heavily felt by the wider community. This risk is salient for several reasons:

1. Loss of Access to Essential Services: Isolation signals a loss of access to and from essential services like supermarkets, workplaces, education facilities, community centres, emergency services, and cultural sites of significance (such as marae). This loss of access can have profound impacts on community well-being and resilience.
2. Disruption to Critical Infrastructure: Isolation often indicates potential disruption to horizontal infrastructure that is frequently co-located with roadways. When a property loses road access, other essential services like electricity, water, and internet may also be affected, compounding the challenges faced by isolated communities.
3. Impacts on Community Functioning: Access to essential services, such as education, healthcare, and emergency response, is critical for the day-to-day functioning and well-being of communities. Disruptions to these services through direct climate impacts or in-direct approaches such as a State of Emergency can have far-reaching consequences:
    - Education: Disruptions to schooling can lead to long-term learning losses, widening achievement gaps and exacerbating existing educational inequities.

- Healthcare: Reduced access to healthcare facilities can result in delayed treatments, poorer health outcomes, and increased stress on individuals and families.
- Emergency Services: Limitations on emergency services can significantly impair response times during critical situations, putting lives and property at greater risk.

4. Strain on Emergency Management: As climate hazards intensify and become more frequent, the capacity of emergency services to meet growing demand may be compromised, especially if critical infrastructure is damaged or inaccessible.
5. Economic Resilience: Isolation, especially when recurring, can decrease the resilience of local economies through regular disruption of business activities, supply chains, and workforce mobility.

This assessment shows that by 2050, coastal flooding could isolate more than 2,800 residents (30% of the district population) (Figure 3.11). Additionally, landslides currently pose an isolation risk to 650 residents (6.8% of the district population) (Figure 3.12). These numbers reflect property isolation and do not include the potential "islanding" of entire communities, which is where they are cut-off from the wider District and emergency services. An example of "islanding" occurred in Karamea with the closure of the Highway.

These isolation risks can have significant impacts on mental health and wellbeing, as outlined in the experiences of Buller (see Section 3.1). The lived or anticipated experience of flooding can increase the risk of negative mental wellbeing outcomes such as depression, anxiety, sleep disturbance, general psychological distress, and post-traumatic stress disorder [46, 47, 48]. The mental health effects of flooding are typically more severe and enduring than physical effects for those in high-income countries [49, 50, 51].

Risk of Exacerbating and Creating Inequalities

Climate change impacts are often felt more acutely by individuals without the resources to prepare or respond. Our analysis of exposure and isolation risks by New Zealand Deprivation Index (NZDep) reveals that coastal flooding by 2050 will threaten around 1,500 residents living in deprived areas (NZDep 7-10). This could result in more than 2,000 residents in these areas being isolated from essential services and opportunities. The National Social Deprivation Index (NZDep) derived from the 2018 census highlights areas where communities may be more susceptible to hazards, with less ability to cope and/or fewer resources to protect themselves or respond (Figure 3.9).

Those living in areas with high social deprivation may already be facing socio-economic challenges such as not being able to afford quality housing, not having access to a car, limited access to the internet, or having a lower-than-average income per household. Communities who are already facing stress with daily living are less likely to have the capacity to prepare and respond to hazards.

Buller District faces significant socioeconomic challenges that may exacerbate these risks:

- As of July 2024, Buller District had the lowest median household income in New Zealand at $53,600 compared to $99,938 nationally [53].
- In 2023, there were 1,174 people on beneficiary support, 12% of the total population [39].
- Almost a third of adults in the district have no formal qualification, the lowest educational achievement in the country [40].
- Only 73% of households have internet access, one of the lowest rates nationally.

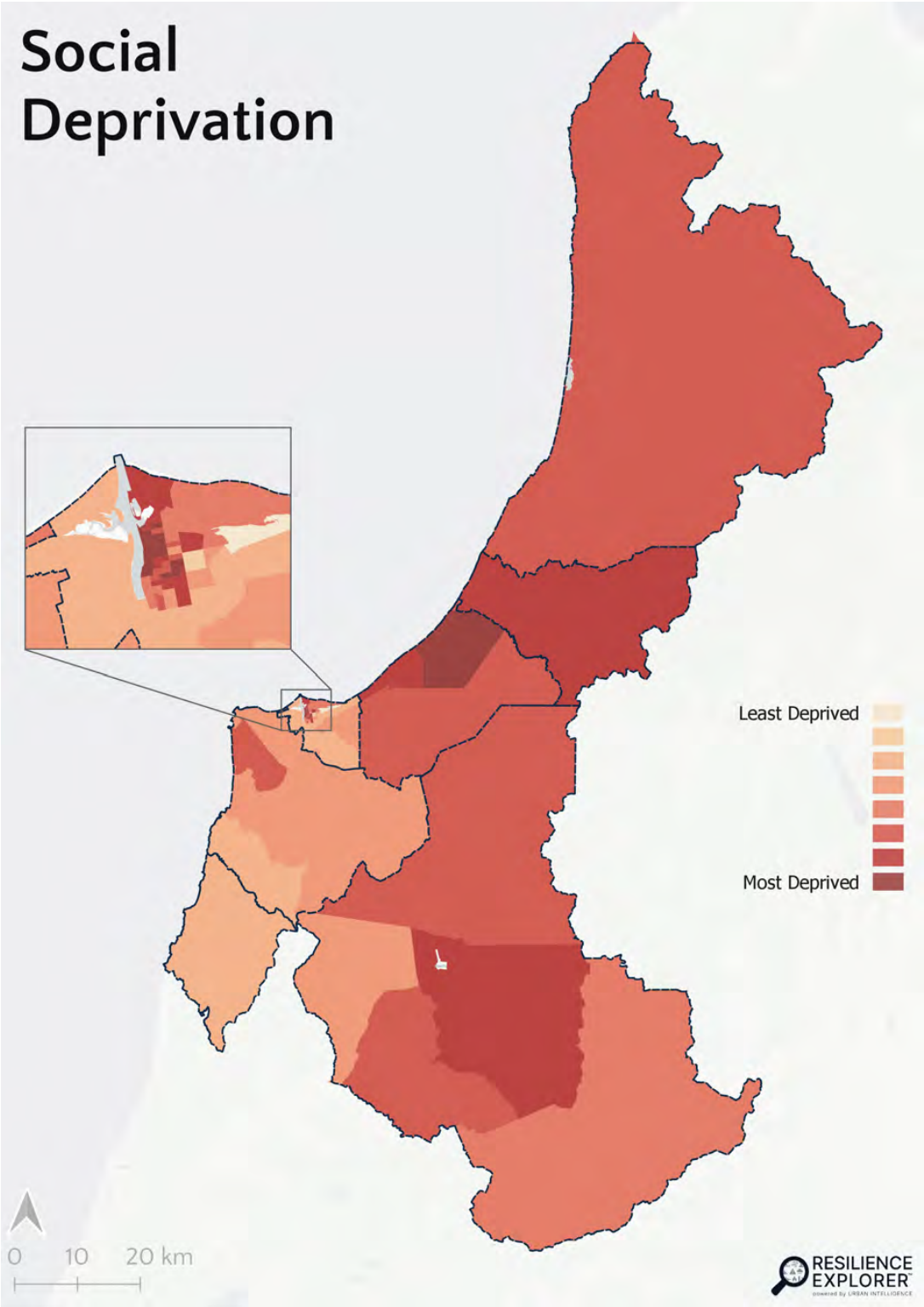


Figure 3.9: The NZDep Index, an area-based measure of socioeconomic deprivation in Aotearoa New Zealand.[52].

In terms of risk to specific groups:

- By 2050, coastal flooding could isolate 750 residents over 65 (34% of this age group).
- Currently, approximately 500 residents over 65 (22.5%) are at risk of isolation from coastal flooding, which is important due to this demographic's high vulnerability.
- Households without vehicles are another group that may need additional support to evacuate. By 2050, at least 31% of these residents may be at risk from coastal flooding.

River flooding in Westport also threatens those in sensitive demographic groups:

- 97.0% of households without vehicles could be isolated.
- 90.1% of residents over 65 could face isolation.
- 96.8% of rental households are at risk of isolation, indicating potential disparities based on housing tenure.

These figures underscore the critical need for adaptation strategies that focus on vulnerable groups and look to maintain or quickly restore access to essential services during and after flood events.

Inequitable impacts can cause reinforcing feedback loops as areas of known hazard where damage and loss have already been experienced tend to be occupied by those of lesser economic means because they can't afford to live anywhere else [54]. This can create a cycle where vulnerable populations become increasingly exposed to climate risks, further deepening inequalities.

Climate ghettoes form in response to increasing exposure to natural hazards and a lack of resources to mitigate these risks, and demonstrate how climate change disproportionately affects disadvantaged communities. Social inequality, falling property values and insurance retreat mean that residents are at risk of becoming trapped in climate vulnerable living conditions. Marginalised communities may also bear the brunt of climate impacts due to limited advocacy capability, political influence and economic power.

The isolation metric represents an indirect risk, complementing direct exposure assessments. It provides a spatially and temporally explicit indication of the localised burden from climate change impacts. Understanding isolation risk allows for better consideration of if, where, and how to administer support in the face of sea level rise and other climate-related hazards.

While this report evaluates isolation risk primarily against landslides and coastal flooding events, isolation can arise from other hazards as well. For example, tidal flooding linked to sea-level rise can lead to temporary isolation. Although such nuisance flooding may be short-lived, its regularity can have impacts on mental health, community well-being, and economic productivity as residents must continually plan their activities around these disruptions. Note Figures (3.10, 3.11, and 3.12) and similar figures in the local assessment section use different scales for visualisation purposes.

Rising relative sea levels will mean that more residents are exposed to coastal flooding events in future in the Buller District

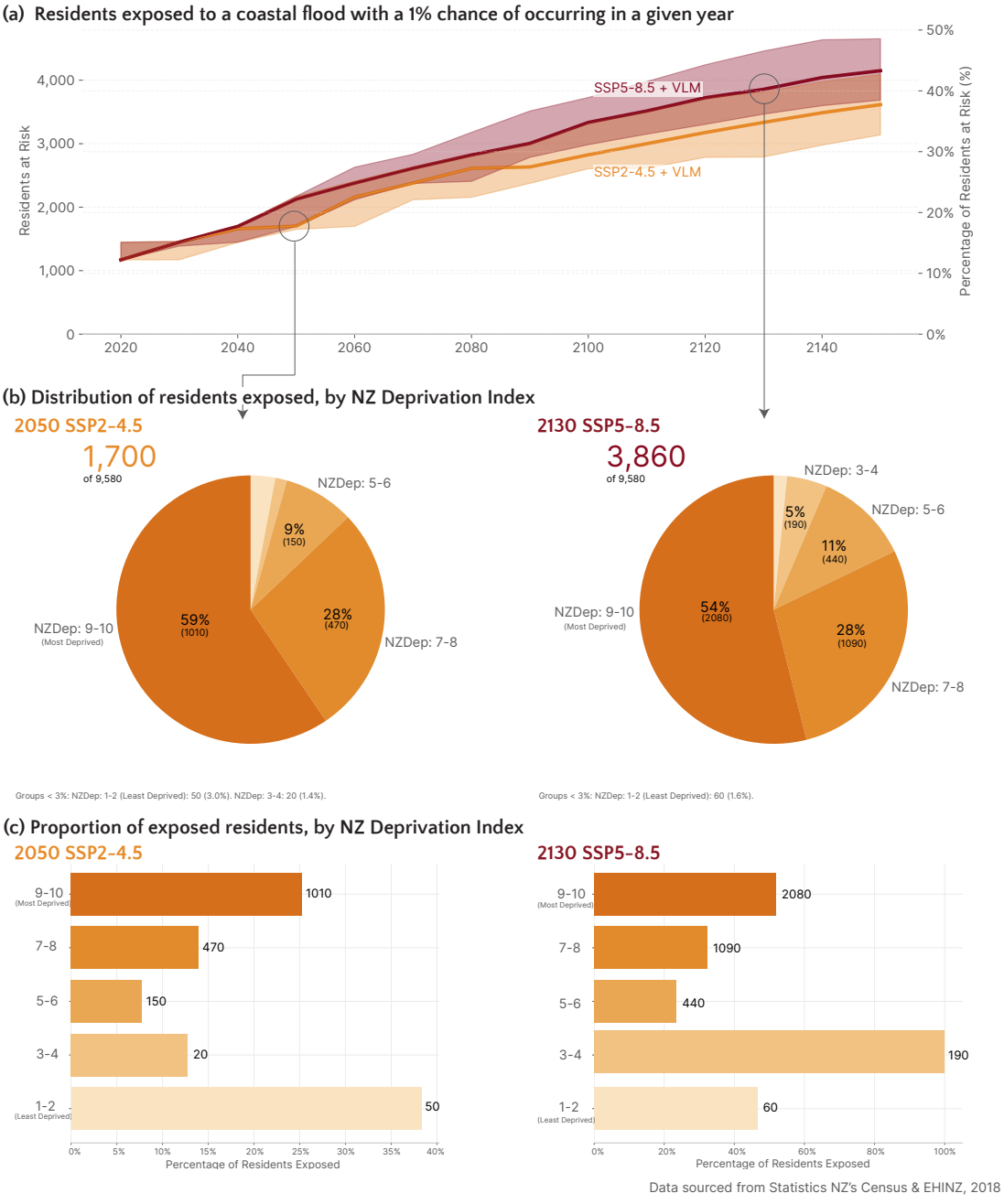


Figure 3.10: Risk to residents in the Buller District from 1% AEP coastal flooding, derived from exposure to residential property.

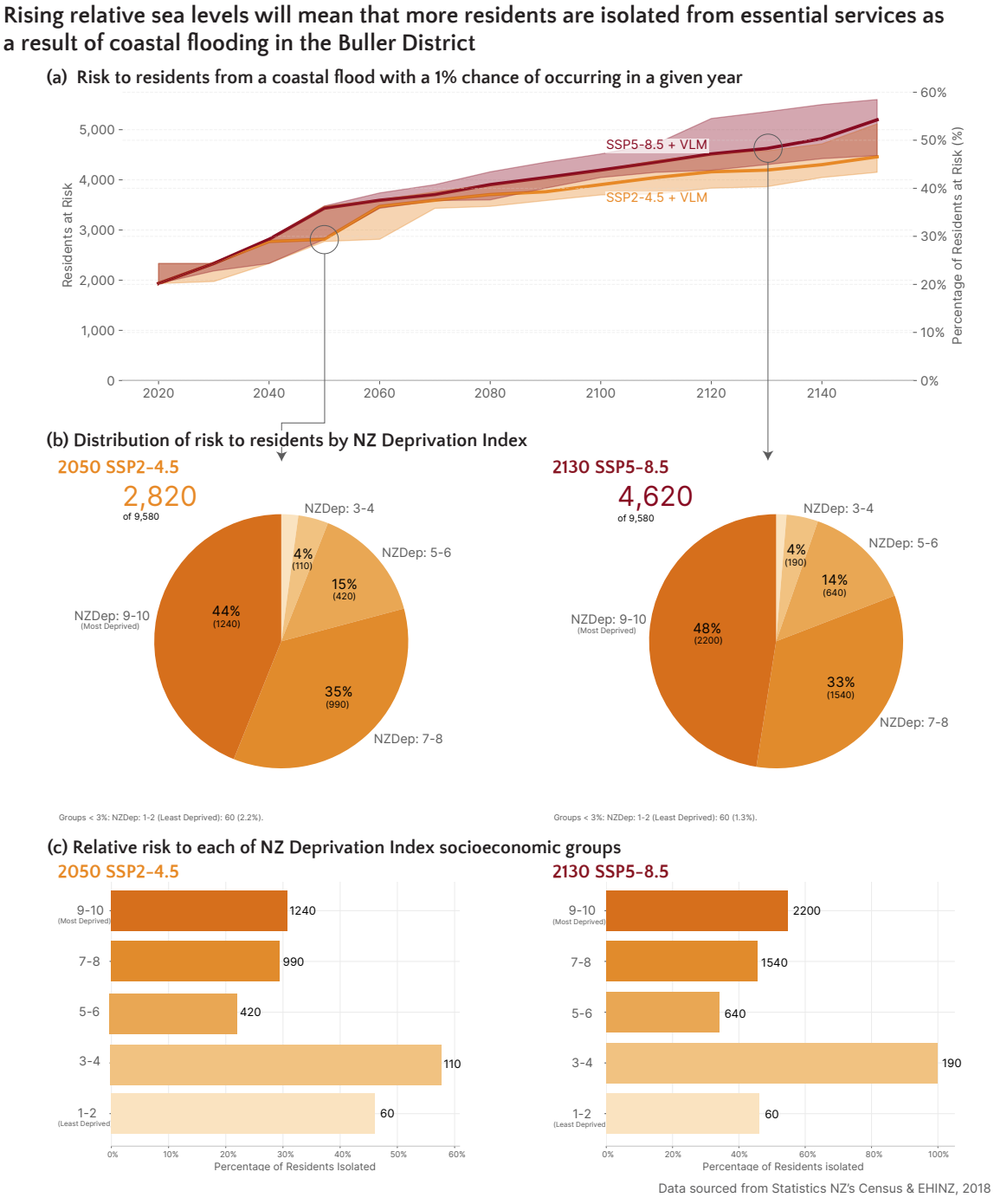


Figure 3.11: Risk to residents in the Buller District from isolation caused by 1% AEP coastal flooding, derived from exposure the road network.

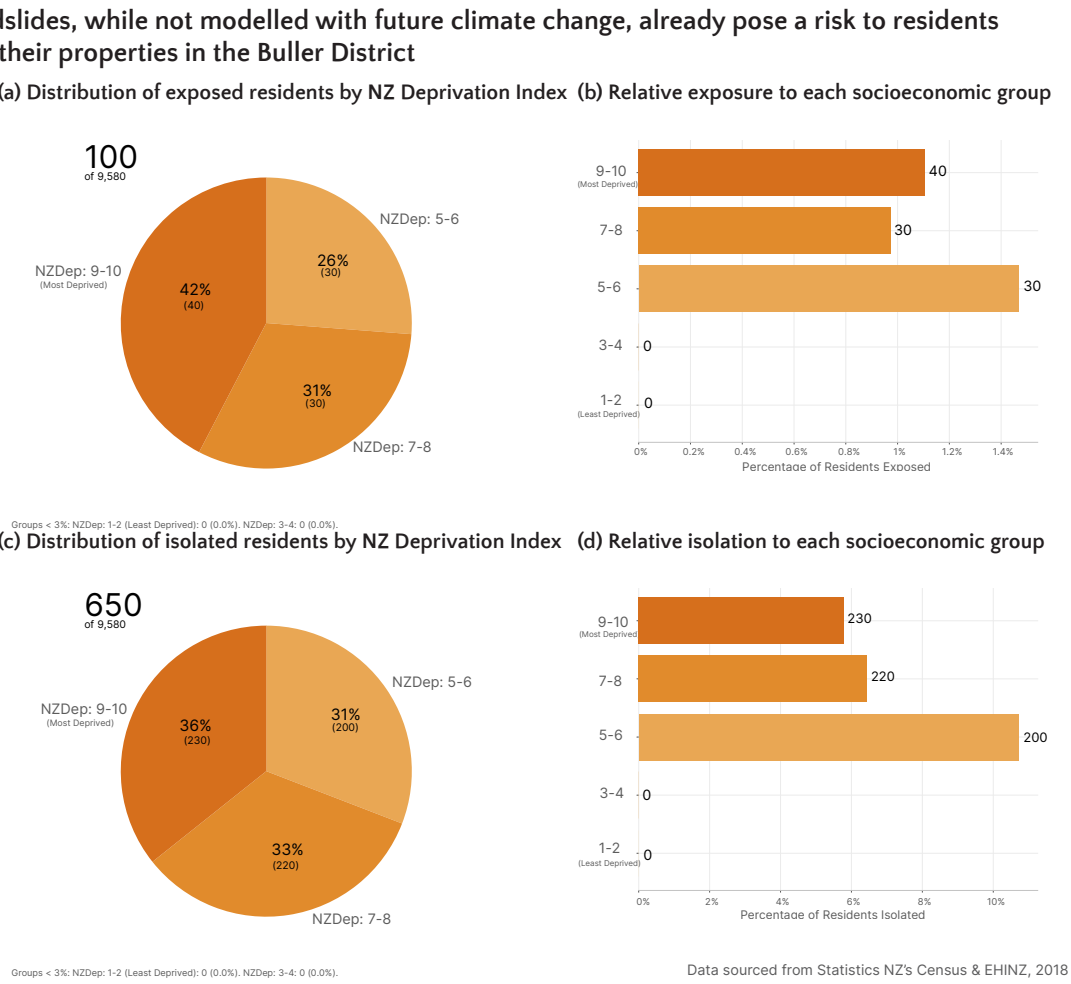


Figure 3.12: Risk to residents in the Buller District from landslides, derived from residential property situated in landslide and erosion susceptible land.

3.3.4 Economic

The Buller District's economy is primarily driven by three key sectors. In 2023, mining makes the greatest contribution to district GDP, contributing 23.1% to the total annual district GDP of $737m. GDP reflects the monetary value of final goods and services. Electricity, Gas, Water and Waste Services (19.4%) and Agriculture, Forestry and Fishing (18.1%) are also significant contributors. Accommodation and Food Services is a key sector from an employment perspective.

Table 3.4: GDP Contribution by Adaptation Area

Adaptation Area	**Total GDP Contribution**	**Percentage of District's GDP (%)**
Carters Beach	1.4	0.2
Charleston	13.6	1.8
Greater Westport	407.6	55.3
Karamea	25.5	3.5
Ngākawau	111.6	15.2
Punakaiki	4.6	0.6
Reefton	171.6	23.3
Seddonville	0.7	0.1
Total	736.7	100.0

Table 3.5: Employment and Economic Contribution by Economic Sector in Buller

ANZSIC06 Division	**Percentage of total District workforce employed (%)**	**Contribution to District GDP (%)**
Mining	11.9	23.1
Electricity, Gas, Water and Waste Services	1.2	19.4
Agriculture, Forestry and Fishing	13.5	18.1
Construction	9.9	7.0
Health Care and Social Assistance	8.9	3.8
Retail Trade	8.9	3.7
Rental, Hiring and Real Estate Services	0.4	3.5
Manufacturing	4.9	3.3
Professional, Scientific and Technical Services	3.0	2.8
Accommodation and Food Services	11.0	2.5
Transport, Postal and Warehousing	3.2	2.1
Wholesale Trade	3.1	2.1
Public Administration and Safety	2.9	2.0
Education and Training	7.5	1.9
Arts and Recreation Services	2.7	1.2
Information Media and Telecommunications	1.6	1.0
Financial and Insurance Services	0.7	0.9
Other Services	1.0	0.6

Climate change impacts on the district's economy can be categorised into direct, indirect, and chronic effects:

- Direct impacts refer to physical damage to enterprises.
- Indirect impacts are the loss of function experienced by an enterprise due to disruption to dependencies such as power, water, staff, or supplies.

- Chronic impacts refer to expected changes in temperature, soil moisture, salinity, acidification, and harvest periods that primarily affect the Agriculture, Food and Forestry Sector.

In this assessment, we use GDP derived from exposure data for industrial and commercial property and associated sector employment data to indicate the relative level of direct exposure, and isolation as a proxy for the indirect impacts. Figures used are intended to compare the impacts of different hazards at different time periods, rather than provide an indication of loss.

Coastal flooding is not significant for commercial and industrial property in the short term (2050) but becomes significant:

- By 2130, industrial and commercial properties contributing to 18% ($131m) of Buller's annual GDP could be exposed to coastal flooding.
- Isolation due to coastal flooding is more impactful, with 3% ($22m) of annual GDP from industrial and commercial property exposed in 2050, rising to 28% ($208m) by 2130.
- In 2050, the sectors with the greatest exposure to isolation impacts are Agriculture, Forestry and Fishing, and Professional Scientific and Technical Services.
- By 2130, the sectors most impacted by isolation are Electricity, Gas, Water and Waste Services, and Construction.

Detailed data on river flooding is only currently available for the Greater Westport area. As stated previously, the modelling does not include the planned flood protection scheme in development. Data for Karamea and Reefton are priorities for West Coast Regional Council but do not yet have funding. For Greater Westport, industrial and commercial properties contributing to 38% ($155m) of Buller's annual GDP are exposed to river flooding now. This exposes over 60% of many sectors including Retail Trade, Professional, Scientific and Technical Services, Rental Hiring and Real Estate Services, Transport Postal and Warehousing, Public Administration and Safety, Information Media and Communications, and Financing and Insurance Services. This level of sectoral exposure creates significant risk for the continuation of services from these sectors after a river flood.

Isolation poses a shorter duration but still significant economic risk with industrial and commercial properties contributing 63% ($259m) of the region's annual GDP exposed to isolation. Over 80% of the Wholesale trade sector is exposed to isolation with potential downstream impacts onto availability of goods in other sectors.

However, flooding and sea-level rise can have significant economic impacts that go beyond direct damage to property and infrastructure. These events can undermine the community's sense of future, vibrancy, and appeal to live and do business in the area [42].

Flooding can lead to a lack of vibrancy in affected areas, particularly those with a history of underinvestment. This can create a self-reinforcing cycle where reduced investment leads to decreased community pride, which in turn further reduces investment. This cycle can significantly impact community wellbeing and economic prosperity [42].

The certainty of an area's future plays a major role in economic stability [42]. Businesses are less likely to operate or establish themselves in areas with uncertain futures. This uncertainty can lead to a decline in local employment opportunities and a reduction in the local customer base, further exacerbating economic challenges. Westport is in the process of a Master Plan for relocating the town centre. This has the potential to impact businesses as they navigate the uncertain future.

Moreover, flooding can disrupt the day-to-day economic activities that contribute to an area's vibrancy. Reduced foot traffic in flood-prone areas can lead to decreased spending in the local economy,

affecting small businesses and local services. This reduction in economic activity can further reinforce perceptions of decline, potentially triggering migration of residents and businesses [42].

Climate Change Impacts on Primary Industries

Agriculture, Forestry and Fishing are likely to be affected by both acute (storms) and chronic climate change effects. Even subtle changes in average temperature can have far-reaching impacts, potentially making conditions more suitable for invasive species which could affect farming. Conversely, this increase in temperature could also lead to opportunities for primary production. By 2090, the West Coast could experience 30 more extreme heat days (temperature > 25°C) and 7-18 fewer frost days per year (Ministry for the Environment, 2018). The Buller District is exposed to some climate change-driven drought risk, with Cape Foulwind and inland areas potentially experiencing up to a 5% increase in time spent in drought conditions by 2030-2050 and up to 10% by 2070-2090 (Clark et al., 2011). Drought conditions can negatively impact crops and grassland, particularly fodder crops used to feed animals. This can lead to reduced profits in the pastoral farming industry and impact horticulture productivity. The need to reduce carbon emissions is not an impact of climate change and is out of the scope of this report. As reflected in the SSPs, this a societal choice around pathways.

Marine Environment and Fisheries

The frequency and intensity of marine heatwaves are likely to increase, with the intensity expected to rise by 80-100% by 2100 [55]. Ocean temperature is projected to rise by 1°C by 2045, and 2.5°C by 2090 (SSP5-8.5) [55]. These changes could significantly affect the economic value of Buller's marine-based industries, impacting species such as pāua and kōura. The changes to the marine environment could also impact the relationship with Talleys and other commercial fishing operations.

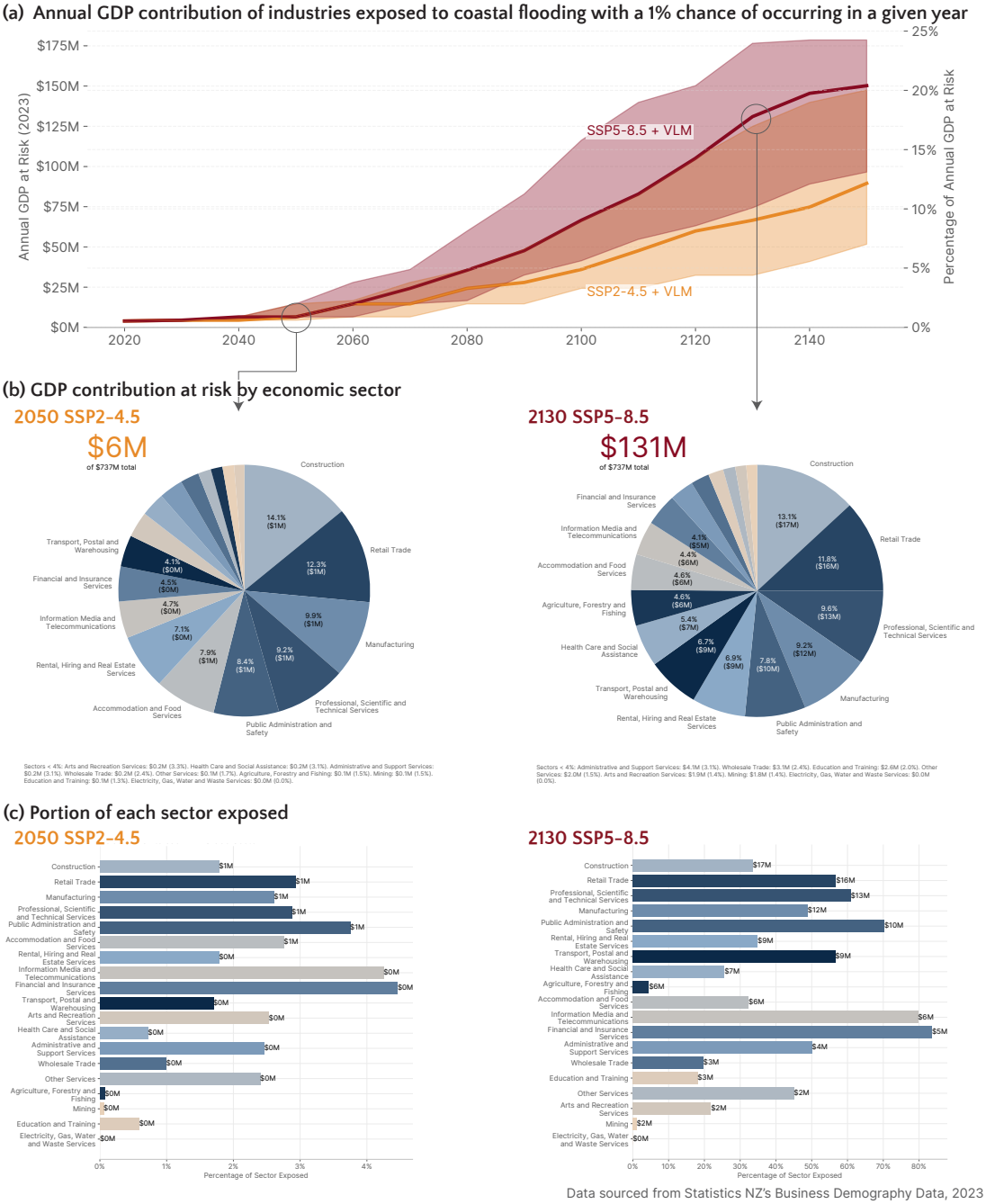
Mining and Transition Risks

Mining, a significant contributor to Buller's economy, faces both climate-related and transition risks. Transition risks relate to changing policy and regulatory environments aimed at reducing carbon emissions. The current government's draft minerals strategy for New Zealand to 2040 seeks to grow the coal, coking, and gold industries, reducing short-term transition risk. However, the longer-term future remains uncertain, and the industry may face increasing pressure to adapt to low-carbon alternatives. The transitional risk is outside the scope of this report, given we are focused on impacts, not causes or transition.

Tourism

Climate change may potentially enhance, rather than detract from, Buller's rugged beauty. However, access to the district and its attractions is a key concern. Roads are exposed to coastal flood and erosion, landslides, and river flooding. Landslide exposure is significant now (64km of state highway and 158 km of local roads) and is expected to increase with climate change. Coastal flooding impacts key routes with even minimal sea level rise. Any decline in tourism impacts multiple economic sectors, including Accommodation and Food Services and Retail Trade.

Rising relative sea levels will result in higher risk from coastal flood events to industrial and commercial properties, which will disrupt businesses in the Buller District



Data sourced from Statistics NZ's Business Demography Data, 2023

Figure 3.13: Risk to economic sectors in the Buller District from 1% AEP coastal flooding, derived from exposure to industrial and commercial property.

Rising relative sea levels will result in industrial and commercial properties being isolated due to coastal flood events, disrupting business in the Buller District

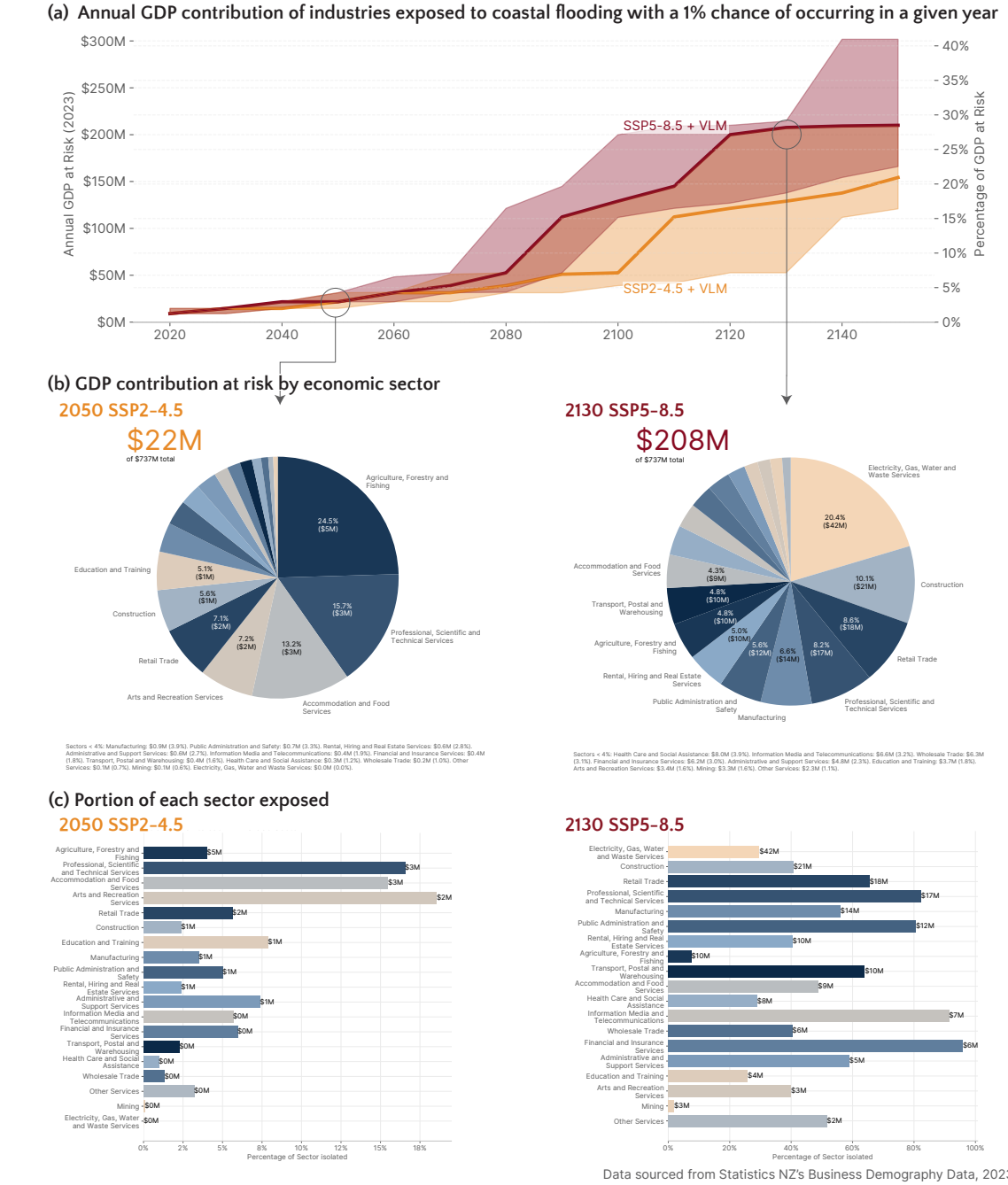
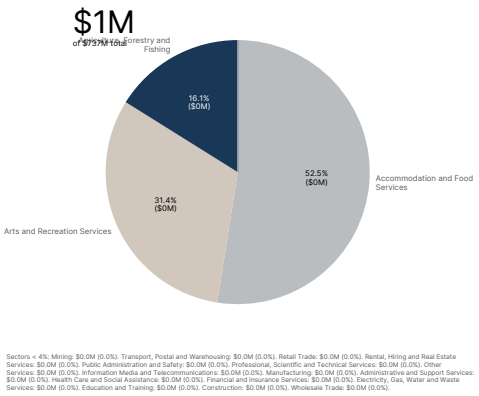


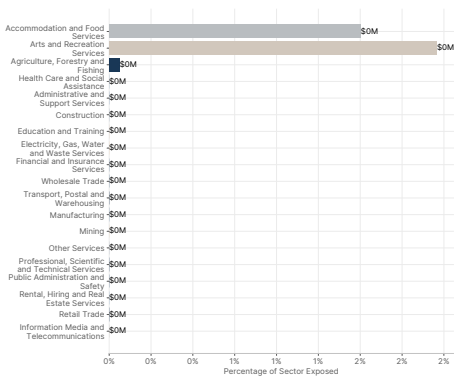
Figure 3.14: Risk to economic sectors in the Buller District from isolation caused by 1% AEP coastal flooding, derived from exposure the road network.

The risk, in terms of annual GDP contribution of exposed and isolated businesses, from landslides in the Buller District

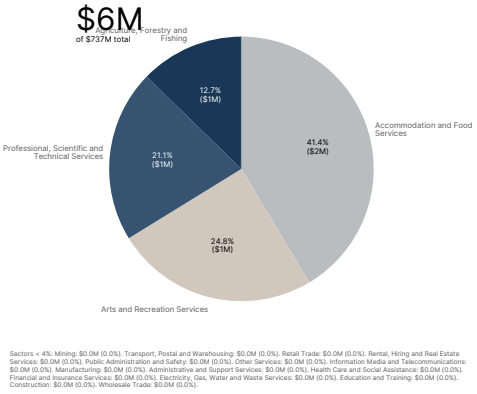
(a) GDP contribution exposed by economic sector



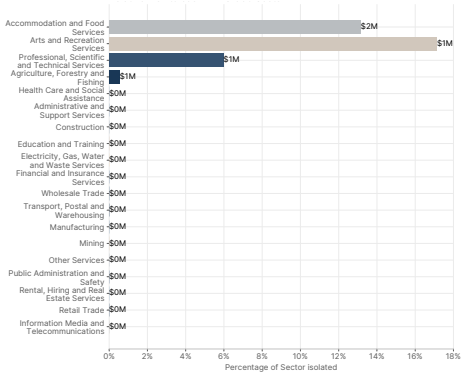
(b) Portion of each sector exposed



(c) GDP contribution isolated by economic sector



(d) Portion of each sector isolated



Data sourced from Statistics NZ's Business Demography Data, 2023

Figure 3.15: Risk to economic sectors in the Buller District from landslides, derived from industrial and commercial property situated in landslide and erosion susceptible land.

3.3.5 Governance

The effective and efficient governance of the district will further be challenged by climate change. The district's capacity to govern effectively depends on the effects of climate change (e.g., on ratepayers, financial systems, institutional assets, and businesses) and also on what governing authorities do to mitigate these effects. This analysis is primarily qualitative, based on expert judgement, informal community discussions, and insights from a 2022 workshop with district's stakeholders knowledgeable in governance.

The governance domain is broken down into sub-domains as recommended by the NCCRA with the addition of domains identified by workshop participants. We group these into two sections - 'risks to' governance and 'risks arising from' governance.

Risks to Governance

Many councils, especially smaller ones like the Buller District Council, lack the financial and human resources to assess, let alone address, their climate risks comprehensively. Additionally, the Buller district's widespread and diverse risk profile requires tailored approaches, which are resource-intensive to develop and implement.

Climate change, the uncertainty it introduces, and its direct, indirect and cascading risks across multiple domains are complex and beyond the Business-As-Usual Council function. This complexity is compounded by several challenges, including:

- Council's low rate-payer base and limited income streams. Council services a community with extreme socio-economic deprivation and severely limited discretionary funds.
- The Council seeks to address historic underinvestment in its water infrastructure, which requires focused levels of service investment and streamlining budget priorities.
- The Council is functioning in a post-disaster setting. Community trauma is experienced widely across the district, as well as within Council governance structures and Council staff itself. This has led to high levels of burnout and turnover, further stretching Council resources and leading to a loss of valuable in-house Intellectual Property and governance expertise.

Loss of Community Trust and Buy-in Small but vocal pockets within the Buller community already show a loss of trust in governance processes. This will likely grow in the near term due to tensions over climate adaptation strategies and associated costs. As climate impacts become more apparent, community trust may further erode if there's a perceived failure to protect property and life, particularly in areas affected by storm events and coastal hazards.

A significant factor contributing to this risk is the potential for decreased levels of infrastructure service due to climate change impacts. As infrastructure faces increased stress from extreme weather events, flooding, and sea-level rise, the council may struggle to maintain service levels. This decline in service quality could be perceived as a failure of effective governance, leading to increased distrust in the council. The community may view infrastructure failures or reduced services as direct evidence of the council's inability to adapt to and manage climate change impacts, further eroding trust in local governance.

Inadequate Emergency Management Response The increasing frequency and scale of emergency events will challenge the district's small, specialised emergency management workforce. While Buller has historically benefited from surge support from across the country, there's a high risk of insufficient resources if other councils are simultaneously responding to more frequent events. The 2023 Cyclone Gabrielle illustrated the limited capacity of emergency management across New Zealand. With 2-3 major events expected annually by 2030, the current system could be overwhelmed, potentially further eroding community trust in governance processes.

Failure of Democratic Process Buller District faces unique challenges in maintaining democratic processes due to its low population base and ongoing disaster recovery efforts. Low elected member salaries relative to workloads, coupled with increasing safety and well-being concerns and divisive community perspectives, may affect representative participation in local government. The presence of extreme views could further reduce diversity and representation in the Council.

Increased Litigation As a small, resource-constrained council, Buller is understandably reluctant to take steps that may lead to legal challenges. However, this caution may lead to a failure to act and exacerbate long-term risks. Other districts are already seeing examples of litigation related to natural hazard risk in relation to both slope stability and planning processes.

Breaching Treaty Obligations Multiple sites of specific cultural significance have recently been identified by iwi within the Te Tai o Poutini Plan. However, the limited capacity of local iwi to engage poses a risk of inadvertent breaches. Effective collaboration is crucial to ensure risks are prioritised and adaptation is designed in partnership with iwi.

Risks Arising from Governance

Maladaptation from Processes Not Accounting for Uncertainty and Long-term Change Current governance processes often fail to adequately account for uncertainty and long-term change, focusing instead on current conditions. This approach doesn't account for data uncertainty or future changes such as insurance availability. The ongoing recovery from recent weather events makes it challenging to prioritise long-term thinking. The community's extreme socio-economic deprivation creates significant pressure to keep costs to the community to a minimum, increasing the Council's focus on immediate and near-term issues.

Lack of Institutional Support for Climate Adaptation There's a shortage of tools to assist council staff and elected members in incorporating futures thinking. Collaboration across organisations and agencies is in its infancy. Constrained finances, lack of clarity around climate change funding, slow regulatory processes, rigid procedures, and siloed thinking across domains all present challenges. Collaboration between NZTA, WCRC, and BDC is particularly crucial for Buller's future planning.

Maladaptation Due to Knowledge and Capacity Gaps Buller District Council lacks in-house specialist expertise in climate change risk, mitigation, and adaptation. This makes it challenging to integrate climate change risk thinking across all council areas. Staff are stretched dealing with day-to-day roles and recovery from prior events, creating a challenging environment to advance complex and sometimes contested issues.

Path Dependency / Sunk Cost Fallacy A wide range of planning decisions and community and social investments, both historical and current, will impact how the district adapts to climate change. The location of recent or planned housing developments, health facilities, stop banks, and river protection could lead to path dependency, where further investment is required to protect existing assets.

Inaction Due to Political Challenges The benefits of climate change adaptation are often not immediately visible, making it politically challenging to prioritise. However, this risk is currently low in Buller, as evidenced by the commissioning of this project.

Addressing these governance risks will be crucial for Buller District to effectively adapt to and mitigate the impacts of climate change, particularly in maintaining community trust and ensuring the resilience of critical infrastructure and services.

3.3.6 Risk to Māori

Māori populations in the Buller District face significant and potentially disproportionate risks from climate change impacts, particularly in terms of coastal flooding exposure and isolation (Figure 3.16). Māori often live in coastal communities and climate change can affect their homes, infrastructure, employment, and places of cultural significance. Climate risks intersect with existing socioeconomic challenges and cultural considerations, potentially exacerbating vulnerabilities.

Exposure to Hazards: There is a substantial increase in direct flood risk over time for Māori communities in Buller.

- Under current conditions, about 13.1% of the Māori population are exposed to coastal flooding risk.
- By 2050, this is projected to increase to between 18-24%
- By 2100, the exposure could reach 43% of the Māori population.
- Currently, 84.7% of the Māori population in Westport is exposed to river flooding risk.

Risk of Isolation: There is a significant portion of the Māori population that could face challenges in accessing essential services and maintaining community connections due to flooding-induced isolation in Buller.

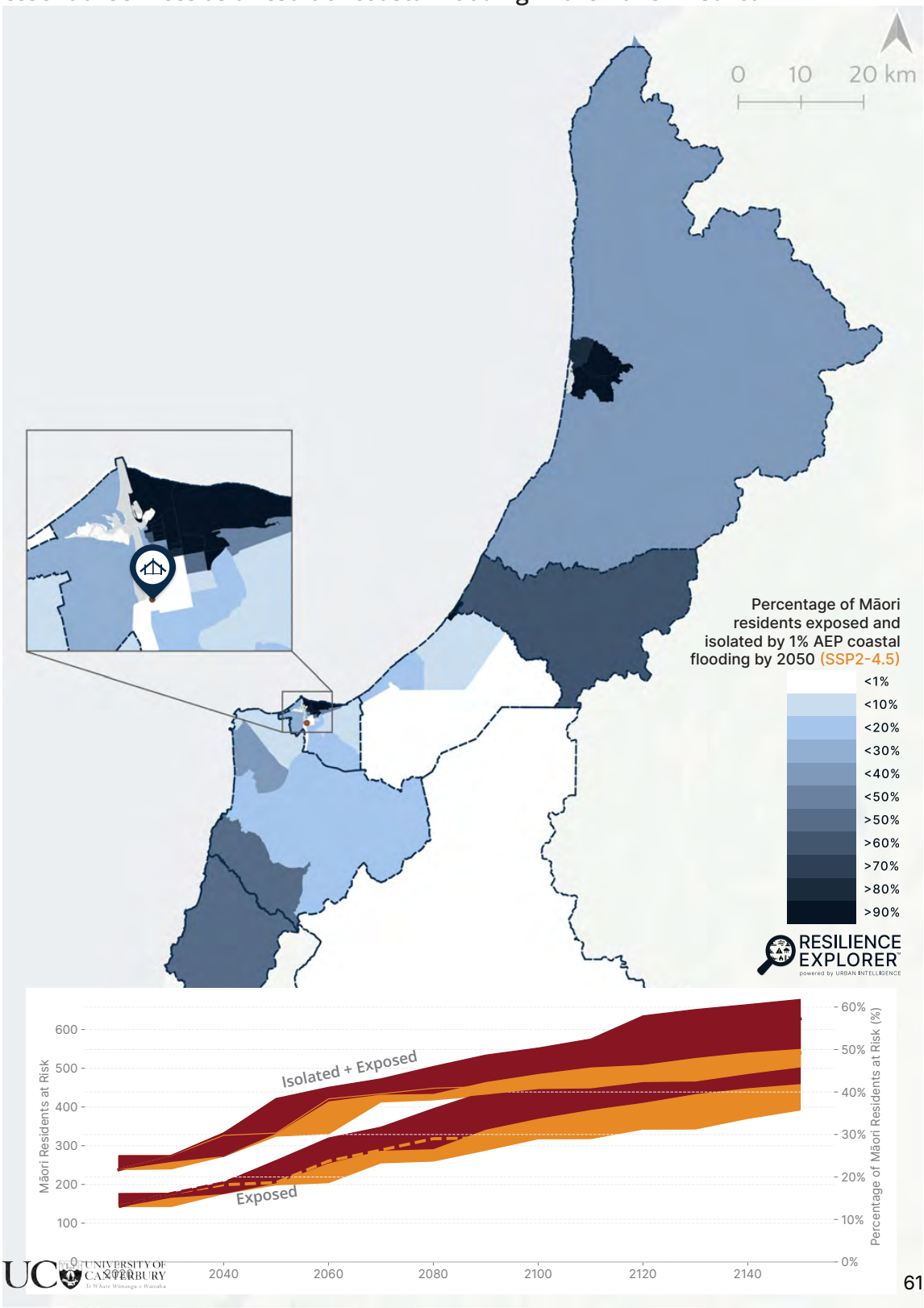
- In 2020, approximately 21.9% of the Māori population was at risk of isolation due to coastal flooding.
- By 2050, this risk is expected to rise to between 30-39%.
- By 2100, it could reach 50% under the SSP5-8.5 scenario.
- Currently, 7.1% of the Māori population is at risk of isolation due to landslides.

Cultural and Socioeconomic Considerations: The risks to Māori extend beyond mere exposure and isolation statistics. Climate change impacts threaten not only physical safety and access to services but also cultural continuity and connection to the land. The potential isolation of Māori communities could have profound impacts on cultural practices and social cohesion. Access to cultural sites of significance, such as marae, could be compromised, affecting the community's ability to maintain traditional practices and gather for important events.

Moreover, the economic impacts of climate change, including potential disruptions to tourism and land-based industries, could disproportionately affect Māori communities that rely on these sectors for employment and cultural practices.

Addressing these risks will require culturally sensitive, equitable adaptation strategies that not only protect physical safety and access to services but also preserve and strengthen Māori cultural practices and community resilience. The results of this risk assessment can support iwi groups with up-to-date information on hazards, assets, and risk for their long-term planning.

Māori are exposed to rising sea levels that threaten exposure and isolation from essential services as a result of coastal flooding in the Buller District



Data sourced from Statistics NZ's Census, 2018

Figure 3.16: Risk to Māori residents from coastal flooding.

3.4 Climate Change Risk in a National Context

While this report focuses on climate change risks specific to the Buller District, these risks do not exist in a vacuum. The district's vulnerability and resilience are interconnected to broader national and even global systems. Effective risk management and adaptation strategies must therefore consider factors beyond the district's borders.

The Buller District's climate risks are influenced by:

1. Regional council policy and work programmes
2. Actions (or inactions) of national government agencies operating within the district
3. Private sector resilience planning, especially for critical infrastructure and services
4. National policies and frameworks for climate adaptation, including funding and compensation

For example, the resilience of schools in the district depends not just on local actions, but on the Ministry of Education's national strategy for educational infrastructure. Similarly, healthcare resilience is tied to HealthNZ's overarching approach to climate change adaptation in the health sector.

Successfully addressing climate risks requires coordinated progress across multiple sectors and levels of government. However, recent assessments suggest that national-level adaptation planning in New Zealand has significant room for improvement. The Climate Change Commission's review of the first National Adaptation Plan found substantial gaps in addressing key risks across various domains [3]. Table 3.6 summarises the Climate Change Commission's assessment of how well the National Adaptation Plan addresses risks in each domain.

Table 3.6: Assessment of how well the National Adaptation Plan is responding to climate change risks.

Domain	Most Significant Risks	Other Risks	Overall Assessment
Natural Environment	Moderate gaps	Moderate gaps	Moderate gaps
Human	Insufficient	Insufficient	Insufficient
Economy	Significant gaps	Significant gaps	Significant gaps
Built Environment	Significant gaps	Significant gaps	Significant gaps
Governance	Insufficient/ Significant gaps	Significant gaps	Significant gaps

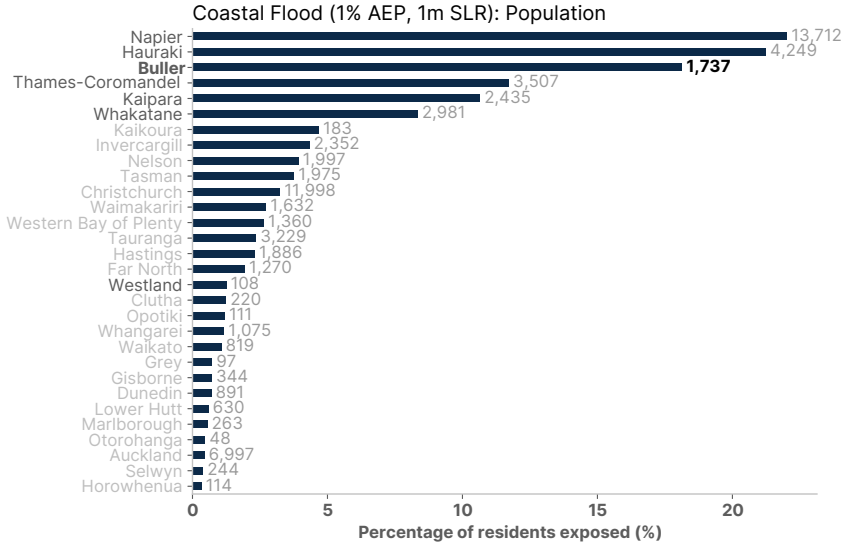
The Climate Change Commission's 2024 report on adaptation progress provides important context for understanding the challenges and opportunities facing Buller District [3]. The report highlights several key areas where national-level progress is needed to enable effective local adaptation:

1. Clarifying roles, responsibilities, and processes for adaptation planning and decision-making
2. Establishing how adaptation costs will be shared and met
3. Ensuring iwi/Māori can plan for and carry out adaptation action in line with their tikanga and priorities

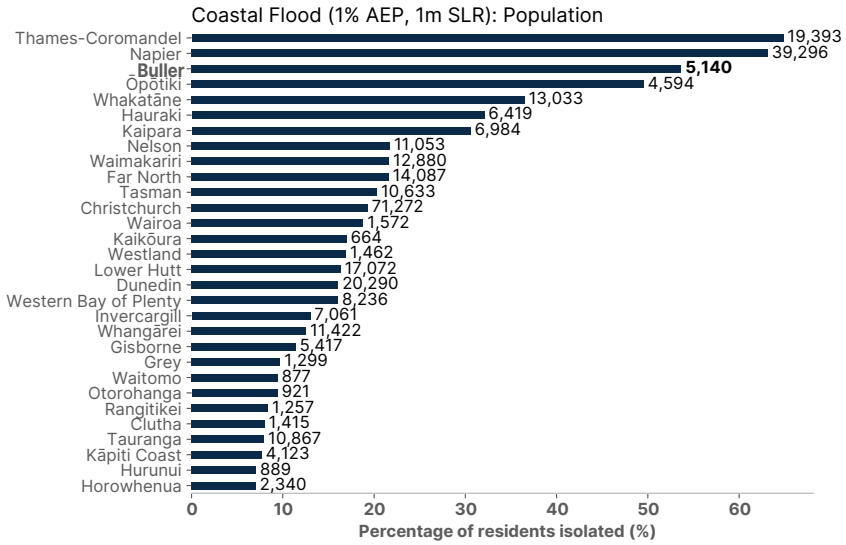
4. Improving the availability and accessibility of data, information, and decision-support tools
5. Addressing equity issues in adaptation planning and implementation
6. Developing the workforce needed for climate adaptation

The Commission's report emphasises that "climate change risks are significant and rising, and remain insufficiently addressed by adaptation action in Aotearoa New Zealand." It finds "limited evidence that the first national adaptation plan is driving adaptation at the scale or pace needed."

This national context underscores the importance of local-level action and planning, such as this risk assessment for Buller District. While national frameworks and support are crucial, local governments and communities play a vital role in understanding and addressing their specific climate risks. As Figure 3.17 illustrates, Buller ranks third nationally for property exposure to coastal flooding, with nearly 20% of properties at risk under a 1% Annual Exceedance Probability (AEP) event with 20cm of sea level rise. More critically, Buller ranks second in terms of property isolation risk, with approximately 30% of properties potentially cut off from essential services during such an event. This high ranking underscores both the urgent need for local adaptive measures and the importance of Buller's engagement in national-level adaptation planning and resource allocation discussions.



(a) Population exposed to coastal flooding



(b) Population at risk from isolation due to coastal flooding

Figure 3.17: The exposure and isolation of properties to coastal flooding in New Zealand, ranked by the percentage of properties affected. The 30 most exposed or isolated districts, by percentage, are shown. Source: Climate Change Commission and Urban Intelligence (2024) [56].

LOCAL ASSESSMENTS

4.1 Introduction to the Adaptation Areas

Adaptation planning is inherently a localised process that demands robust, area-specific risk evidence. Spatial information is critical in prioritising adaptation efforts across different areas and identifying the specific hazards that each plan must address. This granular approach enables decision-makers to allocate resources efficiently and develop targeted strategies that respond to the unique vulnerabilities of each locality.

This section presents a detailed risk assessment for distinct geographical areas, which we call "Adaptation Areas" within the district: Karamea Highway North, Mokihinui and Seddonville, Fairdown to Hector, Greater Westport, Carters Beach, Reefton and Inland, Charleston and the Cape, Fox River to Punakaiki. The boundaries of these areas, as shown in Figure 4.37 and listed in Table 4.1, generally follow the national Statistical Area 1 boundaries, enabling the use of employment and census demographic data.

Table 4.1: Towns and Villages within each Adaptation Area

Adaptation Area	Towns and Villages
Karamea Highway North	Karamea, Little Wanganui
Mokihinui and Seddonville	Mokihinui, Seddonville
Fairdown to Hector	Hector, Ngākawau, Granity, Millerton, Stockton, Birchfield, Waimangaroa, Denniston, Fairdown
Greater Westport	Westport
Carters Beach	Carters Beach
Charleston and the Cape	Cape Foulwind, Virgin Flat, Charleston
Fox River to Punakaiki	Punakaiki, Te Miko, Fox River
Reefton and Inland	Lower Buller Gorge, Inangahua, Cronadun, Reefton, Blacks Point, Rahu Saddle, Ikamatua, Waiuta (ghost town), Mawheraiti, Maimai, Springs Junction, Upper Buller Gorge

Figure 4.1: The proposed boundaries of the Adaptation Areas for which risk is reported and how adaptation planning could be managed.

These adaptation areas form the basis for the next phase of community engagement and adaptation planning. For each area, there will be specific meetings and discussions to understand community views and risk tolerance. This approach allows us to develop adaptation plans that are tailored to the unique characteristics and challenges of each area while recognising the interconnections between neighbouring communities.

Critically, this process aims to provide a clear plan for residents, giving them confidence that hazards are being actively managed and that they will be supported throughout the adaptation journey. By involving the community in the planning process and presenting a structured approach to addressing

climate risks, we can help alleviate uncertainty and build resilience at both individual and community levels.

Our process is inspired by successful approaches elsewhere in New Zealand. One example is the "Clifton to Tangoio Coastal Hazards Strategy 2120" conducted in Hawke's Bay [57]. This strategy divided the coast into units, each considered for its specific needs. Working with community members and experts, they developed adaptive pathways for each unit, combining short-term (0-20 years), medium-term (20-50 years), and long-term (50-100 years) actions. Importantly, these pathways are designed to be flexible, allowing for adjustments based on real-world conditions (such as sea level rise) and new information.

By examining these adaptation areas in detail, we can develop a nuanced understanding of the climate risks facing the Buller District and formulate targeted, community-specific adaptation strategies that benefit both individual properties and the wider community. This approach recognises that while individuals are understandably concerned about risks to their own property, effective climate change adaptation requires a broader, community-wide perspective.

In the following subsections, we present a detailed risk assessment for each adaptation area.

4.2 Karamea Highway North

Figure 4.2: Karamea Highway North Adaptation Area

Karamea Highway North

Karamea, the northernmost Buller settlement, is the gateway to the Oparara Basin and Kahurangi National Park and home to several other popular attractions, including the Heaphy Track. The township is situated on a coastal plain adjacent to the Karamea River and the Ōtūmahana Estuary, surrounded by Kahurangi National Park on three sides. Karamea is the main town servicing the rural hinterland, and supporting the Little Wanganui village.

These communities are known for their close-knit nature, self reliance and autonomy. They face significant challenges related to climate change and natural hazards, primarily from river flooding, landslides, sea level rise, and coastal erosion. These hazards pose a dual threat: they can lead to property-level isolation and, critically, they risk turning the entire community into an "island" cut off from outside access, causing social disruption and direct threats to human health and safety.

Of these hazards, only coastal flooding and landslide data is available at this time. River flooding is possibly the most significant risk to the community, and flood modelling data is required to ensure adaptation plans are appropriate. Table 4.2 provides a summary of the hazards and a description of the available data in the Karamea Highway North adaptation area. The data is also classified by suitability, relating to how much confidence there is in the modelling.

Table 4.2: Summary and suitability for adaptation planning of hazard information available in the Karamea Highway North adaptation area

Hazard	Suitability	Description
Coastal Flooding	Moderate	Available data represent the extent (not depth) of a 1% AEP event with sea-level rise changed between 0-2m, in 10cm increments.
Landslide	Low	Only current-day landslide data available, no future climate conditions are considered.
Tidal Flooding	No mapped data available	
River Flooding	No mapped data available	
Shallow Groundwater Flooding	No mapped data available	
Wildfire	No mapped data available	

The next set of figures illustrate how hazards and climate scenarios will put residents at risk of isolation (Figure 4.3) and impact built infrastructure (Figure 4.4) and properties (Figure 4.5.) For example, a 1% AEP coastal flood assessed under various time frame and climate scenarios illustrates a significant portion of the populations is at risk of isolation (Figure 4.3):

- Present-day: about 41% (230) of the population at risk of isolation.
- By 2050 (SSP2-4.5 scenario): over 73% (400) of the population at risk of isolation.
- By 2100 (SSP2-4.5 scenario): nearly 80% (440) of the population at risk of isolation.

The percentage of residential buildings exposed and potentially isolated by landslides is shown in Figure 4.5. Landslides pose a severe risk of community isolation as they could potentially cut off the only road access to Karamea, isolating the entire community from outside resources and assistance.

River flooding is possibly the most significant risk to the community. The Karamea River, the Oparara River, and the Little Wanganui River are all significant features of the area. Increased precipitation and extreme weather events are likely to lead to more frequent and severe flooding events.

Rising relative sea levels will increases the coastal flooding risk for residents and their properties in the Karamea Highway North area

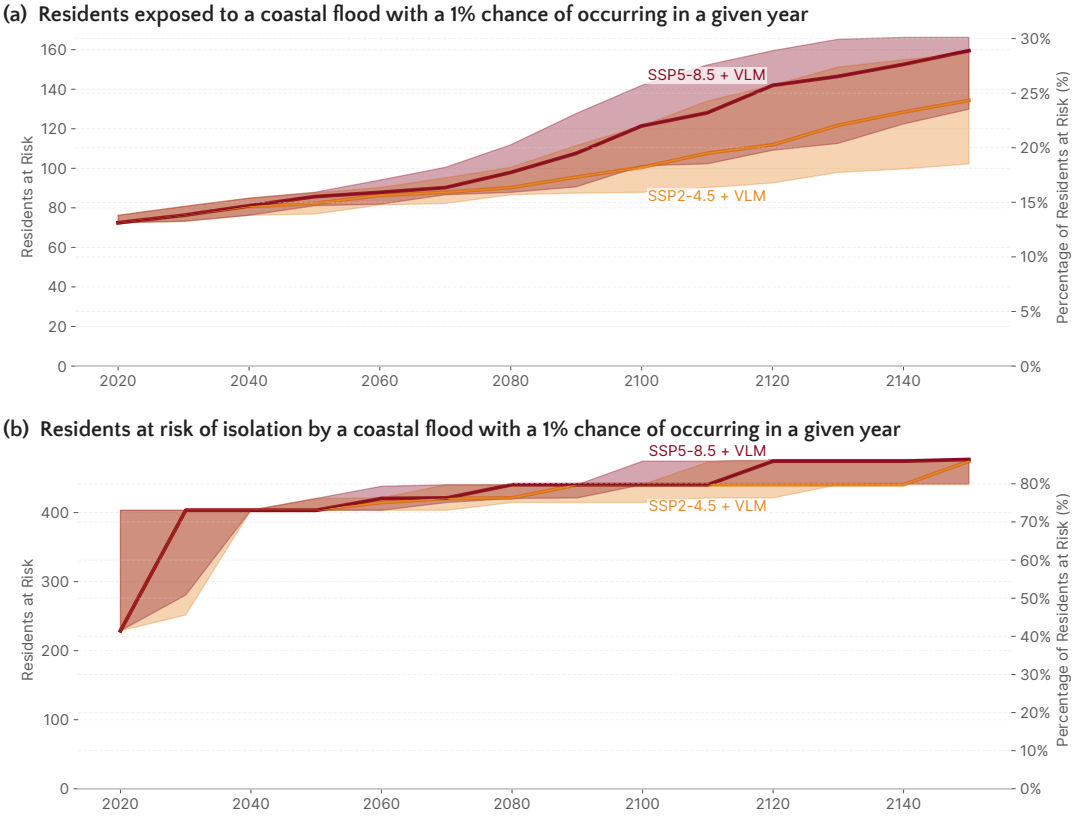


Figure 4.3: Risk to residents in Karamea Highway North from 1% AEP coastal flooding, derived from exposure to residential property.

The average daily temperature is projected to increase under both SSP2-4.5 and SSP3-7.0 scenarios, with an increase in the number of hot days. This could impact both the natural environment and increase risk for outdoor work comfort.

Variable	Season	SSP2-4.5		SSP3-7.0	
		2041-2060	2081-2100	2041-2060	2081-2100
Average daily air temperature (°C)					
	Annual	1.1 (1.0, 1.2)	1.9 (1.8, 2.0)	1.3 (1.2, 1.4)	3.0 (2.8, 3.1)
	Summer	1.2 (1.1, 1.3)	2.1 (2.0, 2.3)	1.6 (1.5, 1.7)	3.5 (3.3, 3.6)
	Autumn	1.2 (1.1, 1.2)	2.0 (1.9, 2.1)	1.4 (1.3, 1.4)	3.0 (3.0, 3.1)
	Winter	1.0 (0.9, 1.1)	1.8 (1.8, 1.9)	1.2 (1.2, 1.3)	2.8 (2.6, 2.9)
	Spring	0.9 (0.9, 1.1)	1.8 (1.6, 1.9)	1.2 (1.1, 1.3)	2.6 (2.4, 2.8)
Total rainfall (%)					
	Annual	0.6 (-5.1, 3.4)	0.9 (-8.2, 5.0)	-0.3 (-5.4, 2.6)	-3.2 (-12.1, 2.6)
	Summer	-1.3 (-4.7, 1.9)	0.6 (-6.8, 3.2)	1.8 (-0.8, 6.0)	-5.3 (-10.5, -0.5)
	Autumn	-4.8 (-6.8, -2.1)	-1.6 (-3.1, -0.2)	-5.4 (-7.8, -1.1)	-8.9 (-12.5, -6.2)
	Winter	5.4 (-4.0, 9.9)	3.6 (-6.4, 9.2)	6.4 (-2.7, 10.9)	1.1 (-16.1, 10.7)
	Spring	1.9 (-9.2, 7.5)	0.6 (-16.8, 9.4)	-3.2 (-15.3, 3.5)	-0.3 (-18.9, 8.8)
Number of windy days (>10m/s) (days)					
	Annual	-0.1 (-0.5, 0.1)	-0.1 (-0.5, 0.2)	-0.0 (-0.3, 0.1)	-0.1 (-0.6, 0.0)
	Summer	-0.0 (-0.1, 0.0)	-0.0 (-0.1, 0.0)	0.0 (-0.0, 0.2)	-0.0 (-0.1, 0.0)
	Autumn	-0.0 (-0.2, 0.0)	-0.0 (-0.3, 0.1)	-0.0 (-0.2, 0.0)	-0.1 (-0.4, 0.0)
	Winter	-0.0 (-0.2, 0.1)	-0.0 (-0.2, 0.1)	0.0 (-0.1, 0.1)	-0.0 (-0.2, 0.1)
	Spring	-0.0 (-0.1, 0.0)	-0.0 (-0.1, 0.1)	-0.0 (-0.3, 0.0)	-0.0 (-0.2, 0.0)
Growing degree days (base 10°C)	Annual	225.4 (94.2, 333.1)	412.0 (183.3, 604.2)	283.4 (125.3, 413.9)	682.4 (333.9, 959.4)
Number of dry days (<1mm)	Annual	0.3 (-2.7, 2.2)	-0.7 (-2.8, 2.7)	-0.0 (-2.4, 1.7)	3.9 (1.2, 6.9)
Number of very rainy days (>25mm)	Annual	0.6 (-3.4, 2.8)	0.1 (-6.3, 3.0)	-0.2 (-4.1, 2.6)	-2.5 (-9.8, 3.1)
Number of frost days (<0°C)	Annual	-12.0 (-29.7, -0.8)	-20.5 (-53.7, -1.5)	-14.6 (-35.6, -1.2)	-26.3 (-73.6, -1.8)
Number of hot days (>25°C)	Annual	3.3 (0.0, 14.0)	7.0 (0.0, 27.1)	4.7 (0.0, 19.6)	18.7 (0.1, 55.7)
Number of very hot days (>30°C)	Annual	0.0 (-0.0, 0.1)	0.1 (0.0, 0.5)	0.0 (0.0, 0.2)	0.4 (0.0, 3.0)

Table 4.3: Climate projections for Karamea (2041-2060 and 2081-2100). The table shows average (min, max) values for selected climate variables using downscaled AR6 climate data [20].

The areas's economy (Table 4.4), dominated by agriculture, forestry, and farming (particularly dairy farming), is vulnerable to isolation and being cut-off from the wider Buller region Figure 4.6. The Karamea Highway, the lifeline of the community, has already experienced significant damage during recent weather events in 2021 and 2022, resulting in the community's isolation from the rest of Buller for periods of time. Such events pose a particular threat to the dairy industry, as they can necessitate milk dumping when transport routes are cut off, leading to significant economic losses. While repairs and resilience-building efforts are ongoing for the highway and there is the ability to fly north for resources, these options are not expected to significantly mitigate the risk.

Ongoing community resilience efforts include the option to build a locally-owned power generation system for energy independence and some locals are investigating sea wall options for their properties. River and lagoon stopbanking already exists around Karamea for flood protection, while part of the Karamea-Kohaihai Road opposite the Oparara Lagoon has rock armour to alleviate erosion and provide flood protection. The community is looking to upgrade the Oparara Reserve for flood mitigation, including extending the limestone flood wall and planting indigenous species near the entrance of the

reserve.

Table 4.4: Employment and Economic Contribution in Karamea Highway North

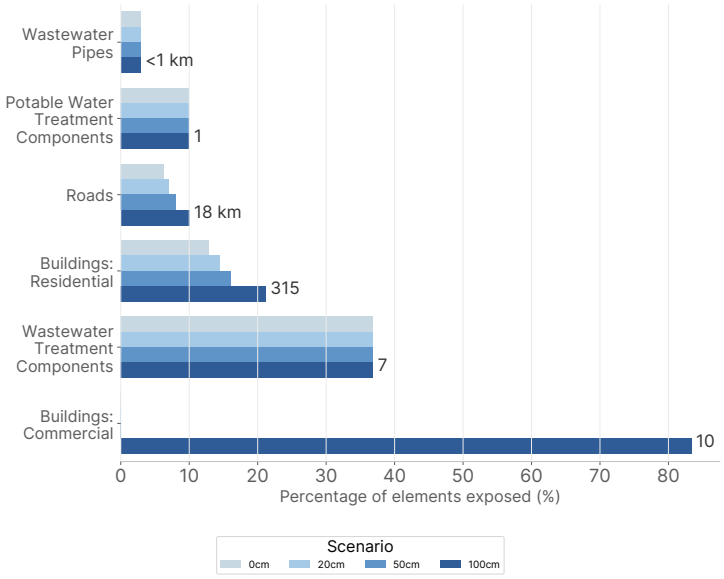
ANZSIC06 Division	Percentage of total Karamea workforce employed (%)	Contribution to Karamea GDP (%)
Agriculture, Forestry and Fishing	59.2	85.0
Education and Training	14.3	4.0
Accommodation and Food Services	10.2	2.5
Retail Trade	6.1	2.8

Tourism, centred around the Heaphy Track and other natural attractions, is another crucial economic driver for Karamea. This sector is also vulnerable to climate-related disruptions, as evidenced by the extended closure of the Heaphy Track and loss of the Heaphy Bridge following recent storms.

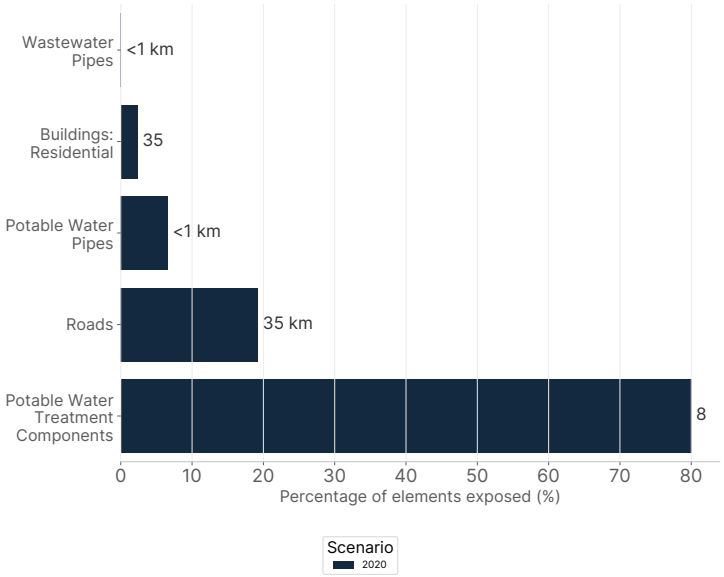
While Karamea does have some healthcare provision, including a health care centre with a visiting GP and a full-time rural nurse, there are concerns about potential future service withdrawal. Similarly, Karamea does offer local services, including a local supermarket and neighbouring hospitality businesses. These provide short-term relief in the even of islanding, but there are concerns for food supplies during a prolonged event.

The community's resilience is further challenged by the uncertain future of central government funding for the Karamea Highway beyond 2027. This uncertainty underscores the need for collaborative conversations around future adaptation strategies for Karamea, possibly in conjunction with Waka Kotahi's developing climate adaptation strategy.

Karamea Highway North



(a) Exposure to 1% AEP Coastal Flooding



(b) Exposure to Landslides

Figure 4.4: The threat to built infrastructure from different hazards and future climate scenarios in Karamea Highway North

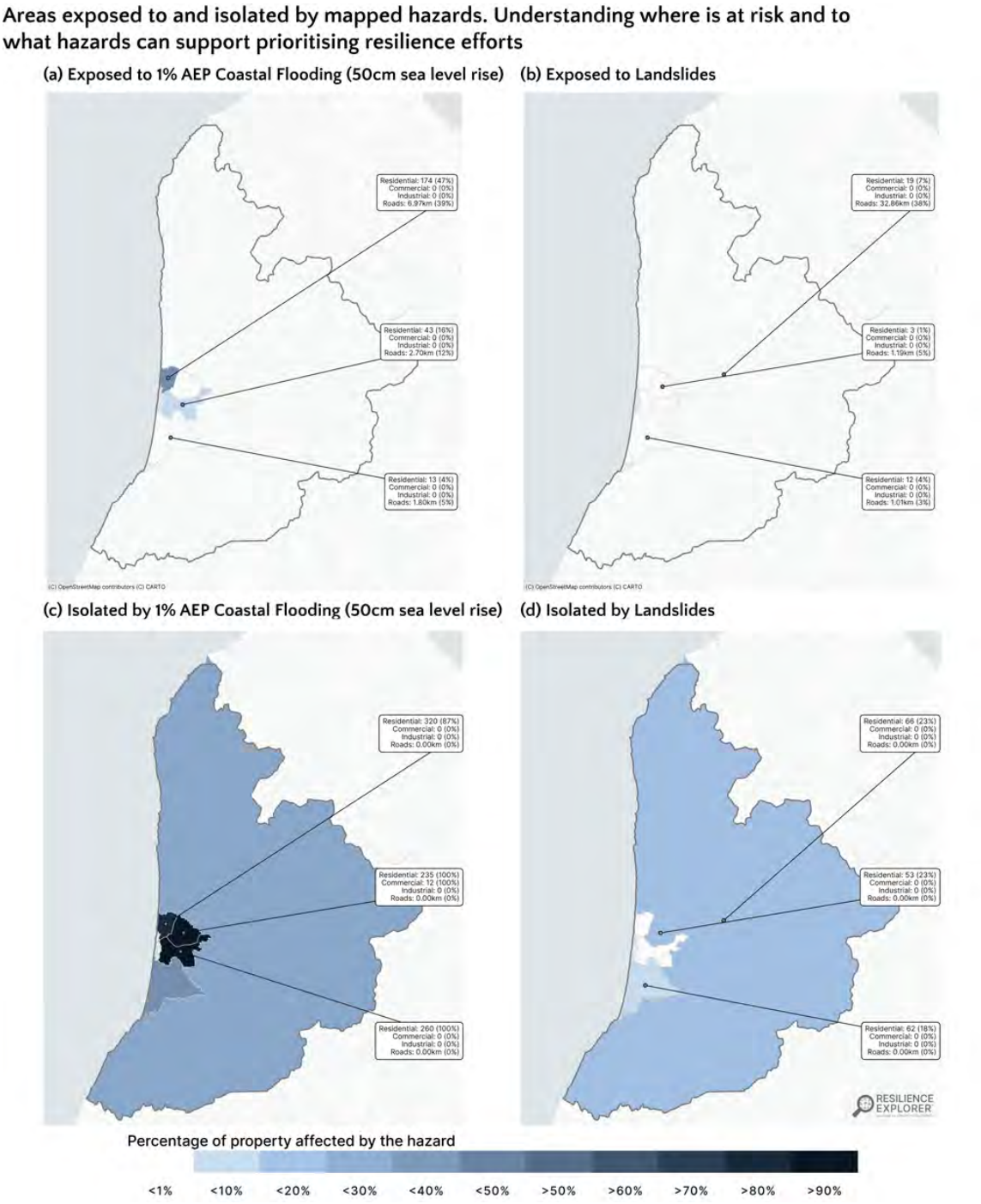


Figure 4.5: Exposed properties in Karamea Highway North from the mapped hazards.

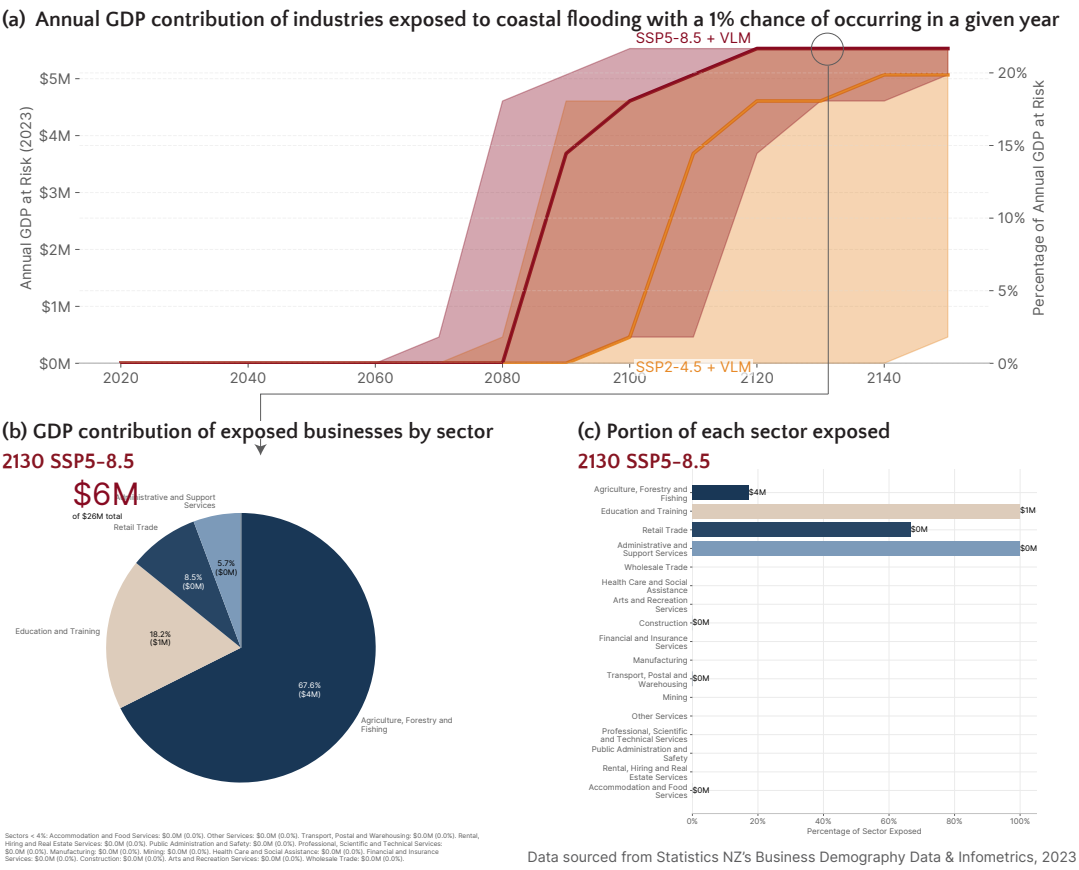


Figure 4.6: Risk to economic sectors in Karamea Highway North from 1% AEP coastal flooding, derived from exposure to industrial and commercial property.

4.3 Mokihinui and Seddonville

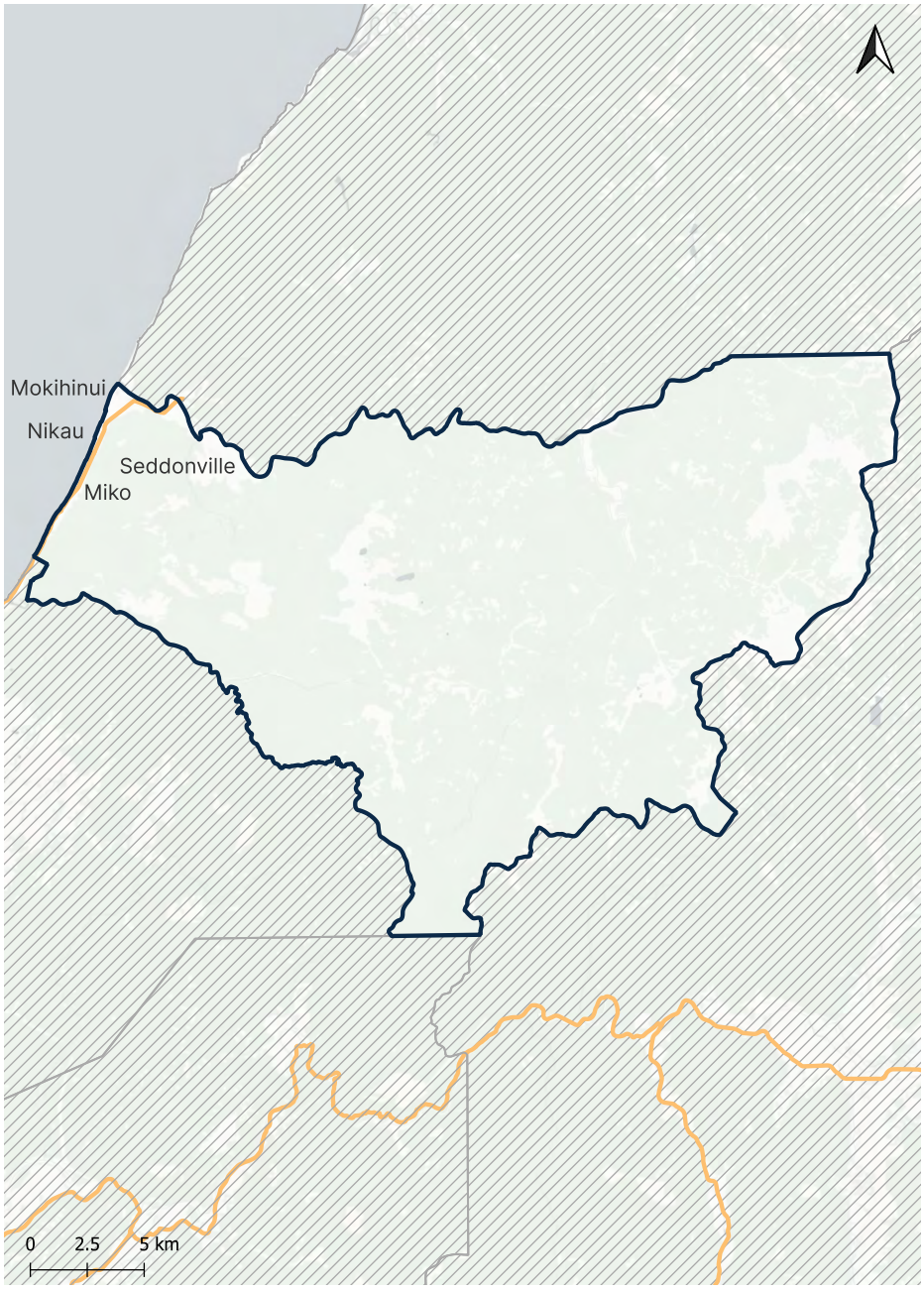


Figure 4.7: Mokihinui and Seddonville Adaptation Area

Seddonville is a small inland settlement located in Northern Buller, situated along the river flats in the lower Mokihinui River. The nearby coastal settlement of Mokihinui is approximately 40km north of Westport. Together, these communities form a unique area with significant natural and historical value. The area also includes Gentle Annie, a coastal stretch known for its high recreational and tourist amenity value.

The Seddonville and Mokihinui area faces substantial challenges related to climate change and natural hazards. The primary risks stem from river flooding, coastal flooding, landslides, sea level rise, and coastal erosion. These hazards pose a dual threat: they can lead to property-level isolation and, more critically, they risk turning the entire community into an "island" cut off from outside access, causing social disruption and direct threats to human health and safety.

Of these hazards, only coastal flooding and landslide data is available at this time for this assessment. River flooding data is required for appropriate adaptation planning. Additionally, groundwater rise is expected to be an increasing issue for both Seddonville and Mokihinui, though specific data is not yet available. Table 4.5 provides a summary of the hazards and a description of the available data in the Seddonville and Mokihinui adaptation area. The data is also classified by suitability, relating to how much confidence there is in the modelling.

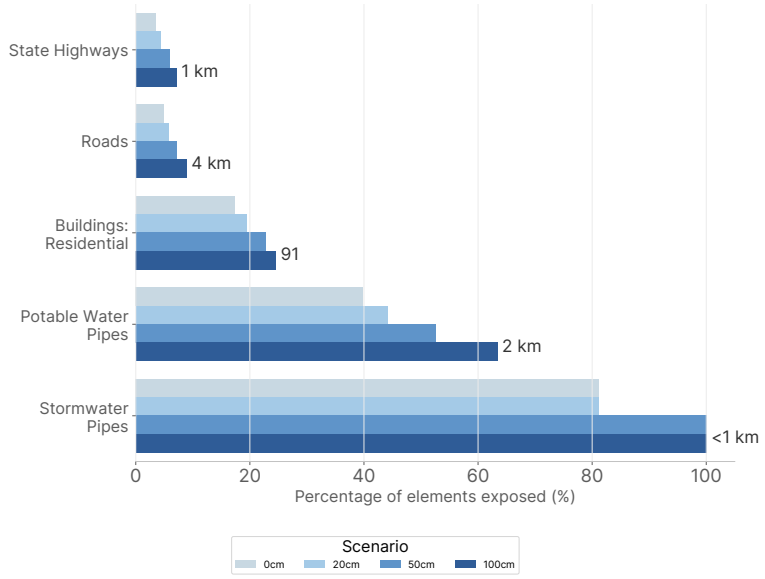
Table 4.5: Summary and suitability for adaptation planning of hazard information available in the Seddonville and Mokihinui adaptation area

Hazard	Suitability	Description
Coastal Flooding	Moderate	Available data represent the extent (not depth) of a 1% AEP event with sea-level rise changed between 0-2m, in 10cm increments.
Landslide	Low	Only current-day landslide data available, no future climate conditions are considered.
Tidal Flooding	No mapped data available	
River Flooding	No mapped data available	
Shallow Groundwater Flooding	No mapped data available	
Wildfire	No mapped data available	

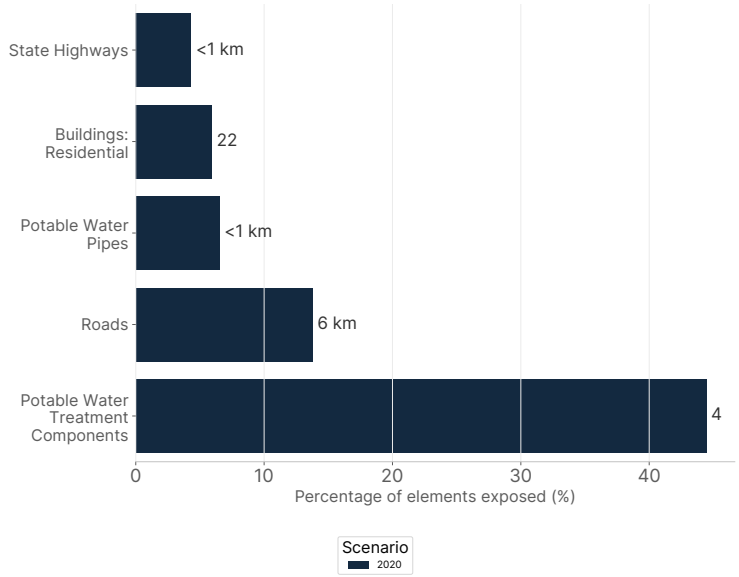
Coastal flooding presents a significant threat to the area (Figures 4.8 and 4.9). Present-day data shows that 17.3% (64) of residential buildings are at risk. By 2050, under the SSP2-4.5 scenario, this could increase to 22.7% (84), and by 2100, up to 25.7% (95) of residential buildings could be at risk. Infrastructure at risk under present-day conditions includes 39.8% of potable water pipes, 50% of potable water pump stations, 3.4% of state highways, 4.8% of local roads, 81.2% of stormwater pipes, and 60% of stormwater pump stations.

Landslide risk poses another significant threat to the area. Current data shows that 5.9% (22) of residential buildings are exposed to landslide risk. Infrastructure exposure includes 6.5% of potable water pipes, 6.8% of potable water pump stations, and a substantial 44.4% of potable water treatment plants. Road networks are also at risk, with 4.3% of state highways and 13.8% of local roads exposed to landslides. More critically, landslides pose a severe risk of community isolation or "islanding," with approximately 67.3% (107) of the population at risk of being cut off from outside access. This includes 67.3% (25) of residents over 65, who may be particularly vulnerable during isolation events.

While not currently mapped, river flooding and groundwater rise likely pose significant risks to Seddonville and Mokihinui. Increased precipitation and extreme weather events are likely to lead to more



(a) Exposure to 1% AEP Coastal Flooding



(b) Exposure to Landslides

Figure 4.8: The threat to built infrastructure from different hazards and future climate scenarios in Mokihinui and Seddonville

frequent and severe flooding events from the Mokihinui River. Sea level rise and coastal erosion, while primarily affecting Mokihinui and Gentle Annie, threaten to cause a decline in amenity and damage to personal property in coastal areas. Both Seddonville and Mokihinui are expected to face increasing issues with groundwater rise, which could affect building foundations, infrastructure, and increase liquefaction risk during seismic events.

The Seddonville and Mokihinui area has a population of approximately 159 residents, with a social deprivation index of 9, indicating a high level of social deprivation. There are no local healthcare providers in this rural community, increasing vulnerability during isolation events. The area lacks significant infrastructure, amenities, and services, which could exacerbate challenges during hazard events. There is a volunteer fire brigade in Seddonville, but no indicated community emergency centers.

Based on coastal flooding data, a significant portion of the population is at risk of isolation. Present-day data shows about 62.2% (99) of the population at risk, with this percentage remaining constant through 2050 and 2100 under the SSP2-4.5 scenario. Of particular concern, 62.2% (23) of residents over 65 are at risk of isolation under present-day conditions.

Rising relative sea levels will increases the coastal flooding risk for residents and their properties in Mokihinui and Seddonville

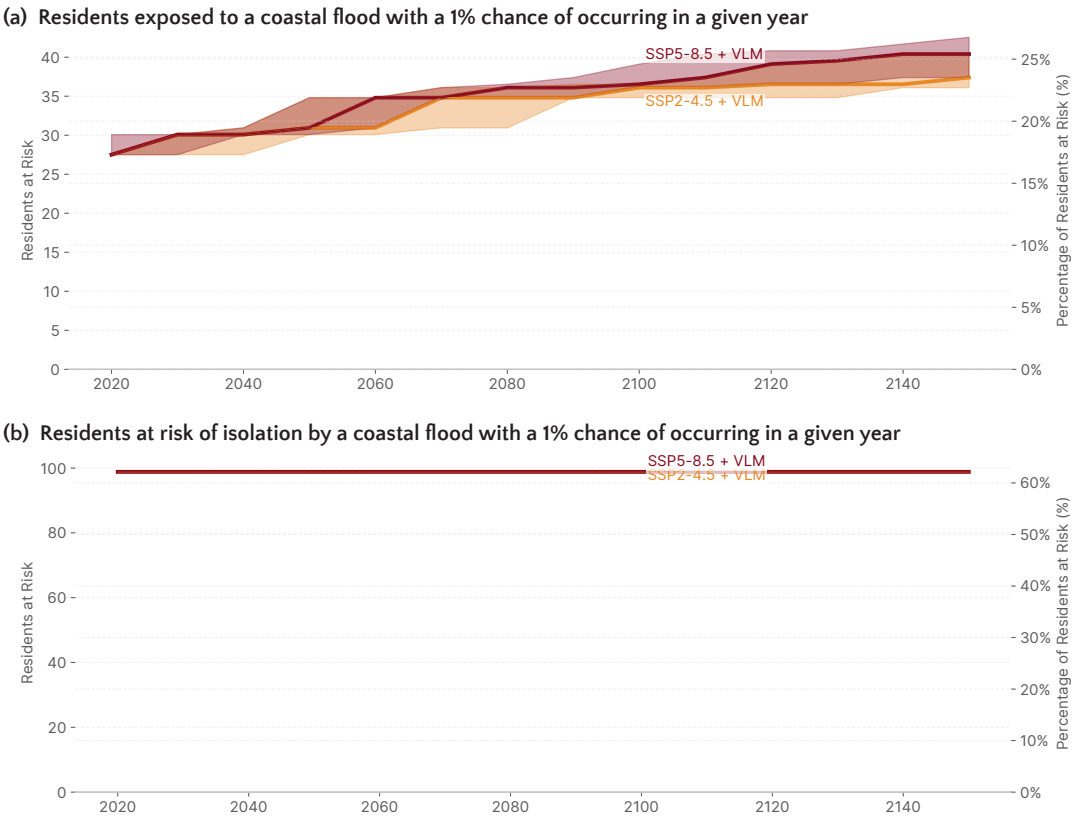


Figure 4.9: Risk to residents in Mokihinui and Seddonville from 1% AEP coastal flooding, derived from exposure to residential property.

The Mokihinui River and its surrounding gorge habitat hold significant biological value, contributing to the area's ecological importance and vulnerability to climate change impacts. The river system supports over nine indigenous fish species, with seven of these species threatened. It provides crucial white-bait habitats, predominantly for koaro, and important eel habitats. These species rely on unimpeded access from the upper river catchment to the coast, making them particularly vulnerable to changes in river flow and barriers caused by flooding or erosion events. Additionally, the Mokihinui River is a vital habitat for the whio (blue duck), an endangered species highly dependent on this riparian ecosystem. The preservation of these habitats and species adds another layer of complexity to climate change adaptation efforts in the area.

The average daily temperature is projected to increase under both SSP2-4.5 and SSP3-7.0 scenarios, with an increase in the number of hot days. This could impact both the natural environment and increase risk for outdoor work comfort.

Variable	Season	SSP2-4.5		SSP3-7.0	
		2041-2060	2081-2100	2041-2060	2081-2100
Average daily air temperature (°C)					
	Annual	1.1 (1.0, 1.1)	1.9 (1.9, 2.0)	1.3 (1.3, 1.4)	3.0 (2.9, 3.0)
	Summer	1.2 (1.2, 1.3)	2.1 (2.0, 2.2)	1.6 (1.5, 1.6)	3.5 (3.3, 3.5)
	Autumn	1.2 (1.1, 1.2)	2.0 (2.0, 2.1)	1.4 (1.3, 1.4)	3.1 (3.0, 3.1)
	Winter	1.0 (0.9, 1.0)	1.8 (1.8, 1.9)	1.2 (1.2, 1.2)	2.7 (2.7, 2.8)
	Spring	0.9 (0.9, 1.0)	1.7 (1.6, 1.8)	1.2 (1.1, 1.2)	2.6 (2.5, 2.7)
Total rainfall (%)					
	Annual	1.2 (0.1, 2.6)	3.4 (1.6, 5.2)	0.7 (-0.1, 1.8)	1.0 (-1.8, 3.2)
	Summer	-1.4 (-2.6, -0.2)	2.6 (1.7, 3.3)	0.4 (-1.3, 1.8)	-2.5 (-4.2, -1.1)
	Autumn	-5.7 (-7.1, -5.0)	-2.4 (-3.5, -1.6)	-5.8 (-6.3, -4.7)	-8.4 (-10.1, -6.6)
	Winter	7.2 (5.8, 9.2)	6.9 (5.3, 8.6)	8.1 (6.3, 9.8)	8.9 (5.2, 11.3)
	Spring	3.4 (0.2, 6.5)	5.3 (0.5, 9.4)	0.2 (-2.9, 2.5)	4.4 (-1.0, 8.3)
Number of windy days (>10m/s) (days)					
	Annual	-0.0 (-0.0, 0.0)	0.0 (-0.0, 0.1)	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)
	Summer	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)
	Autumn	-0.0 (-0.0, 0.0)	0.0 (-0.0, 0.1)	0.0 (-0.0, 0.0)	-0.0 (-0.0, 0.0)
	Winter	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	0.0 (0.0, 0.0)
	Spring	-0.0 (-0.0, 0.0)	0.0 (-0.0, 0.1)	-0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)
Growing degree days (base 10°C)	Annual	213.2 (145.6, 281.0)	390.1 (268.4, 512.0)	269.3 (187.4, 350.2)	650.7 (464.8, 835.6)
Number of dry days (<1mm)	Annual	1.1 (-0.3, 1.9)	-1.2 (-2.2, 0.2)	0.6 (-0.4, 1.4)	3.0 (1.9, 4.2)
Number of very rainy days (>25mm)	Annual	1.3 (0.6, 2.4)	1.4 (-0.3, 2.8)	0.4 (-0.5, 1.6)	-0.3 (-2.6, 2.2)
Number of frost days (<0°C)	Annual	-13.9 (-24.7, -5.5)	-23.5 (-41.8, -8.7)	-16.7 (-28.9, -7.0)	-30.8 (-54.6, -10.4)
Number of hot days (>25°C)	Annual	4.0 (0.1, 13.7)	8.3 (0.3, 26.1)	5.8 (0.1, 19.4)	21.2 (1.4, 53.5)
Number of very hot days (>30°C)	Annual	0.0 (-0.0, 0.3)	0.1 (0.0, 1.1)	0.1 (0.0, 0.5)	0.7 (0.0, 4.4)

Table 4.6: Climate projections for Seddonville (2041-2060 and 2081-2100). The table shows average (min, max) values for selected climate variables using downscaled AR6 climate data [20].

Employment in the area is largely primary sector based, making it particularly vulnerable to climate-related disruptions. Isolation events could significantly impact this sector, potentially leading to loss of produce, inability to transport goods, and disruption of supply chains. The Mokihinui area and Gentle Annie have historical and recreational value through old coal mines, walking tracks, and coastal amenities, providing some tourism to the district. However, these assets are at risk from increased rainfall,

flooding, and landslips.

Several adaptation and resilience efforts are already in place. Mokihinui is a special rating district due to numerous river bank works dating back to 1952, designed to protect the township from flooding and erosion. Groynes (structures to prevent sand movement) and riprap (layer of large stones) have been installed on the north bank of the Mokihinui river mouth, on the Gentle Annie side of the river. A double bund has been constructed along the coastline between the Mokihinui township and the foreshore to prevent coastal inundation.

4.4 Fairdown to Hector

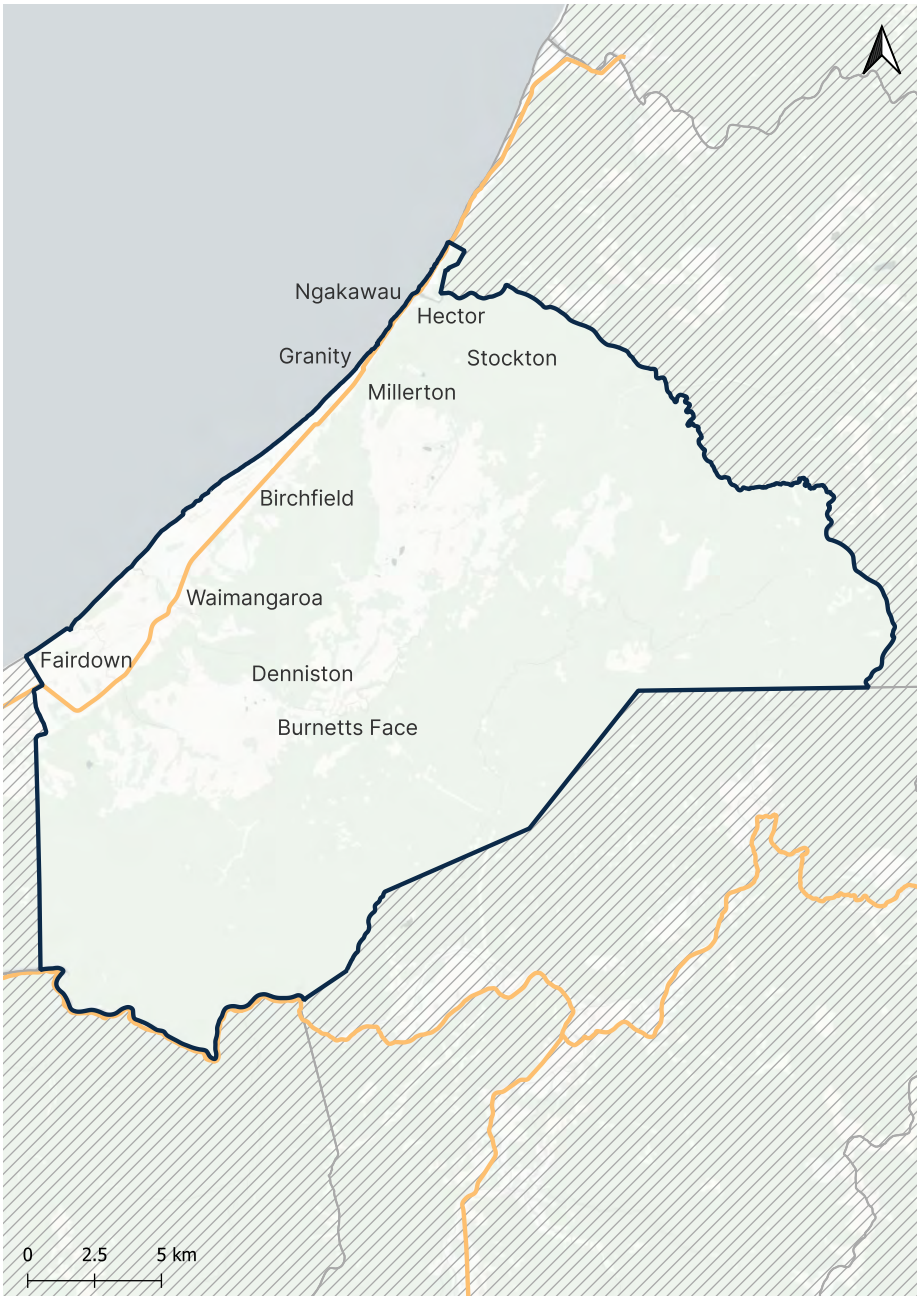


Figure 4.10: Fairdown to Hector Adaptation Area

Fairdown to Hector

The Fairdown to Hector adaptation area encompasses several coastal settlements along the Coast Road in northern Buller, including Hector, Ngākawau, Granity, Birchfield, and Waimangaroa. The area also included the plateau settlements of Millerton, Stockton and Denniston located around 600-800 above sea level. These historic mining villages are spread along the northern Buller coastline, with a total population of approximately 900 residents and an aging demographic. The communities are highly vulnerable to flood hazards [58], with Ngākawau and Hector situated on either side of the Ngākawau River mouth, and Granity located further south down the coast.

The area faces significant challenges related to climate change and natural hazards (Figure 4.12). The primary risks stem from coastal flooding, river flooding, landslides, sea level rise, and coastal erosion. These hazards pose a dual threat: they can lead to property-level isolation and, more critically, they risk turning entire communities into "islands" cut off from outside access, causing social disruption and direct threats to human health and safety.

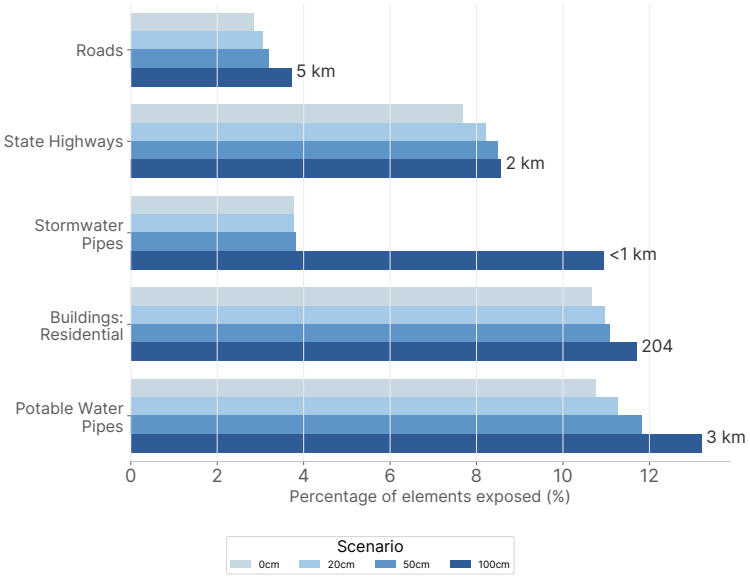
Of these hazards, only coastal flooding and landslide data is available at this time for this assessment. River flooding data would be required to ensure adaptation plans are appropriate. Table 4.7 provides a summary of the hazards and a description of the available data in the Fairdown to Hector adaptation area. The data is also classified by suitability, relating to how much confidence there is in the modelling.

Table 4.7: Summary and suitability for adaptation planning of hazard information available in the Fairdown to Hector adaptation area

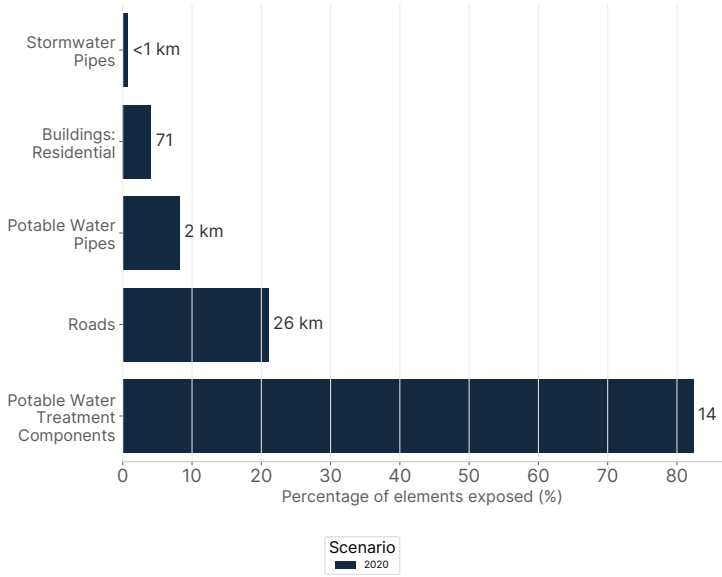
Hazard	Suitability	Description
Coastal Flooding	Moderate	Available data represent the extent (not depth) of a 1% AEP event with sea-level rise changed between 0-2m, in 10cm increments.
Landslide	Low	Only current-day landslide data available, no future climate conditions are considered.
River Flooding	No mapped data available	
Tidal Flooding	No mapped data available	
Shallow Groundwater Flooding	No mapped data available	
Wildfire	No mapped data available	

Coastal flooding presents a significant threat to the area (Figures 4.12 4.13, and 4.14). Present-day data shows that 10.7% (186) of residential buildings are at risk. By 2050, under the SSP2-4.5 scenario, this could increase to 14.7% (256), and by 2100, up to 19.9% (347) of residential buildings could be at risk. Infrastructure at risk under present-day conditions includes 10.8% of potable water pipes, 4.0% of potable water pump stations, 7.7% of state highways, and 2.8% of local roads. The risk to the population is also significant, with 26.4% (239) of residents currently at risk of isolation due to coastal flooding, increasing to 26.5% (240) by 2050 and potentially 38.8% (352) by 2130 under the high emissions scenario (SSP5-8.5).

Landslide risk poses a significant threat to the area, particularly due to the inland hilly terrain. Current data shows that 4.1% (71) of residential buildings are exposed to landslide risk (Figure 4.12). Infrastructure exposure is considerable, with 8.2% of potable water pipes, 5.0% of potable water pump stations, and a substantial 82.4% of potable water treatment plants at risk. Road networks are also vulnerable, with 21.0% of local roads exposed to landslides. While state highways show no direct exposure in the data, the potential for landslides to isolate communities by damaging critical road links remains a concern.



(a) Exposure to 1% AEP Coastal Flooding



(b) Exposure to Landslides

Figure 4.11: The threat to built infrastructure from different hazards and future climate scenarios in the Fairdown to Hector adaptation area

The Fairdown to Hector adaptation area has a diverse natural environment, ranging from coal plateaux and montane ecosystems at higher elevations to riverine, marine, and coastal ecosystems. The Ngākawau and Waimangaroa Rivers are significant features, likely to experience changes in hydrological characteristics due to increased precipitation and extreme weather events. The coastal and marine ecosystems face threats from rising sea levels, erosion, ocean acidification, and more frequent storm surges.

The area hosts significant biodiversity, including rare and distinctive flora and fauna. Granity beach is home to the endemic cobble skink, while Hector is known for Hector's dolphins. The Ngākawau area harbors an endemic Powelliphanta snail species. Several threatened and at-risk bird species are present, including the great spotted kiwi, fernbird, pōpokotea, kea, kārearea, ruru, tūī, weka, and korimako. The nationally critical pekapeka (bat) has been sighted in nearby riverine systems. The area also features uncommon daisy species and the bearded orchid.

The Fairdown to Hector adaptation area has a population of approximately 900, with communities classified under social deprivation indices of 9 and 10, indicating high vulnerability. Each community is at risk of isolation due to potential bridge closures. Key community assets include:

- Granity: Primary school, community centre, local theatre, fire station, and police station (all along the coastline and under threat)
- Ngākawau: Healthcare centre, community hall, and Information centre (serving as the Community Emergency Centre)
- Waimangaroa: Volunteer fire station

The area's economy is heavily dependent on the mining sector, which employs 70.5% of the workforce and contributes 88.5% to the local GDP (Table 4.8). Although staff numbers at Stockton mine reduced in 2023, it remains a significant district employer with potential for growth. The Denniston escarpment mine also has the potential to boost the economy and workforce significantly. Other important sectors include Administrative and Support Services (12.4% employment, 2.3% GDP) and Agriculture, Forestry and Fishing (6.2% employment, 5.4% GDP).

Table 4.8: Employment and Economic Contribution in Fairdown to Hector

ANZSIC06 Division	Percentage of total Fairdown to Hector workforce employed (%)	Contribution to Fairdown to Hector GDP (%)
Mining	70.5	88.5
Administrative and Support Services	12.4	2.3
Agriculture, Forestry and Fishing	6.2	5.4
Professional, Scientific and Technical Services	3.9	2.4
Accommodation and Food Services	3.1	0.5
Education and Training	2.3	0.4
Construction	1.6	0.7

The most significant economic threat is the potential isolation due to road damage, as workers come from across the district. This highlights the critical importance of maintaining transportation links for the area's economic resilience.

Several adaptation efforts are already in place, including sea walls and bunds constructed at various points along the Hector, Ngākawau, and Granity coastline. However, these are considered effective only

in the short term and will not provide long-term protection (NIWA, 2022). Vegetated buffer zones have also been planted along the coast as a measure for erosion management.

Variable	Season	SSP2-4.5		SSP3-7.0	
		2041-2060	2081-2100	2041-2060	2081-2100
Average daily air temperature (°C)					
	Annual	1.1 (1.0, 1.1)	1.9 (1.9, 1.9)	1.3 (1.3, 1.3)	2.9 (2.9, 3.0)
	Summer	1.2 (1.2, 1.3)	2.1 (2.0, 2.1)	1.6 (1.5, 1.6)	3.4 (3.4, 3.5)
	Autumn	1.1 (1.1, 1.2)	2.0 (2.0, 2.0)	1.3 (1.3, 1.4)	3.0 (3.0, 3.1)
	Winter	1.0 (0.9, 1.0)	1.8 (1.8, 1.8)	1.2 (1.2, 1.2)	2.7 (2.6, 2.7)
	Spring	0.9 (0.9, 0.9)	1.7 (1.6, 1.8)	1.1 (1.1, 1.2)	2.5 (2.5, 2.6)
Total rainfall (%)					
	Annual	3.1 (1.7, 4.0)	5.6 (4.2, 6.3)	2.4 (0.8, 3.3)	4.2 (2.5, 5.2)
	Summer	1.0 (-0.5, 2.6)	3.8 (2.7, 4.7)	1.0 (-0.1, 2.0)	-0.9 (-2.0, -0.2)
	Autumn	-4.4 (-5.5, -3.3)	-0.0 (-1.9, 1.0)	-3.9 (-5.0, -3.2)	-4.8 (-6.9, -3.7)
	Winter	8.5 (7.1, 9.5)	7.6 (6.3, 8.6)	9.4 (7.2, 10.9)	11.2 (9.8, 12.2)
	Spring	6.5 (3.9, 7.8)	9.9 (6.2, 11.1)	3.2 (0.5, 4.3)	9.7 (5.8, 12.1)
Number of windy days (>10m/s) (days)					
	Annual	-0.0 (-0.0, 0.0)	-0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	-0.0 (-0.0, 0.0)
	Summer	0.0 (-0.0, 0.0)	-0.0 (-0.0, 0.0)	-0.0 (-0.0, 0.0)	-0.0 (-0.0, 0.0)
	Autumn	-0.0	-0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	-0.0
	Winter	0.0	0.0	-0.0	0.0
	Spring	-0.0	-0.0 (-0.0, 0.0)	-0.0 (-0.0, 0.0)	-0.0
Growing degree days (base 10°C)	Annual	244.0 (182.9, 311.9)	449.7 (337.0, 573.2)	308.4 (233.0, 392.2)	743.1 (576.3, 921.1)
Number of dry days (<1mm)	Annual	0.3 (-1.1, 1.3)	-1.6 (-2.0, -0.6)	0.2 (-1.0, 0.9)	2.1 (1.0, 2.6)
Number of very rainy days (>25mm)	Annual	2.1 (0.9, 3.4)	2.5 (1.2, 3.3)	0.8 (-0.4, 2.5)	0.8 (-1.1, 3.2)
Number of frost days (<0°C)	Annual	-8.1 (-15.2, -2.1)	-13.5 (-25.4, -3.0)	-10.0 (-18.2, -2.6)	-17.4 (-33.8, -3.4)
Number of hot days (>25°C)	Annual	4.1 (0.1, 9.5)	8.9 (0.8, 19.0)	6.1 (0.3, 13.2)	23.9 (3.8, 44.7)
Number of very hot days (>30°C)	Annual	0.0 (0.0, 0.1)	0.1 (0.0, 0.2)	0.1 (0.0, 0.1)	0.5 (0.0, 1.3)

Table 4.9: Climate projections for Ngakawau (2041-2060 and 2081-2100). The table shows average (min, max) values for selected climate variables using downscaled AR6 climate data [20].

Areas exposed to and isolated by mapped hazards. Understanding where is at risk and to what hazards can support prioritising resilience efforts

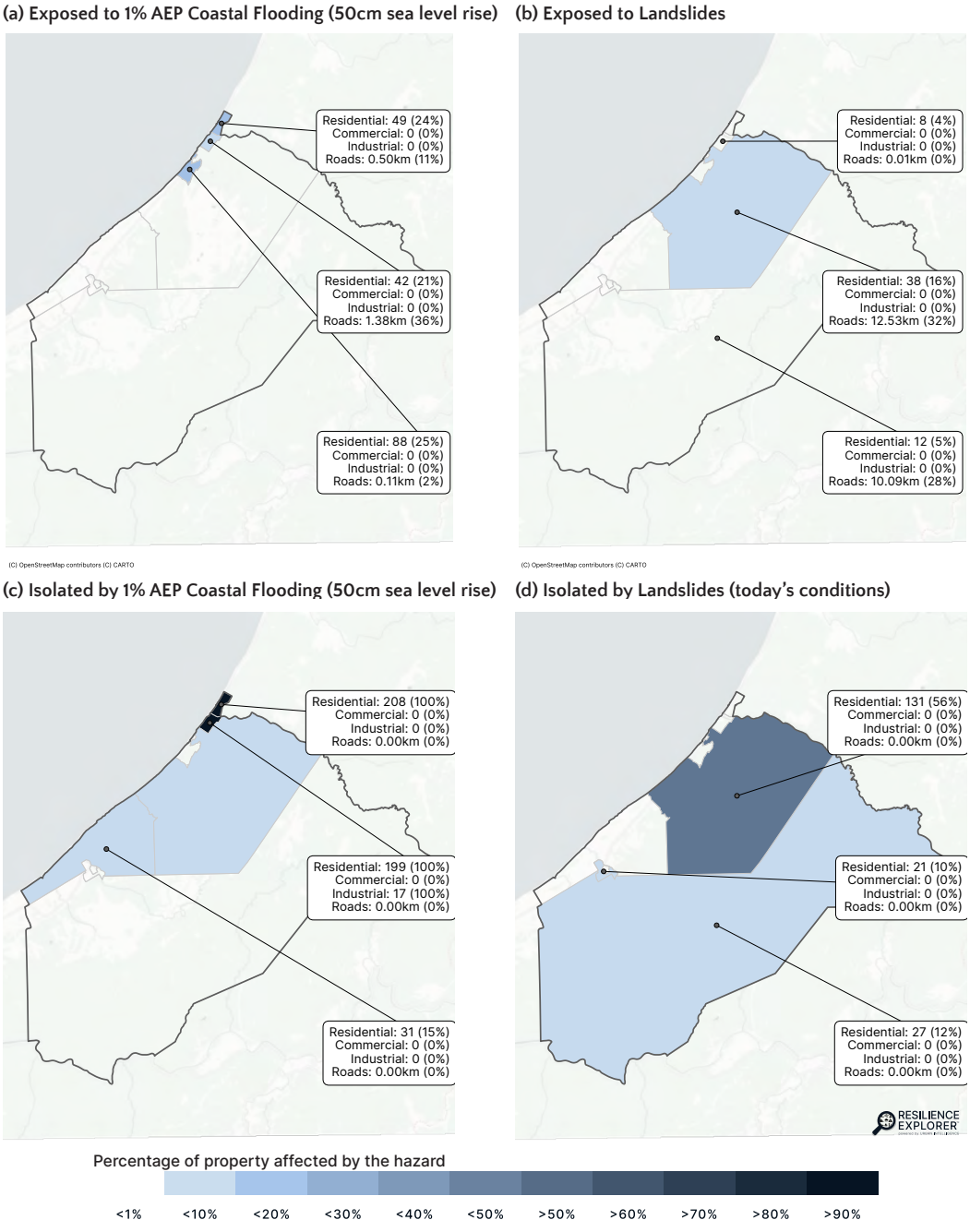
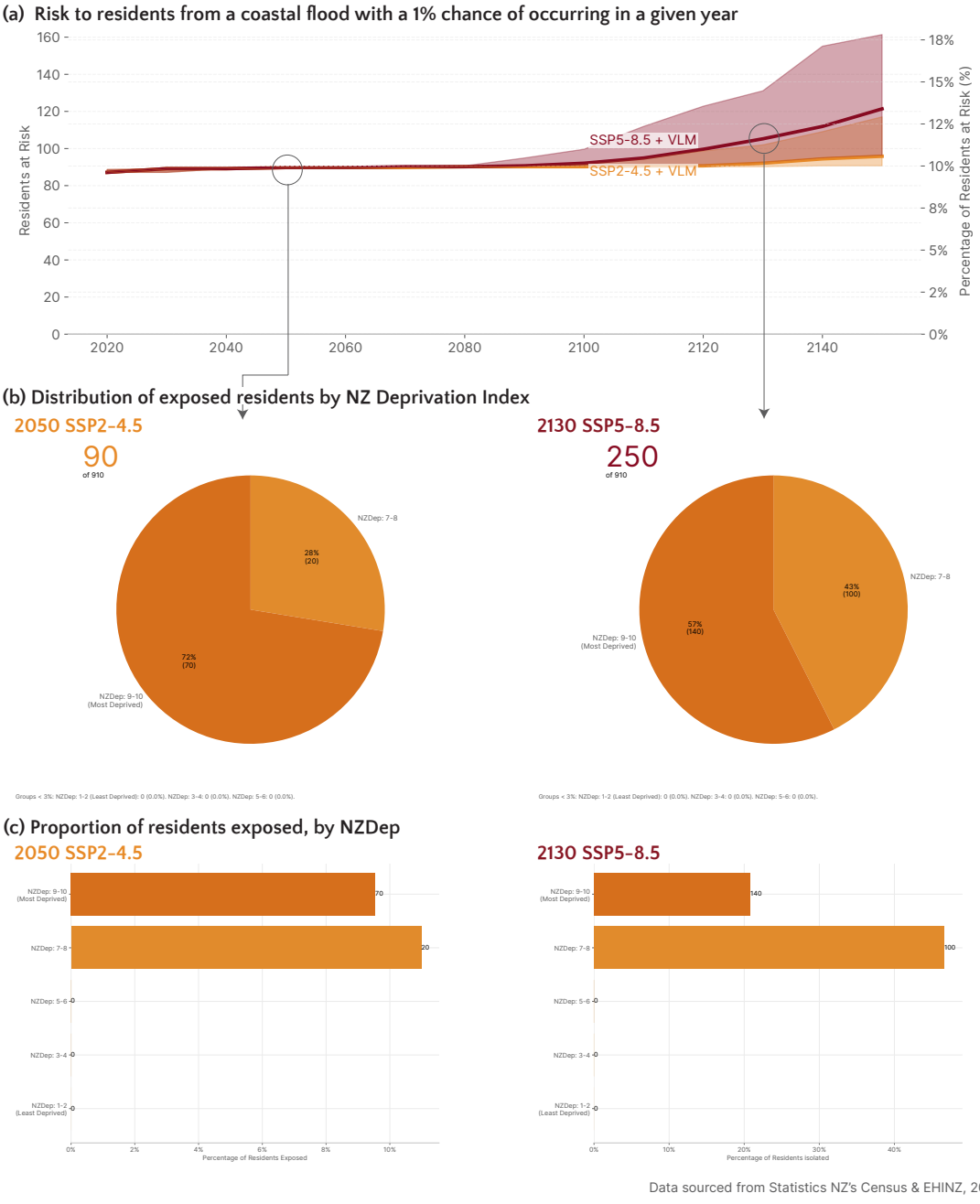


Figure 4.12: Exposed properties in the Fairdown to Hector adaptation area from the mapped hazards.

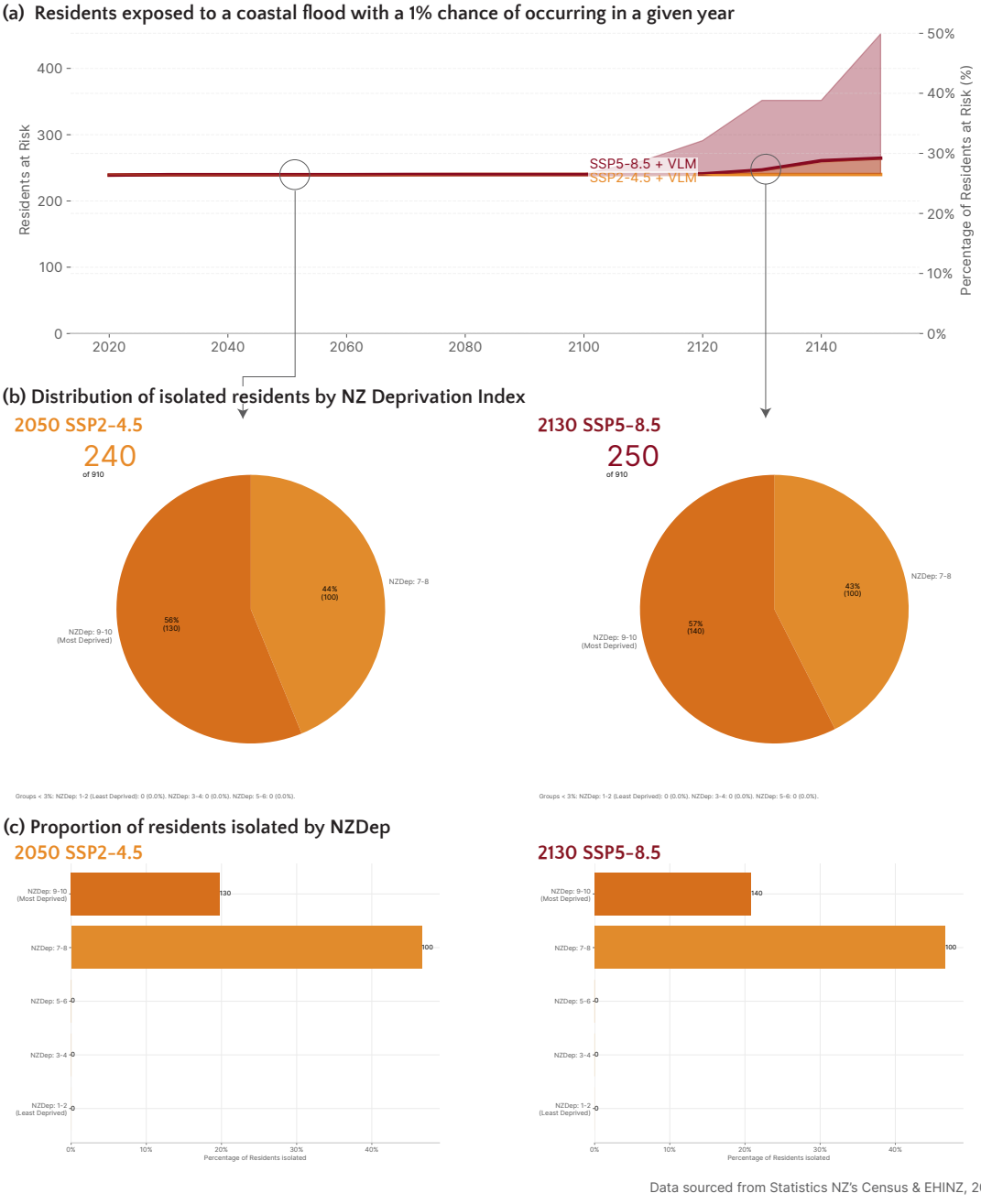
Rising relative sea levels will expose more residents and their properties to coastal flooding in the Fairdown to Hector area



Data sourced from Statistics NZ's Census & EHINZ, 2018

Figure 4.13: Risk to residents in Fairdown to Hector from 1% AEP coastal flooding, derived from exposure to residential property.

Rising relative sea levels will mean more residents are unable to access essential services as a result of coastal flooding in the Fairdown to Hector area



Data sourced from Statistics NZ's Census & EHINZ, 2018

Figure 4.14: Risk to residents being isolated in Fairdown to Hector from 1% AEP coastal flooding, derived from exposure to roads and essential services and road travelling techniques.

Landslides, while not modelled with future climate change, already pose a risk to residents and their properties in the Fairdown to Hector area

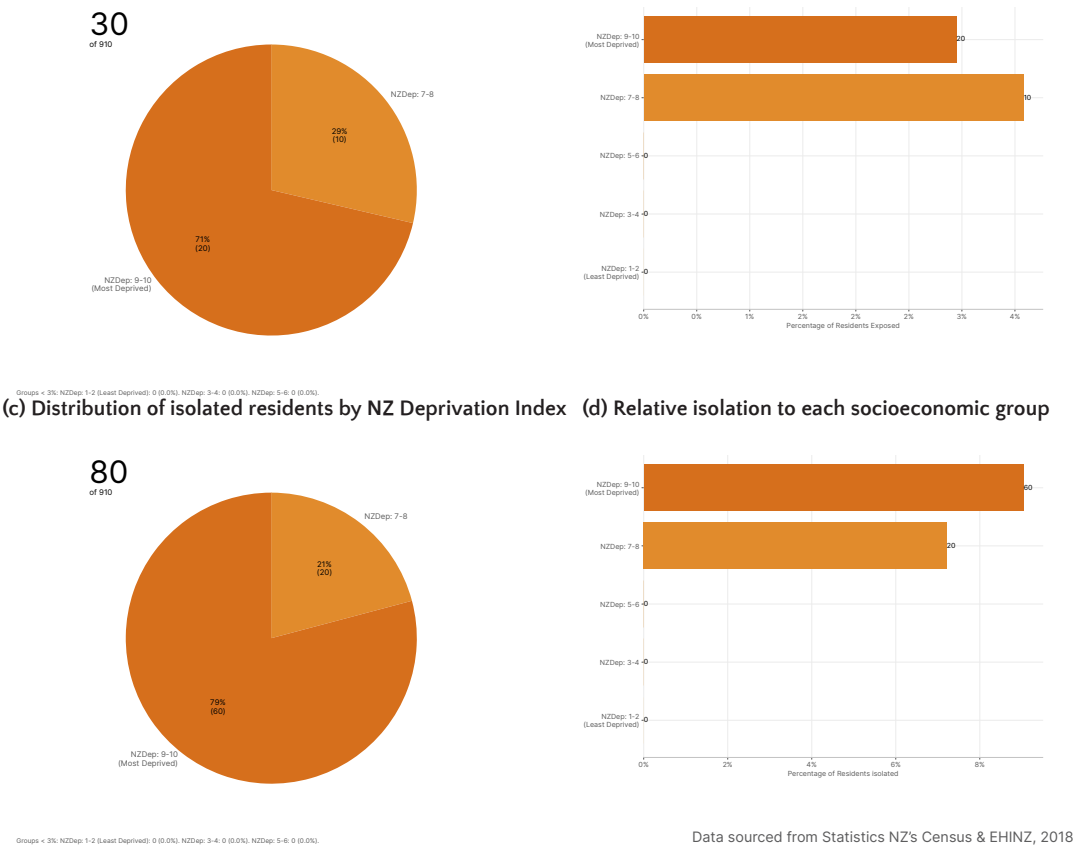


Figure 4.15: Risk to residents in Fairdown to Hector from landslides, derived from residential property situated in landslide and erosion susceptible land.

Rising relative sea levels will result in industrial and commercial properties being isolated due to coastal flood events, disrupting business in the Fairdown to Hector area.

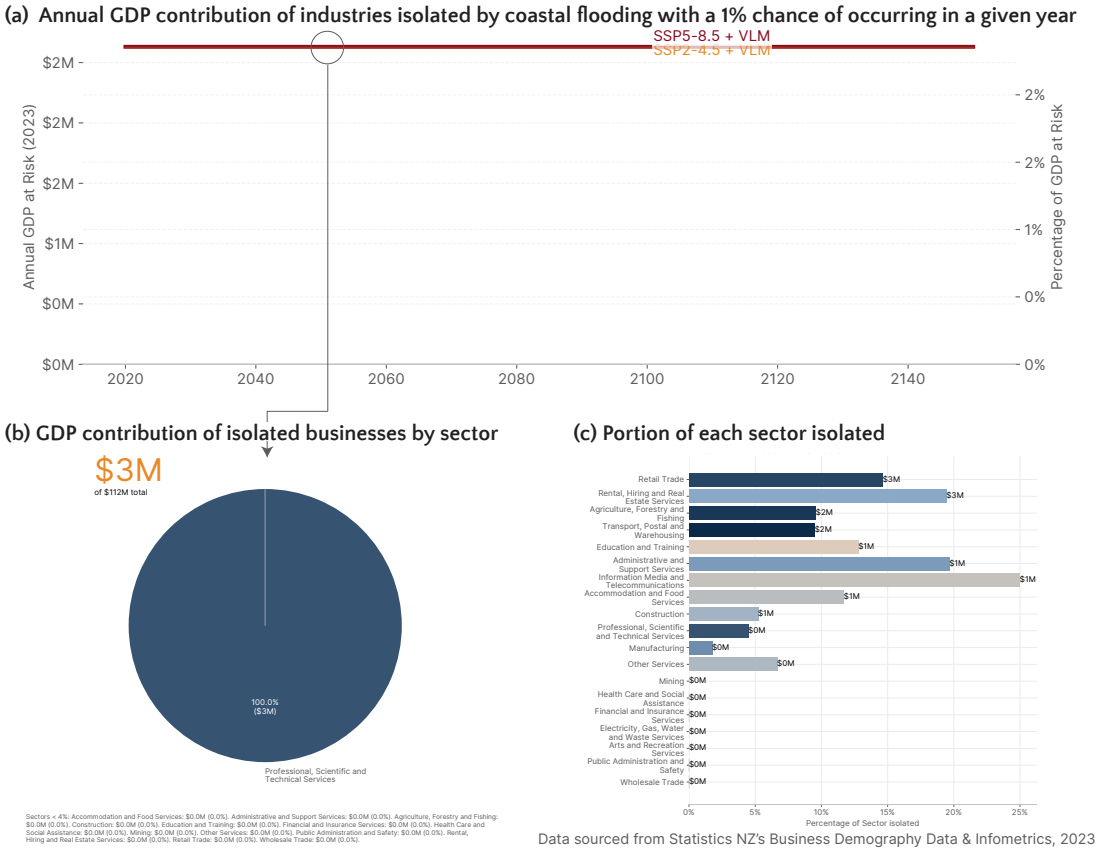
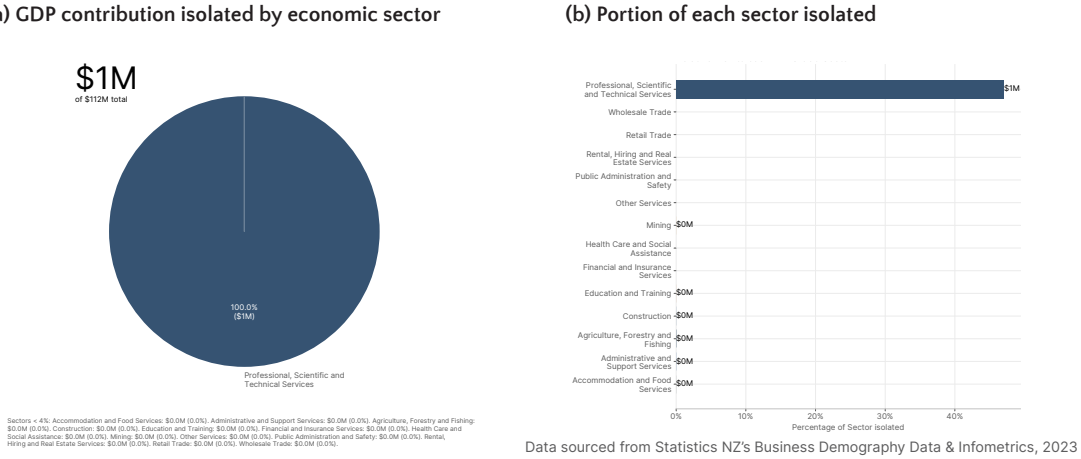


Figure 4.16: Risk to economic sectors in Fairdown to Hector from isolation caused by 1% AEP coastal flooding, derived from exposure the road network.

The risk, in terms of annual GDP contribution of exposed and isolated businesses, from landslides in the Fairdown to Hector area



Data sourced from Statistics NZ's Business Demography Data & Infometrics, 2023

Figure 4.17: Risk to economic sectors in Fairdown to Hector from landslides, derived from industrial and commercial property situated in landslide and erosion susceptible land.

4.5 Greater Westport

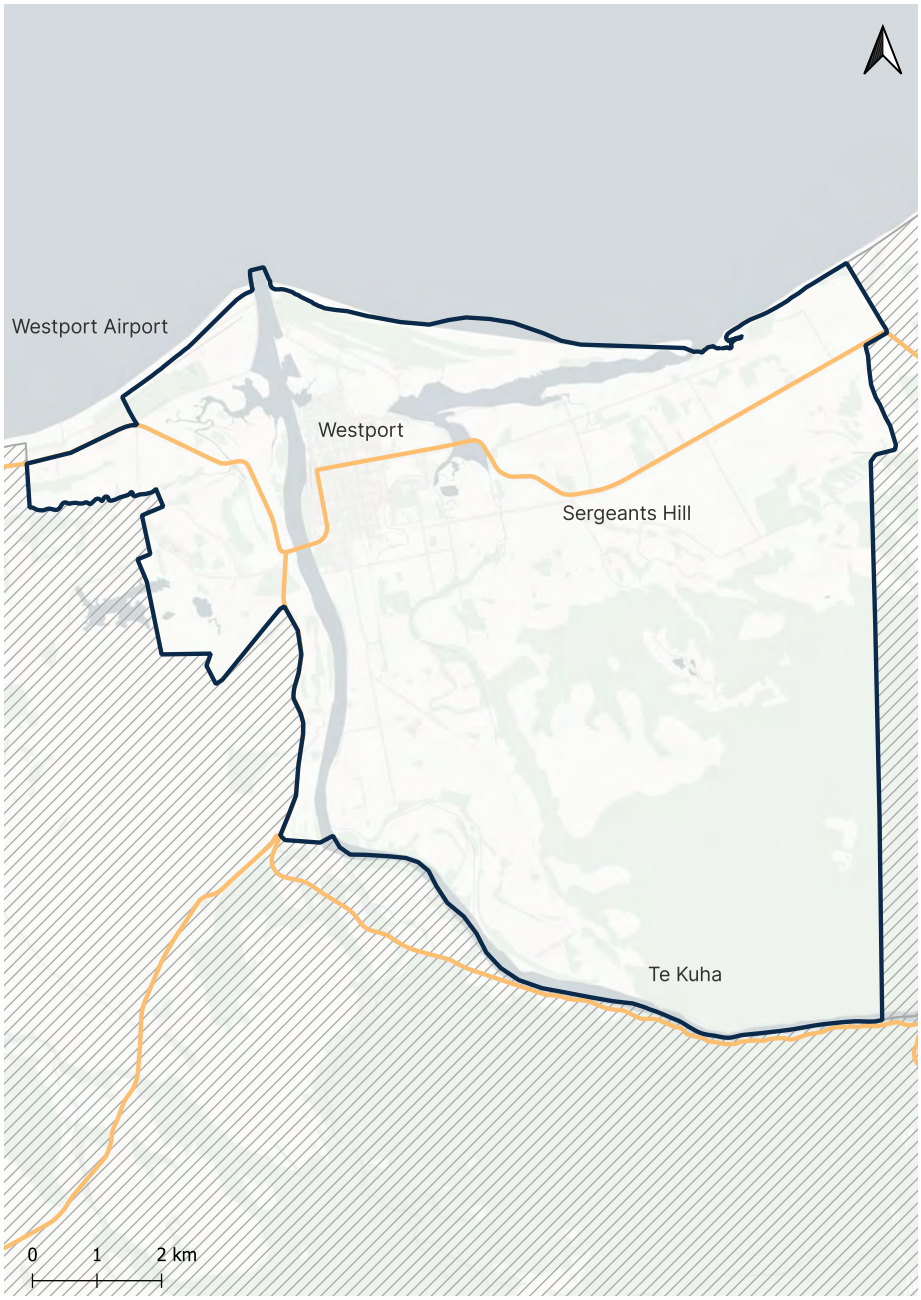


Figure 4.18: Greater Westport Adaptation Area

Greater Westport is the main service town for the Buller District, encompassing Westport and its surrounding areas. As the district's economic and social hub, it plays a crucial role in the region's resilience and adaptation to climate change. The Greater Westport adaptation area is assessed without the planned flood protection.

The area faces significant challenges related to climate change and natural hazards. The primary risks stem from river flooding, coastal flooding, sea level rise, and groundwater rise. These hazards pose threats to property, infrastructure, and community wellbeing, with the potential to isolate parts of the community and disrupt essential services. Table 4.10 provides a summary of the hazards and a description of the available data in the Greater Westport adaptation area. The data is also classified by suitability, relating to how much confidence there is in the modelling.

Table 4.10: Summary and suitability for adaptation planning of hazard information available in the Greater Westport adaptation area

Hazard	Suitability	Description
River Flooding	High	Detailed data available for various climate scenarios up to 2100.
Coastal Flooding	High	Detailed models exist, although further scenarios are needed for understanding tolerance for adaptation planning. Future scenarios need to account for proposed protective measures.
Landslide	Low	Only current-day landslide data available, no future climate conditions are considered.
Tidal Flooding	No mapped data available	
Shallow Groundwater Flooding	No mapped data available, but modelling is underway with conceptual model available	
Wildfire	No mapped data available	

Figure 4.20 illustrates that currently, over three-quarters of residential buildings and nearly 88% of the population are exposed to flooding risk. More critically, river flooding presents the most immediate and severe threat to Greater Westport, as depicted in Figure 4.21. This high exposure extends to critical infrastructure, with significant portions of water, wastewater, and transportation networks at risk. The vulnerability is particularly acute for certain demographic groups, with over 90% of residents over 65 and households without vehicles at risk, highlighting potential evacuation challenges and the need for targeted support in emergency situations.

Coastal flooding, while currently affecting a smaller portion of the area, poses an increasing threat over time. Figure 4.22 demonstrates that under the SSP5-8.5 scenario with median vertical land movement, the proportion of residential buildings at risk could rise from about 15% at present to over 70% by 2100. This gradual increase in risk necessitates long-term planning and adaptive strategies to protect both property and population.

Landslides, though less widespread, present localised risks to infrastructure and have the potential to isolate parts of the community as depicted in Figure 4.20. While few buildings are directly exposed, the threat to water infrastructure and road access is significant and could have cascading effects on the broader community. Landslide risk in particular could result in "islanding" of northern communities, meaning they are unable to access Westport or emergency services from Westport not being able to reach them.

Groundwater rise, although not yet fully quantified, is recognised as a major risk for the town. Its potential impacts range from structural damage to buildings and infrastructure to increased flood risk and environmental health concerns. The model indicated shallow groundwater (0 – 300mm below ground level) in the northern most parts of the township, to the east of Orowaiti Lagoon, and in parts of Carters Beach. Groundwater tended to be >2m below ground level south of Brougham Street, increasing in depth with distance south. Aqualinc is currently confirming the steady state and hydrodynamic groundwater models for the wider Westport area. The ongoing modelling efforts will be crucial for informing future adaptation strategies.

Overall, the built infrastructure in Greater Westport faces significant and increasing risks from multiple climate-related hazards (Figure 4.19). River flooding poses the most immediate threat, with current data showing 76.4% of residential buildings, 76.1% of commercial buildings, and 56.0% of industrial buildings at risk. Critical infrastructure is also highly vulnerable, with 70.0% of potable water pipes, 80.9% of stormwater pipes, and 75.3% of wastewater pipes exposed to flooding risk. Transportation networks are similarly at risk, with 31.7% of state highways and 44.5% of local roads vulnerable to flooding. Coastal flooding, while currently less severe, is projected to impact an increasing proportion of infrastructure over time. By 2100, under the SSP5-8.5 scenario, 71.3% of residential buildings could be at risk from coastal flooding, along with 67.2% of potable water pipes and 75.2% of wastewater pipes. Landslides, though more localised, pose a risk to 1.1% of potable water pipes and 7.2% of potable water treatment plants. The compounding effects of these hazards, along with the emerging threat of groundwater rise, present a complex challenge for infrastructure resilience and underscore the need for comprehensive, long-term adaptation strategies.

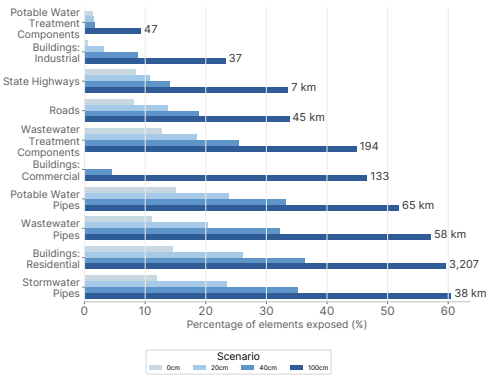
The natural environment of Greater Westport, characterised by diverse ecosystems including forests, coastal areas, wetlands, and rivers, faces various climate-related risks. These range from changes in forest composition and health to threats to marine and coastal biodiversity. The Buller River, a significant feature of the area, is likely to experience alterations in its hydrological characteristics, impacting both the natural environment and human activities dependent on it.

In the human domain, the high exposure to various hazards poses direct threats to physical health and safety, with potential mental health impacts, particularly due to the high risk of isolation during flood events. The risk to key community assets, including healthcare services, schools, and emergency management facilities, could significantly impact community resilience and social cohesion. The disproportionate risk to certain groups, such as renters and those without vehicles, suggests that climate impacts could exacerbate existing socioeconomic disparities.

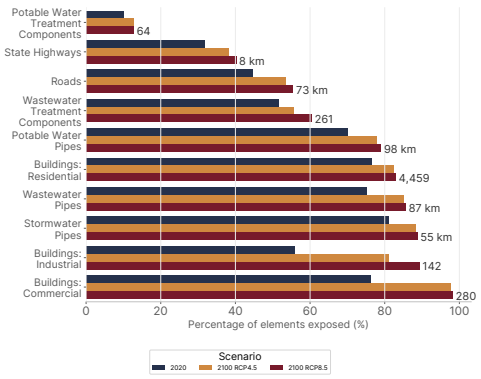
Economically, Greater Westport faces substantial and multifaceted risks from climate change, with potential for far-reaching cascading effects. As the economic centre of the Buller District, contributing 55% ($408m) of the district's annual GDP, the resilience of Westport's economy has implications far beyond its immediate boundaries. Table 4.11 provides an overview of the employment and economic contributions of the Greater Westport area. The area's diverse economic base, spanning sectors such as Health Care and Social Assistance, Construction, Retail Trade, and Accommodation and Food Services, is exposed to varying degrees of climate risk.

Current data reveals that industrial and commercial properties contributing to 38% ($155m) of Westport's annual GDP are already exposed to river flooding (Figure 4.24). This exposure is particularly pronounced in key sectors, with over 60% of many services including Retail, Professional services, Real Estate, Transport, Public Administration, Information Media, Financial services, and Administrative services at risk. The potential for isolation due to flooding compounds these risks, with 63% ($259m) of Westport's annual GDP at risk of disruption due to isolation events.

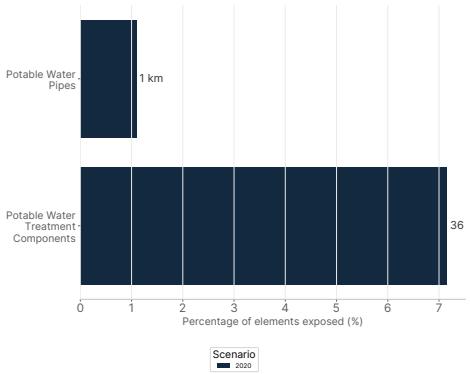
Coastal flooding, while currently less impactful, presents a growing threat. Projections indicate that by 2130, industrial and commercial properties representing 27% of the area's GDP could be exposed to coastal flooding, with 45% at risk of isolation - a significant increase from 16% in 2050 (Figure 4.25).



(a) Exposure to 1% AEP Coastal Flooding



(b) Exposure to 1% AEP River Flooding



(c) Exposure to Landslides

Figure 4.19: The threat to built infrastructure from different hazards and future climate scenarios in Greater Westport

The economic impacts of climate change extend beyond direct damage to property and infrastructure (Figure 4.26) Flooding and sea-level rise can have profound effects on community vibrancy and economic vitality [42]. Repeated flooding events can undermine the community's sense of future, leading to a cycle of disinvestment and decline. This can manifest in several ways:

1. Reduced investment: Businesses and property owners may be less likely to invest in areas perceived as high-risk, leading to a gradual erosion of the local economic base.
2. Declining property values: As flood risk increases, property values in affected areas may decrease, reducing the overall wealth of the community and its ability to fund adaptation measures.
3. Insurance retreat: The potential for insurance companies to withdraw coverage or significantly increase premiums in high-risk areas could further discourage investment and development.
4. Disruption to daily economic activities: Even relatively minor flooding can disrupt foot traffic and normal business operations, leading to cumulative economic losses over time.
5. Workforce impacts: If residents begin to relocate due to perceived risks, local businesses may struggle to maintain a stable workforce.
6. Shifts in economic focus: Certain sectors, particularly those reliant on specific locations (such as port operations or coastal tourism), may need to adapt or potentially relocate, reshaping the local economic landscape.

These cascading effects can create a self-reinforcing cycle where reduced economic activity leads to decreased community pride and further disinvestment. This cycle can significantly impact not just economic prosperity, but also community wellbeing and social cohesion.

Moreover, the certainty of an area's future plays a crucial role in economic stability. Table 4.5 details the climate projections for Greater Westport. The increasing uncertainty brought about by climate change risks can deter new businesses from establishing themselves in the area and may encourage existing businesses to consider relocation. This uncertainty can lead to a decline in local employment opportunities and a reduction in the local customer base, further exacerbating economic challenges.

Addressing these economic risks will require a multifaceted approach that goes beyond physical protection measures. Strategies may include diversifying the local economy, investing in climate-resilient infrastructure, developing flexible business models that can adapt to changing conditions, and fostering a strong sense of community that can withstand the challenges posed by climate change. Additionally, wide engagement and clear communication about adaptation plans and future scenarios will be crucial in maintaining business and investor confidence in the long-term viability of Greater Westport as an economic centre. Some of these risks could be mitigated by the Westport Master Plan as the township is relocated overtime. However, this is part of the transitional risk which is beyond of the scope of this risk assessment.

In terms of governance, Westport's role as the location for key council activities, the hospital, and emergency management services makes it crucial for district-wide resilience. The high exposure of these facilities to flooding risk could have significant implications for governance and emergency response capabilities across the entire Buller District.

The scale and complexity of these risks, particularly from river and coastal flooding, as well as the emerging threat of groundwater rise, suggest that transformative adaptation strategies may be necessary to ensure the long-term resilience of Greater Westport.

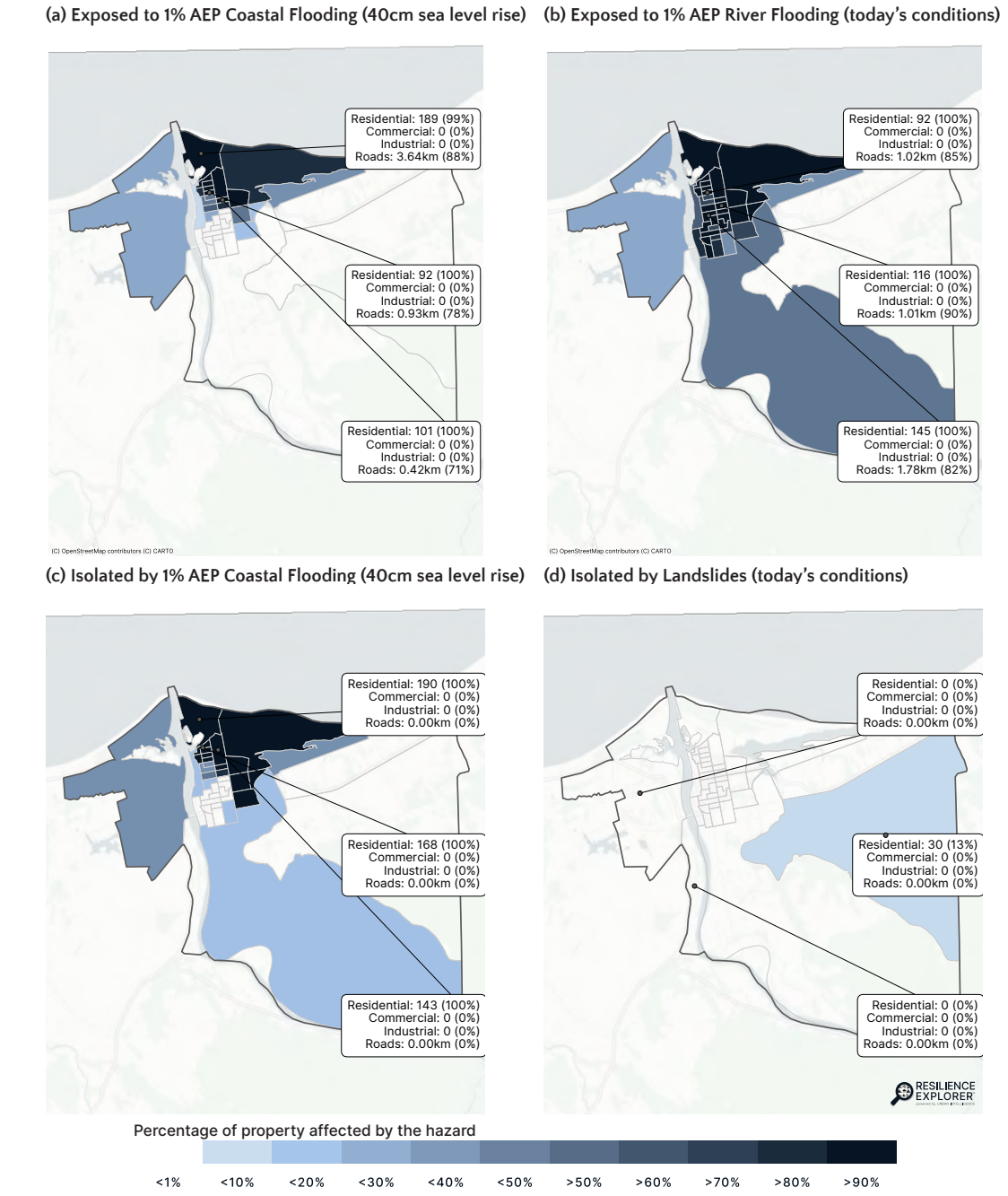


Figure 4.20: Exposed properties in Greater Westport from the mapped hazards.

Residential properties in Greater Westport are at risk from river flooding; climate change is expected to make this worse. This is exposure to an event with a 1% chance of occurring annually

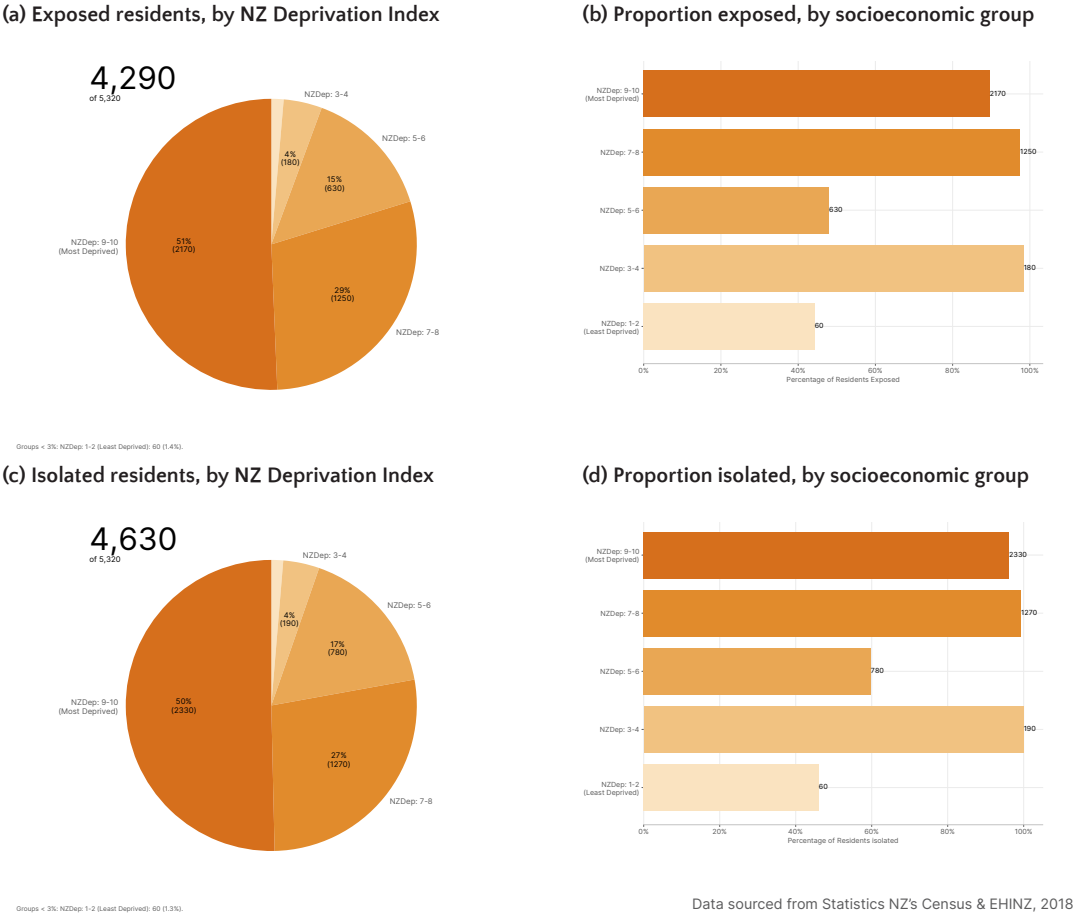
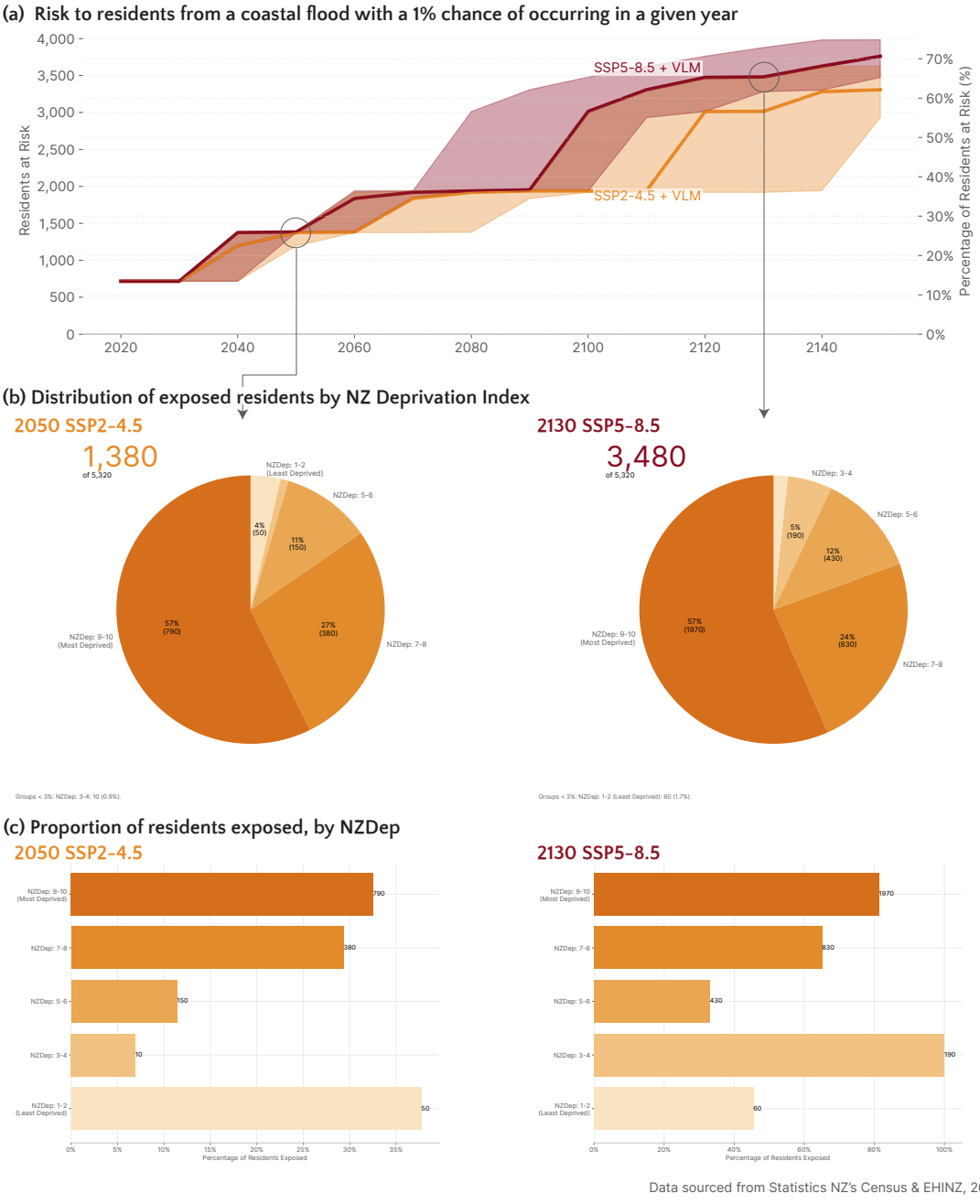


Figure 4.21: Risk to residents in Greater Westport from 1% AEP river flooding, derived from exposure to residential property.

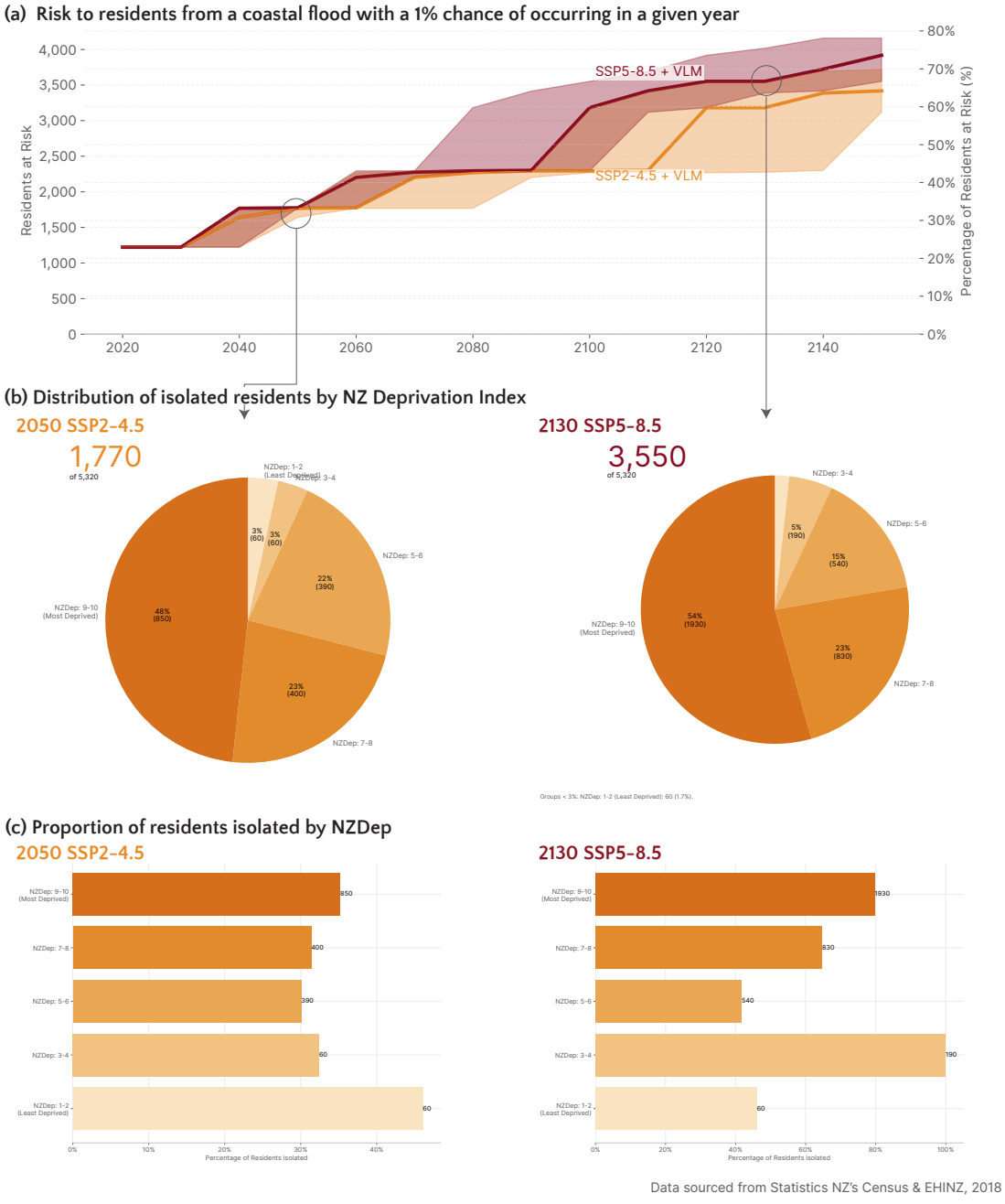
Rising relative sea levels will expose more residents and their properties to coastal flooding in Greater Westport



Data sourced from Statistics NZ's Census & EHINZ, 2018

Figure 4.22: Risk to residents in Greater Westport from 1% AEP coastal flooding, derived from exposure to residential property.

Rising relative sea levels will mean more residents are unable to access essential services as a result of coastal flooding in Greater Westport



Data sourced from Statistics NZ's Census & EHINZ, 2018

Figure 4.23: Risk to residents being isolated in Greater Westport from 1% AEP coastal flooding, derived from exposure to roads and essential services and road travelling techniques.

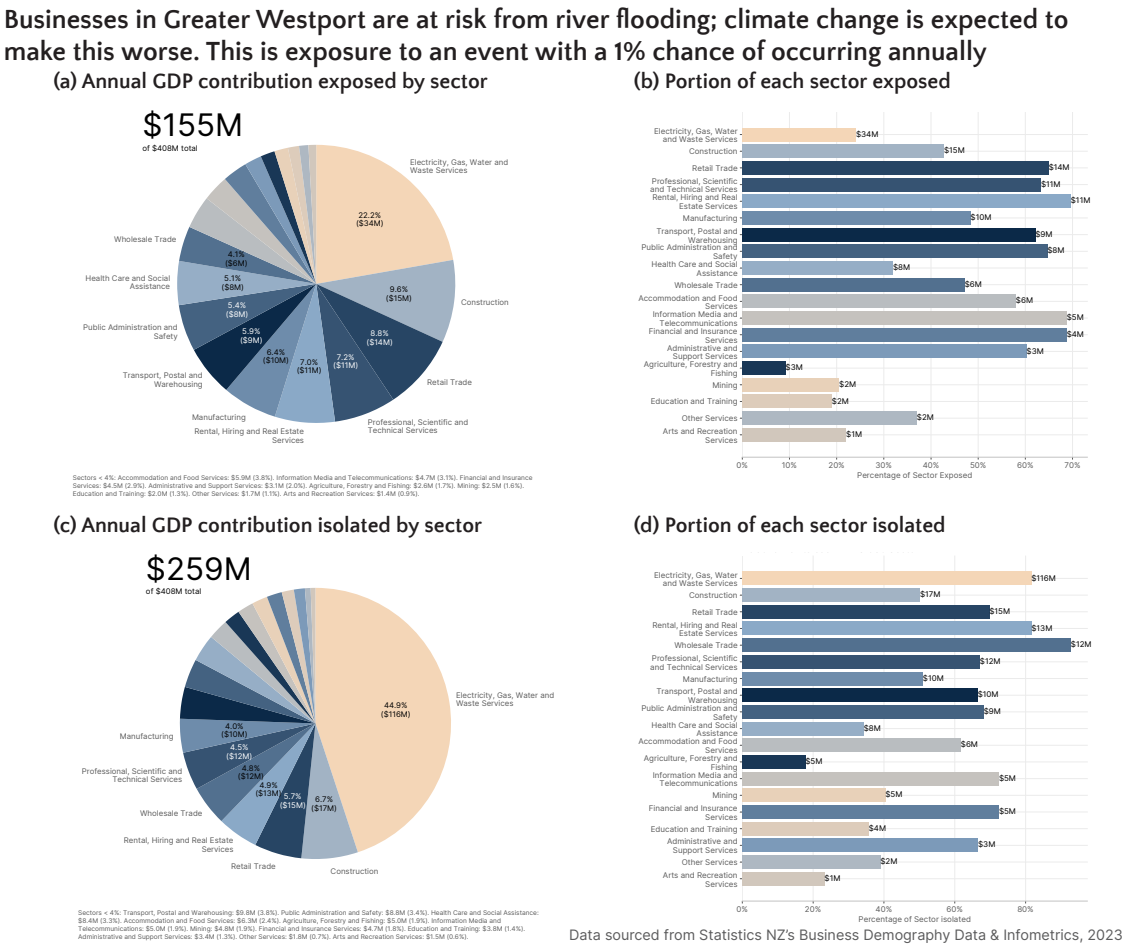


Figure 4.24: Risk to economic sectors in Greater Westport from 1% AEP river flooding, derived from exposure to industrial and commercial property.

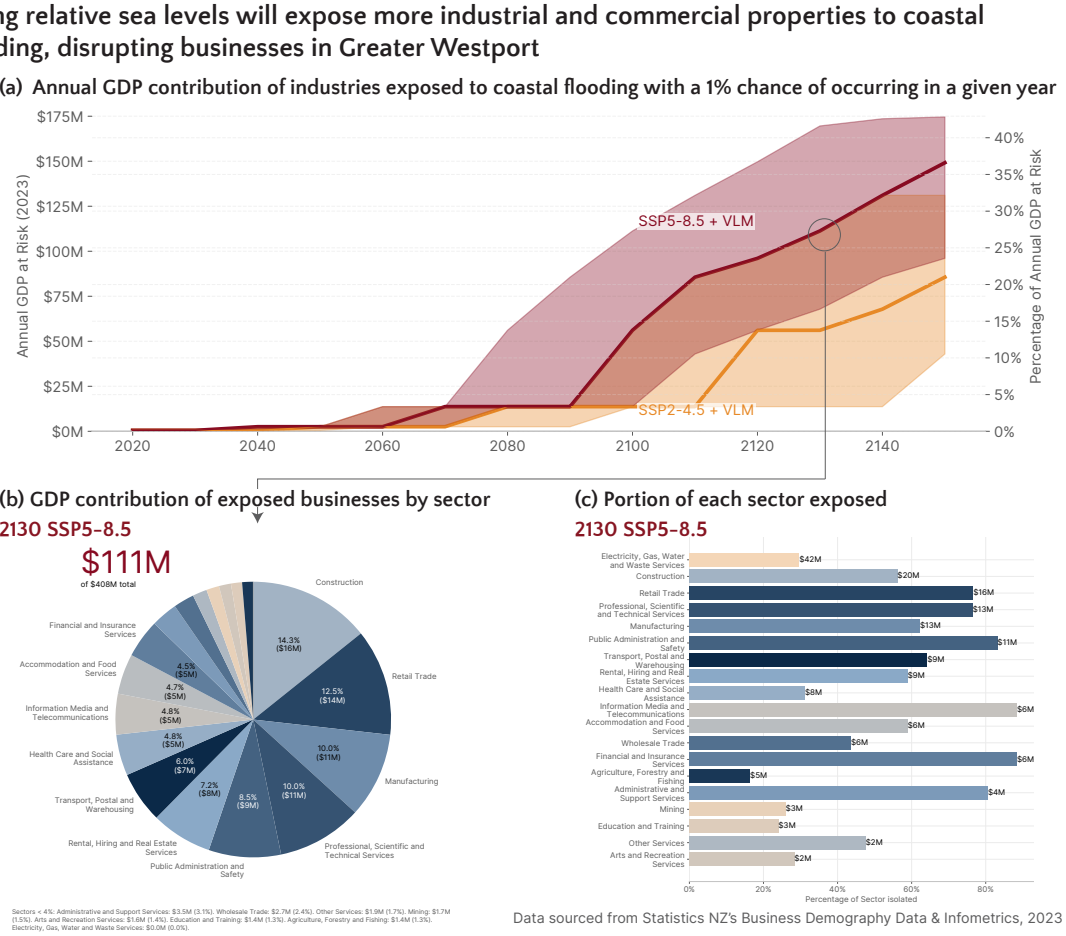
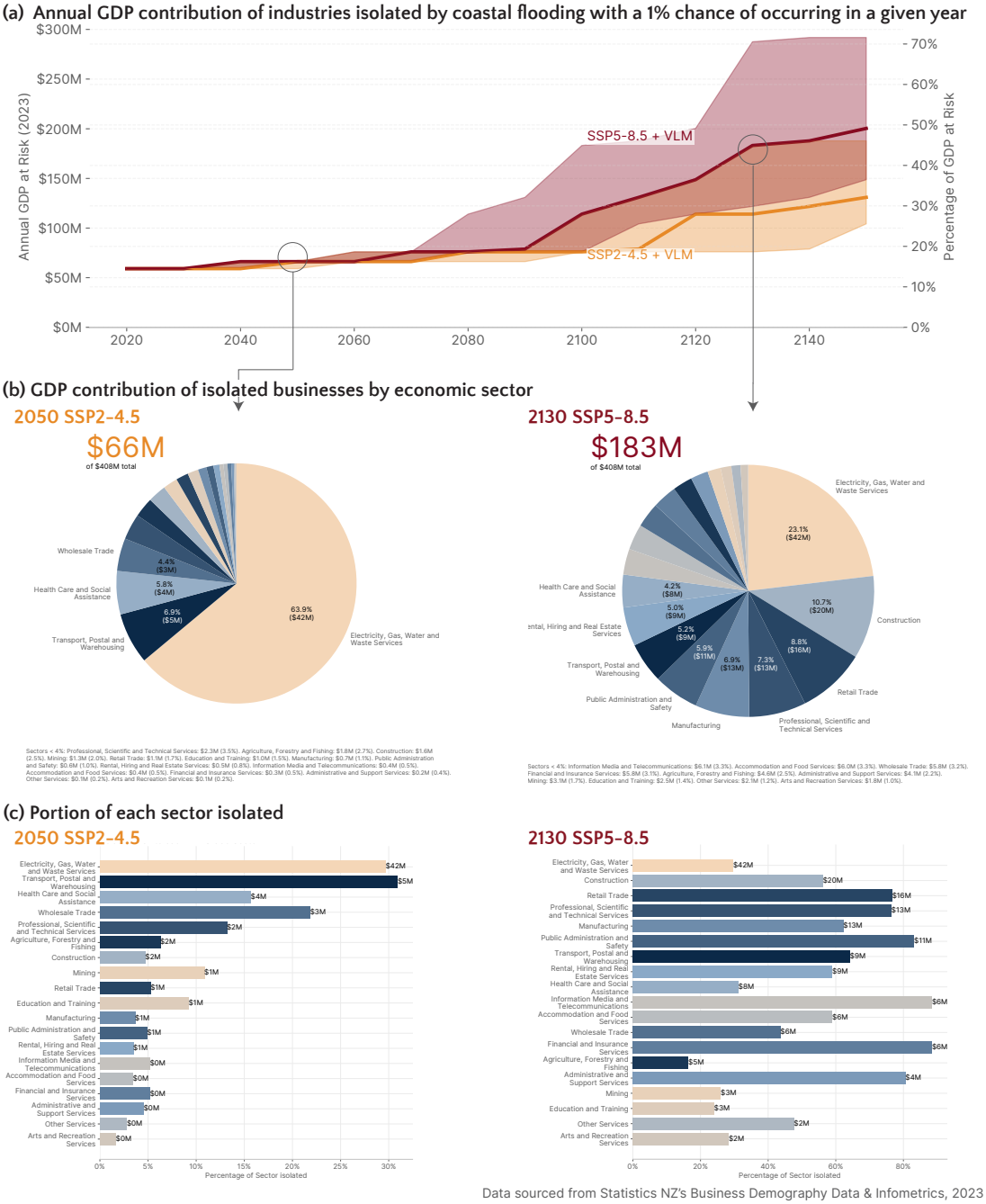


Figure 4.25: Risk to economic sectors in Greater Westport from 1% AEP coastal flooding, derived from exposure to industrial and commercial property.

Rising relative sea levels will result in industrial and commercial properties being isolated due to coastal flood events, disrupting business in Greater Westport



Data sourced from Statistics NZ's Business Demography Data & Infometrics, 2023

Figure 4.26: Risk to economic sectors in Greater Westport from isolation caused by 1% AEP coastal flooding, derived from exposure the road network.

Table 4.11: Employment and Economic Contribution in Greater Westport

ANZSIC06 Division	**Percentage of total Greater Westport work-force employed (%)**	**Contribution to Greater Westport GDP (%)**
Health Care and Social Assistance	13.1	6.0
Construction	11.0	8.5
Retail Trade	11.2	5.1
Accommodation and Food Services	10.0	2.5
Education and Training	9.1	2.6
Manufacturing	6.8	5.0
Transport, Postal and Warehousing	5.0	3.6
Agriculture, Forestry and Fishing	4.7	6.9
Wholesale Trade	4.3	3.3
Public Administration and Safety	4.2	3.2
Professional, Scientific and Technical Services	4.2	4.3
Arts and Recreation Services	3.3	1.5
Information Media and Telecommunications	2.5	1.7
Electricity, Gas, Water and Waste Services	2.0	35.0
Other Services	1.6	1.1
Mining	1.4	2.9
Financial and Insurance Services	1.1	1.6
Rental, Hiring and Real Estate Services	0.4	3.8

Variable	Season	SSP2-4.5		SSP3-7.0	
		2041-2060	2081-2100	2041-2060	2081-2100
Average daily air temperature (°C)					
	Annual	1.0 (1.0, 1.0)	1.8 (1.8, 1.9)	1.3 (1.3, 1.3)	2.8 (2.8, 2.9)
	Summer	1.1 (1.1, 1.2)	2.0 (2.0, 2.0)	1.5 (1.5, 1.5)	3.3 (3.2, 3.3)
	Autumn	1.1 (1.1, 1.1)	1.9 (1.9, 2.0)	1.3 (1.3, 1.3)	3.0 (3.0, 3.0)
	Winter	1.0 (1.0, 1.0)	1.8 (1.8, 1.8)	1.2 (1.2, 1.2)	2.7 (2.6, 2.7)
	Spring	0.9 (0.8, 0.9)	1.6 (1.6, 1.7)	1.1 (1.1, 1.1)	2.4 (2.4, 2.5)
Total rainfall (%)					
	Annual	3.4 (3.3, 3.6)	5.1 (4.8, 5.5)	2.5 (2.3, 2.9)	3.3 (2.8, 3.8)
	Summer	2.3 (1.9, 2.5)	4.2 (3.9, 4.6)	1.4 (1.1, 1.7)	-1.2 (-1.6, -0.7)
	Autumn	-4.5 (-4.7, -4.2)	-1.1 (-1.6, -0.5)	-4.2 (-4.4, -4.0)	-5.3 (-5.7, -4.9)
	Winter	8.8 (8.8, 8.9)	7.2 (7.1, 7.5)	10.0 (9.9, 10.4)	9.7 (9.1, 10.6)
	Spring	6.6 (6.3, 7.1)	9.5 (9.2, 10.3)	3.0 (2.6, 3.6)	9.2 (8.7, 10.0)
Number of windy days (>10m/s) (days)					
	Annual	-0.1 (-0.1, -0.0)	-0.1 (-0.2, -0.0)	-0.1 (-0.1, -0.0)	-0.0
	Summer	-0.0 (-0.0, -0.0)	-0.0 (-0.0, -0.0)	0.0 (0.0, 0.0)	0.0 (0.0, 0.1)
	Autumn	-0.0	0.0 (0.0, 0.0)	0.0 (0.0, 0.0)	-0.0 (-0.0, -0.0)
	Winter	-0.0 (-0.0, -0.0)	-0.0 (-0.0, 0.0)	-0.0 (-0.0, -0.0)	0.0 (0.0, 0.0)
	Spring	-0.1 (-0.1, -0.0)	-0.1 (-0.2, -0.0)	-0.1 (-0.1, -0.0)	-0.0 (-0.1, -0.0)
Growing degree days (base 10°C)	Annual	291.6 (241.9, 310.2)	537.3 (448.4, 570.7)	365.8 (306.5, 387.6)	869.0 (746.3, 914.7)
Number of dry days (<1mm)	Annual	-0.5 (-0.7, -0.3)	-1.2 (-1.4, -1.1)	-0.8 (-1.2, -0.4)	2.4 (2.1, 2.7)
Number of very rainy days (>25mm)	Annual	2.6 (2.5, 3.0)	2.4 (2.2, 2.6)	2.0 (1.8, 2.1)	2.7 (2.5, 3.0)
Number of frost days (<0°C)	Annual	-2.7 (-6.4, -0.8)	-4.1 (-10.4, -1.1)	-3.3 (-8.0, -1.1)	-4.7 (-12.4, -1.2)
Number of hot days (>25°C)	Annual	4.0 (0.8, 6.9)	9.8 (3.0, 15.3)	6.3 (1.7, 10.5)	28.5 (12.2, 39.5)
Number of very hot days (>30°C)	Annual	0.0 (0.0, 0.0)	0.0 (0.0, 0.1)	0.0 (0.0, 0.0)	0.4 (0.0, 0.8)

Table 4.12: Climate projections for Greater Westport (2041-2060 and 2081-2100). The table shows average (min, max) values for selected climate variables using downscaled AR6 climate data [20].

4.6 Carters Beach

Figure 4.27: Carters Beach Adaptation Area

Carters Beach is a coastal village located approximately 6km from Westport, with a population of around 330 residents. Its proximity to Westport means it is closely tied to the larger town for services and employment, while maintaining its distinct character as a beachside community. The area faces significant risks from coastal hazards and flooding Table 4.13 provides a summary of the hazards and a description of the available data in the Carters Beach adaptation area. The data is also classified by suitability, relating to how much confidence there is in the modelling.

Table 4.13: Summary and suitability for adaptation planning of hazard information available in the Carters Beach adaptation area

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Hazard	Suitability	Description
River Flooding	High	Detailed data available for various climate scenarios up to 2100.
Coastal Flooding	High	Detailed data available for various sea level rise scenarios.
Tidal Flooding	No mapped data available	
Shallow Groundwater Flooding	No mapped data available	

River flooding poses a significant threat to Carters Beach (Figure 4.28). Current data shows that 76.4% of residential buildings are at risk under a 1% AEP flood event, with 87% of the population exposed to flooding risk. Critical infrastructure is highly vulnerable, with 70.0% of potable water pipes, 80.9% of stormwater pipes, and 75.3% of wastewater pipes at risk. Transportation networks are significantly impacted with 44.5% of the roads vulnerable to flooding.

The risk is particularly acute for certain demographic groups, with 90.1% of residents over 65, 97.0% of households without vehicles, and 96.8% of rental households at risk of isolation during flood events. These figures indicate potential evacuation challenges and suggest disparities based on housing tenure. By 2100 under the RCP8.5 scenario, these risks are projected to increase further, with 83.0% of residential buildings.

Coastal flooding presents an increasing threat to Carters Beach over time (Figure 4.30). Currently, about 15.4% of the population is exposed to coastal flooding risk. By 2050 under the SSP2-4.5 scenario, this percentage remains stable at 15.4%, but by 2100, it could increase to 58.9% of the population. Infrastructure at risk under present-day conditions includes 39.8% of potable water pipes, 50% of potable water pumps, 4.8% of local roads, 81.2% of stormwater pipes, and 60% of stormwater pumps (Figure 4.29.)

The risk of isolation due to coastal flooding is significant and increasing (Figure 4.30.) Currently, about 11.7% of the population is at risk of isolation. By 2050, this increases to 35.4% under the SSP2-4.5 scenario, and by 2100, up to 100% of the population could be at risk of isolation under the SSP5-8.5 scenario.

Isolation from Westport threatens access to main services and healthcare. Community gathering places, including the golf course, are at risk from flooding and erosion. The community has a social deprivation index of 7, indicating existing socioeconomic challenges that could be exacerbated by climate impacts. Key social infrastructure at risk includes sports fields (impacted by erosion and storm surges), the nearby airport runway, and the local campground. The Civil Defence Centre, crucial for emergency response, may also be at risk.

Carters Beach

Areas exposed to and isolated by mapped hazards. Understanding where is at risk and to what hazards can support prioritising resilience efforts

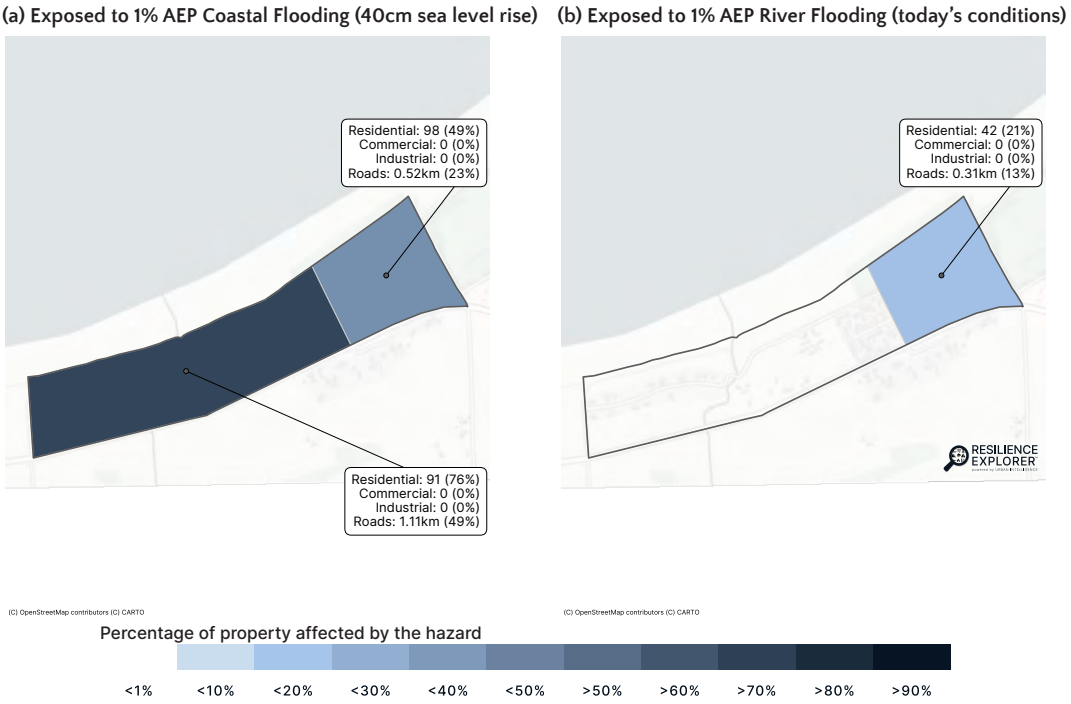
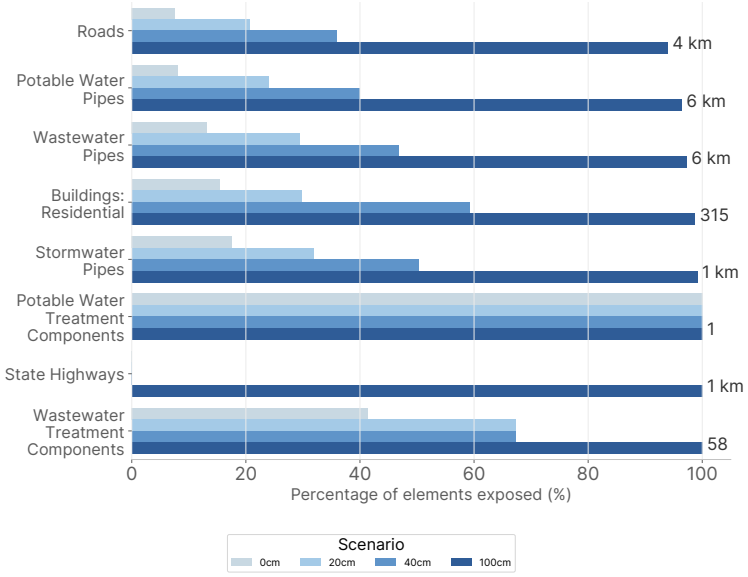
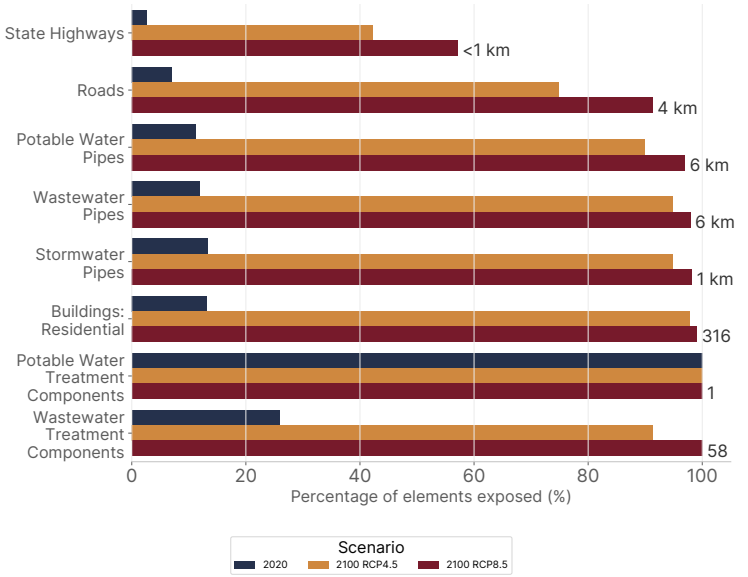


Figure 4.28: Exposed properties in Carters Beach from the mapped hazards.



(a) Exposure to 1% AEP Coastal Flooding



(b) Exposure to 1% AEP River Flooding

Figure 4.29: The threat to built infrastructure from different hazards and future climate scenarios in Carters Beach

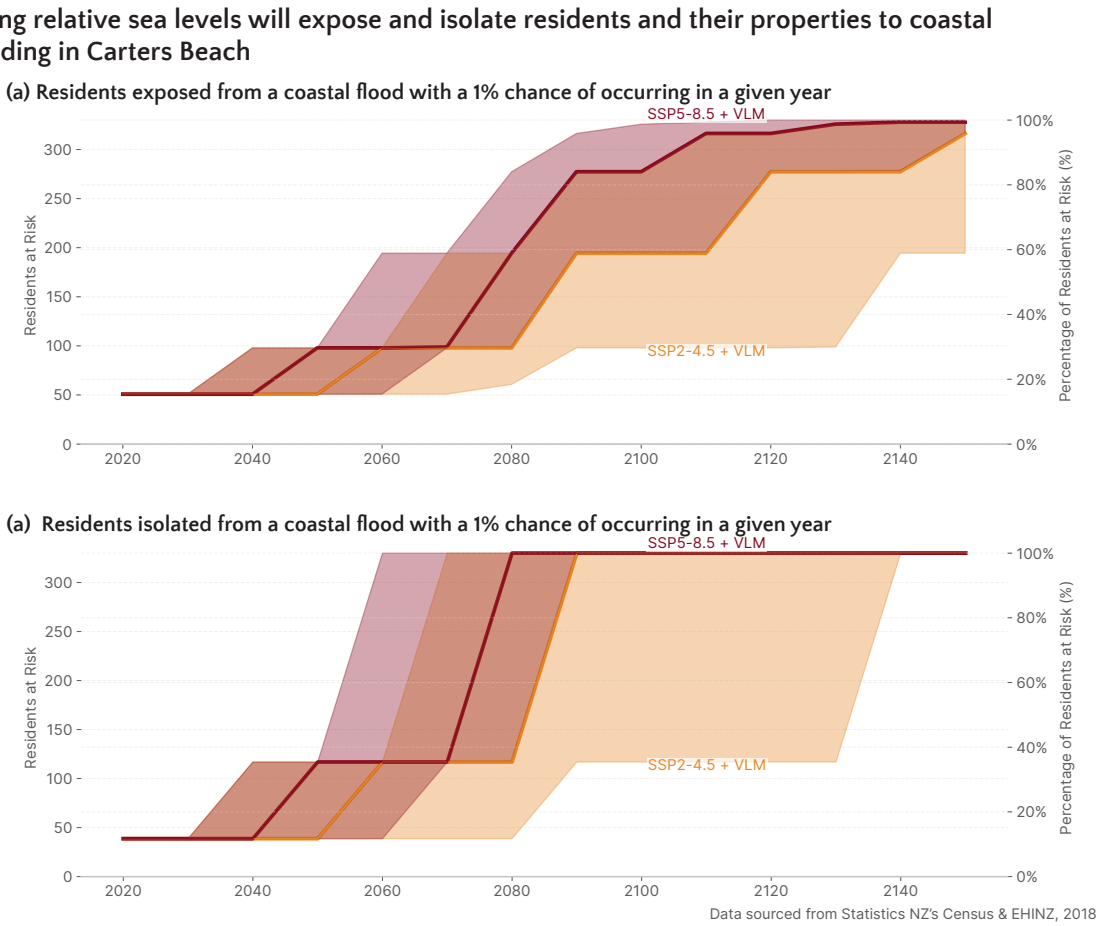


Figure 4.30: Risk to residents in Carters Beach from 1% AEP coastal flooding, derived from exposure to residential property.

Variable	Season	SSP2-4.5		SSP3-7.0	
		2041-2060	2081-2100	2041-2060	2081-2100
Average daily air temperature (°C)					
	Annual	1.0	1.8	1.3	2.8
	Summer	1.1	2.0	1.5	3.2
	Autumn	1.1	1.9	1.3	3.0
	Winter	1.0	1.8	1.2	2.6
	Spring	0.8	1.6	1.1	2.4
Total rainfall (%)					
	Annual	3.4	4.8	2.3	2.8
	Summer	2.3	4.1	1.1	-1.6
	Autumn	-4.7	-1.6	-4.3	-5.6
	Winter	8.8	7.2	9.9	9.1
	Spring	6.5	9.2	2.6	8.7
Number of windy days (>10m/s) (days)					
	Annual	-0.1	-0.2	-0.1	0.0
	Summer	-0.0	-0.0	0.0	0.1
	Autumn	0.0	0.0	0.0	-0.0
	Winter	-0.0	-0.0	-0.0	0.0
	Spring	-0.1	-0.2	-0.1	-0.1
Growing degree days (base 10°C)	Annual	310.2	570.7	387.6	914.7
Number of dry days (<1mm)	Annual	-0.5	-1.2	-0.7	2.7
Number of very rainy days (>25mm)	Annual	2.5	2.2	1.8	2.6
Number of frost days (<0°C)	Annual	-0.8	-1.1	-1.1	-1.2
Number of hot days (>25°C)	Annual	3.2	8.8	5.2	28.0
Number of very hot days (>30°C)	Annual	0.0	0.0	0.0	0.3

Table 4.14: Climate projections for Carters Beach (2041-2060 and 2081-2100). The table shows average (min, max) values for selected climate variables using downscaled AR6 climate data [20].

4.7 Reefton and Inland

Figure 4.31: Reefton and Inland Adaptation Area

The Reefton and Inland adaptation area encompasses a diverse range of inland settlements in the Buller District, including Reefton, Lower Buller Gorge, Inangahua, Cronadun, Blacks Point, Rahu Saddle, Ikamatua, Waiuta (a ghost town), Mawheraiti, Maimai, Springs Junction, and Upper Buller Gorge. This area, stretching from the Buller Gorge in the north to Springs Junction in the south, represents a significant portion of the district's inland territory.

Reefton, the largest town in this adaptation area, is located approximately an hour from Westport and is nestled within the Victoria Forest Park. With a stable population of over 1,500 residents, Reefton serves as a hub for the surrounding smaller settlements. The area has a rich mining heritage that forms an integral part of its local identity, with many historic buildings and infrastructure reflecting this long-standing connection to the mining industry.

The Reefton and inland adaptation area is unique as it covers the only inland settlements in the West Coast region. The landscape is characterized by rugged terrain, including the Paparoa and Victoria Ranges, extensive forested areas, and several significant river systems such as the Inangahua, Grey, and Maruia Rivers. While much of the area is covered by native forest, there are also large parcels of land cleared for agricultural purposes, particularly around Reefton and in river valleys.

While river flooding is understood to present a significant risk across much of this adaptation area, detailed flood hazard data is not currently available for this assessment. The primary hazard for which we have data is landslides, which pose risks to both the built environment and the communities throughout the area. Table 4.15 provides a summary of the hazards and a description of the available data in the Reefton and Inland adaptation area. The data is also classified by suitability, relating to how much confidence there is in the modelling.

Table 4.15: Summary and suitability for adaptation planning of hazard information available in the Reefton and Inland adaptation area

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Hazard	Suitability	Description
Landslide	Low	Only current-day landslide data available, no future climate conditions are considered.
River Flooding	No mapped data available, but understood to be a significant risk	
Shallow Groundwater Flooding	No mapped data available	
Wildfire	No mapped data available	

Landslide risk poses a significant threat to both infrastructure and residents throughout the Reefton and Inland adaptation area (Figure 4.32). Current data shows that 2.2% (89) of residential buildings across the area are exposed to landslide risk. While commercial and industrial buildings show no direct exposure in the data, the potential for landslides to disrupt access and supply chains remains a significant concern, particularly given the area's rugged topography and reliance on a limited number of road connections.

Infrastructure exposure to landslides is substantial, particularly for transportation networks. Approximately 20.5% of state highways and 14.0% of local roads in the area are exposed to landslide risk. This high level of exposure could lead to isolation events, potentially cutting off entire communities and disrupting access to essential services and economic activities. The vulnerability of the road network is particularly critical given the dispersed nature of settlements in this adaptation area and their reliance on road connections for access to larger centres like Reefton and Westport. Water infrastructure shows limited direct exposure, with only 0.2% of potable water pipes at risk.

The risk to the population is notable, with about 1.6% (28) of residents directly exposed to landslide

Reefton and Inland

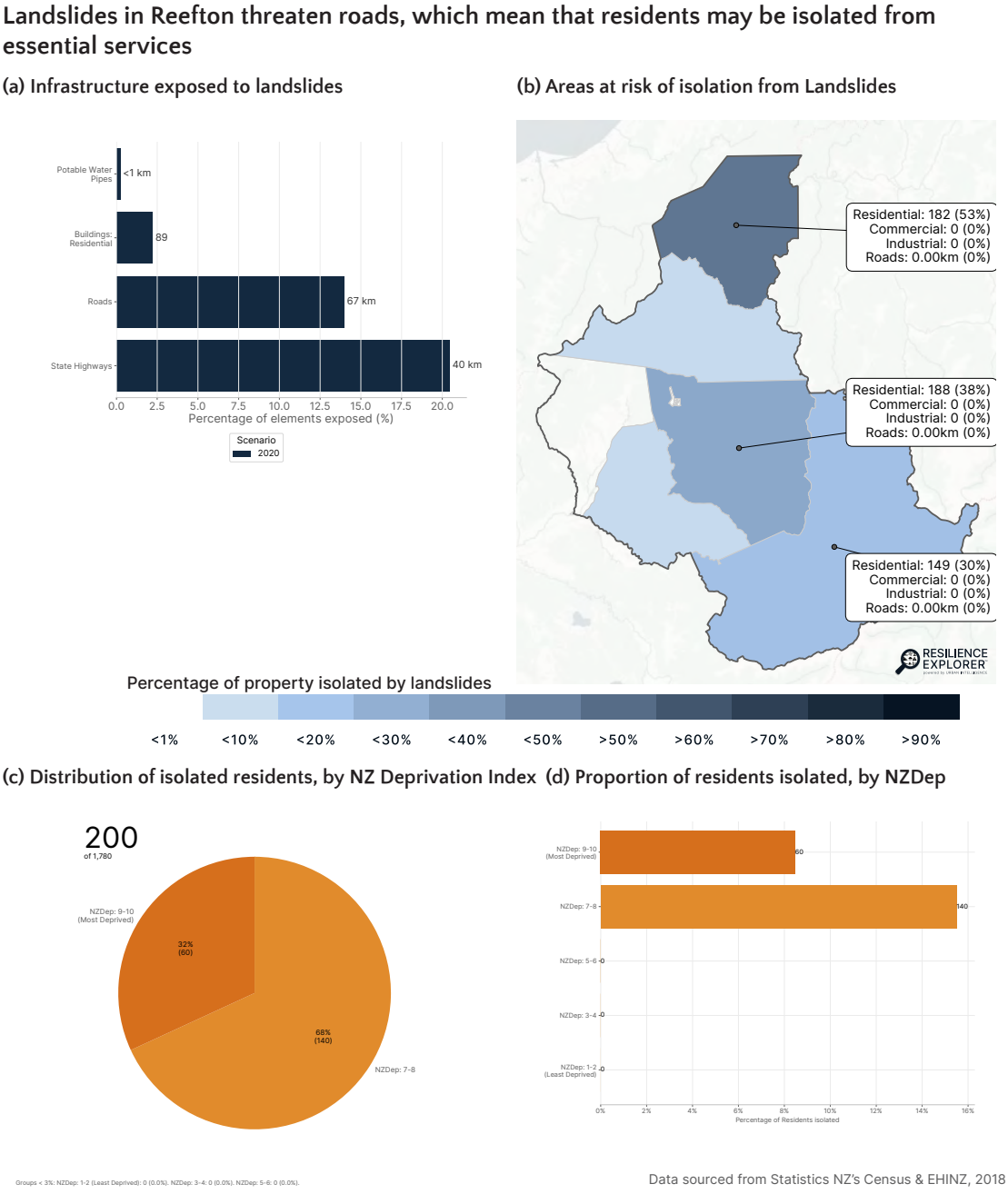

Figure 4.32: Risk in inland Buller from the landslides.

risk. However, the risk of isolation due to landslides is more severe, potentially affecting 11.2% (199) of the population. This isolation risk is particularly concerning for vulnerable groups, with 9.5% (34) of residents over 65 and 6.5% (3) of households without vehicles at risk of isolation. Given the rural nature of much of this adaptation area, these isolation risks could have severe consequences for access to healthcare, supplies, and emergency services.

The social vulnerability of the communities is evident in the landslide risk distribution across socioeconomic groups. Residents in areas with higher deprivation (NZDep 7-10) face greater exposure and isolation risks. Approximately 2.0% of residents in NZDep 9-10 areas are exposed to landslide risk, with 8.5% at risk of isolation. For NZDep 7-8 areas, 1.5% are exposed, with a significant 15.5% at risk of isolation. This disparity highlights the need for targeted adaptation strategies that address the specific vulnerabilities of these communities.

While not currently mapped, river flooding likely poses a significant risk across the Reefton and Inland adaptation area. The Inangahua, Grey, and Maruia Rivers, along with numerous smaller waterways, have histories of flooding in their respective valleys. Increased precipitation and extreme weather events due to climate change are likely to lead to more frequent and severe flooding events, potentially affecting settlements like Reefton, Inangahua, and Ikamatua.

Climate change poses several risks to the natural environment in the Reefton Adaptation Area (Table 4.7.) The extensive forested areas, including the Victoria Forest Park and parts of the Paparoa Range, may experience changes in composition and health due to increased temperatures and rainfall. This could impact indigenous flora and fauna, making them more vulnerable to invasive and exotic species. The beech forest ecosystem, which includes unique relationships with scale insects, mast seed dispersions, and mistletoe, is particularly at risk.

The riverine ecosystems of the Inangahua, Grey, and Maruia Rivers and their tributaries are likely to be modified by increased precipitation and extreme weather events. Changes in hydrological characteristics could impact aquatic habitats and species, including threatened species like the whio (blue duck). The area's diverse range of endemic species, including numerous powelliphanta snail species and subspecies, may face increased pressure from changing climatic conditions.

Economically, the Reefton and Inland adaptation area contributes around 25% of Buller's total annual GDP (Table 4.16). Key sectors include Agriculture, Forestry and Fishing, Mining, Construction, and Accommodation and Food Services. While there has been positive growth in tourism and mining, including potential antimony (an increasingly in-demand, rare-earth metal used in solar cells and batteries) mining developments, these sectors could be vulnerable to climate-related disruptions, particularly from acute storm events damaging infrastructure or mine sites.

The high exposure of transportation networks to landslide risk poses a significant threat to the area's economy. Isolation events could disrupt supply chains, affect workforce mobility, and impact the tourism sector, which is increasingly important for towns like Reefton and attractions in the Buller Gorge. The agriculture and forestry sectors, which are major contributors to the local economy, may also face challenges from changing climate conditions and increased natural hazard risks.

Reefton and Inland

Table 4.16: Employment and Economic Contribution in Reefton and Inland

ANZSIC06 Division	Percentage of total Reefton and Inland workforce employed (%)	Contribution to Reefton and Inland GDP (%)
Agriculture, Forestry and Fishing	29.4	36.5
Mining	19.3	34.8
Construction	13.3	8.7
Accommodation and Food Services	10.1	2.1
Retail Trade	8.4	3.3

Variable	Season	SSP2-4.5		SSP3-7.0	
		2041-2060	2081-2100	2041-2060	2081-2100
Average daily air temperature (°C)					
	Annual	1.1 (1.1, 1.1)	2.0 (1.9, 2.0)	1.4 (1.3, 1.4)	3.0 (2.9, 3.1)
	Summer	1.3 (1.2, 1.3)	2.1 (2.1, 2.2)	1.6 (1.6, 1.6)	3.5 (3.4, 3.6)
	Autumn	1.2 (1.1, 1.2)	2.0 (2.0, 2.1)	1.4 (1.3, 1.4)	3.1 (3.0, 3.1)
	Winter	1.0 (1.0, 1.1)	1.9 (1.8, 2.0)	1.2 (1.2, 1.3)	2.8 (2.7, 2.9)
	Spring	1.0 (0.9, 1.0)	1.8 (1.7, 1.9)	1.2 (1.2, 1.3)	2.7 (2.5, 2.8)
Total rainfall (%)					
	Annual	1.6 (0.1, 3.0)	2.5 (-1.2, 5.4)	0.8 (-1.6, 3.5)	0.8 (-3.7, 3.8)
	Summer	-0.6 (-2.7, 1.2)	0.8 (-3.3, 4.4)	-0.1 (-3.6, 2.3)	-4.0 (-7.3, -0.4)
	Autumn	-3.2 (-5.9, -1.4)	-0.4 (-3.5, 1.9)	-4.9 (-7.3, -2.1)	-5.5 (-8.9, -2.0)
	Winter	7.2 (5.6, 9.1)	5.3 (0.1, 7.7)	8.3 (5.0, 12.4)	8.5 (2.3, 12.3)
	Spring	2.4 (-1.3, 6.0)	3.6 (-0.8, 9.2)	-0.0 (-2.8, 2.8)	3.0 (-4.8, 9.4)
Number of windy days (>10m/s) (days)					
	Annual	-0.0 (-0.4, 0.6)	0.0 (-0.9, 1.1)	-0.0 (-1.7, 0.2)	0.0 (-1.6, 1.4)
	Summer	-0.1 (-1.2, 0.0)	-0.1 (-1.3, 0.1)	-0.0 (-1.2, 0.1)	-0.1 (-2.4, 0.1)
	Autumn	-0.0 (-0.8, 0.1)	-0.0 (-0.8, 0.1)	-0.1 (-1.3, 0.0)	-0.1 (-2.1, 0.0)
	Winter	0.0 (-0.1, 0.8)	0.0 (-0.1, 0.9)	0.0 (-0.1, 0.8)	0.1 (-0.0, 1.9)
	Spring	0.1 (-0.0, 1.4)	0.1 (-0.1, 1.6)	0.0 (-0.1, 1.1)	0.1 (-0.0, 2.3)
Growing degree days (base 10°C)	Annual	219.5 (114.1, 301.8)	399.1 (208.7, 554.0)	275.9 (146.5, 380.9)	661.0 (371.6, 893.7)
Number of dry days (<1mm)	Annual	0.1 (-1.7, 1.4)	-0.7 (-2.8, 1.5)	-0.0 (-1.8, 1.1)	3.9 (1.6, 6.1)
Number of very rainy days (>25mm)	Annual	1.1 (-0.2, 2.4)	0.9 (-1.4, 3.0)	0.6 (-1.7, 2.8)	0.6 (-2.9, 4.0)
Number of frost days (<0°C)	Annual	-15.9 (-30.1, -6.3)	-27.3 (-51.2, -10.2)	-18.7 (-34.3, -7.7)	-36.3 (-66.5, -13.2)
Number of hot days (>25°C)	Annual	8.7 (0.0, 18.1)	16.3 (0.1, 33.8)	12.1 (0.1, 25.2)	34.8 (0.7, 63.7)
Number of very hot days (>30°C)	Annual	0.5 (-0.0, 2.9)	1.1 (-0.0, 5.1)	0.7 (0.0, 3.2)	4.0 (0.0, 14.0)

Table 4.17: Climate projections for Reefton (2041-2060 and 2081-2100). The table shows average (min, max) values for selected climate variables using downscaled AR6 climate data [20].

4.8 Charleston and the Cape

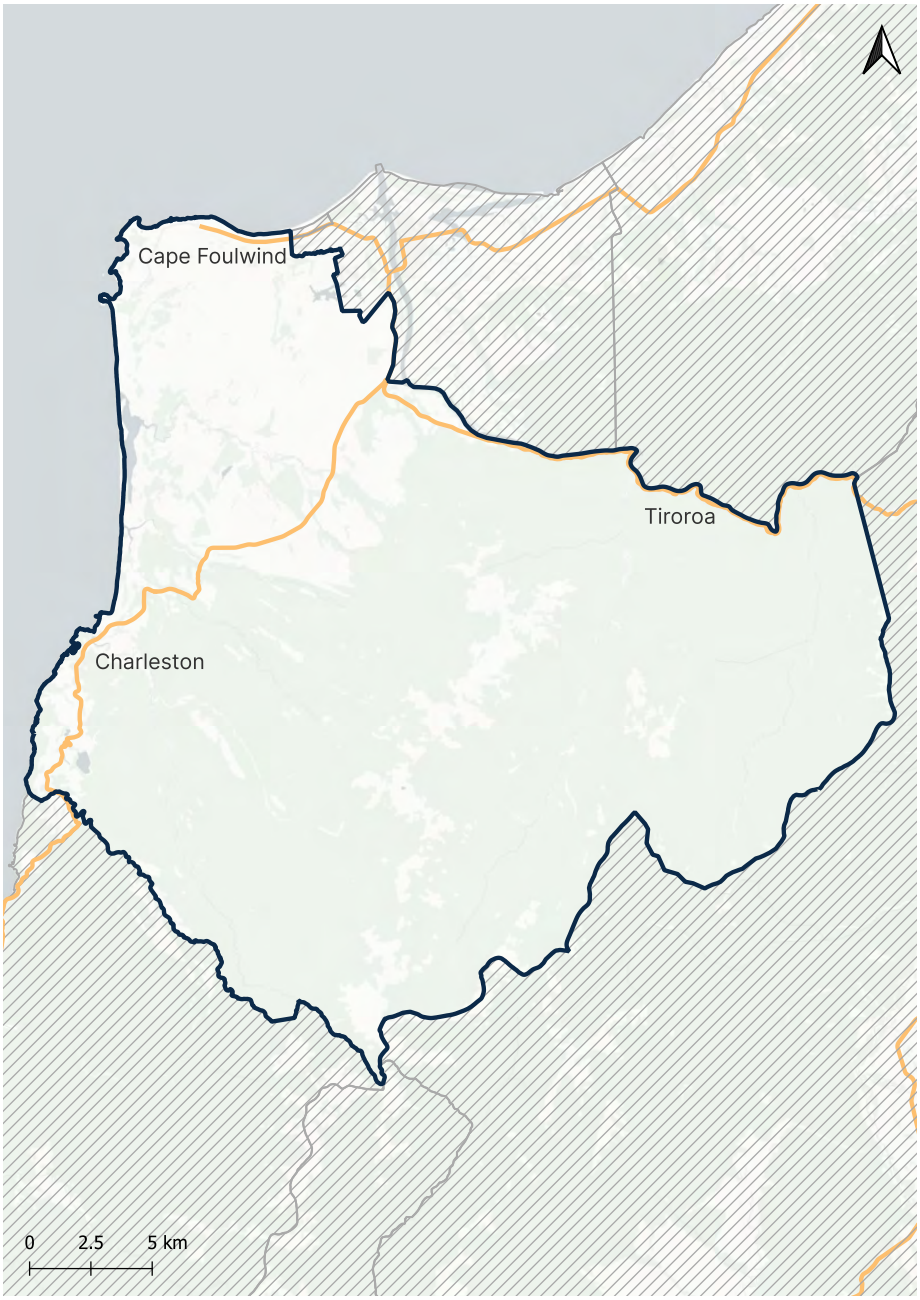

Figure 4.33: Charleston and the Cape Adaptation Area

Charleston and the Cape

Charleston is a coastal village located approximately 30km south of Westport along the Coast Road. Once a thriving goldmining settlement, it has transformed into a tourism destination, renowned for its limestone caves in the Paparoa National Park and Nile River Valley. The village has a population of 141, with a declining demographic trend and a social deprivation decile of 6. Much of Charleston village is elevated above the coast; however, the adaptation area encompasses areas such as Beach Road, through to Cape Foulwind.

Charleston faces several climate-related risks to varying extents, primarily from coastal flooding and landslides. Table 4.18 provides a summary of the hazards and a description of the available data in the Charleston and the Cape adaptation area. The data is also classified by suitability, relating to how much confidence there is in the modelling.

Table 4.18: Summary and suitability for adaptation planning of hazard information available in the Charleston and the Cape adaptation area

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Hazard	Suitability	Description
Coastal Flooding	High	Available data represent the extent and depth of a 1% AEP event with sea-level rise changed between 0-2m, in 20cm increments.
Landslide	Low	Only current-day landslide data available, no future climate conditions are considered.
River Flooding	No mapped data available	
Tidal Flooding	No mapped data available. Unlikely to be a significant risk	
Shallow Groundwater Flooding	No mapped data available. Unlikely to be a significant risk	
Wildfire	No mapped data available	

Infrastructure at risk under present-day conditions includes 3.4% of state highways and 3.6% of local roads (Figure 4.34. This exposure significantly increases with sea level rise, potentially reaching 5.9% of state highways and 7.8% of local roads by 2100 under a high emissions scenario.

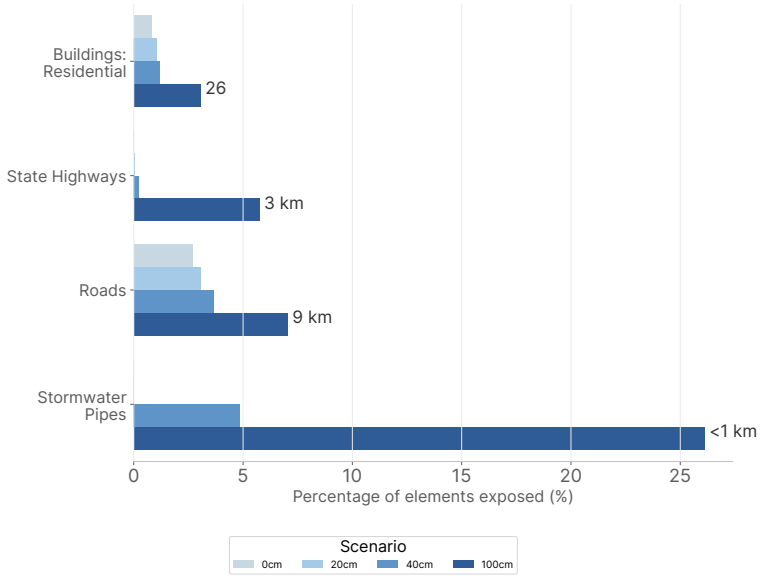
The risk of isolation due to coastal flooding is more severe than direct exposure (Figure 4.35). Currently, about 10.6% of the population is at risk of isolation. By 2050, this increases to 13.1% under the SSP2-4.5 scenario, and by 2100, it could reach 23.8% under the SSP5-8.5 scenario.

The risk of landslides threaten 3.5% of potable water pipes, 5.7% of potable water pump stations, and a substantial 21.4% of potable water treatment plants. Road networks are also highly exposed with 8.6% of roads, but 26.1% of state highways.

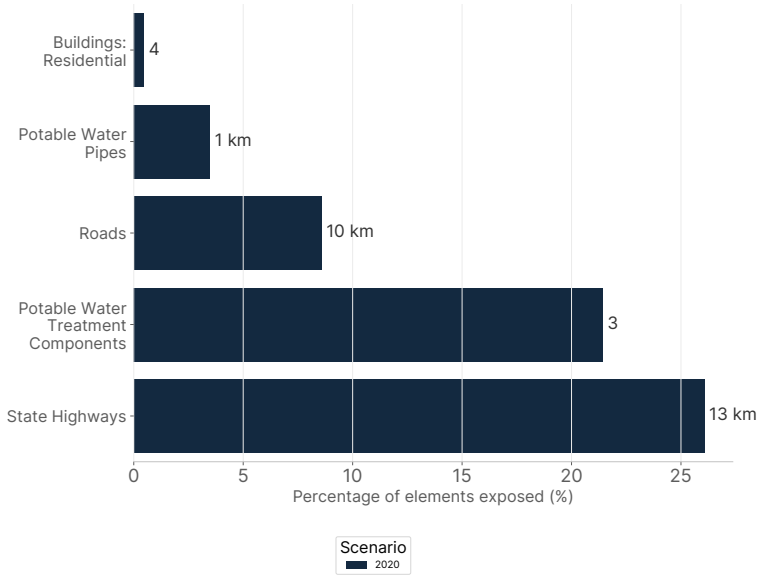
Coastal flooding presents a minor threat to the Charleston and Cape adaptation area (Figure 4.36). Currently, about 0.8% of the population is exposed to coastal flooding risk. By 2050, under the SSP2-4.5 scenario, this percentage remains stable. However, by 2100, it could increase to 3.5% of the population.

The risk to the population from landslides is primarily through isolation. Approximately 19.3% (74) of the population is at risk of being cut off from outside access due to landslides. This includes 24.7% (13) of residents over 65, who may be particularly vulnerable during isolation events.

A more pressing risk to Charleston is the potential “islanding” effect that these hazards could have, cutting Charleston off from the rest of the district and region. This would limit the ability of emergency services to get in and for people to get out.



(a) Exposure to 1% AEP Coastal Flooding



(b) Exposure to Landslides

Figure 4.34: The threat to built infrastructure from different hazards and future climate scenarios in Charleston

The high risk of isolation and islanding threatens access to essential services, which is particularly concerning given the lack of healthcare providers in Charleston. The Charleston Hall, a key community facility, may be at risk from landslides, which could potentially impact the social cohesion of the adaptation area. Access to and use of Nine Mile Beach, an important recreational asset, could be compromised by coastal erosion and flooding.

Wildfires are a potential risk to the Charleston and the Cape adaptation area due the spread of mānuka and gorse. FENZ has identified the Charleston area as special risk at present, but with increased annual temperatures and extreme wind events, this could be further exacerbated and pose additional risks to this area.Table 4.8 depicts how climate change is expected to bring changes in temperature and wind events.

The natural environment of the adaptation area is characterised by karst limestone caves, coastal forests, rocky beaches, and rivers, faces several climate-related risks. The Paparoa National Park and Nile River Valley, crucial for both biodiversity and tourism, may experience changes in forest composition and hydrological characteristics. The coastal and marine ecosystems are threatened by sea-level rise, erosion, and increased storm frequency. The area's unique biodiversity, including endangered species like the great spotted kiwi and various endemic invertebrates, may face increased pressure from changing climatic conditions.

Economically, the Charleston and Cape adaptation area is heavily reliant on tourism, particularly through attractions like Underworld Adventures and the seal colony in Tauranga Bay. The Agriculture, Forestry, and Fishing sector also plays a significant role. Climate change poses risks to both these sectors through potential damage to natural attractions, disruption to access routes, and changes in primary production conditions.

Areas exposed to and isolated by mapped hazards. Understanding where is at risk and to what hazards can support prioritising resilience efforts

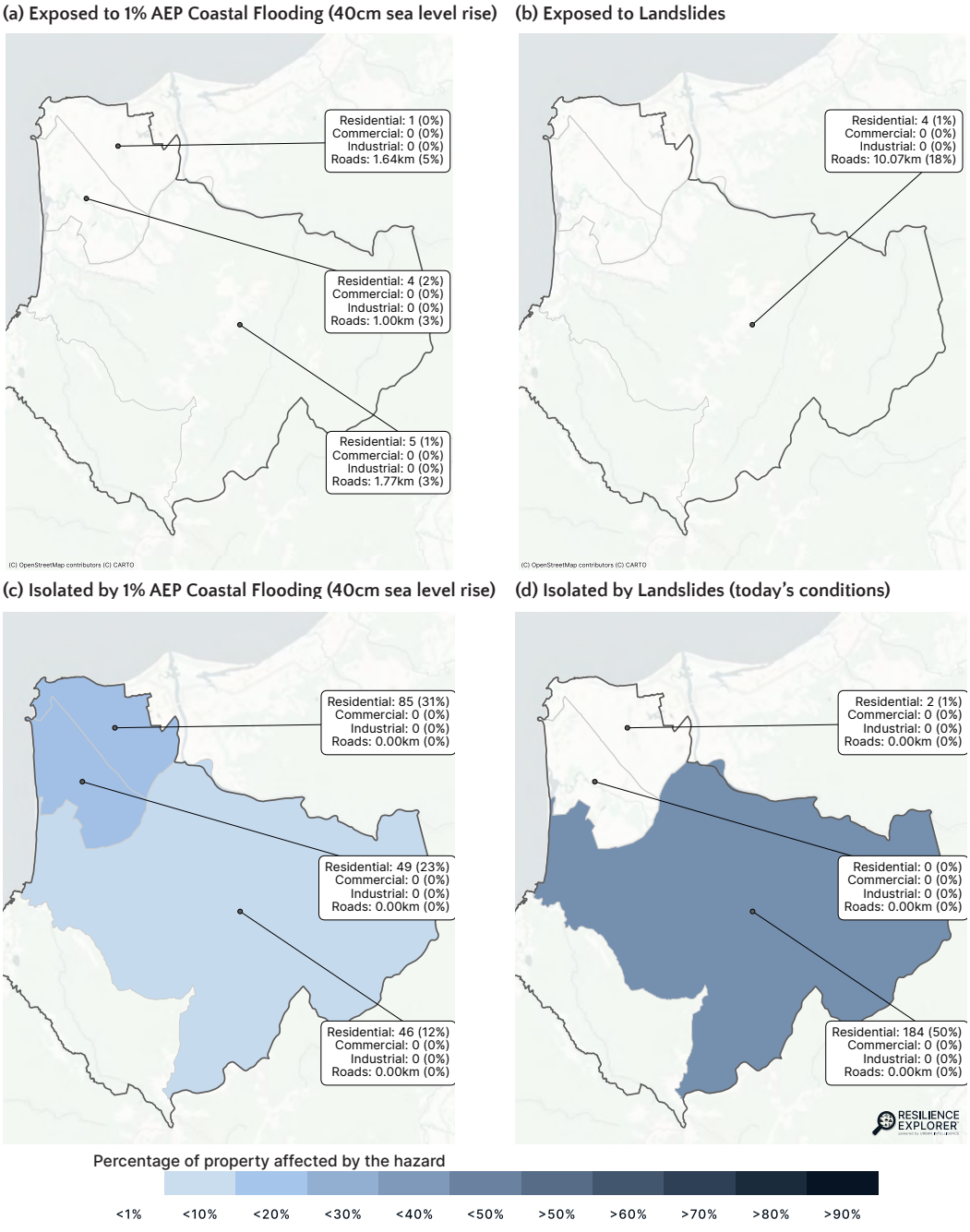


Figure 4.35: Exposed properties in the Charleston and Cape adaptation area from the mapped hazards.

Rising relative sea levels will expose more residents and their properties to coastal flooding in Charleston and the Cape

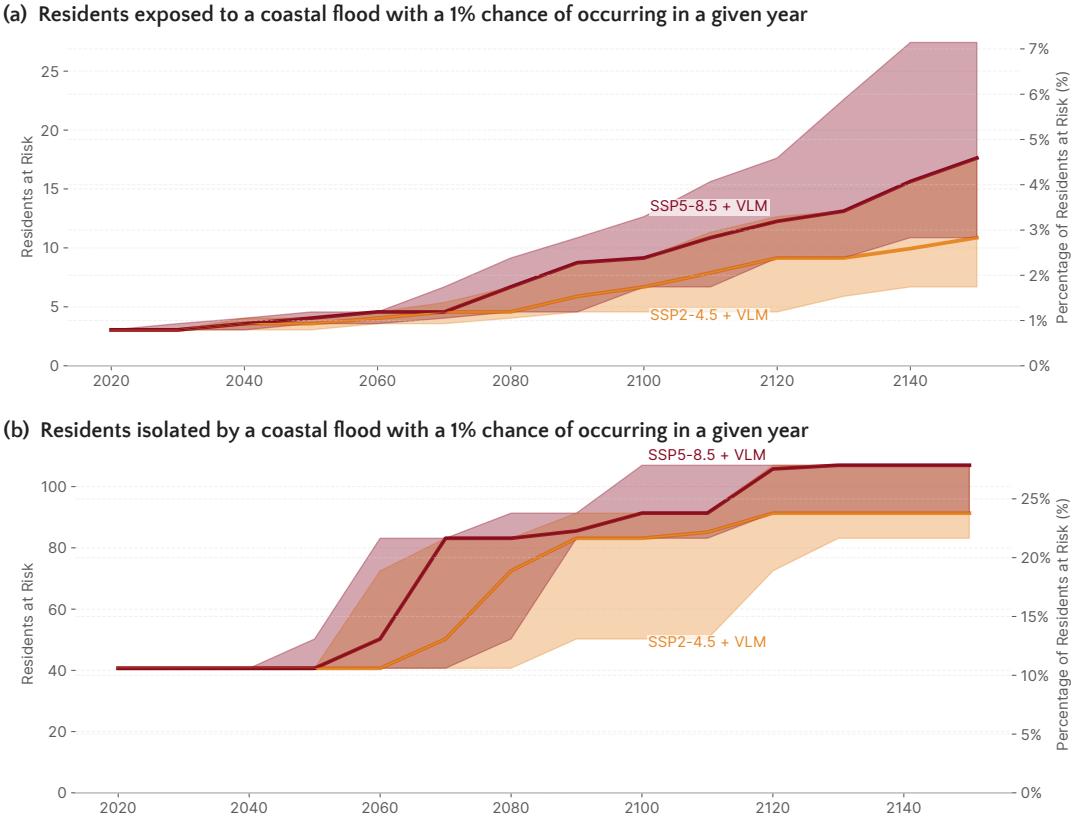


Figure 4.36: Risk to residents in the Charleston and Cape adaptation area from 1% AEP river flooding, derived from exposure to residential property.

Variable	Season	SSP2-4.5		SSP3-7.0	
		2041-2060	2081-2100	2041-2060	2081-2100
Average daily air temperature (°C)					
	Annual	1.0 (1.0, 1.1)	1.9 (1.8, 1.9)	1.3 (1.3, 1.3)	2.9 (2.8, 3.0)
	Summer	1.2 (1.1, 1.2)	2.0 (2.0, 2.1)	1.5 (1.5, 1.6)	3.4 (3.2, 3.5)
	Autumn	1.1 (1.1, 1.2)	2.0 (1.9, 2.0)	1.3 (1.3, 1.4)	3.0 (3.0, 3.1)
	Winter	1.0 (1.0, 1.0)	1.8 (1.8, 1.8)	1.2 (1.2, 1.2)	2.7 (2.6, 2.7)
	Spring	0.9 (0.8, 0.9)	1.7 (1.6, 1.8)	1.1 (1.1, 1.2)	2.5 (2.4, 2.6)
Total rainfall (%)					
	Annual	3.0 (1.9, 3.7)	4.8 (3.8, 5.5)	2.1 (1.0, 2.6)	3.7 (2.5, 4.5)
	Summer	0.9 (-0.9, 2.4)	3.4 (0.8, 4.8)	0.9 (-0.6, 1.8)	-1.3 (-3.1, -0.2)
	Autumn	-3.7 (-4.9, -2.3)	0.1 (-1.8, 1.8)	-4.4 (-5.7, -3.6)	-4.0 (-5.6, -2.1)
	Winter	8.2 (6.2, 9.2)	6.7 (5.5, 7.5)	9.2 (7.1, 10.2)	10.4 (8.9, 11.3)
	Spring	5.7 (3.6, 7.2)	8.2 (5.8, 9.6)	2.6 (0.9, 3.5)	8.7 (6.9, 9.5)
Number of windy days (>10m/s) (days)					
	Annual	-0.0 (-0.1, 0.0)	-0.0 (-0.2, 0.1)	0.0 (-0.1, 0.1)	0.0 (-0.0, 0.0)
	Summer	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.1)
	Autumn	0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	0.0 (0.0, 0.0)	-0.0 (-0.0, 0.0)
	Winter	-0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)	-0.0 (-0.0, 0.0)	0.0 (-0.0, 0.0)
	Spring	-0.0 (-0.1, 0.0)	-0.0 (-0.2, 0.0)	-0.0 (-0.1, 0.0)	-0.0 (-0.1, 0.0)
Growing degree days (base 10°C)	Annual	253.2 (141.9, 317.8)	466.4 (265.3, 583.8)	319.4 (183.1, 397.3)	765.0 (467.7, 932.5)
Number of dry days (<1mm)	Annual	0.2 (-0.8, 0.9)	-1.2 (-2.6, -0.3)	0.0 (-1.1, 1.0)	2.4 (1.6, 4.1)
Number of very rainy days (>25mm)	Annual	2.2 (1.3, 3.7)	2.4 (1.3, 3.8)	0.9 (-0.3, 2.4)	1.0 (-1.1, 3.4)
Number of frost days (<0°C)	Annual	-6.1 (-14.0, -0.3)	-10.1 (-23.5, -0.5)	-7.5 (-17.1, -0.4)	-12.9 (-30.5, -0.5)
Number of hot days (>25°C)	Annual	3.1 (0.0, 13.8)	7.2 (0.0, 27.4)	4.7 (0.0, 19.5)	20.4 (0.3, 55.2)
Number of very hot days (>30°C)	Annual	0.0 (-0.0, 0.2)	0.1 (-0.0, 1.0)	0.0 (-0.0, 0.4)	0.5 (0.0, 4.3)

Table 4.19: Climate projections for Charleston (2041-2060 and 2081-2100). The table shows average (min, max) values for selected climate variables using downscaled AR6 climate data [20].

4.9 Fox River to Punakaiki

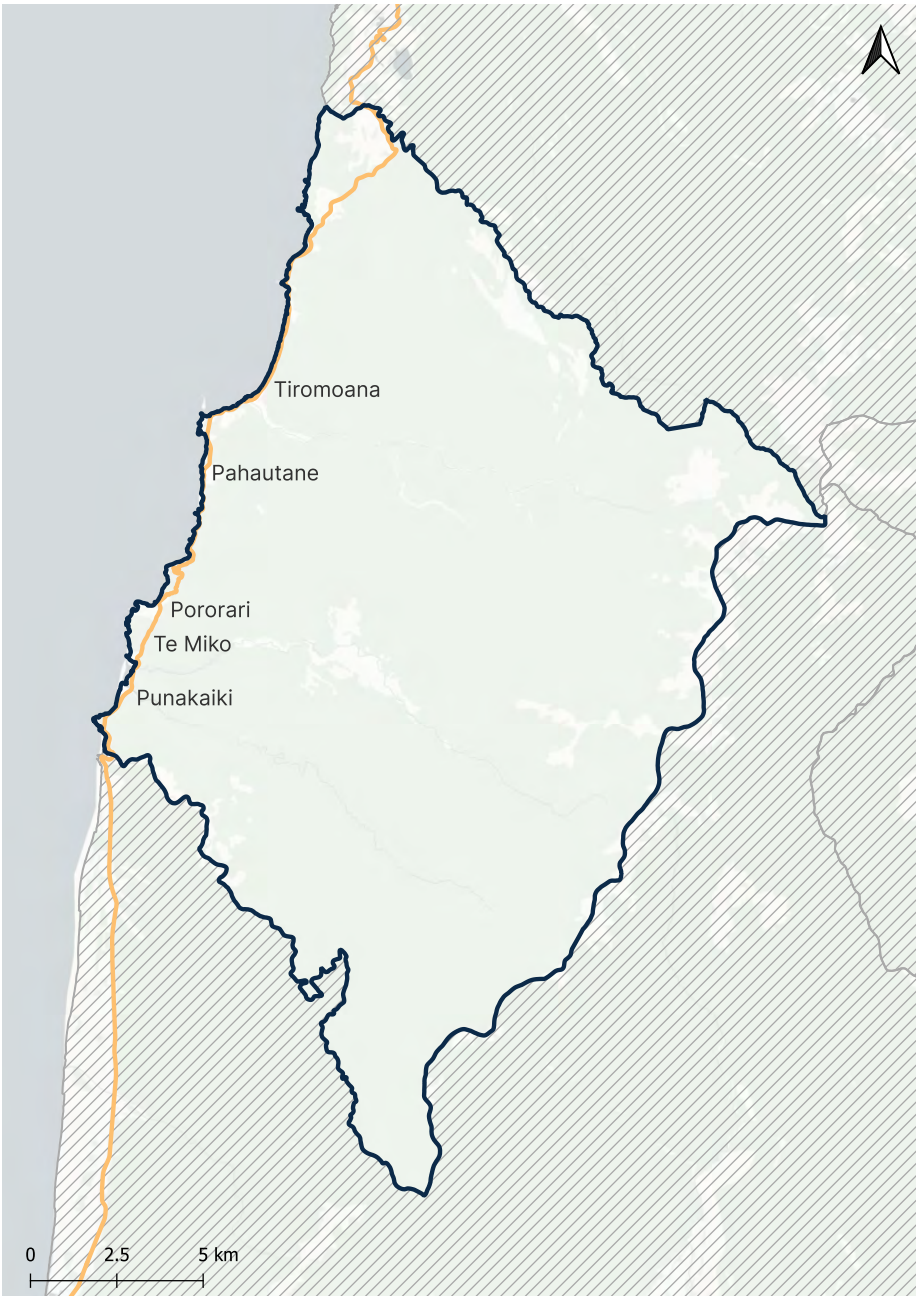


Figure 4.37: Fox River to Punakaiki Adaptation Area

The Fox River to Punakaiki adaptation area includes the communities of Punakaiki, Te Miko, and Fox River. Punakaiki is the main settlement of this adaptation area and is located midway between Westport and Greymouth. The small coastal village serves as a key tourist destination on the West Coast. With around 100 permanent residents, the area can attract up to 6,000 visitors per day during peak tourist season, primarily due to attractions like Dolomite Point, Paparoa National Park, and the Punakaiki Marine Reserve.

Although unmapped, river flooding is likely to present a risk to these rivermouth communities. Table 4.20 provides a summary of the hazards and a description of the available data in the Fox River to Punakaiki adaptation area. The data is also classified by suitability, relating to how much confidence there is in the modelling.

Table 4.20: Summary and suitability for adaptation planning of hazard information available in the Fox River to Punakaiki adaptation area

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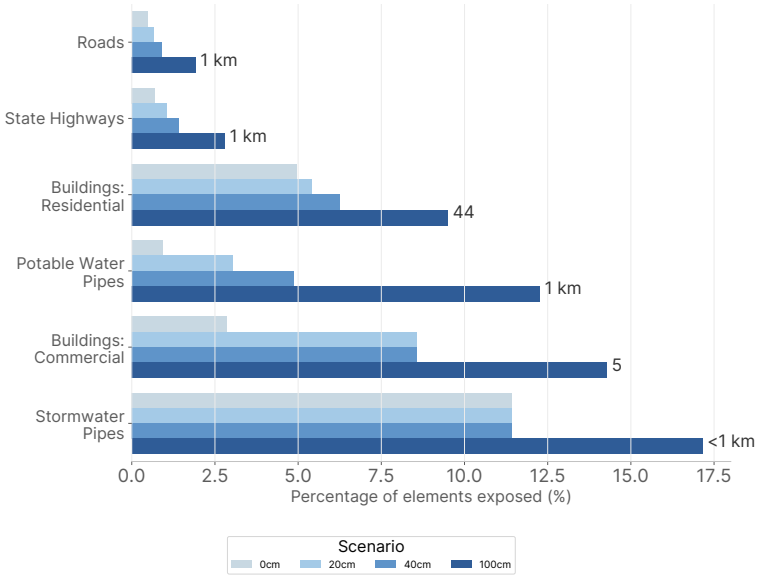
Hazard	Suitability	Description
Coastal Flooding	High	Available data represent the extent and depth of a 1% AEP event with sea-level rise changed between 0-2m, in 20cm increments.
Landslide	Low	Only current-day landslide data available, no future climate conditions are considered.
River Flooding	No mapped data available. Expected to pose a risk.	
Tidal Flooding	No mapped data available	
Shallow Groundwater Flooding	No mapped data available	
Wildfire	No mapped data available	

Landslide risk also poses a significant threat to the area, with approximately 18.4% of residential buildings exposed (Figure 4.38). Infrastructure exposure is substantial, particularly for transportation networks, with 32.8% of state highways and 24.2% of local roads at risk. This high level of exposure could lead to isolation events, potentially cutting off entire communities and disrupting access to essential services and economic activities. About 59.6% of the population is at risk of isolation due to landslides.

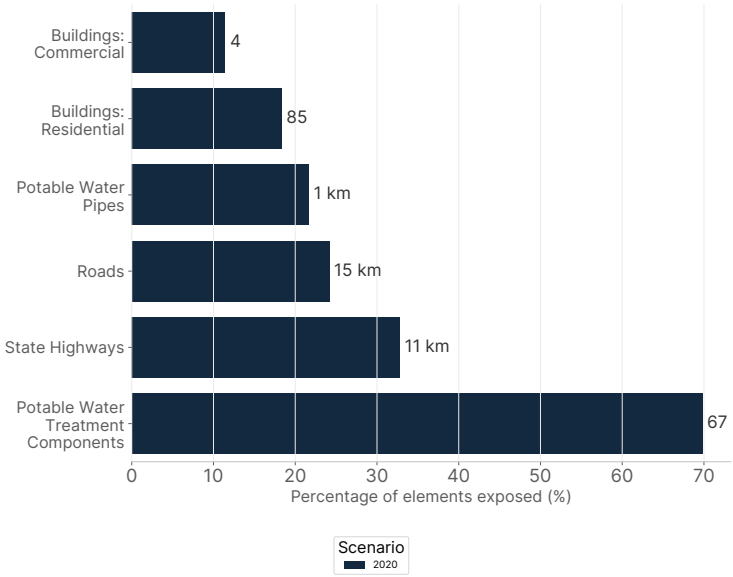
Coastal flooding presents a significant and increasing threat to the Fox River to Punakaiki adaptation area (Figure 4.39). Under current conditions (0m sea level rise), approximately 5% of the population is exposed to coastal flooding risk from a 1% AEP event. This exposure increases gradually with sea level rise, reaching 5.4% at 0.2m of sea level rise, 8.6% at 0.8m, and 13.6% at 1.4m. Infrastructure at risk under present-day conditions includes 3.4% of state highways and 0.9% of local roads, with these percentages increasing to 5.9% and 2.2% respectively at 1m of sea level rise.

The risk of isolation due to coastal flooding is more severe than direct exposure (Figure 4.39). Currently, about 36.5% of the population is at risk of isolation. This percentage remains stable up to 0.4m of sea level rise, then increases to 37.8% at 0.6m, 53.1% at 1.4m, and 57.5% at 1.8m of sea level rise. This high isolation risk is particularly concerning for vulnerable groups. For instance, 36.5% of residents over 65 are currently at risk of isolation, increasing to 57.5% with 1.8m of sea level rise.

The area's economy is heavily reliant on tourism, with Accommodation and Food Services accounting for 73% of employment and 52.5% of GDP, followed by Arts and Recreation Services at 23% of employment and 31.4% of GDP (Table 4.21). The greatest risk to the economy is access, with the entire area at risk of isolation (islanding) following coastal flood events (Figure 4.40.)



(a) Exposure to 1% AEP Coastal Flooding



(b) Exposure to Landslides

Figure 4.38: The threat to built infrastructure from different hazards and future climate scenarios in the Fox River to Punakaiki adaptation area

Table 4.21: Employment and Economic Contribution in the Fox River to Punakaiki adaptation area

ANZSIC06 Division	**Percentage of total Fox River to Punakaiki workforce employed (%)**	**Contribution to Fox River to Punakaiki GDP (%)**
Accommodation and Food Services	73.1	52.5
Arts and Recreation Services	23.1	31.4
Agriculture, Forestry and Fishing	3.8	16.1

Punakaiki is known for its karst limestone caves, coastal forests, sea cliffs, rocky beaches, rivers, and lagoons, all of which face various climate-related risks. Table 4.9 explores how climate variables will impact the Fox River to Punakaiki adaptation area. These include changes in forest composition, threats to alpine and sub-alpine ecosystems, impacts on marine and coastal ecosystems due to sea-level rise and ocean acidification, and modifications to river ecosystems from increased precipitation and extreme weather events. The area is also home to several threatened indigenous species, including the tāiko (Westland petrel), which has its only mainland breeding population in the area.

The community's vulnerability is exacerbated by its isolation and lack of critical infrastructure. Figure 4.41 illustrates how isolation could impact the economic sector in the area. The Fox River to Punakaiki adaptation area has no schools, medical facilities, supermarkets, or emergency services, relying on Greymouth or Westport as main service centres. The community's civil defence emergency centre, located at the Punakaiki Tavern, is itself at risk from coastal processes. The campground in Punakaiki, a key community asset with accommodation for up to 250 people, is under risk from coastal inundation and storm surges.

Rising relative sea levels will expose more residents and their properties to coastal flooding in the Fox River to Punakaiki area

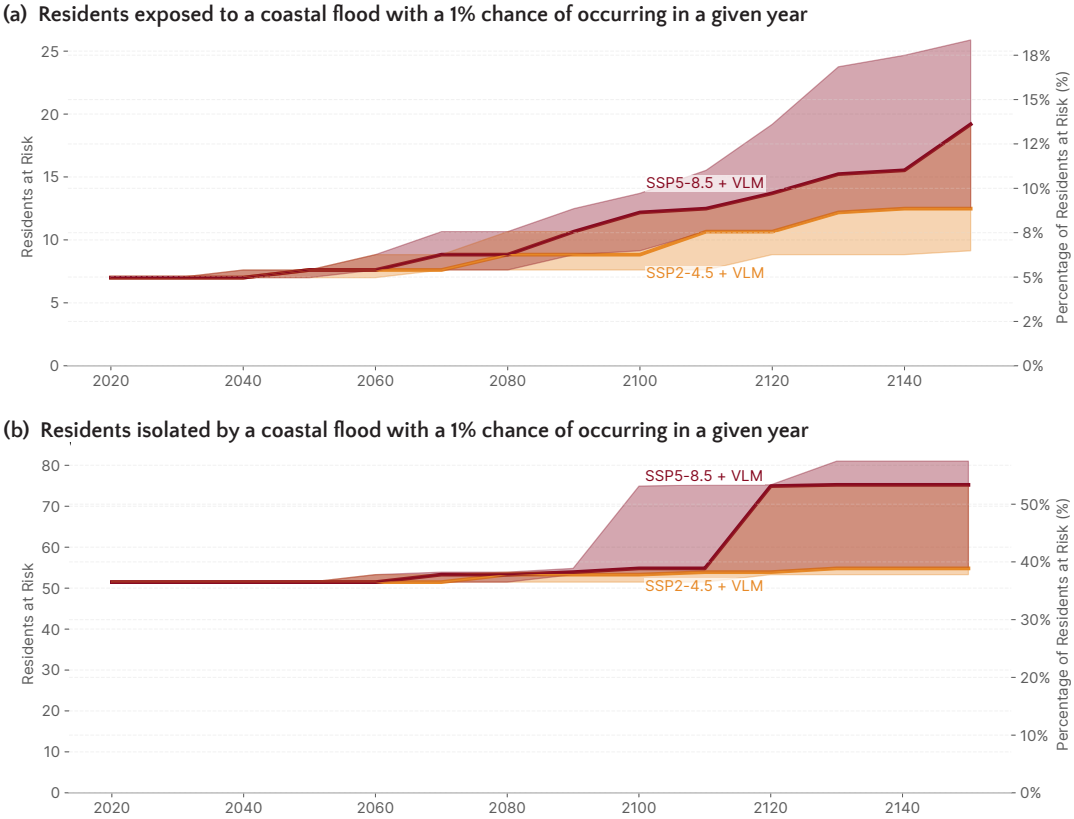


Figure 4.39: Risk to residents from Fox River to Punakaiki from 1% AEP coastal flooding, derived from exposure to residential property.

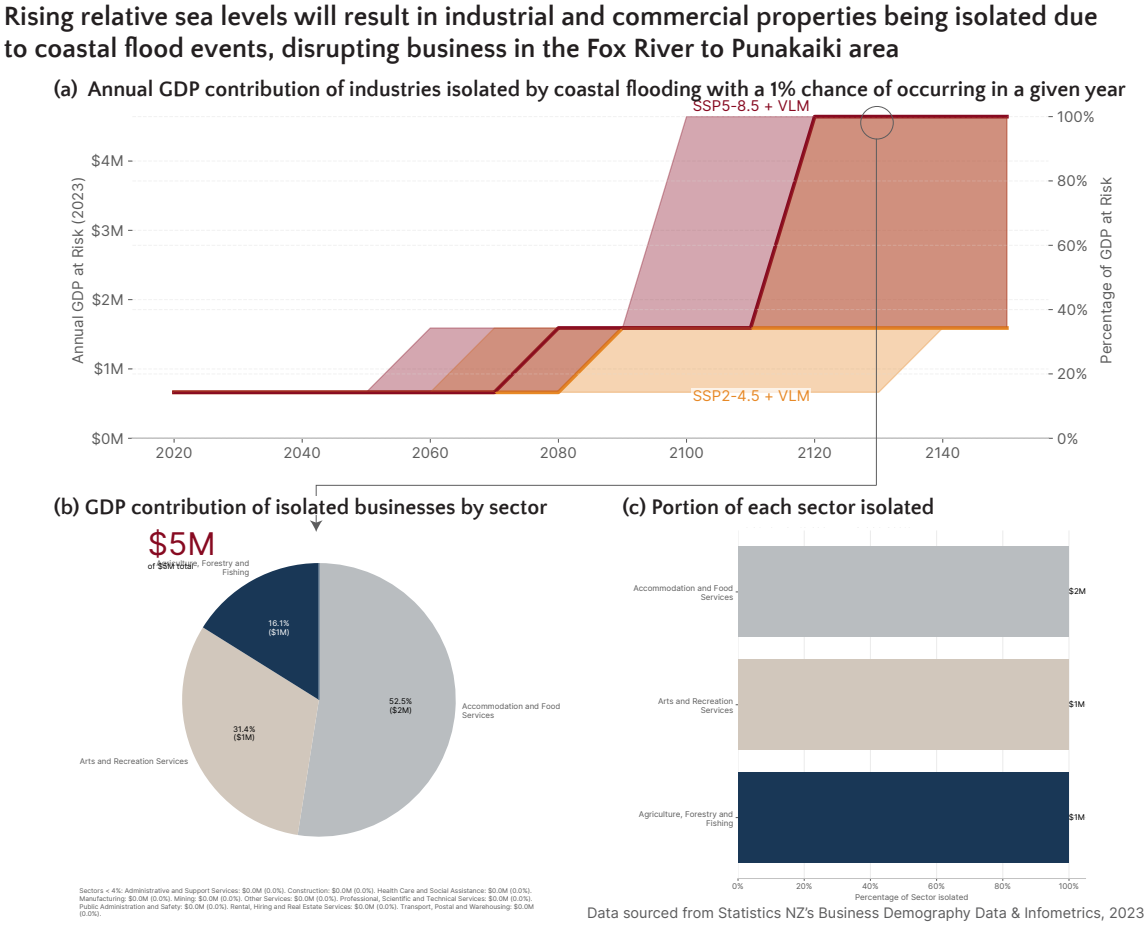


Figure 4.40: Risk to economic sectors in Fox River to Punakaiki from isolation caused by 1% AEP coastal flooding, derived from exposure the road network.

Variable	Season	SSP2-4.5		SSP3-7.0	
		2041-2060	2081-2100	2041-2060	2081-2100
Average daily air temperature (°C)					
	Annual	1.0 (1.0, 1.1)	1.8 (1.8, 1.9)	1.3 (1.2, 1.3)	2.8 (2.7, 2.9)
	Summer	1.1 (1.1, 1.2)	2.0 (1.9, 2.0)	1.5 (1.4, 1.5)	3.2 (3.1, 3.4)
	Autumn	1.1 (1.1, 1.1)	1.9 (1.9, 2.0)	1.3 (1.3, 1.3)	3.0 (2.9, 3.0)
	Winter	1.0 (0.9, 1.0)	1.8 (1.7, 1.8)	1.2 (1.1, 1.2)	2.6 (2.6, 2.7)
	Spring	0.9 (0.8, 0.9)	1.6 (1.6, 1.7)	1.1 (1.1, 1.2)	2.4 (2.4, 2.5)
Total rainfall (%)					
	Annual	3.8 (2.9, 4.4)	5.6 (4.8, 6.1)	2.9 (1.9, 3.7)	4.6 (4.0, 5.7)
	Summer	0.8 (-0.1, 1.8)	4.3 (3.7, 5.0)	1.0 (0.4, 1.6)	-0.1 (-0.6, 1.0)
	Autumn	-1.6 (-2.7, -0.5)	1.0 (0.4, 1.6)	-3.2 (-4.3, -1.8)	-2.5 (-3.2, -1.9)
	Winter	8.1 (7.1, 9.0)	7.5 (5.9, 8.5)	9.8 (8.3, 10.8)	11.9 (10.7, 13.0)
	Spring	6.9 (4.9, 8.1)	8.9 (7.1, 10.5)	3.8 (2.0, 5.4)	8.5 (6.7, 10.2)
Number of windy days (>10m/s) (days)					
	Annual	-0.7 (-1.9, 0.0)	-1.2 (-3.3, 0.0)	-1.0 (-2.8, 0.0)	-2.0 (-5.8, 0.0)
	Summer	-0.3 (-0.8, 0.0)	-0.3 (-1.0, 0.0)	-0.2 (-0.7, 0.0)	-0.6 (-1.7, 0.0)
	Autumn	-0.2 (-0.6, 0.0)	-0.3 (-0.9, 0.0)	-0.4 (-1.1, 0.0)	-0.8 (-2.1, 0.0)
	Winter	-0.0 (-0.1, 0.0)	-0.1 (-0.3, 0.0)	0.1 (0.0, 0.3)	-0.3 (-0.7, 0.0)
	Spring	-0.1 (-0.4, 0.0)	-0.4 (-1.1, 0.0)	-0.5 (-1.3, 0.0)	-0.4 (-1.2, 0.0)
Growing degree days (base 10°C)	Annual	252.7 (174.2, 299.0)	467.5 (321.5, 552.4)	316.6 (221.2, 371.2)	766.5 (551.5, 883.1)
Number of dry days (<1mm)	Annual	0.8 (-0.2, 1.3)	-1.4 (-2.3, -0.9)	0.4 (-0.2, 0.9)	2.3 (1.6, 2.8)
Number of very rainy days (>25mm)	Annual	2.5 (1.2, 3.7)	3.0 (1.3, 4.1)	1.4 (-0.2, 3.0)	1.5 (-0.9, 3.7)
Number of frost days (<0°C)	Annual	-4.1 (-11.1, -1.2)	-6.9 (-18.3, -2.1)	-5.2 (-13.6, -1.7)	-8.6 (-23.3, -2.4)
Number of hot days (>25°C)	Annual	1.5 (0.0, 3.8)	4.0 (0.2, 8.6)	2.5 (0.1, 5.8)	13.6 (1.1, 25.4)
Number of very hot days (>30°C)	Annual	0.0	0.0 (0.0, 0.0)	0.0 (0.0, 0.0)	0.1 (0.0, 0.4)

Table 4.22: Climate projections for Punakaiki (2041-2060 and 2081-2100). The table shows average (min, max) values for selected climate variables using downscaled AR6 climate data [20].

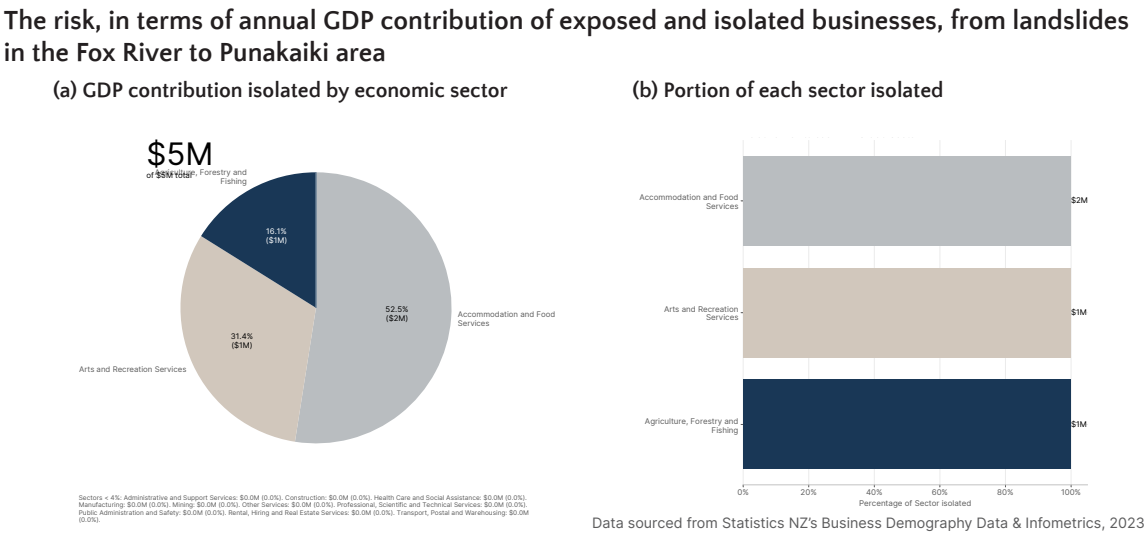


Figure 4.41: Risk to economic sectors in Fox River to Punakaiki from isolation caused by landslides, derived from exposure the road network.

4.10 Legislative framework, recommendations and next steps

This section provides a brief summation of the legislative framework relating to risk assessments and adaptation planning, and then proceeds with recommendations and next steps to help the Buller District meet their obligations and continue the process of adaptation planning.

The New Zealand Coastal Policy Statement 2010 (NZCPS) requires local authorities to identify areas in the coastal environment that are potentially affected by coastal hazards and assess these risks looking out to at least 100 years in the future, having regard to the effects of climate change [5] In this context, "having regard" means giving the matter genuine attention before deciding on how to reflect the matter in planning decisions, and in most cases, providing a reason for how the matter was considered. The Ministry for the Environment suggests that Buller District Council consider how managing activities could contribute to Aotearoa's long-term adaptation strategy and goals.

Further, under Section 5ZW of the Climate Change Response Act (2002) local authorities are required to provide information on risks and opportunities arising from climate change, the processes used to identify, assess and manage risks and the metrics and targets used in related processes. The Climate Change Risk Assessment, as prepared by Urban Intelligence for the Buller Region provides the basis for council to comply with reporting requirements. Additionally, it provides a foundation for the next phases of adaptation planning in Buller District including:

1. Identify options and pathways
2. Evaluate options and pathways
3. Develop adaptive planning strategies
4. Implement strategies
5. Monitor and review progress

Throughout these steps, ongoing engagement with communities, iwi/hapū, and stakeholders will be crucial to ensure adaptation planning reflects local values, priorities, and knowledge.

By taking a proactive, risk-informed approach to adaptation planning, Buller District can work towards building resilience to climate change impacts and safeguarding the wellbeing of its communities for generations to come.

Recommendations include:

- Develop and implement a robust methodolgy for identifying district-wide priority data and modelling gaps
- Build familiarity with the Risk Assessment and Resilience Explorer tool within the Senior Leadership Team and infrastructure and regulatory teams
- Review the Risk Assessment and Resilience Explorer tool and develop an action plan for addressing the key findings within both the Risk Assessment and Resilience Explorer tool
- Socialise the Risk Assessment and Resilience Explorer tool with the West Coast Regional Council and mana whenua Ngāti Waewae
- Work with key stakeholders and groups across the community to share the findings of the Risk Assessment and Resilience Explorer tool and seek input on engaging the wider community

- Build on the risk assessment through community engagement to understand concerns and prioritisation from the local level
- Undertake a comprehensive review to understand how Council's emergency response and recovery systems can be activated post-disaster, and during the longer disaster recovery phase, in a way that does not adversely impact Council's BAU Levels of Service. Particular consideration should be given to the possibility that national surge support will come under increasing pressure and may already committed elsewhere.
- Advocate to central government for urgent resolution around, adaptation funding and decision-making frameworks, access to affordable district-wide data and modelling, coordinated 'shopfront' to integrate central and local government functions and funded district-wide Master Planning approach to drive Intentional Transformative Adaptation and non-linear shifts

Opportunities for Buller include:

- Fully funded 'Intentional Transformative Adaptation' across economic, social, cultural and environmental landscapes (or built, natural, human, economic and governance domains) applying a district-wide Master Planning pilot approach to achieve non-linear shifts. The Westport case study, noted within the National Adaptation Plan (NAP), could be expanded to incorporate an all-of-district approach; piloting various funding and legislative mechanisms. Particular focus should be on our most deprived and exposed communities e.g., Northern Buller.
- Localised food system to build community self-sufficiency and resilience against vulnerable roading networks and take advantage of (potentially) lengthening growing seasons. 99.7% of our food is currently imported from outside of the district. Localising our food system would achieve necessary non-linear shifts in self-reliance and resilience, industry and employment and the recirculation of wealth, as well as operating a lower carbon food system model. This is particularly relevant for Karamea due to their particular exposure to prolonged isolation.
- Landscape scale mainland island sanctuaries i.e., >100,000 hectares, to reduce predation pressure on local ecology and build greater ecological resilience to our changing climate. Economic growth opportunity would include regenerative tourism, sanctuary management employment pathways, and various spin-off propositions such as immersive education. Concepts are already underway for landscape scale sanctuaries within both Kahurangi and Paparoa National Parks.

4.11 Methodology

This section outlines the methodology for assessing the exposure of various elements to mapped hazards. Exposure analysis provides the first step of understanding potential impacts on residents, businesses, and economic activity. It is important for identifying areas that need attention to determine the sensitivity and adaptive capacity to these hazards, before estimating the potential consequences [4].

An element is exposed if it intersects with the spatial extent of a hazard. For flood models, we consider exposure to be water depths exceeding 10cm. The exposure is calculated by overlaying element data with hazard maps.

For a comprehensive understanding of consequences based on estimated vulnerability, both at regional and asset-specific levels, refer to the Resilience Explorer.

To estimate the impacts on residents and business, we used a dasymetric mapping approach:

1. Property Exposure:
    - Intersect building footprints with hazard extents
    - Aggregate results by property title
2. Property Land Use Classification:
    - Categorise exposed properties as residential or commercial/industrial based on land use data
3. Residential Population Estimation:
    - Allocate Statistical Area 1 (SA1) level 2018 census data on number of residents and their demographic to individual properties
    - For exposed properties, sum the allocated values to estimate the exposed population
    - Sensitivity and adaptive capacity are estimated by reporting on the number and ratio of residents affected by NZDep Index.
4. Sector-specific Employment Exposure:
    - Allocate SA1 level 2023 business demography data on the number of employees per ANZSIC06 division (sector) to individual properties
    - For exposed properties that have commercial and industrial uses, sum the allocated values to estimate the number of exposed employees by sector
5. GDP Contribution Estimation:
    - Utilising Infometric's GDP data for the district, we estimated a regional GDP value per employee for each economic sector
    - Based on the number of exposed employees by sector (based on commercial and industrial property exposure), we estimate the GDP contribution of exposed businesses
6. Isolation and Community Isolation ("Island") Assessment:
    - Property Isolation: Determine if a property loses access to at least one of the following essential services: school, hospital, or fire station.
    - Community Isolation ("Island"): Identify communities that become inaccessible from outside due to hazards affecting critical access routes (e.g., the only road in and out being blocked by a landslide).

For a comprehensive understanding of consequences based on estimated vulnerability, both at regional and asset-specific levels, refer to the Resilience Explorer.

Tohutoro | References

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UNIVERSITY OF CANTERBURY
Te Whare Wānanga o Waitaha

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 8

Prepared by	Penny Bicknell Programme Manager – NEMA and BoF
Reviewed by	Paul Numan Group Manager Corporate Services
Attachments	1. Better Off Funded Projects Status Report February 2025 2. NEMA Wharf Repair Project Report March 2025
Public Excluded:	No

NEMA AND BETTER OFF FUNDING PROJECT STATUS REPORT SUMMARIES

1. **REPORT PURPOSE**

The purpose of this report is to bring the Risk and Audit Committee a summary of the Project Status Reports for NEMA and Better Off Funded projects for the month ended February 2025 (January 2025 financials) and a detailed project status report for the NEMA Wharf Repair Project March 2025 (January 2025 financials).

2. **EXECUTIVE SUMMARY**

Key points to note from each of the Programmes of Work for January/February 2025

3. **NEMA Projects overview/status report**

- Westport Port Repairs
- Key milestones completed as planned
- All concrete wharf sections completed
- All drainage and site reinstatement and fencing completed.
- Practical completion engineer's inspection completed ahead of schedule for end March 2025
- Final completion and handover May 2025
- Project will be completed within the funding envelope

NEMA Tranche 2 Programme For Period 2024/25- January								
	CURRENT BUDGET (Total)	TOTAL COST TO DATE	TOTAL REVENUE TO DATE	RETENTIONS (to claim)	Claims	FORECAST COST TO COMPLETE	FORECAST AT COMPLETION	PROJECT VARIANCE
WP7 Westport Port Repairs	**0**	**4,797,919**	**(3,225,224)**	**(90,877)**	**1,481,818**	**(1,572,695)**	**0**	**0**
Expenses	6,220,000	4,797,919				1,422,081	6,220,000	0
Revenue	(6,220,000)		(3,225,224)	(90,877)	1,481,818	(2,994,776)	(6,220,000)	0
Programme Management	**0**	**177,955**	**(176,065)**		**1,890**	**(1,890)**	**0**	**0**
Expenses	190,440	177,955				12,485	190,440	0
Revenue	(190,440)		(176,065)		1,890	(14,375)	(190,440)	0
TOTAL	**0**	**4,975,874**	**(3,401,289)**	**(90,877)**	**1,483,708**	**(1,574,585)**	**0**	**0**
Ineligible costs		**4,637**						

4. **Better Off Funded Projects**

- All three 3 Waters projects progressing well with slight delays on design work for the Inangahua projects.

- Other 3 waters projects progressing but got off to a slow start.

- Reefton Campground Accommodation project:
  - Tender for Cabin construction to be evaluated by 31 March 2025
  - Full cost of project to be analysed on 31 March 2025
  - Agreement with Federation Mining drafted
  - Loan agreement with DWC drafted
  - The project team took a paper to PX Extraordinary Council meeting for approval once the full costs and loan terms were known – 9 April 2025

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

6. **DRAFT RECOMMENDATION**

That the NEMA and Better Off Funding Project Status Report Summaries dated 16 April 2025 be received.

Project Status Report – Better Off Funding Projects overview – February 2025

Programme/Project Details

Location and Region:	Buller District
Contracted Amount:	$3,500,000
Reporting Period:	February 2025 (January 2025 financials)
Project Principal:	Buller District Council (BDC)
Project Partner(s):	Crown Infrastructure Partners (CIP)/DIA
Programme Manager:	Penny Bicknell
Programme Outcomes:	The original scope was made up of 13 projects approved by DIA that meet the funding criteria and demonstrate wellbeing outcomes. 8 of these projects completed. 2 of which were under budget with the surplus funds transferred to 2 new 3 Waters projects as directed by CIP

Project Overview/traffic Light Status/High-Level Summary (G = Green; A = Amber; R = Red)		
Aspect	**Status**	**Comments**
Overall:	G	The programme was prioritised by Council and approved by Crown Infrastructure and DIA
Budget:	G	$3,500,000
Scope:	G	The Programme of works includes the following approved projects: • Three Waters projects • Reefton Wastewater/Stormwater modelling • Climate Change Adaptation and Master Planning **(completed)** • Community Hub Feasibility Study and Concept Designs (Feasibility completed) • Civil Defence Procurement **(completed)** • Airport Relocation options study **(completed)** • Karamea Reserve Water Supply **(completed)** • Westport Emergency Water supply **(completed)** • Reefton Campground Accommodation • Westport Stormwater/wastewater work • Test bore and sampling for non-compliant water supplies - Little Wanganui and Mokihinui **(completed)** • Granity Fundraising Centre **(completed)** • Ngakawau Swimming Pool improvements **(completed)** • Local Water Done Well – reallocated funding from Airport Relocations Study surplus **(completed)** • Resilient Westport Stormwater concept study – reallocated funding from Westport Critical Water surplus **(completed)**
Resource:	G	Resource to be assigned to each project as required
Schedule:	G	Schedule for each project to be determined. Final deadline for Crown Infrastructure projects programme is 30 June 2027
Risks / Issues:	G	Scope of works may need to be reduced in some projects to ensure they remain in budget

State of Play

Last Month (February)	Next Month (March)
• Awaiting Project accounting codes for the two 3 waters projects (LWDW and RW stormwater concept)	• Once codes raised, raise claims to CIP as these projects are complete. • Submit further claims to CIP for claims balances.
• 3 Waters – o Combined Inangahua projects awarded to Paul Smith Earthmoving Ltd (PSE). Good progress on drinking water project Approx 75% of all pipes installed. Design work close to final approval but slower than required. Stormwater design continues to develop o Final project, Hughes Place – tender documents being drafted.	• Completion of work now scheduled for July 2025 o Continue to manage contractor- PSE to get physical works on the water aspect completed and stormwater project well progressed. Delay has been a result of slow turnaround of design o Hughes Place - focus on completing RFT package to procure physical works
• Reefton stormwater/wastewater modelling – DO commenced modelling for stage 1	• DO will have base model and memo of options delivered at the end of March. On completion reassess project from options and budget available for stage 2
• Community Hub Feasibility Study/concept - Continued discussions re set up of Charitable Trust. Offer of Service from Heritage Works commenced work on alignment study	• Heritage Works report due end March
• Reefton Campground cabins - RFP for cabin construction on GETS; Designs completed; applied for building and resource consents; Tender for pricing for civil and infrastructure work (outside construction tender).	• Reefton Campground cabins – Tender for construction evaluation deadline 31 March; prepare Federation Mining agreement; liaise with DWC for loan funding agreement; prepare final costings for funding decisions and full Council approval (Extraordinary Council meeting 9 April).
• Westport Wastewater/Stormwater separation work – Procurement plan and docs completed. WestReef managing construction phase. Programme finalised	• Westport Wastewater/stormwater separation - finalise procurement plan, award contracts and commence construction - scheduled completion March/April

Programme delivery schedule

Project task	Feb to June 2023		Jul	Aug	Sep	Oct	Nov	Dec	Jan 2024	Feb	Mar	Apr	May	Jun	Jul	Aug 2025	Sep	Comments
3 Waters																	→	SW Backflow complete. Henley St East SW complete. Completion of last 3 projects end July 2025
Reefton WW/SW modelling																	→	Completion of stage 2 to be confirmed
Climate Change Adaptation																		Completed BoF involvement
Master planning (Stage 1)																		Complete
Cultural Community Hub				Feasibility Study complete													→	Project plan and scope for concept design $50k
Civil Defence																		Complete
Airport relocations options study																		Study completed – surplus funds to be reallocated to LWDW
Karamea Reserve Water																		Complete
Westport critical Water Supply																		Completed. Surplus funding to be reallocated to Resilient Westport Stormwater concept study
Reefton Campground																	→	Progress tender for final costings. Completion dependent on funding approval by Council April
Westport Stormwater/Wastewater																	→	Completion scheduled end March/early April

Test Bores & Sampling																		Complete
Granity Fundraising Centre																		Complete
Ngakawau Swimming Pool																	→	Complete

Financials (31 January 2025)

Budget and Expenditure Summary.

January 2025 Financials Project	Budget	Actual Cost to date	Claims submitted Jan/Feb 2	Revenue to date	Forecast Cost to complete	To claim
3 Waters	$ 1,095,000	$ 438,509		$ 398,296	$ 656,491	$ 40,213
Programme Management	$ 165,000	$ 162,514		$ 162,514	$ 2,486	$ -
Reefton Wastewater modelling	$ 150,000	$ 2,822		$ -	$ 147,178	$ 2,822
Climate Change adaptation	$ 250,000	$ 250,000		$ 250,000	$ -	$ -
Master planning	$ 250,000	$ 250,000		$ 250,000	$ -	$ -
Community Hub Feas/concept	$ 200,000	$ 153,140		$ 143,578	$ 46,860	$ 9,562
Civil Defence	$ 275,000	$ 273,958		$ 275,000	$ 1,042	$ -
Airport Relocation options study	$ 34,358	$ 34,358		$ 34,358	$ -	$ -
Karamea Reserve Water	$ 65,000	$ 65,000		$ 65,000	$ -	$ -
Westport Critical Water	$ 110,288	$ 110,288		$ 110,288	$ -	$ -
Reefton Campground	$ 300,000	$ 73,990		$ 59,794	$ 226,010	$ 14,196
Ngakawau Swimming Pool	$ 310,000	$ 310,000	$ 147,759	$ 162,241	$ -	$ -
Granity Fund raising centre	$ 25,000	$ 25,000		$ 25,000	$ -	$ -
Stormwater/Wastewater	$ 135,000	$ 1,103		$ -	$ 133,897	$ 1,103
Bore water tests	$ 50,000	$ 50,000		$ 50,000	$ -	$ -
LWDW report	$ 15,642	$ 15,642		$ -	$ -	$ 15,642
RW Stormwater concept	$ 69,712	$ 69,712		$ -	$ -	$ 69,712
Total	**$ 3,500,000**	**$2,286,036**	**$ 147,759**	**$1,986,069**	**$ 1,213,964**	**$ 153,250**
Colour key:		Project completed	Approved	Draw down complete		

NB: Civil Defence budget is in credit as 100% drawn down in the 10% advance payment

Surplus funding: Directive from Crown Infrastructure Partners to use any surplus funding for 3 Waters projects or for the setup of a new Water entity.

- $15,642 Airport Relocations surplus to be used for the T + T report commissioned by 3 District Councils into 3 Waters – approved by CIP 4 October 24
- $69,712 Critical Water surplus funding to be used for contribution to Worley's stormwater concept work for Resilient Westport –submitted to CIP awaiting approval.

Communications

An update on media, marketing and communication activity for the programme/project

Westport News reported on the request to reprioritise funding from Waimangaroa and Westport smoke testing projects and the subsequent discussions at the April Council meeting. Better off Funding Tranche 2 funding has been withdrawn by Government.

Westport News reported on the additional funding available of $950k from the Westport Wastewater/stormwater smoke testing project and Waimangaroa water project discontinuation.

Westport News reported on the allocation of $300k to Reefton Campground Accommodation

Westport News reported on the Council workshop in September and the outcome of the Council meeting for the unallocated funding of $650k

Cultural Community Hub working group met with Westport News Reporter in November to ensure correct facts are in the public domain

Westport News reported on DIA directive of expenditure on water infrastructure rather than Community projects.

Emergency Water - Comms to Westport Community w/c 12 April after first tank installed

Media release for WaStop completion under the 3 Waters BoF funding May

Media Release for completion of Granity Fundraising Centre – July

August Media coverage from last RAC meeting re funders reviewing KPMG report

October – Media coverage from RAC meeting re funding hold.

November – Plan media release for Inangahua tender

December – media release for Inangahua contract

BULLER DISTRICT COUNCIL - Infrastructure Strategy - Recovery - Westport Wharf Repair and Reinstatement

Programme/Project Details	
Location and Region:	Buller, Westport
Project Budget:	$6,220,000
Month End	March-2025
Financial Period End	January-2025
Project Principal:	Buller District Council
Project Partner(s):	National Emergency Management Agency (NEMA)
Project Manager:	Phil Rossiter
Programme Outcomes:	Project Scope: This project seeks to repair and reinstate safe and fit-for-purpose wharf infrastructure at the bulk shipping precinct that was damaged during the July 2021 and February 2022 Buller River flood events.

Project Overview/traffic Light Status/High-Level Summary (G = Green- Good ; A = Amber- Warning; R = Red - Issue)

Aspect	Status	Comments
Overall:	G	The project is Practically Complete, with all major repair works completed on time and within the available funding envelope. Several minor tasks remain and will be closed out over the coming two months (these are time dependant and cannot be completed sooner as forecast).
Budget:	G	There is high certainty that the project will be completed within its funding envelope.
Scope:	G	The repair scope has been defined based on a combination of user-input, a detailed structural site inspection, a 'constructability' review, and a Peer Review. The repair design will be based on Importance Level 3. The scope is as defined in the IFC drawing set. The scope has been practically achieved.
Resource:	G	Resources required have been secured.
Schedule:	G	The overall programme stalled compared with its initial estimated baseline because of unforeseen delays confirming the Importance Level of the repair design and because of the unforeseen need to complete a peer review of the repair design. However, with those matters resolved, the programme was reset with award of a repair contract and despite poor weather conditions over the last few months, repair work is still scheduled for final completion by May 2025 (Practical Completion will be earlier than this).
Risks / Issues:	G	There has been a significant recent reduction in project risk with the project reaching Practical Completion (in process at present).

Current Updated Programme	
Previous Reporting Period	**Next Reporting Period**
Key milestones were completed ahead of plan. The project is set to complete ahead of time and within the funding envelope provided. All major repair works were completed (excluding some minor final resurfacing/reinstatement work and concrete joint sealing which must wait until May as planned). Practical Completion has been sought and is being processed at present (i.e. the project is Practically Complete).	Complete minor final surface reinstatement work (not impacting on Practical Completion). Undertake drone image acquisition to document project completion. Process final contractual matters/variation. Commence project closure processes in readiness for project completion in May.

Updated Project Road Map/Schedule														
	2024									2025				
Project task	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Comments
Project management, coordination, and delivery (Sep '22 to May '25)														Scheduled for completion in May 2025
Design (Sep '22 to Dec '23)														Significantly delayed due to need to undertake Peer Review. Peer Review now completed. Design input and support on-going with construction underway
Consents & approvals (Jun '23 to Mar '24)														Resource consents and Building Consent exemption secured
Construction procurement (Jun '23 to Jun '24)														Complete. RFT released in February 2024. Contract awarded in May 2024
Construction & site management (Jun '24 to May'25)														Current forecast is for Practical Completion by March 2025 with full handover by May 2025
Handover & closeout (Apr '25 to May '25)														

Milestones

Milestone / Task	Baseline Finish	Forecast/Actual Finish	% completion	Comments
Conceptual engineering design	23-Sep-22	23-Sep-22	100%	Complete
Geotechnical investigation & assessme	11-Nov-22	11-Nov-22	100%	Complete
Topographical survey acquisition	9-Nov-22	9-Nov-22	100%	Complete
Detailed engineering inspection and as	16-Nov-22	16-Nov-22	100%	Complete
Kiwirail liaison and building fate deterr	28-Feb-23	28-Jan-23	100%	Complete
Preliminary engineering design	14-Dec-22	14-Jan-23	100%	Complete
Construction supplier engagement/val	18-Jan-23	24-Apr-23	100%	Complete
Statutory approvals	10-May-23	28-Mar-24	100%	Building consent exemption to be secured
Detailed design	12-Apr-23	15-Dec-23	100%	Complete
Construction procurement	7-Jun-23	31-May-24	100%	Completed. Contract awarded
Construction	30-Jun-24	7-May-25	95%	Practical Completion reached
Handover	31-Jul-24	31-May-25	0%	

Financials

Budget and Expenditure Summary

Programme/Project Item	Current Budget	Cost To Date (CTD)	Forecast Cost to Complete (FCC)	Final Forecast Cost (FFC)	Project Variance	Commentary
Business Case (Phase 0)	$0	$0	$0	$0	$0	
Planning and investigations (Phase 1 - 3)	$108,000	$121,897	$0	$121,897	$13,897	
Consents, procurement, and legal (Phase 4)	$61,200	$53,657	$4,500	$58,157	$3,044	
Design (Phase 4)	$150,000	$124,055	$0	$124,055	$25,945	
Construction (Phase 4)	$5,732,800	$4,326,291	$1,353,575	$5,679,866	$52,934	
Closeout (inc operational readiness, handover, as builts) (Phase 5)	$12,000	$0	$12,000	$12,000	$0	
Project Management	$156,000	$167,383	$26,500	$193,883	$37,883	
Total	**$6,220,000**	**$4,793,282**	**$1,396,575**	**$6,189,857**	$30,143	
Contingency (not included above)			$0			

Risks/Issues/Outcomes

Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)

Risk ID - Risk/Issue	Mitigation	Residual Risk
10232 / 8 - Because of the failure or absence of controls addressing the number of hazards that are present	Monitor, manage, and communicate	5
10232 / 6 - Because it is not possible to accurately predict ground conditions and circumstances affecting the cost of the repair, creating a risk of financial burden on the Council (there is no additional funding available from NEMA).	Monitor, manage, and communicate	3
10232 / 7 - Because the Port Repair Project must co-exist and accommodate on-going operations meaning repair sequencing and/or efficiency and/or access gets disrupted	Monitor, manage, and communicate	2

Communications

An update on media, marketing and communication activity for the programme/project

Media engagements on-going as required.
Formal opening planned with NEMA attendance.

Risk Key

Risk Rating		Action, Escalation & Review Timeframe Needed
[illegible]	Extreme	Risk Owner must immediately escalate risk to the SLT who co escalating it to the Finance, Risk and Audit Committee.
10 – 16	High	Risk Owner immediately escalates risk to the Risk Leader, and SLT if required.
4 – 9	Moderate	Risk Owner monitors and reviews the effectiveness of risk contr whether the risk rating has changed, on a monthly basis.
1 – 3	Low	Retain all risks on the risk register and review those with a cor score of 1 or 2 on a 6-monthly basis and those with a combine of 3 on a quarterly basis to ensure that the risk rating has not ch

Table 5: Likelihood of Occurrence

Likelihood	Score	Description
Almost certain	5	Event is expected to occur more than once in the next year
Likely	4	Event is expected to occur once in the next year
Possible	3	Event could occur at least once in the next two years
Unlikely	2	Event could occur at least once in the next 3 to 5 years
Rare	1	Event is unlikely to occur in the next 5 years

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 9

Prepared by Jess Curtis
Capital Works Manager

Reviewed by Anthony Blom
Group Manager, Infrastructure Services

Attachments 1. Infrastructure Services Projects Control Group Report Feb-25
2. IAF Programme Report Feb-25

Public Excluded: No

INFRASTRUCTURE SERVICES PROJECTS CONTROL GROUP AND IAF PROGRAMME REPORT

1. **REPORT PURPOSE**
The attached Infrastructure Services Projects Control Group report provides a status update on key operational and capital projects (above $100k) for the Council's information. The report captures project health through budget, scope, resource, schedule, risks/issues and financial tracking for each project.

2. **EXECUTIVE SUMMARY**
The monthly IS projects report shows key operational and capital projects (above $100k) that are run through the Infrastructure Services Unit by capturing project health through budget, scope, resource, schedule, risks/issues and financial tracking for each project. Minor capital works (less than $100k) are not currently shown, however the long-term aim is to include minor capital, show finance over multiple years and show the total portfolio spend breakdown.

3. High risks, health and safety events including notifiable events and communications for the month are also included in the report. Risks are reviewed and adjusted monthly with high risks and mitigations identified in the January/February report from page 25, with no new risks added since the previous report:

4. Project health is shown through red, amber and green colours (definitions for these are within the report), and projects with set up documents still required are shown as grey. Further projects are still to be added to the report as the year progresses.

5. The report will continue to evolve as the information required to show a full picture of the projects are understood e.g. the addition of minor capital works

6. DRAFT RECOMMENDATION

That the Infrastructure Services Projects Control Group and IAF Programme Report dated 16 April 2025 be received.

Buller District Council Infrastructure Services Projects report

Reporting Month Ending:	February 2025
Financial Month Ending:	January 2025
Last Control Group Meeting:	19 February 2025
This Control Group Meeting:	19 March 2025
Next Control Group Meeting:	16 April 2025

Purpose

This report provides an overview of projects (both capital and operational) in the Infrastructure Services team for Buller District Council.

Overall Capital Financials

The table below provides a rolled-up overview of the annual capital budgets, carryovers, and costs to date along with remaining expenditure for each portfolio. The figures below represent the 24/25 capital programme budget, tracked against delivery. Figures in red show an overspend compared to budget.

Portfolio	24/25 AP budget	Carryovers from 23/24	Approved changes	Total approved budget	Cost To Date	Variance (budget – cost to date)	Commentary
Local Roads	$4,292,215	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	$1,119,026	$3,173,189	

Portfolio	24/25 AP budget	Carryovers from 23/24	Approved changes	Total approved budget	Cost To Date	Variance (budget – cost to date)	Commentary
Special Purpose Roads	$3,065,489	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	$59,978	$3,005,511	
Transport & Urban Development	$4,909	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	$741,995	$737,086	This includes costs from the IAF and Resilient Westport projects.
Sewerage Schemes	$1,842,893	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	$889,120	$953,773	
Water Supplies	$5,687,022	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	$1,183,023	$4,503,999	
Stormwater Network	$631,577	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	$243,150	$388,427	
Solid Waste	$197,405	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	$97,101	$100,304	
Community Facilities	$781,265	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	$860,810	$79,545	
Total	**$16,502,775**	**Not yet confirmed**	**Not yet confirmed**	**To be confirmed with carryovers**	**$5,194,203**	**$11,803,572**	

Portfolio summaries

The projects listed below are low, medium and high complexity projects across the Infrastructure Services Capital Works Programme. Minor capital works (less than $100k) are not currently shown, however the aim is to include minor capital, baseline start and finish dates for each project, multiyear project financial breakdowns and show the total portfolio spend breakdown. The reporting description for budgets have been updated to reflect only forecasted overspends.

The report colour coding represents the following:

Colour	Description
	Off track Budget – budget variation is forecasted to be 10% over budget, insufficient to deliver or external funding unconfirmed Scope – not well defined and/or highly likely that the approved scope cannot be delivered Resources – project is significantly under resourced and/or specific skills not in place Schedule – no clear visibility of deliverable dates and/or delays in completing deliverables for the delivery dates Risk/Issues - risks are not able to be managed at programme/project level despite controls in place and/or risks are expected to eventuate and impact the programme/project delivery.
	On track for now, aspects need resolution Budget – budget variation is forecasted to be 5-10% over budget with work underway to resolve Scope – not well defined with a scope change identified which may require additional budget/resources/time Resources – some variances exist and/or required skills Schedule – not enough visibility of deliverable dates, delays may impact final delivery dates Risk/Issues - some mitigation strategies are in place but with improvement needed. Risk status overall is worsening.
	On track Budget – project on track against approved budget Scope – well defined and on track for delivery Resources – required resources/capabilities are in place Schedule – clear deliverable dates with no delays to baseline delivery dates

	Risk/Issues - risks are fully assessed and managed
	Baselines not yet set to measure report against.

Community Facilities Portfolio health check

The key projects in the Community Facilities portfolio are:

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Mokihinui Campground Sewerage							$800,000	$20,652	$638,262	$658,914	$141,086
Commentary	Design review by Environmental Technologies complete & changes being incorporated by designer. Survey details to include in detailed design underway. Procurement documents being drafted for tender release once the design is completed. Funding sources are $400,000 BDC and $400,000 of TIF funding.										
Punakaiki Campground Sewerage							$588,456	$456,004	$30,000	$486,004	$102,452
Commentary	AES system installed, under Defects Liability Period until March 2025										
Brougham House - HVAC							$225,000	$67,067	$158,043	$225,110	-$110
Commentary	Onsite construction underway with communications completed to information the public about staff relocation.										
NBS theatre HVAC							$457,000	$7,118	$452,242	$459,360	-$2,360
Commentary	Budget made up of $372K BDC funds, $85K from Buller Arts and Recreation Trust (BART) with BART payment confirmed. Request for proposal drafting underway to obtain 3 quotes for March release.										
Carnegie Library							$547,157	$94,228	$452,929	$547,157	$0
Commentary	Project business case underway. Funding provided by BDC through the 2023-24 Annual Plan, to provide seed funding to enable external funding to be sourced for strengthening and refurbishment work so the building can be reused.										

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
	Heritage Works Architect contract is working with Heritage NZ and other advisors through the design process. Resource consent granted. Lotteries Grant application completed.										
Reefton swimming pool HVAC and upgrade							$600,000	$54,457	$545,788	$600,245	-$245
Commentary	Budget made up from $300k approved Lotteries funding to fund HVAC system work along with $300K BDC funding. 200 kVA power supply upgrade switchboard design completed with livening intended for 30th January 2025. New pool cover installed, external door relocated and repairs completed to pool water dosing system. HVAC design completed; procurement underway for installation. Building Consent for changing room repair work approved.										

Roading and Transport Portfolio Health Check

The key projects in the Roading and Transport portfolio are listed below. 24-27 projects within the bridge programmes have been added to the report.

Key Projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
LR – Low Cost/Low Risk – Omau Road intersection upgrade							$1,974,332	$363,180	$1,611,152	$1,974,332	$0
Commentary	Redesign and procurement underway for release March 2025										
SPR – Karamea highway rehabilitation							$1,895,172	$1,775,531	$0	$1,775,531	$119,641
Commentary	Remediation work completed, defects liability period underway until February 2026.										
Toki Trail stage 2a							$142,599	$105,306	$37,293	$142,599	$0
Commentary	Final construction completed. Project handover and closure to be started. Funded from a 22/23 carry-forward for district revitalisation work of $158,004. $9,480 of the carry-forward was spent on non-Toki Trail Stage 2A projects, leaving an available budget of $142,599.										
24-27 Road resealing							$4,329,000	$40,154	$4,288,846	$4,329,000	$0
Commentary	Contract award underway. Physical works are to be carried out over two periods (Dec 24 - Mar 25 and Nov 25 - Mar 26). Construction underway for the first period.										

Key Projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
LR – Speed Management Plan							$245,000	$172,771	$0	$172,771	$72,229
Commentary	New speed limit rules implement by central government, options for BDC being explored.										
Kelly's Creek Bridge replacement							$250,000	$0	$250,000	$250,000	$0
Commentary	Options assessment for bridge replacement to be finalised with NZTA.										
Little Wanganui Bridge deck replacement							$870,000	$0	$870,000	$870,000	$0
Commentary	Project manager appointed, project set up underway.										
Blue Grey Bridge replacement							$1,000,000	$0	$1,000,000	$1,000,000	$0
Commentary	Geotechnical investigations underway.										
Brown Grey Bridge replacement							$1,000,000	$0	$1,000,000	$1,000,000	$0
Commentary	Geotechnical investigations underway.										

Waste Water Portfolio Health Check

The key projects in the Waste Water portfolio are:

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Riley Place pumpstation - 52052							$250,000	$2,522	$247,478	$250,000	$0
Commentary	Investigation of options for pumpstation underway.										
Pakington street main replacement (20 – 32) - 52021							$380,000	$116,122	$263,878	$380,000	$0
Commentary	Work continuing into 2025 quotes received and work delayed due to reactive Potter Street work in Reefton. Planned completion March 2025										
Potter Road – Buller Road reline - 52023							$150,000	$118,408	$2,000	$120,408	$29,592
Commentary	Relining completed, lessons learned session completed with operators.										
Adderly Street main replacement							$320,000	$296,616	$23,384	$320,000	$0
Commentary	Work near completion.										
Reefton WWTP upgrades							$120,000	$14,524	$105,476	$120,000	$0

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Commentary	Aerator on site - 6-month trial underway from mid-November, procurement of final aerator underway.										
The Strand, Reefton waste water line renewal							$200,000	$0	$200,000	$200,000	$0
Commentary	Project paused until reactive pipe replacement at Potter Street, Reefton completed and budget is able to be reconfirmed.										
Westport Wastewater sludge treatment and disposal							$200,000	$0	$200,000	$200,000	$0
Commentary	Sludge sample testing underway. Temperature probes for process control order, greenwaste operations and site management confirmation underway.										
Potter Street reactive pipe replacement							$300,000	$0	$300,000	$300,000	$0
Commentary	Work underway with practical completion walk through early March 2025.										
Packington Street electrical cabinet							$250,000	$0	$250,000	$250,000	$0
Commentary	Principals requirements underway to confirm scope for procurement process to be run.										

Waste Water Improvement Programme Health Check

The wastewater improvements programme looks to reduce the inflow and infiltration of stormwater into the wastewater network and meet resource consent conditions. The projects within this programme are currently being reviewed and will be updated in the future.

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Replacement of WWPS screens – 10234							$200,000	$203,258	$0	$203,258	-$3,258
Commentary	Closure report underway.										
Discharge resource consent application - 10235							$455,000	$326,913	$116,000	$442,913	$12,087
Commentary	Buller River Consent RFI's and consent variation for discharge into the Buller River ongoing. Review of community communication plan underway. Bi-monthly meetings started with WCRC and Ngāti Waewae to keep informed of programmes progress. Draft condition 50 underway for technical and legal input. Public health risk assessment reviewed, and residual risk assessment started. Options for progressing Orowaiti consent being reviewed.										
Waste water model preparation – 10236							$315,000	$65,397	$134,000	$199,397	$115,603
Commentary	Wastewater modelling and optioneering ongoing. Variation to complete Carters Beach modelling is underway.										
Stormwater model preparation - 10237							$420,000	$112,078	$30,527	$142,605	$277,395

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Commentary	Stormwater modelling and optioneering ongoing. Survey underway with results expected in early 2025 once survey is completed. Variance not expected at project completion as additional modelling work is likely to be required that is not shown yet as a committed cost.										
Waste water/storm water separation – 10238							$800,000	$369,377	$300,165	$669,542	$130,548
Commentary	Construction work on going. Previous projects 52017 and 52024 costs to be combined with this project. Overflow tanks for Carters beach and North beach quotes for supply and installation requested.										
Waste water/storm water separation policy – 10239							$50,000	$14,042	$9,243	$23,285	$26,715
Commentary	Options assessment underway for March Council meeting.										

	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast Cost to Complete	Variance	Commentary
Overall Programme finances	**$2,240,000**	**$1,091,065**	**$589,935**	**$1,681,000**	**$559,000**	Further scoping of the programme to be completed.

Water Supplies Portfolio health check

The largest project in the water supplies portfolio is the final stage of the Westport Trunk Main replacement. Funding was approved in the 24/25 annual plan and the project setup is currently underway. The Westport trunk main replacement project was broken into 4 stages. Stage 1a has been fully closed, 1b and 2 are shown below.

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Punakaiki Chlorination – 51011							$194,000	$301,764	$14,000	$315,764	-$121,764
Commentary	Work completed; defects liability period underway. Project change request to add further funding from the 24/25 AP underway.										
Westport Water Treatment Plant Optimisation - 51052							$270,000	$51,623	$11,000	$62,623	$207,377
Commentary	Caustic wash complete and monitoring of effects is ongoing. New access stairs and platforms installation underway. Final project scope to be confirmed within remaining budget.										
Westport water Sectorisation - 51008							$380,000	$100,742	$279,258	$380,000	$0
Commentary	Flowmeter sizes have been confirmed with testing underway. Final installation scope and pricing confirmation in progress.										
Waimangaroa raw water supply upgrade							$2,519,912	$2,063,880	$7,217	$2,071,097	$448,815
Commentary	Handover report completed by EGIS. SLT memo underway for decision on budget movement for underspend.										

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Westport Trunk Main Stage 1b - 10240							$1,634,954	$1,153,827	$6,800	$1,160,627	$474,327
Commentary	Physical works completed. Defects liability period still to be completed. SLT memo to be drafted for decision on budget movement for underspend. Easement lodged with LINZ for approval. Handover report completed by EGIS.										
Westport Trunk Main Stage 2 - 51080							$3,092,985	$149,953	$1,874,048	$2,024,001	$1,068,984
Commentary	Tender evaluation completed and preferred supplier confirmed for negotiations.										
Coates Street Mains Replacement - 51076							$250,000	$22,910	$227,090	$250,000	$0
Commentary	Construction programme ongoing.										
Reefton backflow preventions – 51006							$131,000	$36,595	$94,405	$131,000	$0
Commentary	Construction programme ongoing.										
Westport backflow preventions – 51007							$443,125	$278,036	$165,089	$443,125	$0
Commentary	Work program ongoing, due to be completed by June 2025.										

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
West Disraeli to Queen Street Mains Replacement - 51023							$103,857	$25,821	$78,036	$103,857	$0
Commentary	Construction near completed, final stage to be completed in early 2025 once main replacement completed and worked in with the road resealing programme.										
Walsh street Main replacement							$118,850	$0	$118,850	$118,850	$0
Commentary	Project paused for review on wider water supply programme.										

Stormwater Portfolio health check

The key projects in the Stormwater portfolio are:

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Brougham Street Stormwater Upgrade – 53001							$150,000	$125,873	$10,500	$136,373	$13,627
Commentary	Easement process for BDC assets on private property awaiting final confirmation from LINZ.										
Southern Peel Street Stormwater Upgrade – 53011							$300,000	$26,884	$207,151	$234,035	$ 65,965
Commentary	Procurement plan approvals underway, construction to be completed in 2025.										
Cobden Street outfall repair - 53031							$400,000	$52,829	$439,700	$492,529	-$92,529
Commentary	Tender released onto GETS. Resource consent application underway.										
Thomas Creek outfall protection – 53006							$160,000	$180	$15,000	$15,180	$144,820
Commentary	Interim design completed with work programmed for March then 6 month monitoring period.										

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Stormwater management improvements - 52061							$150,000	$99,511	$50,489	$150,000	$0
Commentary	Application to Regional Infrastructure Fund for capital underway. Stormwater flow data received.										

Waste Management Portfolio health check

The key projects in the Waste Management portfolio are:

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Current Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Karamea landfill and recycling centre upgrade							$328,000	$284,644	$7,000	$291,644	$36,356
Commentary	Project closure report underway. Multiple funding streams including AP budgets from 22/23, 23/24, waste levy's fund, MFE funds, Karamea Waste Group Grants contribution of approximately $25k for materials. Project closure report to be drafted that confirms final financial breakdown.										
Construction and demolition waste recovery facility							$949,999	$128,504	$821,495	$949,999	$0
Commentary	Commitment made from three West Coast councils to proceed with construction. MOU between councils out for signing, then finalise agreement with MfE to release funds. Project majority funded by the Ministry for the Environment. Budget shows combined regional total which will be revised once the Westland project is confirmed.										
Westport and Reefton transfer station upgrade							$442,817	$347,151	$60,000	$407,151	$35,666
Commentary	Minor weather dependent tasks to be completed at end of 2024 prior to project closure.										

Waste Minimisation Plan							$70,000	$66,149	$3,000	$69,149	$851
Commentary	Waste minimisation plan drafting continuing. Budget obtained from the Waste Levy Funds and from co-fundings from the other two WCRC (Other Councils total co-funding was $41,764)										
Waste Services contract renewal							$300,307	$423,290	$60,000	$483,290	-$182,983
Commentary	Review of scope of services underway for procurement updates. Extension of current services negotiation underway. Budget includes previous two consultations, statement of proposal elaboration, contract renewal, procurement plan, request for proposal, legal review, probity and audit advice, tender evaluation and moderation. Co-founding from GDC and WDC was $34,664										
Organic Management Feasibility Study							$100,000	$82,129	$17,000	$99,129	$871
Commentary	Feasibility study ongoing intended for completion in May 2025. Project co-funded by MfE $75,000, DWC $10,000, BDC $5,000, GDC $5,000, WDC $5,000.										

Return to Service Programme Health Check

The NZTA funded Return to Service roading work is a programme of works separated into 12 bundles which are described below. Bundles were identified either by work of a similar nature or geographic similarity. A large review on the programme scope was completed in December with the programme forecasting an overspend of $508,239. NZTA is requesting additional funding from the Board.

Project name	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Bundle 1 – Work usually carried out by Council's maintenance contractor							$933,731	$607,961	-1,158	$606,803	$328,928
Commentary	All construction works completed. Proposed work at Gannons Bridge removed from scope.										
Bundle 2 – Roading and culvert repairs							$332,795	$238,973	$0	$238,973	$93,822
Commentary	Defect period ended in December 2024. Retentions released.										
Bundle 3 – Machine work							$448,204	$344,754	$0	$344,754	$103,450
Commentary	Work completed; defects liability period underway. Estimate higher than actual cost to complete.										

Project name	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Bundle 4 – MSE wall & minor machine work							$618,765	$795,051	$	$795,051	-176,286
Commentary	Work completed; defects liability period underway. Tender price received higher than estimate.										
Bundle 5 – Karamea Basin & Little Wanganui underslips							$662,360	$529,594	$475	$530,069	$132,291
Commentary	Defect period ended in December 2024. Retentions released.										
Bundle 6 – Denniston retaining walls & road repair							$3,371,256	$4,098,785	$20,000	$4,108,285	-$747,529
Commentary	Work completed; defects liability period underway. Additional costs identified during construction due to challenging ground conditions over five sites.										
Bundle 7 – Rock protection & repairs Northern							$1,256,062	$983,551	-$23,107	$960,444	$295,618

Project name	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Buller local roads											
Commentary	Work completed; defects liability period underway. Reduction on scope of work on De Malmanches Road identified by Project Manager and competitive tender received.										
Bundle 8 – SPR underslips, retaining structures & roads							$2,725,265	$2,035,241	$986,651	$3,021,892	-$296,627
Commentary	Final extent of retaining wall can only be determined during construction once unforeseen ground conditions are fully managed. Work underway, with estimated completion early 2025. Site team proactively looking for cost savings.										
Bundle 9 – Local roads rockwall, roading & rock placement							$215,750	$139,157	$2,345	$137,172	$78,578
Commentary	All sites have been removed from the scope of works. If required these will be carried out using the roading maintenance budget.										
Bundle 10 – Karamea Bluff rockwall,							$1,165,615	$1,139,836	$48,430	$1,188,266	-$22,651

Project name	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
roading, rock & culverts											
Commentary	MSE retaining wall construction completed. Remaining work includes chipsealing and sight rails. Work underway, with estimated completion early 2025.										
Bundle 11 – Karamea Bluff soil nail wall, replace culvert							$751,279	$759,625	$11,295	$770,920	-$19,641
Commentary	Remediation completed.										
Bundle 13 – Christmas Creek & Burkes Creek Bridge abutments, rock protection, culverts							$1,011,152	$1,299,253	$1,840	$1,301,093	-$289,941
Commentary	Work completed, defects liability period underway. Tender price received higher than estimate.										

	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast Cost to Complete	Variance	Commentary
Overall Programme finances	**$13,492,234**	**$12,971,781**	**$1,046,771**	**$14,018,552**	**-$526,318**	Reassessment of remaining work underway.

Summary by event and local roads or special purpose roads:

Class and event	Current budget	Forecast final cost	Variance
LR FEB	$6,232,155	$6,893,109	-$660,954
LR JUL	$1,073,193	$790,566	$282,627
SPR FEB	$5,376,935	$5,174,900	$202,035
SPR JUL	$809,952	$1,159,978	-$350,027
TOTAL	**$13,492,234**	**$14,018,552**	**-$526,318**

High Risks and Issues

The following table outlines the most significant risks and issues facing the Capital Programme Delivery and the mitigation measures in place to address them.

Project name	Risk/Issue Name	Description	Action/Mitigation
Brougham House - HVAC	Cost escalation during construction works.	If unfavourable conditions are discovered once work is started, then there may be additional costs required.	Ensure robust negotiations are carried out to agreed quote and purchase order Contract management communication lines clear between the contractor and BDC.
NBS theatre – HVAC	Cost escalation during construction works.	If unfavourable conditions are discovered once work is started, then there may be additional costs required.	Ensure robust negotiations are carried out to agreed quote and purchase order

Project name	Risk/Issue Name	Description	Action/Mitigation
			Contract management communication lines clear between the contractor and BDC.
Carnegie Library	Achieving a fit for purpose and affordable outcome	If the design of and purpose for the Carnegie building is not agreed by the BDC and community, then the outcome may be unaffordable, unachievable and not fit for purpose.	Regular meetings between the project manager and the Carnegie committee with final approval through Council.
Carnegie Library	Investigation costs	If construction is not completed there may be write off and demolition costs for operating.	Costs to be held as Work in Progress until a decision on phase 2 construction is made.
Stormwater management improvements - 52061	Delivery funding not confirmed.	Funding for stormwater improvements not included in the June 2022 Westport Flood Resilience Business Case.	Once modelling is completed, active engagement with central government on external funding sources.
Stormwater management improvements - 52061	Modelling cost write offs	If modelling is charged to capital and construction is not completed there may be write off costs for operating.	Working with finance to agree on an accounting treatment for this work.
Discharge resource consent application - 10235	Volume of request for information	If the volume of request for information tasks is too big there will not be available BDC resourcing to respond.	Task list has been drafted with assigned resources to it. Workload priority conversations with assigned staff underway.
Discharge resource consent application - 10235	Consent compliance	If the Council's consent application is not complete within the timeframes or issues with onerous conditions that are unable to be fulfilled, then the council may incur penalties and reputational damage for breaching conditions.	Reduce stormwater discharge into wastewater network.
Waste water/stormwater separation policy - 10239	Community engagement	If community engagement is not completed, then the stormwater infiltration policy may not be understood and accepted by councillors and the community.	Advise underway from the BD Communications and Engagement team on a communications plan linked to the consent process.
Riley Place Pump station renewal – 52052	Delivery funding not confirmed.	If funding is not approved, then the pumpstation will remain in poor condition and with a reduced capacity.	Business case underway to forecast costs along with the long-term plan.

Project name	Risk/Issue Name	Description	Action/Mitigation
Westport Wastewater sludge treatment and disposal	Consent compliance	If the Council's consent application is not complete within the timeframes or issues with onerous conditions that are unable to be fulfilled, then the council may incur penalties and reputational damage for breaching conditions.	Site improvements for composting of sludge.

Health, Safety and Environmental

This register tracks the health, safety and environmental audits and reports completed for construction projects in the previous month.

Programme/project name	Events Reported	Notifiable Events	Audits Completed
RTS Programme	0	0	17
Karamea highway pavement rehabilitation	0	0	2
Potter Street reactive pipe replacement	0	0	8
Brougham House HVAC installation	0	0	3

Communications/Community and Stakeholder Engagement

The following recent communication has been distributed to achieve the above aims.

Project Name	Description
Brougham House HVAC installation	Buller District Council's Brougham House offices to close for HVAC installation | Buller District Council
Waste Minimisation Plan	West Coast communities provide feedback on the Draft West Coast Regional Waste Management and Minimisation Plan | Buller District Council

Appendix 1: Project Name and Description

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Community Facilities	Mokihinui campground sewerage	Upgrade of Mokihinui Campground Effluent discharge funded by both the MBIE Tourism Infrastructure Fund and BDC.	October 2024	July 2025	September 2025
Community Facilities	Punakaiki campground sewerage	Upgrade the existing onsite effluent wastewater system, ensuring the upgrade is fit for purpose, operates efficiently and meets current resource consent conditions for a maximum of 400 camping ground uses.	October 2023	Completed	March 2025
Community Facilities	Brougham Street Upgrade	Upgrade Brougham House. Current work has included electrical-main switchboard replacement and upgrades of heating and ventilation system for ground and first floor of Brougham house. Earthquake strengthening work still to be confirmed through council as budget insufficient to complete the required works.	June 2024	February 2025	March 2025
Community Facilities	NBS theatre HVAC	Upgrade of heating and ventilation system for NBS theatre.	June 2024	August 2025	March 2026
Community Facilities	Carnegie Library	Primarily seismic upgrade and associated refurbishments to meet the building act.	October 2023	To be estimated through a project documentation	To be estimated through a project documentation
Community Facilities	Reefton swimming pool HVAC and upgrade	Upgrade of heating and ventilation system to ensure swimming pool air temp consistent with water temp to rectify severe condensation problem.	October 2023	September 2025	March 2026
Roading and Transport	LR – Low Cost/Low Risk – Omau Road intersection upgrade	Council is proposing to upgrade the Omau intersection due to safety concerns and to provide a safe alignment for the Kawatiri Coastal Trail. This stage will involve the detailed design of the intersection to be completed by 30th June 2024.	June 2023	December 2025	December 2026

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Roading and Transport	SPR – Karamea highway rehabilitation	Granular overlay and two coat chip seal at three sites from the northern side of the Karamea bluff to the Karamea bridge.	June 2023	April 2025	April 2026
Roading and Transport	LR – Speed Management Plan	This project aimed to deliver on the outcomes of the Regional Speed Management Plan 2024-2026 consultation that proposed to lower the speed limit around eight schools, and seven high priority roads/high priority areas.	July 2023	March 2026	June 2026
Roading and Transport	Toki Trail stage 2a	A shared path was created between the Toki Poutangata bridge and Victoria Park which has been the subject of a post-construction safe system audit undertaken by Abley Consultants which recommended multiple changes and improvements. The scope of this project is to rectify the existing Kawatiri Coastal Trail, Westport town precinct, Westport CBD, and the recreational area of Victoria Park via a shared pathway. An enhanced journey experience for cyclists and pedestrians will increase well-being, retail and social benefits	July 2023	Completed	March 2025
Roading and Transport	24-27 road resealing	Sections of road requiring resealing as part of regular maintenance.	November 2024	March 2026	June 2027
Roading and Transport	Kelly's Creek bridge	Kellys Creek bridge options including ford or replacement being explored.	January 2025	TBC	TBC
Roading and Transport	Little Wanganui bridge decking replacement	Little Wanganui bridge decking replacement	January 2025	TBC	TBC
Roading and Transport	Blue Grey bridge replacement	Blue Grey bridge replacement	January 2025	June 2026	April 2027

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Roading and Transport	Brown Grey bridge replacement	Brown Grey bridge replacement	January 2025	June 2026	April 2027
Waste Water	Replacement of WWPS screens – 10234	Replace screens on the three pump stations subject of the consent RC00408/2. Note there are five other WW pump stations in Westport that are currently unconsented and may need the addition of overflow screens before consents can be issued.	July 2022	Completed	March 2025
Waste Water	Discharge resource consent application – 10235	Buller river and Orowaiti river resource consent application. Includes iwi liaison, environmental reporting etc.	July 2022	June 2027	December 2027
Waste Water	Waste water model preparation – 10236	Waste Water model and optioneering to identify improvement works that will need to be carried out over short and longer term.	July 2022	June 2031	December 2031
Waste Water	Stormwater model preparation - 10237	Stormwater model and optioneering to identify improvement works that will need to be carried out over short and longer term.	July 2022	March 2025	December 2025
Waste Water	Waste water/stormwater separation investigation – 10238	Repairs for immediate cross connections.	July 2022	March 2025	December 2025
Waste Water	Waste water/stormwater separation policy – 10239	Develop and consult on a WW/SW separation policy including consultation.	July 2022	February 2025	December 2025
Waste Water	Riley Place pumpstation - 52052	The current pump station, rated at 4 litres per second (l/s), is outdated, frequently struck by vehicles, and deteriorating. This project looks to investigate options available.	June 2024	June 2028	June 2029

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Waste Water	Pakington street main replacement - 52021	Replacement of the main pipeline around numbers 20 – 32 in Pakington Street.	May 2024	April 2025	June 2025
Waste Water	Potter Road – Buller Road reline - 52023	Reline inside of the pipework between Potter and Buller Roads.	June 2022	February 2025	June 2025
Waste Water	Potter Street reactive pipe replacement	Potter Street reactive pipe replacement	January 2025	February 2025	February 2026
Waste Water	Adderly Street main replacement	Adderly Street main replacement	April 2023	Completed	June 2025
Waste Water	Reefton WWTP upgrade	Upgrades to the Reefton Wastewater treatment plant including aerator, level sensors and DO meters	November 2024	January 2026	Apil 2026
Waste Water	The Strand, Reefton, wastewater line renewal	Renewal of wastewater line on the Strand	May 2024	May 2026	May 2027
Waste Water	Packington Street electrical cabinet	Replacement of the electrical cabinet on Packington Street	December 2024	August 2025	August 2026
Waste Water	Westport Wastewater sludge treatment and disposal	Long term management optioneering and implementation of sludge in Westport	December 2024	June 2026	September 2026
Water Supplies	Punakaiki Chlorination – 51011	The objectives of the project are essential to improving water supply safety by introducing residual chlorine into the drinking supply and complying with the Drinking Water Assurance Rules of 2022	January 2024	Completed	December 2025

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Water Supplies	Westport water treatment plant optimisation - 51052	This project aims to investigate the WTP treatment performance and undertake affordable improvements.	February 2024	March 2025	April 2025
Water Supplies	Westport water sectorisation - 51008	Sectorisation of the Westport Water system to understand the areas of water loss and allow improvements through management.	April 2025	June 2025	August 2025
Water Supplies	Waimangaroa WS Upgrade	Upgrade critical elements of the raw water supply to implement priorities of the raw water network.	July 2021	Completed	February 2025
Water Supplies	Westport Trunk Main stage 1b - 10240	The project is a continuation of the Westport Trunk main, construction of PE trunk main pipeline towards Westport.	August 2022	Completed	February 2025
Water Supplies	Westport Trunk Main stage 2- 51080	The project is the final stage of the Westport Trunk main, construction of PE trunk main pipeline towards Westport.	July 2024	June 2025	June 2026
Water Supplies	Coates Street Mains Replacement - 51076	Replacement of mains in Coates Street	July 2024	June 2025	June 2026
Water Supplies	Reefton Backflow prevention	In order to meet Taumata Arowai anticipated compliance testable backflow prevention valves are being rolled out firstly with rural water connections.	February 2025	June 2025	August 2025
Water Supplies	Westport backflow preventions – 51007	In order to meet Taumata Arowai anticipated compliance testable backflow prevention valves are being rolled out firstly with rural water connections.	July 2024	June 2025	August 2025
Water Supplies	West Disraeli to Queen Street Mains	Replacement of mains in West Disraeli to Queen Street	June 2024	February 2025	April 2025

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
	Replacement - 51023				
Water Supplies	Walsh street Main replacement	Replacement of mains in Walsh Street.	February 2025	February 2025	April 2025
Stormwater	Brougham street stormwater upgrade – 53001	The project originates from an unresolved historic stormwater issue wherein private construction works damaged an unmapped public stormwater drain passing through private property and localized flooding persisted at the rear of 143-149 Palmerston Street. To address this, the project focuses on installing a new stormwater pipe. This pipe will facilitate the drainage of communal stormwater from neighbouring properties into the Council's stormwater system situated in Brougham Street, thereby resolving the persistent localized flooding issue.	October 2023	June 2025	August 2025
Stormwater	Southern peel street stormwater upgrade – 53011	The primary objective of the Southern Peel Street Stormwater Upgrade project is to decrease flooding of roads and private properties during rain events ranging up to the 10-year Average Recurrence Interval (ARI). This involves improving the stormwater management system to handle stormwater effectively, thus ensuring the road corridor and surrounding properties remain flood-free during typical rainfall events, improving safety, and reducing maintenance costs	October 2023	June 2025	August 2025
Stormwater	Cobden Street outfall repair - 53031	Reactive repairs to the Cobden Street outfall. Design required prior to construction.	May 2024	May 2025	May 2026
Stormwater	Thomas Creek outfall protection – 53006	Reactive repairs to the Thomas Creek outfall. Stage 1 initial outfall design to be delivered and tested	February 2024	March 2027	August 2027

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
		Stage 2 final outfall confirmed and delivered if needed.			
Stormwater	Stormwater management improvements - 52061	Upgrade to the Westport township stormwater network integrated into the flood protection wall construction	Sept 2024	May 2027	August 2027
Waste management	Karamea landfill and recycling centre upgrade	Purchasing and installing weighbridge, site office and recycling centre for Karamea.	March 2022	February 2025	May 2025
Waste management	Construction and demolition waste recovery facility	Regional project to design, build and operate three construction and demolition waste recovery facilities around the region (Westport, Hokitika, Greymouth).	March 2022	November 2025	February 2026
Waste management	Westport and Reefton transfer station upgrade	Major maintenance work of the two main waste facilities of the district (Westport and Reefton) e.g. roof repairs, Westport weighbridge, security fences/gates and cctv cameras.	July 2022	March 2025	June 2025
Waste management	Waste minimisation plan	Elaboration of the Regional WMMP that establish the Waste Management strategy to achieve the waste minimisation goals.	February 2024	April 2025	May 2025
Waste management	Waste Services contract renewal	Procure the contract that will provide the Buller Waste Management services and facilities operations from July 2025 until 2035 (10y).	July 2023	January 2025	March 2025
Waste management	Organic Management Feasibility Study	Elaborate a Feasibility Study to identify a preferred approach to manage food scraps and garden waste in the West Coast Region.	March 2024	May 2025	August 2025
Return to Service Programme	Bundle 1	Bundle 1 is made up of defects/projects that require simple designs and that are usually carried out by Council's maintenance contractor.	April 2022	Completed	March 2026

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Return to Service Programme	Bundle 2	Bundle 2 is made up of general roading and culvert repairs.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 3	Bundle 3 is made up of machine works on the Karamea highway.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 4	Bundle 4 is made up of machine works and a mechanically stabilised earth wall on the Karamea highway.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 5	Bundle 5 is made up of roading underslips that require the road shoulder to be reinstated in Karamea basin and Little Wanganui.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 6	Bundle 6 is made up of retaining wall and roading repairs on the Denniston road.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 7	Bundle 7 is made up of rock protection and roading repair work.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 8	Bundle 8 is the repairs of underslips using retaining structures and roading work on the Karamea highway.	April 2022	March 2025	March 2026
Return to Service Programme	Bundle 9	Bundle 9 is made up of rockwall and roading & rock placement. The largest portion is Darkies Tce, with a significant retaining structure intended to support road required	April 2022	Completed	March 2026
Return to Service Programme	Bundle 10	Bundle 10 is made up of rockwall and roading & rock and culvert work on the Karamea highway.	April 2022	March 2025	March 2026

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Return to Service Programme	Bundle 11	Bundle 11 is the construction of a Soil Nail wall, replacement of existing culvert and other miscellaneous works on the Karamea highway.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 13	Bundle 13 is the repairs to two sites; Christmas Creek - Lift existing bridge, upgrade, construct new abutments, river works and miscellaneous work. Burkes Ford - Reinstatement of rock protection, void repairs, culvert installation and other works.	April 2022	Completed	March 2026

BULLER DISTRICT COUNCIL - Commercial infrastructure - Infrastructure Strategy - IAF - Stage 2 Pre-Implementation	
Programme/Project Details	
Location and Region:	Alma Road Westport
Project Budget:	$1,300,500
Reporting Period (ending):	February-2025
Financial Period End	January-2025
Project Principal:	Buller District Council
Project Partner(s):	Kainga Ora
Project Manager:	Steve Garner
Programme Outcomes:	The IAF stage 1&2 programme will manage the procurement and delivery of detailed design for the Transport, Water Supply & Wastewater and Stormwater IAF projects. The programme will deliver detailed designs for each project by December 2024.

Project Overview/traffic Light Status/High-Level Summary (G = Green- Good ; A = Amber- Warning; R = Red - Issue)		
Aspect	**Status**	**Comments**
Overall:	G	Detailed design will be delivered to contractual timeframes
Budget:	G	4th claim lodged and approved for payment and paid. Fifth claim to be lodged in January
Scope:	A	WWTP scope change. Additional cost to be covered from contingency in wastewater design project
Resource:	A	Programme Manger contract expires January 25.
Schedule:	G	Detailed design delivery on track to meet milestones in Kainga Ora Contract
Risks / Issues:	A	Construction funding risk remains until TToP condition satisfied.

Current Updated Programme	
Previous Reporting Period	**Next Reporting Period**
Focus on working through issues emerging with detailed design development and advocating for early release of IAF construction funding	Approve detailed design. Continue to advocate for early release of IAF construction funds and start work on design close out reporting for completion in February 2025

Updated Project Road Map/Schedule

	2024												
Project task	**Jan**	**Feb**	**March**	**April**	**May**	**June**	**July**	**August**	**Sept**	**Oct**	**Nov**	**Dec**	**Comments**
Planning and BDC Approvals													Budget and PMO documents approved
Design contracting													All designs contracted
Design													Detailed design progress on track to meet Kainga Delivery Plan agreed delivery dates
Asset Manager accepts designs													Water man design accepted.
Construction tender documents complete													
Handover and Asset Manager Acceptance													

Milestones				
Milestone / Task	**Baseline Finish**	**Forecast/Actual Finish**	**% completion**	**Comments**
Sponsor approves PMO documents	24-Jan-24	31-Jan-24	100%	
Programme procurement plan approved by	24-Jan-24	31-Jan-24	100%	
Programme budget approved by sponsor	24-Jan-24	31-Jan-24	100%	
Water Main detailed design	31-Mar-24	31-Mar-24	100%	
Cycleway preliminary design	30-Jun-24	18-Sep-24	100%	Completed
Cycleway detailed design	1-Nov-24	20-Dec-24	100%	Detailed design subitted to BDC
Road and bridge preliminary design	1-Jul-24	18-Sep-24	100%	Road design has commenced. Agreed bridge deck height and bridge design underway for completion in February
Road and bridge detailed design	4-Nov-24	28-Feb-25	60%	final bridge design due Feb 25
Stormwater detailed design	4-Nov-24	20-Dec-24	100%	Modelling completed and culvert review completed. Detailed design provided to BDC
Wastewater stage 1 preliminary design	31-Jul-24	31-Jul-24	100%	IOTA design agreed
Wastewater stage 1 detailed design	31-Oct-24	20-Dec-24	100%	Detailed design complete and submitted to BDC
Wastewater treatment plant detailed desig	31-Mar-24	20-Dec-24	100%	Detailed design provided to BDC

Financials

Budget and expenditure summary

Programme/Project Item	Approved Original Budget	Current Budget	Cost to Date (CTD)	Forecast Cost to Complete (FCC)	Final Forecast Cost (FFC)	FFC to Current Budget Variance	Reported Contingency	Status	Commentary
Transport -Pedestrian Cycleway - 10253	$ 131,437	$ 132,047	$ 98,430	$ 3,000	$ 101,430	30,618	$ 30,617	In Design	Design complete
Transport-Intersection upgrade - 10254	$ 262,866	$ 262,256	$ 199,978	$ 8,822	$ 208,800	53,455	$ 53,456	In Design	Design complete
WWTP Upgrade - 10257	$ 142,500	$ 130,439	$ 132,686	$ 24,578	$ 157,264	-26,825	$ -	In Design	PCN to transfer funding from 10258 contingency to 10257 design
WW Pressure Lines - 10258	$ 247,000	$ 259,061	$ 177,906	$ 2,418	$ 180,324	78,737	$ 78,737	In Design	Design completed
Water Supply - Watermain Ext - 10261	$ 64,550	$ 64,550	$ 69,028	$ -	$ 69,028	-4,478	$ -	Design completed	Journal not executed so final cost overrun to be funded from overall contingency
Stormwater - 10259	$ 81,599	$ 81,599	$ 81,565	$ -	$ 81,565	34	$ 34	In Design	Detailed design completed
IAF Programme Management - 10252	$ 370,548	$ 370,548	$ 369,058	$ -	$ 369,058	1,490	$ 1,490		0
Total	$ 1,300,500	$ 1,300,500	$ 1,128,652	$ 38,818	$ 1,167,470	$ 133,030	$ 164,334		

Note that the budget above includes BDC contribution of $200,468

Note: FCC and FFC exclude contingency

Risks/Issues/Outcomes

Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)

Risk ID - Risk/Issue	Mitigation	Residual Risk
Stage 3 - Construction - Contruction funding not available until TToP condition satisfied meaning BDC on risk for construction inflation	Application for Fast track consent, continue to advocate with Minister re release of construction funding, submission to Hearing Chair re early release of Alma Road rezoning decision, consider subdivision applicztion application	12
IAF - Stage 2 Pre-Implementation / 9 - operating costs likely to be recovered in rates.	Include in community consultation with developers	6
IAF - Stage 2 Pre-Implementation / 13 - If construction is not completed, there may be write off costs to BDC for stage 1 (design). Stage 1 costs were split between BDC ($200,000) and Kianga Ora ($1,100,000).	Negotiate earlier access to construction funding, Fast track consent application, letter to Minister re release of construction funding, submission to Hearing Chair re early release of Tto Alma Road decision, consider subdivision application. If unresolved by end of first quater 2025 consider withdrawing from funding agreement.	9

Communications

An update on media, marketing and communication activity for the programme/project

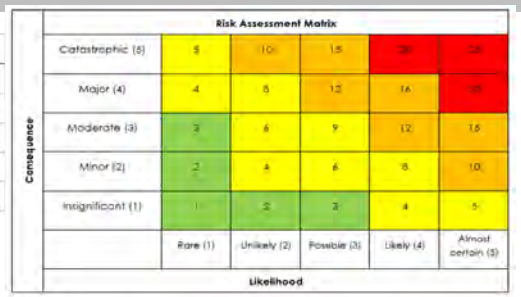
Monthly meeting with Kainga Ora - continued dialogue re release of construction funding. No formal decision received

Risk Key

Risk Rating		Action, Escalation & Review Timeframe Needed
20 – 25	Extreme	Risk Owner must immediately escalate risk to the SLT who considers escalating it to the Finance, Risk and Audit Committee.
10 – 16	High	Risk Owner immediately escalates risk to the Risk Leader, and to the SLT if required.
4 – 9	Moderate	Risk Owner monitors and reviews the effectiveness of risk controls and whether the risk rating has changed, on a monthly basis.
1 – 3	Low	Retain all risks on the risk register and review those with a combined score of 1 or 2 on a 6-monthly basis and those with a combined score of 3 on a quarterly basis to ensure that the risk rating has not changed.

Table 5: Likelihood of Occurrence

Likelihood	Score	Description
Almost certain	5	Event is expected to occur more than once in the next year
Likely	4	Event is expected to occur once in the next year
Possible	3	Event could occur at least once in the next two years
Unlikely	2	Event could occur at least once in the next 3 to 5 years
Rare	1	Event is unlikely to occur in the next 5 years



RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 10

Prepared by Bronwyn Little
Senior Policy Advisor

Reviewed by Simon Bastion
Group Manager Regulatory Services

Public Excluded: No

CLASS 4 GAMBLING AND TAB VENUE POLICY REVIEW – OPTIONS FOR DRAFT POLICY

1. **EXECUTIVE SUMMARY**
The Buller District Council Class 4 Gambling and TAB Venue Policy (the Policy) is currently under review.

2. Consultation was undertaken on a number of options for the Policy and a total of 29 submissions were received.

3. After consideration of the submissions Council resolved to place restrictions on machines and venues in the district, location of venues and number of machines per venue in addition to allowing the relocation of venues.

4. This report outlines how those restrictions can be applied in the policy and seeks direction for staff to prepare a draft policy and statement of proposal to present to Council for consideration.

5. DRAFT RECOMMENDATION

That the Risk and Audit Committee:

1. Receives this report and considers the options available for the Class 4 Gambling and TAB Venue Policy.

2. Instructs the Chief Executive Officer to prepare a draft Class 4 Gambling and TAB Venue Policy and Statement of Proposal as follows:

(a) Number of gaming machines in the District restricted to:

- **i. Number in the District at the time draft policy is released; or**
- **ii. New Zealand average per capita;**

(b) Number of venues in the district be restricted to:

- **i. Number in the District at the time draft policy is released; or**
- **ii. New Zealand average per capita;**

(c) New Venue location;

- **i. Town Centre zone only as defined in the proposed Te Tai o Poutini Plan; or**
- **ii. Town Centre zone only as defined in the proposed Te Tai o Poutini Plan and not within 50m of a sensitive site; or**

(d) Number of gambling machines per venue:

- **i. Limit set under the Gambling Act 2003 (9) including those venues established prior to October 2001; or**
- **ii. New applications for venues restricted to 4.**

(e) Relocation permitted under the following circumstances:

- **i. Allow relocation without new application in extenuating circumstances only if moving to a permitted area; or**
- **ii. Allow relocation of venues without new application in extenuating circumstances and for venues relocating from locations outside permitted areas.**

6. ISSUES & DISCUSSION

7. BACKGROUND

Requirement for Class 4 Gambling and TAB Venue Policy:

As noted in previous reports Council is required to have a policy which regulates both Class 4 (non-casino) gaming venues and standalone Totalisator Agency Board venues. The Gambling Act 2003 requires Council to set a Class 4 Gambling Venue Policy to influence the extent of, and minimise the negative impacts of, Class 4 gambling in the district.

8. It enables Council to control where venues can be established and limit the permitted number of gaming machines at each venue. The purposes of the Racing Industry Act 2020 are similar to the Gambling Act 2003, including the prevention and minimisation of harm.

9. **Review of Policy:**
Both Acts require that the relevant policy is reviewed every five years. Buller District Council currently has one policy covering the requirements of both Acts.

10. To begin the review Council adopted a statement of proposal which outlined the various options for dealing with each of the matters included in the policy:
- Number of gaming machines in the district
- Number of venues in the district
- Venue location – both Gambling Venues and Board (TAB) venues
- Number of gambling machines per venue
- Relocation of licenses to other venues.

11. Public consultation took place based on the statement of proposal and submissions were invited from the public for a one-month period with a total of 29 submissions received. Of these submissions 11 were from stakeholder organisations and the remainder from individuals within the District. Many individuals also noted organisations they were associated within the District.

12. Councillors considered these submissions and heard from those who wished to speak to their submissions at an extraordinary Council meeting in November 2024. After deliberating on the matters concerned the following resolution was made:

> '*Directs the Chief Executive Officer to prepare a draft Class 4 Gambling and TAB Venue Policy to the Risk and Audit Committee by April 2025 based on the following:*
> *Relocation of venues provisions and restrictions on:*
> - *Number of machines in district*
> - *Number of venues in district*
> - *Location of venues*
> - *Number of machines in venues'*

13. Councillors at that time did not make a decision regarding what type of restrictions should be included or the conditions under which a relocation of a venue could be undertaken. This report outlines the options for these matters and seeks the committee's guidance before the draft policy is completed and presented to council for adoption.

14. It is noted that a Statement of Proposal will be prepared based on the draft policy. The Statement of Proposal will include a summary of the draft policy, the options considered in preparing the draft and reasons for choosing the options included in the draft.

15. **Buller District Characteristics:**
To assist in decision making on the types of restrictions the following information is provided based on the latest data available.

16. An assessment of the socioeconomic characteristics of the District will be included in the Statement of Proposal. For information at this stage the table below shows the latest information (2023 census) on socioeconomic deprivation levels in Buller from the University of Otago.
https://massey.maps.arcgis.com/apps/Embed/index.html?webmap=e051f62ff714474caba8348552fd7524&extent=163.3661,-47.5249,180,-34.2984&zoom=true&scale=true&search=true&searchextent=false&details=true&legend=true&active_panel=legend&disable_scroll=true&theme=light

17. Deprivation Scores for populations in NZ are based on Census variables around Employment, Crime, Housing, Health, Education and Access to Services. The resulting scores range from 0 (lowest level of deprivation) to 10 (highest level of deprivation).

18. **Table 1 - Socioeconomic Deprivation Scores for areas within Buller District**

Statistical Area (SA1)	19. Deprivation score
Karamea	8
Buller Coalfields	9
Inangahua	9
Reefton	9
Westport North	9
Westport South	9
Westport Rural	4
Charleston	6

20. The majority of Buller District has a socioeconomic deprivation score of 8 or 9. All the areas which currently have Class 4 Gambling Venues are within these areas.

21. Currently there are no stand-alone TAB venues in Buller. The following table shows the Class 4 Gambling venues and the number of gaming machines in each venue:

22. **Table 2 – Class 4 Gambling Venues in Buller District 2025**

Society Name	Venue Name	Number of Gaming Machines
The Trusts Community Foundation Limited	BLACK AND WHITE HOTEL	14
Club Buller	CLUB BULLER	10
The Trusts Community Foundation Limited	COSMOPOLITAN HOTEL	6
Pub Charity Limited	CRITERION HOTEL (WESTPORT)	9
The Lion Foundation (2008)	HOTEL REEFTON	6
Pub Charity Limited	KARAMEA VILLAGE HOTEL	4
The Trusts Community Foundation Limited	MCMANUS HOTEL	14

23. The following table shows the per capita ratio for both Buller and all of New Zealand for both venues and gaming machines.

24. **Table 3 – Per Capita Class 4 Gambling Venues and machines (Buller District and NZ)**

	Population (Census 2023)	Number of venues (March 2024)	Venues per capita	Number of machines (March 2024)	Machines per capita
Buller	10,446	7	1: 1,492	58	1: 180
New Zealand	4,993,923	999	1: 4,999	14,160	1: 353

25. In 2023 the following grants were made to recipients within Buller District from Class 4 Gambling Trusts (https://www.granted.govt.nz/dashboard.html)

26. **Table 4 – Grants from Class 4 Gambling Trusts to Buller District**

Society Name	Amount Granted
Mainland Foundation	$11,023
New Zealand Commun...	$11,000
Pub Charity	$170,409
TAB New Zealand	$15,396
The Trusts Community ...	$531,292
Total	**$739,120**

27. **OPTIONS**

Each of the issues noted above is set out below with options for restrictions to be included in the draft policy. Please note that the status quo (current Policy) has not been included as an option as the decision to move forward with restrictions has already been made by Council.

28. **Issue (a) - Number of gaming machines in the District**

The current policy has no limit on the total number of gaming machines in the District

29. **Option 1 – Number in the District at the time policy is adopted;**

30. **Advantages**

- Retains the current level of opportunity to participate in Class 4 gambling.
- Would not reduce the current level of funding into the community
- Applications for gaming machines in other hospitality businesses could still be if another venue closes or reduces the number of machines

31. **Disadvantages**

- Buller District currently has two times the national ratio of gaming machines per capita and ranks 8th highest out of 66 districts surveyed in the country.
- Limiting the number of machines to the status quo does not decrease exposure of the community to Class 4 gambling opportunities or harm.

32. **Option 2 – Number in the district restricted to national average per capita**

33. **Advantages**

- Overtime the number of machines will decrease along with the level of exposure to gambling opportunities and harm.
- Funding into the community may decrease (but only over time giving recipients time to look for other funding opportunities to become less reliant on this type of funding).

34. **Disadvantages**

- No further opportunities for new gaming machines in the district to support existing or new hospitality businesses or clubs.
- Could decrease the level of funding into the community overtime.

35. **Issue (b) – Number of Venues in the District**
The current policy has no limit on the number of venues in the District

36. **Option 1 – Restricted to the number of venues in the District at the time policy is adopted;**

37. **Advantages**
- Retains the current level of opportunity to participate in Class 4 gambling.
- Would not reduce the current level of funding into the community
- Applications from other hospitality businesses or clubs could be made if an existing venue closes.

38. **Disadvantages**
- Buller District currently has 3.4 times the national ratio of venues per capita and ranks 2nd highest out of 66 districts in the country.
- Limiting the number of venues to the status quo does not reduce exposure of the community to Class 4 gambling opportunities or harm.

39. **Option 2 – Number in the district restricted to national average per capita**

40. **Advantages**
- Over time the number of venues will decrease along with the level of exposure to gambling opportunities and harm
- The decrease in venues would be gradual giving funding recipients time to look for other funding opportunities to become less reliant on Class 4 funding.

41. **Disadvantages**
- No further opportunities for new gaming machines in the district to support existing or new hospitality businesses and clubs
- Could decrease the level of funding into the community overtime

42. **Issue (c) – Location of venues (both Class4 Gambling and stand-alone TABs)**
The current policy references a kindergarten, early childhood centres, schools, places of worship and other community facilities as needing to be considered in assessing applications.
N.B. Sensitive uses would need to be defined and can include schools, pre-schools, places of worship, marae and childcare centres.

43. **Option 1 – Restrict location to specific zoning in Te Tai o Poutini Plan i.e. Town Centre Zone (Westport and Reefton)**

44. **Advantages**
- Clear and defined areas
- Location of most hospitality businesses
- Few if any sensitive uses located directly in these areas

45. **Disadvantages**
- Sensitive uses can be located and set up close by in adjoining areas
- Zone boundaries can change overtime (but unlikely to be significant alterations)
- Excludes all areas other than Reefton and Westport
- Clubs are not always located in this type of zone

46. **Option 2 – Restrict location to specific zoning in Te Tai o Poutini Plan e.g. Town Centre (Westport and Reefton) with a 50m buffer for sensitive uses (to be defined in Policy)**

47. **Advantages**
- Clear and defined area (maps of buffer area to be included)
- Location of most existing hospitality businesses and future businesses
- Provides for a buffer area to ensure sensitive uses are accounted for in nearby areas

48. **Disadvantages**
- Potentially lowers number of sites within zones for which applications can be made
- Clubs not always in these zones

49. **Option 3 – Buffer area of 50m only – no zone restrictions (subject to all resource consents being granted where required)**

50. **Advantages**
- More potential opportunities for locations e.g. Karamea
- Makes provision to exclude nearby sensitive uses

51. **Disadvantages**
- Increases opportunities for location in smaller communities and therefore exposure to opportunities and potential harm

52. **Issue (d) - Number of machines in venues**

The current policy relies on the provisions in the Gambling Act to set limits on Machine numbers per venue. Under the Act the limit is 9 per venue for those established after 2001 and for those prior to 2001 the limit is 18. The policy can be more restrictive.

53. **Option 1 – set maximum number at 9 regardless of the date the venue was consented.**

Nine is the number provided for under the legislation for venues established after 2021.

54. **Advantages**

- Has no effect on venues consented after 2001 to the current maximum number under legislation which applies to the whole country.
- In venues established prior to 2001 it limits/contains growth in machine number – currently four of the seven venues have 9 machines or more.
- All venues would have the same limit

55. **Disadvantages**

- Locations established before 2001 will have expectations they can increase to 18 over time.
- Decreases the potential total number of machines throughout the District.

56. **Option 2 – Reduce number of machines per venue to less than 9 e.g.4**

57. The lowest number of machines in a venue in the District is currently 4. If the limit was set at 4 then no further machines would be allowed in any of the venues currently operating.

58. **Advantages**

- No further machines allowed in any existing venue
- Any new venue permitted (if provided for in the policy) would be restricted to 4 machines

59. **Disadvantages**

- Different to national legislation limits which may be perceived as unfair

60. **Issue (e) Relocation of venues**
Current policy allows rebuilding of venue in-situ after an event but does not apply to any relocation of the venue.

61. **Option 1 – Allow relocation without new application in extenuating circumstances only if moving to a permitted area**

62. **Advantages**
- Existing venues able to relocate easily if affected by an event out of their control such as a fire or flood.
- Relocation for other reasons would require a new application and assessment.
- Relocation still only allowed to permitted areas.
- There is no increase in the number of venues or gaming machines in the district.

63. **Disadvantages**
- No incentive for existing venues currently in areas that are not permitted to move.
- No overall decrease in number of venues or machines in the district.

64. **Option 2 – Allow relocation of venues without new application in extenuating circumstances and for venues relocating from locations outside permitted areas**

65. **Advantages**
- Existing venues able to relocate easily if affected by an event out of their control such as a fire or flood
- Encourages venue relocation to permitted areas
- Relocation still only allowed to permitted areas
- There is no increase in the number of venues or gaming machines in the district

66. **Disadvantages**
- No overall decrease in number of venues or machines in the district in the circumstances above.

67. **PREFERRED OPTION**

The preferred option is dependent on what Council wishes to achieve from the restrictions it has resolved to put in place

68. If an overall decrease over time in gambling opportunities and associated harm in Buller, then the following may be preferred:

- Bringing the numbers of venues and machines per venue down to the national per capita average.
- Restricting the location of venues to the proposed Town Centre Zone with a 50m buffer excluding sensitive sites.
- Restricting the number of machines per venue to 4.
- Allowing relocation of venues in extenuating circumstance and in order to relocate to a permitted area.

69. The combination of these options would effectively act as a sinking until such time as the national per capita average was reached.

70. If no growth in gambling opportunities is the goal, then the following would be appropriate:

- Cap both the number of venues and gaming machines in the District at the number operating at the time the policy is adopted
- Restricting the location of venues to the proposed Town Centre Zone with or without a 50 m buffer
- Restricting the number of machines per venue to 9 (regardless of when the venue was originally consented)
- Allowing relocation of venues in extenuating circumstance and in order to relocate to a permitted area

71. **NEXT STEPS**

1) The recommendations of this committee are made
2) Officers prepare a draft policy and accompanying Statement of Proposal in line with the decision for consideration by Council in June 2025
3) Public Consultation under Section 83 of the Local Government Act 2002 is undertaken

72. **CONSIDERATIONS**

73. **Strategic Impact**

The review of this policy is required by both the Gambling Act 2003 and the Racing Industry Act 2020. By undertaking the review council is fulfilling both its legal and social obligations to address the issue of gambling in the local community.

74. **Significance Assessment**

This report is assessed as being low significance however once the draft policy has been adopted full consultation under Section 83 of the Local Government Act 2002 will be required.

75. **Risk Management Implications / Opportunities**
The following risks or opportunities are identified with the issues identified in this report.

76. **Engagement – External**
The first round of public consultation was undertaken and resulted in 29 submissions which were considered in November 2023. A further public consultation exercise will be undertaken when the draft policy is approved.

77. **Engagement – Internal**
Compliance staff and the Senior Policy Advisor are working through this process together.

78. **Policy & Legislative Considerations**
The following are relevant:
- Gambling Act 2003
- Racing Industry Act 2020
- Local Government Act 2002

79. **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.

80. However, statistics show that Māori are disproportionately impacted by gambling and are 3.13 times likely to experience gambling harm compared with non-Māori. In 2023, Statistics New Zealand shows that 17.8% of Buller's population Identifies as Māori.

81. **Financial Considerations**
Council staff time and resources will continue to be managed under existing workloads and budgets.

82. **Communication Internal / External**
There will be interest from the media in this issue. This will be managed by the Communications team as and when required.

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 11

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 (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.

2. 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.

3. Staff are seeking the committee's endorsement of the draft policy prior to the preparation of the Statement of Proposal and final adoption of the draft by Council before undertaking public consultation.

4. **DRAFT RECOMMENDATION**

That the Committee:

1. **Receives the report;**

2. **Notes the updates and amendments proposed in the draft Dangerous, Affected and Insanitary Buildings Policy (Attachment 1);**

3. **Endorses the draft Dangerous, Affected and Insanitary Buildings Policy;**
4. **Instructs the Chief Executive Officer to prepare a Statement of Proposal outlining the draft policy as required under Section 83 of the Local Government Act 2002;**

5. Recommends Council adopt the draft Dangerous, Affected and Insanitary Buildings Policy and Statement of Proposal for public consultation as required under the Building Act 2004 and Local Government Act 2002.

5. **ISSUES & DISCUSSION**

6. **BACKGROUND**

7. 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.

8. 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.

9. 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.

10. 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.

11. 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

12. 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.

13. 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

14. It is important to note that these improvements are simply clarifying Council's policy approach to fulfilling obligations that are established by the Act. 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.

15. **OPTIONS**

Option 1 – Status Quo

Continue with the current Policy.

16. **Advantages**

No advantages have been identified.

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

18. **Option 2 –** Endorse the draft policy attached

Endorse the draft policy attached and recommend that Council adopt the draft and an accompanying Statement of Proposal for consultation.

19. **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.
- More information on the process of identifying affected buildings for owners.
- Consultation will provide community input into the new policy.

20. **Disadvantages**

Cost of public consultation process.

21. **PREFERRED OPTION**

Option 2 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.

22. **NEXT STEPS**

- Committee endorses the draft policy
- Staff prepare a Statement of Proposal outlining the draft policy, improvements and the reasons for making any changes to accompany the draft policy.
- Covering report to Council for the adoption draft policy and Statement of Proposal in May 2025.
- Public consultation undertaken in accordance with Section 83 Local Government Act 2002.

23. **CONSIDERATIONS**

24. **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.

25. **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.

26. **Risk Management Implications / Opportunities**

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

27. 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 access 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 the draft has been adopted by Council.

28. 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.

29. Legal

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

30. 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.

31. **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 endorsement of the draft Dangerous, Affected, and Insanitary Buildings Policy 2024 or the adoption of the draft Policy and associated Statement of Proposal by Council.

32. **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.

33. **Financial Considerations**
The endorsement of the draft Dangerous, Affected, or Insanitary Buildings Policy does not result in any 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.

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

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 121or 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.

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

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 region.

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.

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.

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.

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).

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.

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

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 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 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).

Identifying Dangerous and Insanitary Building

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.

Assessment Criteria

The Council will assess potentially dangerous or insanitary buildings in accordance with sections 121or 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)

	CONSEQUENCE OF FAILURE				
Level of Risk	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.

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Investigation Process – Dangerous, Affected or Insanitary Buildings

Investigation

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 Section121,123 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 Section121 (2) of the Act.

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 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.

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)

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.

Enforcement and Action:

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.

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

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

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 Insanitary Affected Monitoring register with either a six monthly or annual reinspection assigned to the compliant.

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.

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.

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.

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.

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 co-operate 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.

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.

5 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).

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 12

Prepared by John Salmond
Corporate and Strategic Planning Manager

Kaaren Phipps
Manager Finance

Reviewed by Paul Numan
Group Manager Corporate Services

Public Excluded: No

UPDATE ON THE 22/23 AND 23/24 ANNUAL REPORTS AND LONG-TERM PLAN (LTP) 2025-2034

1. **REPORT SUMMARY**
The purpose of this report is to provide the Risk and Audit Committee with an update on the status and progress of both key statutory documents relating to Annual Reports and the Long-Term Plan and is provided for information.

2. Please note that no decision is required in relation to this information.

3. **EXECUTIVE SUMMARY**
This report provides an update covers progress on both the 2022/23 and 2023/24 Annual Reports and the Long-Term Plan 2025-2034.

4. **DISCUSSION**

5. **22/23 Annual Report**
By way of background the following is a summary of key matters highlighted in the previous report to the Risk and Audit Committee in February 2025.

6. Council staff received the draft audit opinion in September 2024 and to enable progress, an onsite meeting was held in November 2024. The following four key areas outline where the Auditors required further information;
   i. Carrying amount of infrastructure assets – we provided the Auditors with further information to support the value of infrastructure assets (3W and Roading) as at 30 June 2023.

ii. Current year additions to infrastructure assets – we provided the Auditors with further information to support the amount of recorded additions to infrastructure assets.

iii. Infrastructure and other fixed assets work in progress (WIP) – we provided the Auditors with a further level of detailed WIP analysis.

iv. Costs claimed and reimbursed under subsidies and grants – We provided the Auditors with further information that the costs claimed and reimbursed were in line with the funding agreements.

7. This information was finalised and provided to the Auditors in December 2024 and the Auditors undertook a review of this information in January 2025.

8. In late January 2025 the current EY Audit Partner for the 22/23 annual report confirmed that following resourcing for the Long-Term Plan 25-34 and subsequent Annual Reports 23/24 (including associated internal workloads) will be managed by EY partner Stuart Mutch (based in Wellington).

9. **Status Update Since Last Report to Risk and Audit in February 2025**
Auditor queries relating to the independent infrastructure revaluation required Beca to undertake further reconciliation work which was completed in the first week of April 2025.

10. In discussion with our auditors - Council officers have been advised that they wish to work with council and finalise all outstanding matters by the end of April 2025 to facilitate adoption of the 22/23 annual report by no later than 30 June 2025.

11. **23/24 Annual Report**
The CEO and Council staff met with the EY audit partner Stuart Mutch and the audit team during a site visit in March. Audit work for the 23/24 annual report is scheduled to commence mid-April.

12. As with the 22/23 annual report - there is a view that our Auditors are looking to progress the 23/24 annual report, which supports Council getting back on track with the 24/25 financial reporting and being in a position to meet the statutory deadline for the 24/25 annual report for adoption by 31 October 2025.

13. **Long-Term Plan (LTP) 2025-2034**
The CEO and Council staff working on the LTP also met with Stuart Mutch and the team during their site visit in March. Following on from this visit the auditors commenced the audit for the LTP. The initial meeting with EY was very productive and we had discussions around multiple factors of the LTP, from planning to the financial modelling.

14. The Auditors met with various Council staff and in-depth conversations took place in relation to the LTP. A detailed walkthrough of the budget model and discussion was also undertaken with the finance team. There was also in-depth discussion with key people from the infrastructure services team in relation to the infrastructure strategy.

15. There was a discussion around the Local Water Done Well (LWDW) Legislation and the impact that it could have on the LTP and Council's future financial planning. As part of that discussion, it was highlighted that there are some challenges around the country in terms of the linkage between the LTP and LWDW. Our financial modelling has been completed based on a status quo approach however we are aware that this could change significantly depending on which option is taken on the delivery of water services in the future.

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

17. **DRAFT RECOMMENDATION**
That the Update On The 22/23 And 23/24 Annual Reports And Long-Term Plan (LTP) 2025-2034 dated 16 April 2025 be received.

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 13

Prepared by Paul Numan
Group Manager Corporate Services

Reviewed by Simon Pickford
Chief Executive Officer

Public Excluded No

BULLER HOLDINGS UPDATE ON DIRECTOR REMUNERATION AND APPOINTMENTS - APRIL 2025

1. **EXECUTIVE SUMMARY**
This report is provided to the Committee as an update on the status of the Director remuneration and appointments to Buller Holdings Limited (BHL) and its subsidiaries.

2. Two draft recommendations are provided to the Committee regarding a Director Remuneration review and a review process around retiring directors.

3. **DRAFT RECOMMENDATION**

That the Risk & Audit Committee:

1. **Receive the report on directors' fees payable to the directors of Buller Holdings Limited and director appointments and:**

2. **Support the option to not undertake a director remuneration review for 2025 and:**

3. **Delegates the Mayor and two councillors (to be confirmed) to conduct a review process on the retiring directors with BHL Chair Steve Grave - to inform Committee decision making on director appointments - prior to the 2025 BHL AGM.**

4. **ISSUES & DISCUSSION**

BACKGROUND

Directors' fees need to be regularly reviewed and adjusted to ensure they are at levels which attract quality candidates for the council CCO appointments.

5. The Council last reviewed Director's remuneration in 2024 and made a 5.8% increase effective from 1 July 2025 at the request of the BHL Directors. That review was supported using the Institute of Directors snapshot process.

6. Council staff could request the latest snapshot report (when this becomes available) for the same adjustment to be used for Director's fees remuneration from the 2025 AGM or the Committee may consider, given the effective date for last increase was deferred until July 2025 - that no Director remuneration increase be considered for 2025.

7. A review of some New Zealand Councils with CCOs indicate that the Director remuneration reviews are undertaken as soon as practicable after each local body triennial election or more frequently if considered necessary.

8. A summary of information regarding the current Directors is noted below:

Director Name	**Role**	**Term**	**End of Term**	**Current Annual Remuneration**
Rob Burdekin	Director	3 years (appointed 2023)	AGM 2026	$26,891
Steve Grave	Chairperson of the Board	3 years	AGM 2027	$57,153
Vanessa van Uden	Chair of Health and Safety Committee	2 years	AGM 2026	$31,819
Gareth Allen	Chair of Finance and Audit Committee	3 years (appointed 2022)	AGM 2025	$31,819
Lynn Brooks	Director	3 years	AGM 2027	$26,891
Rochelle Crossman	Director	1 year	AGM 2025	$26,891
TOTAL (6 Directors)				**$201,464**

9. Two Directors are up for renewal at the 2025 AGM. However, it should be noted that Council resolved on 28 August 2024 as follows:

> *1. To increase the number of directors of Buller Holdings Limited (and its subsidiaries) to six for a period of 1 year only, commencing from the 2024 BHL AGM and concluding at the 2025 BHL AGM, at which time the Director numbers will reduce to five.*
> *2. Recommends to Council to appoint Rochelle Crossman as Director of the Buller Holdings (and its subsidiaries), for a one-year term, commencing at the 2024 BHL AGM and concluding at the 2025 BHL AGM.*

10. The decision to extend the board to six members for one year only was based on the indication from Director Gareth Allen that he would not seek re-appointment in 2025 and would allow for development of a new director.

11. It is recommended that the process of director review is carried out before 31 July 2025, to ascertain the intentions of the two retiring directors. This process needs to be completed prior to the 2025 BHL AGM to allow time for Council decision making on director appointments for 2025.

12. It is also recommended that no director remuneration increase be considered for 2025 for the reasons as outlined in section 3 and the options section in this report.

13. **OPTIONS**
There are two options the Committee could consider regarding this report:

14. **Option 1 – Proceed With a Director Review**
- This option proposes undertaking a Director Review

15. **Advantages**
- More frequent director reviews may increase the likelihood of attracting and retaining appropriately qualified directors

16. **Disadvantages**
Increased operational costs and impact on net operating surplus associated with:
- Reduced BHL dividend available for distribution to Council
- Increase remuneration cost for Director remuneration
- Procuring Institute of Directors snapshot report

17. **Option 2 – Not undertake a director review**
- This option proposes that Council do not undertake a director review

18. **Advantages**
Most recent director review undertaken – effective 1 July 2025 ensures:

- Financial cost savings for BHL - of not incurring additional operational costs as outlined in option 1 (disadvantages) above.
- Director remuneration paid is comparable to New Zealand companies and competitive with the general market
- Increased likelihood of attracting and retaining appropriately qualified directors

19. Frequency of review that aligns with other New Zealand Council CCOs

20. **Disadvantages**
- Less frequent reviews may increase the risk of attracting and retaining appropriately qualified applicants

21. **Preferred Option**
The recommended option is to proceed with not undertaking a review noting that the Council last reviewed director's remuneration in 2024 and made a 5.8% increase effective from 1 July 2025 at the request of the BHL directors.

22. The effective date for last increase was deferred until July 2025. This was based on the Institute of Directors snapshot report. As noted in section 3 of this report a remuneration review on a three yearly basis or more frequently if considered necessary seems appropriate by comparison with other New Zealand Councils with CCOs.

23. Accordingly, it is recommended that no Director remuneration increase be considered for 2025.

24. **CONSIDERATIONS**

25. **Strategic Impact**
In order to achieve key strategic objectives for the Buller District, the Council owns a Council Controlled Organisation (CCO) Buller Holdings Limited (BHL) and its subsidiaries. BHL manage facilities, assets and delivers significant services on behalf of the Council and the wider Buller community. The CCO prepares a "Statement of Intent" which sets out its mission, objectives and performance targets for each financial year.

26. **Significance Assessment**
There is a low level of significance with the outcome of this report.

27. **Risk Management Implications / Opportunities**
Receiving this paper and acting on the recommendations is key part of managing the various risks that the Council has in owning a Council-controlled organisation.

28. **Policy and Legislative Considerations**
There are no specific policy considerations related to this decision. There is no legal context, issue, or implication relevant to this decision.

29. **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.

30. **Legal Implications**
There are no legal implications with this report and the recommendation.

31. **Financial Considerations**
This report discusses a directors remuneration review – noting proceeding with a review will impact the net financial surplus of Buller Holdings Limited.

32. **Communication Internal / External**
There is no internal/external communication required on this issue.

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 14

Prepared by Glen Pellew
Financial Accountant

Reviewed by Kaaren Phipps
Finance Manager

Attachments 1. BHL Group Combined Statement of Intent 2026

Public Excluded No

STATEMENT OF INTENT – BULLER HOLDINGS LTD GROUP FOR THE YEAR ENDED 30 JUNE 2026

1. **REPORT PURPOSE**
The purpose of this report is to provide the Risk and Audit Committee with the draft Buller Holdings Ltd combined Statement of Intent for the year ended 30 June 2026.

2. Please note that no decision is required in relation to this information.

3. **EXECUTIVE SUMMARY**
The Local Government Act (2002) requires the board of a CCO to deliver a draft Statement of Intent to Council each year to allow for review and comment on the content. The Act also requires the board to deliver a final Statement of Intent before 30 June. The Draft Statement of Intent was provided to Council on 12 February 2025.

4. The Council has three CCOs: Buller Holdings Limited, WestReef Services Limited, and Buller Recreation Limited which are required to provide a SOI each year. The SOI have been provided as one document which is possible because these companies operate as the "Buller Holdings Group", and the only variation to the content of the SOI for each is the financial and non-financial targets which are set out in the tables at the latter part of the group SOI.

5. **DISCUSSION**
Part 5 section 64 of the Local Government Act (2002) sets out that the purpose of a Statement of Intent is to:
- State publicly the activities and intentions of a Council-controlled organisation for the year and the objectives to which those activities will contribute; and

- Provide an opportunity for the shareholders to influence the direction of the organisation; and
- Provide a basis for the accountability of the Directors to their shareholders for the performance of the organisation.

6. Schedule 8 of the Local Government Act (2002) sets out the detail about how the exchange between Council and the CCO occurs. The draft Statement of Intent must be delivered to its shareholders to receive and make comment on, each year by 1 March. The final Statement of Intent must be delivered to Council before 30 June each year for approval.

7. Council has the power to pass a resolution requiring a modification to the Statement of Intent, however it should consult with the entity concerned before this occurs.

8. The Statement of Intent links the CCO's activities into Council's 2025/2026 budget processes and provides opportunities for Council to review the goals and negotiate key performance targets. The scope, objectives and performance targets of Council's CCOs summarised in the 2021-2031 Long-Term Plans and 2024-2025 Enhanced Annual Plan are based on the content of the Statement of Intent. Our community has the opportunity to review and provide feedback on this information as part of the enhanced Annual Plan engagement process.

9. Failure to follow the statutory process for reviewing and approving Council's CCOs Statement of Intent risks a breach of the legislation. It may also create misunderstanding between Council and its subsidiaries about the performance levels and other targets expected for the year. The Local Government Act (2002) prescribes the content, processes and timelines required to adopt draft and final Statement of Intent.

10. **ISSUES AND DISCUSSION - CHANGES TO THE STATEMENT OF INTENT**
The Statement of Intent is required to set out the non-financial and financial targets. The financial targets include three years' key performance indicators which include the next financial year and the following two future years. A review of the Statement of Intent has been completed, and the changes are noted below.

11. Under Section 64(3)(b), a Statement of Intent can be prepared for more than one CCO. The reference to each of the Council CCOs reflects staff comments on each CCO included in the SOI.

12. **Buller Holdings Ltd**
The 2025/2026 financial year has included uplifted capital budgets for the development of a new depot for WestReef Limited funded by a combination of debt and equity (cash reserves). In the prior year's SOI, the forecast cost for 2024-2025 year was $4.15m and this has been updated to $4.295m.

13. The annual forecast shareholder distributions to the Council have decreased from $1.3 million to $800K over the first two years of the SOI and increased to $900K in year 3.

14. WestReef are forecasting reduced revenue and corresponding reduced expenditure, with a slight decrease on the forecasted net operating surplus for the next three years below that previously advised in the prior year Statement of Intent.

15. The subvention payment for the 2023/24 annual report was received on the 21 March 2025 and amounted to $610,774.70. This was in line with the audited financial statements of Buller Holdings Ltd but was below the expectation of $1.3M stated in the 2024 Statement of Intent.

16. The SOI indicates that overall, despite seeing an improvement, trading conditions will remain tight.

17. This is a matter which has been noted in the resolution above and requires further discussion and understanding as the 2025-2034 Long Term Plan is progressed over the next few weeks.

18. **WestReef Services Limited**
There are changes to the budgeted revenue and expenses as noted under the Buller Holdings commentary above.

19. Provision for Capital has been updated to reflect the change in timing and works programme relevant to the new depot site. In the prior year Statement of Intent $3.2m was forecast for capital spending, this has been updated to $4.1m. The change is required for the second stage of the Depot development and is subject to the company receiving finance approval.

20. **Buller Recreation Limited**
Revenue and expenses for both the years ended 2026 and 2027 have increased to meet the increase in insurance and utility costs.

21. The prior year Service Level fee was $925k. A request to increase this to $1m was indicated in the prior Statement of Intent. The $75k increase still needs to be factored into the Buller District Council Draft Long Term Plan 2025-36 and is a matter for further discussion.

22. Buller Recreation is looking for opportunities to increase membership and revenue streams. Membership rates have been reviewed and increased. These changes are included in the SOI.

23. **Overall Statement of Intent**
On 18 December 2024 the CEO of BHL workshopped the strategic plan for Buller Holdings Limited for 2025-2030 with Council.

24. The following key points were discussed:
- WestReef depot development future proofs the organisation and will increase shareholder value of the group.
- Reset of distributions to match current economic outlook and internal growth.
- Buller Recreation cost of providing the service to the community has risen substantially.

25. This aligns with the draft BHL Statement of Intent for the year ended 30 June 2026.

26. It is noted that the board of directors will meet with the Buller District Council Mayor and Chair of the Risk and Audit Committee on a quarterly basis during the year.

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

28. **DRAFT RECOMMENDATION**
That the Statement Of Intent – Buller Holdings Ltd Group For The Year Ended 30 June 2026 dated 16 April 2025 be received.

BULLER
Holdings Ltd

BULLER HOLDINGS GROUP

STATEMENT OF INTENT

FOR THE YEAR ENDED 30 JUNE 2025

1. Preamble

Buller Holdings Limited (BHL) was set up in September 2007 as a Council controlled trading organisation with WestReef Services Limited (WSL) as its only subsidiary. Buller Recreation Limited (BRL) (trading as the Pulse Energy Centre) was purchased from the Buller District Council (BDC) in 2009 and Westport Harbour Limited in 2010. Westport Harbour Limited was wound up as a company in 2018 by Council resolution. BDC is the sole shareholder of BHL. Information on the parent (BHL) and subsidiaries - WSL, BRL and Group are included in this Statement of Intent.

Buller Holdings Limited

Buller Holdings Limited continued purpose is to provide a commercial focus in the governance and management of Council's commercial assets, allowing for maximum returns on behalf of the ratepayers and benefits to the wider community.

In 2023 The company purchased land to develop a workshop and administration area and lease back to WSL at a commercial return. The projections for this project are included in this Statement of Intent (SOI).

BHL and subsidiaries are council-controlled organisations for the purposes of the Local Government Act (2002) and is required to have a Statement of Intent that complies with clause 9 of Schedule 8.

The SOI is prepared in terms of the Act and clause 22.1 of the Constitution of Buller Holdings Limited and sets out the activities and intentions of the Group of Companies for the year ending 30th June 2025.

The Group will update the SOI annually and deliver a draft to shareholders before 1st March each year and a completed SOI by 30th June each year.

Westreef Services Limited

WSL is the largest civil and maintenance company operating in the Buller District and is the Buller District Council's preferred contractor.

The company is community and customer focused with the financial objective of achieving a competitive rate of return on investment. WSL ensures quality maintenance outputs and operation of Council's infrastructure. The Company is committed to identifying, developing, and implementing opportunities for increasing external revenue to continue to provide benefit and dividends to the Buller ratepayers.

WSL also has a particular focus on staff wellbeing and on health and safety. WSL has both ISO 45001 and TSQ1 Health and Safety accreditation.

Buller Recreation Limited

BRL was established to purchase the Pulse Energy Recreation Centre from BDC and to fulfil a service contract with Council for the provision of recreation services to the Buller community.

BRL continues to enhance the quality of life for the community with high quality recreation facilities, services, and experiences.

Outlook

The general economy is likely to have a degree of uncertainty moving forward with higher inflation, increasing costs and increases in interest rates. Therefore, the trading environment for 2024/2025 is not expected to be as buoyant as the last few years.

This impacts on BRL and has put pressure on expenditure such as insurance, electricity and wages increasing operating costs. BRL continually looks for opportunities for increasing patronage and revenue which offsets the management fee paid by Council. The management fee has not been increased for 5 years and an increase of $55,000 has been forecast in this

SOI. This was signaled in the last SOI.

For 2025 WSL will focus on the depot development and relocation project (capital estimates are included in this SOI) and will borrow up to $3.5m to finance construction. The Company will remain competitive in tendering for and winning a share of any project opportunities as they arise.

Uncertainty over Government over continuation of 3-waters could have potential significant effects on the Group. For 2025 BHL subsidiary WestReef will continue to work with Council to continue to provide this service.

WSL has provided for a $1.3m distribution to the shareholder in 2025 subject to meeting all budgeted revenue targets including from Council.

2. Objective

Introduction

The strategic direction of the Group is guided by the vision, values, and strategic objectives. These provide the framework for each company to establish, make plans and investment decisions. The following is an overview of these key planning components.

Vision

Buller Holdings Limited will provide a commercial focus in the governance and management of Buller District Council's commercial assets, allowing for maximum returns on behalf of ratepayers and benefits to the wider community. The Group will assist the shareholder with fulfilling cultural requirements as part of its 'Four Well-beings'.

BRL will provide for the community sustainable and customer-focused sport and recreation facilities and services. WSL strives to be a sustainable and profitable business with an empowered team that takes pride in meeting the

needs of staff, owners, suppliers, and the community.

Objectives

The principal objective of the Group is to operate collectively as successful businesses while working for the benefit of shareholders. In pursuing this objective, the Group is guided by the following key principles.

(a) Financial Performance

Each company in the Group is committed to operating as a successful business and achieving a competitive commercial rate of return on the investment while working for the benefit of the shareholders. It will be striving to minimise operating costs and manage the assets and liabilities in a prudent way. The definition of return on investment the company is broader than just the financial returns, and considers the social, economic, and environmental and cultural needs of the community.

(b) Service

The Group recognises that the needs of its major customers are paramount and is committed to meeting those business needs. It also recognises the need to develop its customer base to ensure sustainability of the business in the future. Climate change appears to be resulting in more frequent and severe weather events and has had a significant impact on the networks that Westreef maintains. The organisation will continue to adapt, ensuring service expectations are met.

(c) Employee Relations

The Group values its employees and will recruit and retain employees with the skills necessary to run each business and will provide opportunities for staff training and development. It will ensure that employees are fairly treated and provided with good and safe working conditions.

The Group, together with its employees, will create a culture that recognises the importance of being competitive, the value of delivering a high quality of customer service and the mutual benefit of continued employment. This will involve effective leadership and communication.

(d) Safety and Environment

Our leadership will enable our subsidiaries to develop positive workplace cultures, capable workers, and resources for responsible health, safety, quality and environmental performance. The Group will comply with all relevant legislation. The Groups direction will always reflect our commitment to, and beliefs about the management of health and safety and the environment with a goal of ensuring that our work does not create harm.

The Group is committed to reviewing its status and measuring its environmental performance including carbon reduction. This with a view to identify areas for environmental improvement and formulate a pathway for the Group. Appropriate performance measures have been included in this SOI.

(e) Marketing

Each member of the Group has developed a marketing plan with objectives, costs, timeline and KPI's to retain and obtain increased external and non-Council profitable business.

3. Nature and Scope of Activities

The nature and scope of Buller Holdings Limited is to provide a holding company structure for the ownership of selected Council assets and investments. Currently the scope of the subsidiaries are as follows -

(a) WestReef Services Limited

The nature and scope of WestReef Services Limited activities is to provide contracting services for physical works in the Buller region and the West Coast of the South Island. Its activities include maintenance and construction services for:

- Roads and bridges
- Response to Road and Civil Defence emergencies
- Parks and reserves (including associated facilities)
- Utility services (water and sewerage reticulation, wastewater treatment, storm water collection)
- Solid and Liquid Waste Collection and Disposal
- Vehicle workshop repairs
- Transfer stations
- Recovery parks
- Roadside vegetation control
- Property maintenance
- Refuse collection
- Environmental & Back Country Projects

(b) Buller Recreation Limited

Buller Recreation Limited owns and operates the Pulse Energy Recreation Centre and provides a range of leisure services to the district in accordance with a Service Level agreement with Council, as summarised below:

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

- Outdoor turf sports
- Corporate, trade and social events

4. Corporate Governance

The Board of Directors of Buller Holdings Limited and the subsidiaries is responsible for the corporate governance of the Group. The term “corporate governance” encompasses the direction and control of the business by the Directors, and the accountability of Directors to shareholders and other stakeholders for the performance of the Company and compliance by the Company with laws, standards and agreed protocols as specified between Buller Holdings Limited and Buller District Council.

Role of the Board

The Board is responsible for the proper direction and control of the Group on behalf of the shareholders. The principal objective of each company is to operate a successful business.

The functions of the Board include:

- Ensuring that each company goals are clearly established, updated annually and that strategies are in place for achieving the goals.
- Establishing policies for strengthening and enhancing the performance of the Group.
- Monitoring the performance of management relative to the established goals and plans, having delegated day-to-day management of the company to the Chief Executive.
- Appointing and annually assessing the performance of the Chief Executive
- Ensuring that each company’s financial position is fully protected to allow it to meet all debts and obligations as they fall due.
- Ensuring that each company and group’s financial statements are fairly presented and conform to law.
- Ensuring that the group adheres to high standards of ethics and corporate behaviour.
- Ensuring that the group has appropriate risk management and regulatory

compliance policies in place, including health and safety.

- Approving and implementing the Business Plan and Statement of Intent of the Group, and
- Reviewing and approving the Group capital investments and distributions

Board operations and membership

The composition of the Board is determined in accordance with the following principles:

- The Board comprises up to 6 directors.
- Directors are appointed by the Buller District Council.
- The Board meets regularly, and schedules additional meetings as required. There are 2 sub committees, an Audit & Risk Committee, and a Health, Safety & Environment Committee.
- Directors receive formal Board papers for consideration and all necessary information to enable participation in an informed discussion of all agenda items.

The BHL constitution sets out policies and procedures on the operation of the Board including the appointment and removal of Directors.

The Board supports the concept of separation of governance and management of the businesses. The role of the Chairman is to lead the Board to ensure that it carries out its governance role effectively, and to provide leadership and direction to the Chief Executive of the business on behalf of the Board. The Board will evaluate its own performance annually.

5. Ratio of Shareholders Funds to Total Assets

The ratio will be maintained at a minimum of 45% (net of any proposed dividend). Total assets are defined as the sum of all current and non-current assets of each company respectively and the Group, including goodwill.

The Group will also maintain a gearing ratio (as set out in the Treasury Policy) of 40% (measured as debt/ debt plus equity).

6. Distribution Policy

It is the intention to maximise distributions after meeting the financial needs of the Group including future operations and capital expenditure. Directors should aim to deliver a minimum distribution as agreed in this Statement and as forecasted in the Statement of Intents. Taking this into account the maximum distribution should not exceed the Group gross taxable profit.

7. Accounting Policies

The Buller Holdings Group will adopt and adhere to accounting policies that are consistent with those of the Buller District Council and comply with appropriate accounting practices and in accordance with the Companies Act 1993, the Financial Reporting Act 2013, NZ Equivalents to International Financial Reporting Standards, and any other applicable laws and standards.

8. Information to be Reported

The following information will be available to shareholders based on an annual balance date of 30th June.

Statement of Intent

The Directors shall deliver to the shareholders a draft Statement of Intent by 1st March for comment by the shareholder. The Directors shall deliver to the shareholder a completed Statement of Intent by 30th June.

Consolidated Quarterly Reports

The Directors shall deliver to the shareholders by 16th November, 23rd February and 16th May an un-audited report containing the following information as a minimum in respect to the quarter under review.

a. A revenue statement disclosing actual and budgeted revenue and expenditure with comparative figures for the previous equivalent period.

b. A statement of financial position at the end of the half year.

c. A statement of cashflows at the end of the half year.

d. Key performance indicators.

e. A commentary on the results for the quarter together with a report on the outlook for the remainder of the year with reference to any significant factors that are likely to influence the Group performance, including an estimate of the financial result for the full year. A commentary on progress towards meeting proposed distributions to shareholders should be included.

Annual Reports

The Directors shall deliver to the shareholders by 30th September annual reports and audited financial statements in respect to the financial year containing the following information as a minimum.

a. A Directors report including a summary of the financial results, a review of operations, a comparison of performance in relation to objectives and any recommendation as to a dividend.
b. A revenue statement disclosing revenue and expenditure with comparative figures for the previous year.
c. A statement of financial position at the end of the year.
d. A statement of cashflows.
e. An auditor's report on the above statements and the measurement of performance in relation to key performance targets.

9. Group Performance Targets

The performance of Buller Holdings Limited will be judged against the following measures and targets;

Objective	Key Performance Measure	Budget Targets		
		2025	2026	2027
Health & Safety	Medical Treatment Injury	Nil	Nil	Nil
Operational	The board of directors will meet with the BDC, CCTO Committee on a formal basis: (per/year)	3 times per year	3 times per year	3 times per year
Financial Parent ($000)	Revenue	$751	$753	$759
	Expenditure	$749	$747	$754
	Net Operating Surplus	$2	$6	$5
	Provision for Capex	$0	$0	$0
	Ratio of Shareholders Funds to Total Assets	45%	45%	45%
Financial Group ($000)	Group Consolidated Operating Surplus before Tax	$1,792	$1,824	$1,855
	Provision for capex	$4,298	$3,395	$1,178
	Forecast distribution to Shareholders	$1,300	$1,300	$1,300
	Ratio of Shareholders Funds to Total Assets	45%	45%	45%
	Gearing Ratio (Debt to Debt plus Equity)	40%	40%	40%
Environmental	Business Environmental Footprint	Establish KPIs and improve on 2024 baseline	Improve on 2025 baseline	Improve on 2026 baseline

The performance of WestReef Services Limited will be measured against the following targets:

OBJECTIVE	KEY PERFORMANCE INDICATOR	TARGETS		
		2025	2026	2027
Health & Safety	Medical Treatment Injuries	Nil	Nil	Nil
	Notifiable Incident ICAM (investigated with recommendations actioned)	100%	100%	100%
	Total safety audits completed	>100	>100	>100
	ISO 45001 Accreditation	Maintain accreditation	Maintain accreditation	Maintain accreditation
Operational	Employee Satisfaction – Staff turnover excluding retirement, redundancy, and internal transfers.	Within the range of +/- 5% of the national benchmark	Within the range of +/- 5% of the national benchmark	Within the range of +/- 5% of the national benchmark
Employee Development & Satisfaction	Undertake staff satisfaction survey (every 2nd year)	Survey completed	Nil	Survey completed
Financial ($000)	Revenue	$19,142	$19,544	$19,954
	Expenditure	$17,169	$17,529	$17,897
	Net Operating Surplus before Tax	$1,973	$2,015	$2,057
	Provision for Capex	$4,150	$3,200	$600
	Competitively Procured Revenue	45%	45%	45%
	Ratio of Shareholders Funds to Total Assets	45%	45%	45%
Environmental	Number of enforcement notices	Nil	Nil	Nil
	Business Environmental Footprint	Establish KPIs and Improve on 2024 baseline	Improve on 2025 baseline	Improve on 2026 baseline
Community	Support Minimum 25 community activities	25	25	25

The performance of Buller Recreation Limited will be measured against the following targets:

Performance Measure	Key Performance Indicator	Targets		
		2025	2026	2027
Fitness membership	Average membership over 12-month period.	700	700	700
	Average retention rate over 12-month period	>75%	>75%	>75%
Aquatic centre usage	Average visits per month over 12 months	4,000	4,000	4,000
Safety	Medical Treatment Injuries	Nil	Nil	Nil
	Undertake staff satisfaction survey every second year	Survey completed	Nil	Survey completed
	Undertake client satisfaction survey every second year.	Nil	Survey completed	Nil
	Complete maintenance and replacement in accordance with AMP (monitor monthly)	Achieved	Achieved	Achieved
Financial Forecasts ($000)	Revenue	$816	$833	$851
	BDC Service level fee	$906	$925	$944
	Expenditure	$2,257	$2,304	$2,352
	Net operating surplus (deficit) before Tax	($535)	($546)	($557)
	Cash surplus/(deficit) (after adding back depreciation)	$5	($6)	$33
	Provision for capex (funded by Council)	$148	$195	$578
	Ratio of Shareholders Funds to Total Assets	45%	45%	45%
Environmental	Business Environmental Footprint	Establish KPIs and Improve on 2024 baseline	Improve on 2025 baseline	Improve on 2026 baseline

Financial Performance

The financial performance of the Group will be an aggregation of the results from the businesses that make up the structure including administration costs of the parent company. This aggregation will include surpluses after tax less any losses incurred. Financial performance results will also be provided for all subsidiaries WSL and BRL.

Subsidiary Performance Measures and Targets

The performance objectives, measures and targets for each subsidiary are attached to this Statement of Intent. Formal reports by the Group to the shareholder will include the outcomes against each measure for each subsidiary company.

10. Value of Shareholders Investment

The value of the Shareholders' investment will be not less than the carrying value of the investment in the Council's financial statements.

11. New Investments

The Group's ability to subscribe for, purchase or otherwise acquire shares in any company or other organisation, or enter into a major transaction is governed by the provisions in the Company's constitution, standards and agreed protocols as specified in the Charter between the Company and Council. This includes the requirement to meet appropriate commercial returns from the investment which are measured against Buller Holdings Limited weighted average cost of capital (WACC).

The Directors will consult with the shareholders regarding purchasing a business or subscribing for shares in any company or other organisation where that investment is more than 25% of shareholders' funds as at the previous balance date. Where the investment is more than 50% of shareholders' funds, shareholder approval will be required. Buller District Council has approved the purchase of land to be used for development of a depot. This capital expenditure was completed in the 2024 financial year.

Any significant decision of Buller Holdings Limited and/or their subsidiaries affecting land or water, will consider the relationship of Maori and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga before it makes a decision that may significantly affect land or water. This is under s 60A Local Government Act 2002 Amendment Act 2019.

12. Role in the Buller District Council Group and Regional Economy

(a) Commercial Relationship

The Group acknowledges that there may be commercial opportunities within, or in partnership with other group entities that can be developed to benefit each company, the BHL Group and the Buller region.

(b) Growth of the Regional Economy

Each company within the Group acknowledges that it has a role to play in promoting the growth of the Buller region by contributing to

regional initiatives as a good corporate citizen.

(c) Customer Service Principles

The Buller Holdings Group has adopted the Buller District Council's Customer Service Principles and Action policies.

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 15

Prepared By: Bernard Murphy
Contract Accountant

Reviewed By: Kaaren Phipps
Manager Finance

Paul Numan
General Manager Corporate Services

Attachments: 1. BHL Financial Report (unaudited) for the period ending 31 December 2024

Public Excluded: No

BULLER HOLDINGS LTD - FINANCIAL REPORT TO 31 DECEMBER 2024

1. **REPORT PURPOSE**
The purpose of this report is to provide the Risk and Audit Committee with the Buller Holdings Limited Financial Report to 31 December 2024 and is provided for information.

2. Please note that no decision is required in relation to this information.

3. **EXECUTIVE SUMMARY**
This report presents the quarterly (unaudited) financial statements for the six months ended 31 December 2024 including comparison to the budget for the same period. The report also presents results against the Statement of Intent targets which are non-financial measures.

4. **DISCUSSION**
This report is presented to Council to monitor Buller Holdings Limited (BHL) financial results.

5. The Council owns 100% of the shares in BHL, therefore BHL is deemed to be a Council Controlled Organisation.

6. Commentary on the results of each area of BHL operations which are WestReef Services Limited and Buller Recreation Limited (trading as the Pulse Energy Recreation Centre) are set out in the accompanying report.

7. This information should be read in conjunction with the financial statements to provide detail about the group's reported results.

8. The Group posted a surplus of $869,000 for the six months to 31 December 2024 against a budgeted surplus of $721,000, this is a significant improvement on the September 2024 results that reported a surplus $185k below the budgeted surplus.

9. The surplus for the six months is just under half the budgeted full year surplus. Historically BHL has had strong 4th quarter results which may indicate that the full year budgeted surplus is achievable.

10. Most non-financial KPIs are on target with one target not met. The target of nil Medical Treatment Injuries for WestReef Services Ltd has been missed by 1.

11. The measures also note that the planned Forecast distribution to Shareholders of $1.3m is improving but at risk.

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

13. **DRAFT RECOMMENDATION**
That the Quarterly Buller Holdings Limited Financial Report to 31 December 2024 dated 16 April 2025 be received.

BULLER
Holdings Ltd

Financial Report (unaudited)

For

Buller Holdings Ltd

For the Period Ending 31 December 2024

WESTREEF
MAINTENANCE & CONSTRUCTION SERVICES

pulseenergy
RECREATION CENTRE

BULLER Holdings Ltd

Page

BULLER
Holdings Ltd

Directors Report to the shareholders of Buller Holdings Ltd on the financial performance for the six months to 31 December 2024

Commentary:

The financial performance for the first 6 months of the financial year for the Group is currently tracking better than budgeted and is also higher than the equivalent period last year. The total revenue for the Group for the first half of the year is lower than for the same period for the previous year and is also less than budgeted. This reflects a tighter contracting market to date and a focus on management of expenses for the Group.

WestReef Services Ltd (WSL) has performed well from a financial perspective to date. Opportunities and scheduled work have been slower than previous years at the half-year mark, but this is expected to improve as tendering opportunities become available, including budgeted work from the Council, and as the company moves into the post-Christmas construction season.

Milestones for the company for the period to date include; achieving excellent health and safety objectives, completing the first half year of carbon reporting and analysis, and completion of the Oceana multipurpose track at Reefton, which will contribute to the amenities available in the Buller region.

Buller Recreation Ltd (BRL) has had a solid first half of the year. Income is on budget at the halfway mark. BRL is committed to ensuring that expenses overall are managed efficiently, particularly as some costs such as electricity have increased markedly.

BRL continue to offer more services, and it is satisfying to provide more groups with their own fitness classes. This is an area we are looking to expand.

Membership has remained strong within the recreation centre given the continued financial pressures currently being felt in the community.

The Group continues to look for new opportunities for the individual companies and any other opportunities that present themselves. The Group currently employs approximately 130 staff and is one of the biggest employers within the district, providing social and economic well-being spread throughout the district.

A commentary against key performance indicators is contained on pages 4 to 8 of this report.

On behalf of the Board

Steve Grave

Chair

BULLER Holdings Ltd

Statement of Intent Targets:

The targets as set out in the Buller Holdings Limited statement of intent for each subsidiary are shown below with an update of progress:

Buller Holdings Limited

The performance of Buller Holdings Limited will be judged against the following measures and targets;

Objective	Key Performance Measure	Budget Targets	
		2025	Achieved
Health & Safety	Medical Treatment Injury	Nil	Nil
Operational	The board of directors will meet with the BDC Mayor and Chair Risk & Audit Committee on a formal basis: (per/year)	3 times per year	3
Financial Parent ($000)	Revenue	$751	$371
	Expenditure	$749	$373
	Net Operating Surplus/(deficit)	$2	($2)
	Provision for Capex	$0	$4
	Ratio of Shareholders Funds to Total Assets	>45%	84%
Financial Group ($000)	Group Consolidated Operating Surplus before Tax	$1,792	$869
	Provision for capex	$4,298	$400
	Forecast distribution to Shareholders	$1,300	Improving but at risk
	Ratio of Shareholders Funds to Total Assets	>45%	66%
	Gearing Ratio (Debt to Debt plus Equity)	<40%	11%
Environmental	Business Environmental Footprint	Establish KPIs and improve on 2024 baseline (<1,100,359kg CO2e)	536,194kg CO2e

BULLER Holdings Ltd

WestReef Services Ltd

OBJECTIVE	KEY PERFORMANCE INDICATOR	TARGETS	
		2025	Achieved
Health & Safety	Medical Treatment Injuries	Nil	1 (not achieved)
	Notifiable Incident ICAM (investigated with recommendations actioned)	100%	None (achieved)
	Total safety audits completed	>100	142
	ISO 45001 Accreditation	Maintain accreditation	Achieved
Operational	Employee Satisfaction – Staff turnover excluding retirement, redundancy, and internal transfers.	Within the range of +/- 5% of the national benchmark	Measured at year end
Employee Development & Satisfaction	Undertake staff satisfaction survey (every 2nd year)	Survey completed	Survey not yet completed
Financial ($000)	Revenue	$19,142	$10,198
	Expenditure	$17,169	$9,267
	Net Operating Surplus before Tax	$1,973	$931
	Provision for Capex	$4,150	$375
	Competitively Procured Revenue	>45%	94%
	Ratio of Shareholders Funds to Total Assets	>45%	77%
Environmental	Number of enforcement notices	Nil	Nil
	Business Environmental Footprint	Establish KPIs and improve on 2024 baseline (<1,039,250kg CO2e)	507,145kg CO2e
Community	Support Minimum 25 community activities	25	21

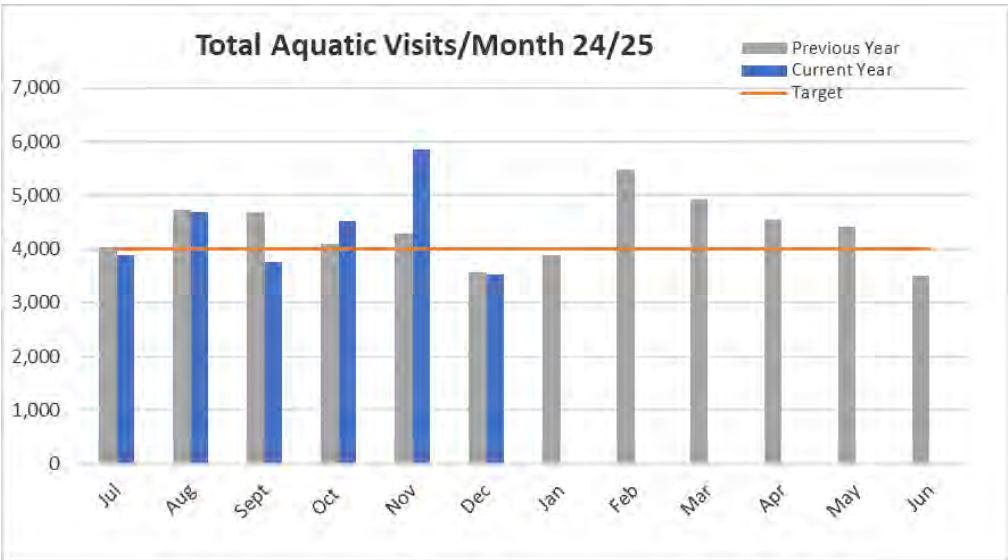
BULLER Holdings Ltd

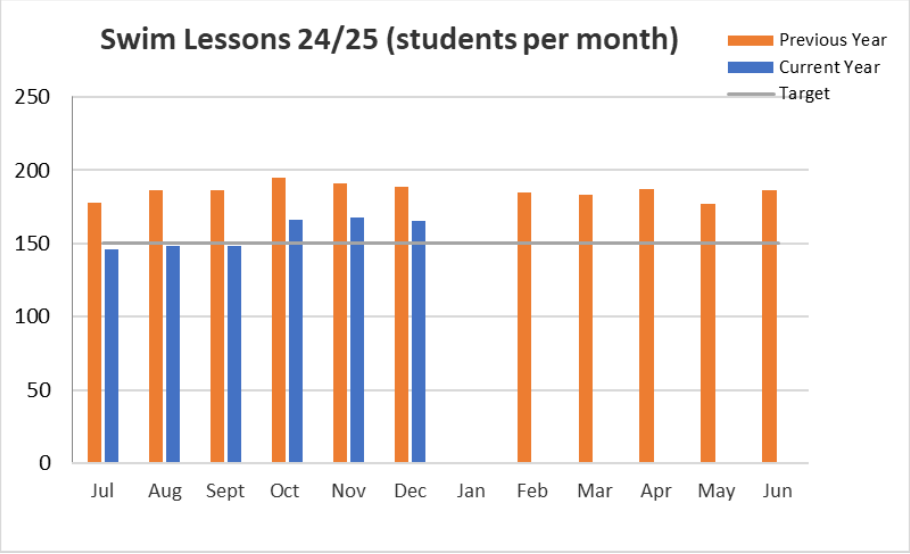
Buller Recreation Ltd

Performance Measure	Key Performance Indicator	Targets	
		2025	Achieved
Fitness membership	Average membership over 12-month period.	>700	745
	Average retention rate over 12-month period	>75%	94%
Aquatic centre usage	Average visits per month over 12 months	>4,000	4,412
Safety	Medical Treatment Injuries	Nil	Nil
	Undertake staff satisfaction survey every second year	Survey completed	Not yet completed
	Undertake client satisfaction survey every second year.	Nil	Not required in 2025
	Complete maintenance and replacement in accordance with AMP (monitor monthly)	Achieved	Completed
Financial Forecasts ($000)	Revenue	$816	$408
	BDC Recreation Service fee	$906	$453
	Expenditure	$2,257	$1,138
	Net operating surplus (deficit) before Tax	($535)	($277)
	Cash surplus/(deficit) (after adding back depreciation)	$5	($24)
	Provision for capex (funded by Council)	$148	$21
	Ratio of Shareholders Funds to Total Assets	>45%	81%
Environmental	Business Environmental Footprint	Establish KPIs and improve on 2024 baseline (<61,109kg CO2e)	29,049kg CO2e

BULLER Holdings Ltd

October, November, December			
	2022	**2023**	**2024**
Pool	10,984	11,959	13,886
Gym	6,576	9,044	8,002





BULLER
Holdings Ltd

BULLER Holdings Ltd

STATEMENT OF FINANCIAL PERFORMANCE

For the period ending 31 December 2024

	ACTUAL GROUP $000	BUDGET GROUP $000	ACTUAL PARENT $000	BUDGET PARENT $000
Revenue	11,004	12,215	371	376
Expenses	10,135	11,494	373	375
OPERATING SURPLUS/(DEFICIT) before taxation	**869**	**721**	**(2)**	**1**

STATEMENT OF FINANCIAL PERFORMANCE

For the period ending 31 December 2023

	ACTUAL GROUP $000	BUDGET GROUP $000	ACTUAL PARENT $000	BUDGET PARENT $000
Revenue	11,830	8,650	329	346
Expenses	12,010	8,322	350	344
OPERATING SURPLUS/(DEFICIT) before taxation	**(180)**	**328**	**(21)**	**2**

BULLER Holdings Ltd

STATEMENT OF CHANGES IN EQUITY

For the period ending 31 December 2024	Actual Group			Actual Parent		
	Share Capital	Retained Earnings	Total Equity	Share Capital	Retained Earnings	Total Equity
	$000	$000	$000	$000	$000	$000
Opening balance 01 July 2024	20,472	(9,468)	11,004	20,472	(12,040)	8,432
Profit for the period	-	869	869	-	(2)	(2)
	20,472	**(8,599)**	**11,873**	**20,472**	**(12,042)**	**8,430**
Transactions with owners, recorded directly in equity						
Issued capital	148	-	148	148	-	148
Closing balance 31 December 2024	**20,620**	**(8,599)**	**12,021**	**20,620**	**(12,042)**	**8,578**

For the period ending 31 December 2023	Actual Group			Actual Parent		
	Share Capital	Retained Earnings	Total Equity	Share Capital	Retained Earnings	Total Equity
	$000	$000	$000	$000	$000	$000
Opening balance 01 July 2023	20,117	(7,822)	12,295	20,117	(13,930)	6,187
Profit for the period	-	(180)	(180)	-	(21)	(21)
	20,117	**(8,002)**	**12,115**	**20,117**	**(13,951)**	**6,166**
Transactions with owners, recorded directly in equity						
Issued capital	355	-	355	355	-	355
Closing balance 31 December 2023	**20,472**	**(8,002)**	**12,470**	**20,472**	**(13,951)**	**6,521**

BULLER Holdings Ltd

STATEMENT OF CASH FLOWS
For the period ending 31 December 2024

	GROUP	PARENT	GROUP	PARENT
	$000	$000	$000	$000
	2025	2025	2024	2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Management fees	453	317	425	310
Receipts from Customers	10,593	54	8,971	14
Interest received	17	0	69	3
	11,063	371	9,465	327
Cash was applied to:				
Payments to suppliers and employees	9,913	521	8,419	253
GST paid	800	34	470	39
Interest paid	47	47	37	36
	10,760	602	8,926	328
Net cash inflow/(outflow) from operating activities	**303**	**(231)**	**539**	**(1)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from:				
Realisation of term investments	407	130	2,593	130
Loan from WSL	-	-	-	1,002
Proceeds from sale of fixed assets	7	-	26	-
	414	130	2,619	1,132
Cash was applied to:				
Term investments	1,000	-	605	130
Purchase of fixed assets	400	4	1,734	1,002
	1,400	4	2,339	1,132
Net cash inflow/(outflow) from investment activities	**(986)**	**126**	**280**	**-**

BULLER Holdings Ltd

	GROUP $000 2025	PARENT $000 2025	GROUP $000 2024	PARENT $000 2024
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was provided from:				
Share Issue	148	148	355	355
	148	148	355	355
Cash was applied to:				
Share Issue	-	148	-	355
Subvention payment made	-	-	650	-
	-	148	650	355
Net cash inflow/(outflow) from financing activities	**148**	**-**	**(295)**	**-**
Net increase in cash held	(535)	(105)	524	(1)
Add opening cash as at 1 July	2,130	258	1,009	125
Closing cash balance	**1,595**	**153**	**1,533**	**124**
Made up of:				
Bank	1,595	153	1,533	124
Closing cash balance	**1,595**	**153**	**1,533**	**124**

BULLER Holdings Ltd

STATEMENT OF FINANCIAL POSITION
As of 31 December 2024

	Group	Parent	Group	Parent
	$000	$000	$000	$000
	2025	2025	2024	2024
ASSETS				
Current Assets				
Cash and short-term deposits	1,595	153	1,533	124
Receivable and prepayments	3,871	84	2,245	62
Inventories	125	0	130	0
Short Term Investments	1,000	0	605	130
Total current assets	6,591	237	4,513	316
Non-current assets				
Deferred tax	208	17	286	15
Fixed assets	10,920	2,403	11,278	2,403
Goodwill	389	0	389	0
Investment in Subsidiaries	0	7,578	0	7,430
Total Non-current assets	11,517	9,998	11,953	9,848
Total Assets	**18,108**	**10,235**	**16,466**	**10,164**
LIABILITIES				
Current liabilities				
Payables and accruals	1,570	92	1,357	84
Employee entitlements	813	65	652	57
Provision for Subvention	611	0	487	0
Total Current liabilities	2,994	157	2,496	141

BULLER Holdings Ltd

	Group	Parent	Group	Parent
	$000	$000	$000	$000
	2025	2025	2024	2024
Non-current Liabilities				
Deferred Tax	1,593	0	0	0
Loans	1,500	1,500	1,500	3,502
Total Non-current liabilities	3,093	1,500	1,500	3,502
Total Liabilities	**6,087**	**1,657**	**3,996**	**3,643**
EQUITY				
Share capital	20,620	20,620	20,472	20,472
Accumulated Funds	869	(2)	(180)	(21)
Retained earnings	(9,468)	(12,040)	(7,822)	(13,930)
Total Equity	**12,021**	**8,578**	**12,470**	**6,521**
Total Liabilities and Equity	**18,108**	**10,235**	**16,466**	**10,164**

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 16

Prepared by	Glen Pellew Financial Accountant
Reviewed by	Kaaren Phipps Finance Manager
Attachment 1	Westport Airport Authority Half Year Report to 31 December 2024
Public Excluded	No

WESTPORT AIRPORT AUTHORITY – HALF YEARLY REPORT TO 31 DECEMBER 2024

1. **REPORT PURPOSE**
The purpose of this report is to provide the Risk and Audit Committee with the Westport Airport Authority – half yearly report to 31 December 2024.

2. Please note that no decision is required in relation to this information

3. **EXECUTIVE SUMMARY**
In accordance with section 66 of the Local Government Act 2002 Council Controlled Organisations must deliver a half yearly report to shareholders. This report presents the interim (unaudited) financial statements for the six-month period ended 31 December 2024 including the budget for this period. The report also presents a Statement of Service Performance summary.

4. **DISCUSSION**
This report is presented to the Risk and Audit Committee to monitor the Westport Airport Authority financial results.

5. **Revenue**
Total revenue is close to budget with $91k actual compared to $101k budget for the half year.

6. **Expenditure**
Overall, total operating expenditure ($269k) is in line with budget ($267k). Airport maintenance did show a higher spend to budget by $13k and lower salaries contributed to lower admin expenses as at 31 December 2024.

7. **Capital Expenditure**
Capital expenditure as at 31.12.24 is $17k and comprises $6k for a 20ft shipping container and $11k runway sweeper. YTD budget is $16k.

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

9. **DRAFT RECOMMENDATION**

That the Westport Airport Authority half yearly report to 31 December 2024 dated 16 April 2025 be received.

Attachment 1

WESTPORT AIRPORT AUTHORITY

INTERIM (unaudited) FINANCIAL STATEMENTS FOR THE 6 MONTHS ENDED 31 DECEMBER 2024

WESTPORT AIRPORT AUTHORITY
Statement of Financial Position
As at 31 December 2024

	December 2024 $	December 2023 $
Current Assets		
Accounts receivable and accruals	27,062	60,969
Prepayments	-	10,705
Total Current Assets	27,062	71,673
Non-Current Assets		
Property, plant & equipment	5,650,980	5,695,029
Total Assets	**5,678,042**	**5,766,702**
Current Liabilities		
Accounts payable and accruals	3,034	27,178
Revenue in advance	3,235	4,011
Buller District Council – current account	464,979	512,318
Total Current Liabilities	471,248	543,507
Net Assets	**5,206,793**	**5,223,196**
Equity		
Equity: Ministry of Transport	2,161,650	1,965,532
Less: Share of accumulated losses	(715,595)	(509,366)
	1,446,056	1,456,166
Equity: Buller District Council	4,515,117	4,315,181
Less: Share of accumulated losses	(754,379)	(548,150)
	3,760,738	3,767,031
Equity: Ministry of Transport & Buller District Council	6,676,767	6,280,713
Less: Total accumulated losses	(1,469,974)	(1,057,516)
Total Equity	**5,206,793**	**5,223,196**

WESTPORT AIRPORT AUTHORITY
Statement of Financial Performance
For the six months ended 31 December 2024

6 Months Dec-23 $		6 Months Dec-24 $	6 Months Budget $
	Revenue		
22,131	Landing fees & Other Dues	17,496	19,479
59,424	Terminal Rental & Other Income	52,810	61,108
21,000	Farming Lease	21,000	21,000
102,556	**Total Revenue**	91,306	101,587
	Less: Expenditure		
13,557	Airport Maintenance	36,927	23,404
171,893	Administration	155,921	170,364
44,660	Depreciation	44,660	47,136
7,062	Rates and Insurance	5,043	1,146
-	Legal Fees	6,630	1,038
6,092	Power and Telephone	6,959	7,542
19,047	General Expenses	13,256	16,490
262,310	**Total Expenditure**	269,396	267,120
(159,755)	**Operating Surplus (Deficit)**	(178,090)	(165,533)
(159,755)	**Net Surplus/(Deficit) Before Tax**	(178,090)	(165,533)
-	Less Tax Expense		
(159,755)	**Net Surplus (Deficit) after Tax**	(178,090)	(165,533)
(159,755)	**Net Surplus (Deficit)**	(178,090)	(165,533)
	Attributable to:		
(79,877)	Profit / (Loss) Buller District Council	(89,045)	(82,767)
(79,877)	Profit/ (Loss) Ministry of Transport	(89,045)	(82,767)
(159,755)		(178,090)	(165,533)

WESTPORT AIRPORT AUTHORITY
Appropriation Account
For the six months ended 31 December 2024

	6 Months Dec-24 $	6 Months Dec-23 $
Opening Balance (Accumulated Losses)	(1,288,790)	(897,762)
Net Surplus/Deficit	(178,090)	(159,755)
Closing Balance (Accumulated Losses)	(1,466,880)	(1,057,516)

WESTPORT AIRPORT AUTHORITY
Statement of Changes in Equity
For the six months ended 31 December 2024

	6 Months Dec-24 $	6 Months Dec-23 $
Equity at Start of the Period	5,384,883	5,382,951
Total Comprehensive Revenue and Expense	(178,090)	(159,755)
Equity at End of the Period	5,206,793	5,223,197

WESTPORT AIRPORT AUTHORITY
Statement of Cash Flows
For the six months ended 31 December 2024

	6 Months Dec-24 $	6 Months Dec-23 $
Cash Flows from Operating Activities		
Cash was provided from:		
Landing Fees & Airport Dues	17,496	7,430
Rental, Service Charges & Other Income	66,640	48,127
Farming Lease	21,000	21,000
	105,136	76,557
Cash was applied to:		
Payments to Suppliers and Employees	(260,706)	(300,768)
Net GST	(7,303)	(10,316)
	(268,009)	(311,084)
Net Cash Flows from Operating Activities	(162,872)	(234,527)
Cash Flows from Investing Activities		
Cash was applied to:		
Purchase of fixed assets	(16,853)	(29,094)
Net Cash Flow from Investing Activities	(16,853)	(29,094)
Cash Flows from Financing Activities		
Cash was provided to:		
Buller District Council Current Account	179,725	263,622
Net Cash Flows from Financing Activities	179,725	263,622
Net Increase in Cash and cash equivalents	-	-
Add Cash and cash equivalents at Start of Year	-	-
Cash and cash equivalents End of Year	-	-

WESTPORT AIRPORT AUTHORITY
Statement of Service Performance
For the six months ended 31 December 2024

The Authority's performance in comparison to its performance targets is outlined as follows.

	Actual Performance $	Performance Target $
Operating Revenue	91,306	101,587
Operating Expenditure	269,396	267,120
Net Profit (Loss)	(178,090)	(165,533)
Capital Expenditure		
Equipment (including Work in Progress)	16,854	-

WESTPORT AIRPORT AUTHORITY
STATEMENT OF SERVICE PERFORMANCE
NARRATIVES
FOR THE 6 MONTHS ENDED 31 DECEMBER 2024

Revenue

Total revenue is close to budget with $91k actual compared to $101k budget for the half year.

Expenditure

Overall, total operating expenditure ($269k) is in line with budget ($267k). Airport maintenance did show a higher spend to budget by $13k and lower salaries contributed to lower admin expenses as at 31 December 2024. Full Year Budget is $592k

Capital Expenditure:

Capital expenditure as at 31.12.24 is $17k and comprises $6k 20ft shipping container and $11k runway sweeper. YTD budget is $16k.

Note that narratives are for the draft interim half yearly report to 31 December 2024.

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 17

Prepared by	Glen Pellew Financial Accountant
Reviewed by	Kaaren Phipps Manager Finance
	Paul Numan Group Manager Corporate Services
Attachments	1. BDC Financial Performance Report as of 28 February 2025
Public Excluded:	No

FINANCIAL PERFORMANCE REPORT – AS OF 28 FEBRUARY 2025

1. **REPORT PURPOSE**

The purpose of this report is to provide the Risk and Audit Committee with an update on Council financial performance and is provided for information. Please note that no decision is required in relation to this information

2. **EXECUTIVE SUMMARY**

This report provides an update on Council's financial performance for the period ended 28 February 2025. The report will assist in understanding the operational results the report is presented in three sections - business-as-usual, additional grants and flood recovery.

3. **DISCUSSION**

Business-As-Usual:

The business-as-usual operational loss to date is $577k against a budgeted deficit of $705k, which includes accrued revenue for NZTA claims for roading and transport projects yet to be submitted to NZTA for processing.

4. **Additional Grant Revenue and Expenditure:**

Additional grants to date yield a $609k profit when compared to the budget of $93k surplus.

5. **Flood Recovery Revenue and Expenditure:**
The flood event result to date is an overall surplus of $3.436m, as this is unbudgeted it shows a favourable variance and is driven by NEMA Tranche 2 funded dredging of the Buller River.

6. OPERATIONAL FINANCIAL PERFORMANCE

	Actual YTD	Annual Plan	YTD Variance		Projected Full Year	Annual Plan Full Year	Projected Variance Full Year
Operational Revenue	24,878,330	25,516,660	(638,330)	■	41,384,510	41,384,510	0
Operational Expenditure	25,455,159	26,221,609	766,450	●	39,289,522	39,289,522	0
TOTAL OPERATIONAL VARIANCE			128,119	●			0
Additional Grant Revenue	608,888	93,033	515,855	●	0	0	0
Additional Grant Expenditure	885,060	0	(885,060)	■	0	0	0
TOTAL ADDITIONAL GRANT VARIANCE			(369,205)	■			0
Flood Event Revenue	3,445,155	0	3,445,155	●	0	0	0
Flood Event Expenditure	8,821	0	(8,821)	▲	0	0	0
TOTAL FLOOD EVENT VARIANCE			3,436,335	●			0
TOTAL PROFIT / (LOSS)			3,195,249	●			0
Net Profit / (loss)	**2,583,333**	**(611,916)**	3,195,249	●	**2,094,988**	**2,094,988**	0

Key: ● Favourable Variance + $50k ■ Unfavourable Variance - $50k ▲ Neutral Variance +/- $50k

7. **Operational Performance Report – Summary of Results to February 2025**
Budgeted total operational performance to date is a $577k deficit compared to a budget deficit of $705k. This is driven by expenses rather than revenue being lower than compared to budget. Budget operational performance YTD is $2.095m.

8. **Business-As-Usual**
Operating revenue is $638k lower than budgeted revenue. This includes accrued revenue for NZTA claims for roading and transport projects yet to be submitted to NZTA for processing. Operational expenditure is $766k lower than the budgeted expenses.

9. **Additional Grant Revenue and Expenditure:**
All actual revenue and expenditure incurred were not budgeted for. Some of the operational expenditure projects relate to items such as - Mayor's taskforce for jobs, - Better off funded climate change adaptation and preparedness, - DIA funded resilient Westport costs, - Betterment funding for the Westport Master Plan, - KMTT restoring and protecting flora project, and - MfE funded organic waste project.

10. Capital projects such as - IAF funded Alma Road infrastructure and Better Off funded projects.

11. Additional grant revenue is $516k higher than budgeted revenue of $93k.

12. Additional grant expenditure is $885k made up of MTFJ activity which was unanticipated in this period as the contract extended.

13. **Flood Recovery Revenue and Expenditure:**
The Flood event surplus of $3.436m reflects the NEMA Tranche 2 funded dredging of the Buller River. Note the true cost of delivering this project are represented by the Kawatiri Dredge operating costs which are accounted within the business-as-usual Westport Harbour expenditure.

14. As agreed with NEMA each qualifying day of river dredging is charged to the project at a daily rate of $31,500 excluding GST. This charge is recorded as under the Westport Harbour business-as-usual. The daily charges are recorded and reported on for management reporting purposes but net off for external reporting purposes, in line with accounting standards.

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

16. **DRAFT RECOMMENDATION**

That the Financial Performance Report to 28 February 2025 - dated 16 April 2025 be received.

BULLER DISTRICT COUNCIL
Monthly Financial Performance Report for the Month to February 2025

Prepared by: Glen Pellew

Reviewed by: Kaaren Phipps & Paul Numan

	Actual Year to Date	Annual Plan YTD Budget	YTD Variance	Status	Annual Plan Budget
Operational Revenue					
Community Services	299,270	259,304	39,966	▲	368,490
Westport Harbour	1,032,808	2,098,868	(1,066,060)	■	3,116,659
Governance & Representation	0	0	0	▲	0
Water Supplies	3,530,308	3,630,609	(100,301)	■	4,878,928
Airport	101,339	131,877	(30,538)	▲	206,013
Community Facilities	589,650	596,887	(7,237)	▲	1,451,978
Roading & Transport	4,071,583	4,106,244	(34,661)	▲	10,191,004
Regulatory Services	1,805,319	1,141,129	664,190	●	1,717,741
Solid Waste	1,012,255	931,331	80,924	●	1,240,979
Support Services	29,536	49,022	(19,486)	▲	76,921
Council - General Rates & Treasury	10,119,225	10,165,832	(46,607)	▲	14,949,786
Wastewater	2,287,037	2,400,355	(113,318)	■	3,180,809
Stormwater	0	5,202	(5,202)	▲	5,202
Total Operational Revenue	**24,878,330**	**25,516,660**	**(638,330)**	■	**41,384,510**
Operational Expenditure					
Community Services	2,929,374	3,204,565	275,191	●	4,709,425

Westport Harbour	2,118,236	2,217,796	99,560	●	3,126,273
Governance & Representation	1,248,846	1,361,601	112,755	●	2,186,945
Water Supplies	3,047,292	3,526,931	479,639	●	5,125,046
Airport	352,012	371,160	19,148	▲	591,913
Community Facilities	2,282,228	2,287,564	5,336	▲	3,567,338
Roading & Transport	6,456,831	6,877,501	420,670	●	10,326,211
Infrastructure Delivery (cost recovery and expenditure netted off)	715,253	(16,980)	(732,233)	■	(1)
Regulatory Services	1,847,120	2,163,884	316,764	●	3,268,072
Solid Waste	1,384,853	1,231,507	(153,346)	■	1,801,249
Support Services	487,069	314,938	(172,131)	■	546,660
Wastewater	2,057,143	2,044,606	(12,537)	▲	3,081,687
Stormwater	528,903	636,536	107,633	●	958,704
Total Operational Expenditure	**25,455,159**	**26,221,609**	**766,450**	●	**39,289,522**
OPERATIONAL PROFIT / (LOSS)	**(576,830)**	**(704,949)**	**128,119**	●	**2,094,988**

	Actual Year to Date	Annual Plan YTD Budget	YTD Variance	Status	Annual Plan Budget
Additional Grant Revenue					
Community Services	378,377	0	378,377	●	0
Regulatory Services	0	0	0	▲	0
Westport Harbour	0	0	0	▲	0
Commercial and Corporate Services	201,435	93,033	108,402	●	0
Water Supplies	(316,829)	0	(316,829)	■	0
Wastewater	114,031	0	114,031	●	0
Stormwater	10,830	0	10,830	▲	0
Community Facilities	8,531	0	8,531	▲	0
Roading & Transport	117,106	0	117,106	●	0
Council - Resilience	9,679	0	9,679	▲	0
Solid Waste	85,728	0	85,728	●	0
Total Additional Grants Revenue	**608,888**	**93,033**	**515,855**	●	**0**
Additional Grant Expenditure ***(excludes Capital Expenditure)***					
Community Services	598,153	0	(598,153)	■	0
Regulatory Services	0	0	0	▲	0
Westport Harbour	3,963	0	(3,963)	▲	0
Commercial and Corporate Services	170,219	0	(170,219)	■	0
Water Supplies	0	0	0	▲	0
Community Facilities	0	0	0	▲	0
Council - Resilience	58,996	0	(58,996)	■	0
Solid Waste	53,730	0	(53,730)	■	0
Total Additional Grants Expenditure	**885,060**	**0**	**(885,060)**	■	**0**
ADDITIONAL GRANTS PROFIT / (LOSS)	**(276,172)**	**93,033**	**(369,205)**	■	**0**
Flood Event Revenue					

All Flood Event Revenue	3,445,155	0	3,445,155	●	0
Total Unbudgeted Flood Event Revenue	**3,445,155**	**0**	**3,445,155**	●	**0**
Flood Event Expenditure ***(excludes Capital Expenditure)***					
Flood Event Operational Expenditure	8,821	0	(8,821)	▲	0
Total Unbudgeted Flood Event Expenditure	**8,821**	**0**	**(8,821)**	▲	**0**
FLOOD EVENT PROFIT / (LOSS)	**3,436,335**	**0**	**3,436,335**	●	**0**
TOTAL PROFIT / (LOSS)	**2,583,333**	**(611,916)**	**3,195,249**	●	**2,094,988**

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 18

Prepared by: Glen Pellew
Financial Accountant

Bernard Murphy
Contract Accountant

Reviewed by: Kaaren Phipps
Manager Finance

Paul Numan
Group Manager Corporate Services

Public Excluded: No

INVESTMENTS AND BORROWINGS REPORT AS AT 28 FEBRUARY 2025

1. **REPORT PURPOSE**
The purpose of this report is to provide the Risk and Audit Committee with an update on Council investments and borrowing and is provided for information.

2. Please note that no decision is required in relation to this information.

3. **EXECUTIVE SUMMARY**
This report summarises Council's cash investments and borrowings for the month of February 2025, and compliance with Council treasury management policy.

4. **DISCUSSION**

BACKGROUND
The last reported period for Council's cash investments and borrowings was for the month of October 2024.

5. **CURRENT ISSUES**
Council is limited to $20 million of borrowings from the Local Government Funding Agency (LGFA). The LGFA places a $20m limit on borrowing by councils that are non-guarantors to the LGFA funding vehicle. The Council is proposing to become a

guaranteeing local authority for the LGFA scheme (as part of the 2025-34 Long-Term Plan).

6. All local authorities can borrow from the LGFA, but different benefits apply depending on the level of participation. Council has been a borrowing local authority since 2015 and is now proposing to join as a guaranteeing local authority. The benefit of becoming a guarantor is reduced interest rates, with the Council anticipating interest savings of $100,000 per annum for every $1 million of debt with the LGFA.

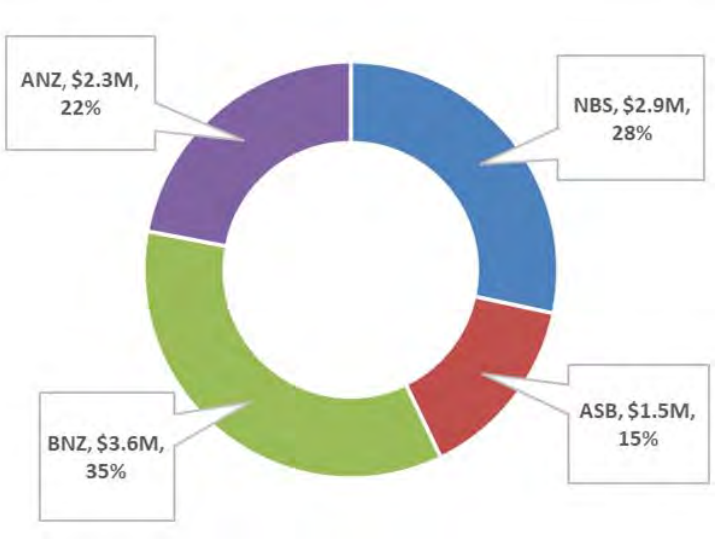
7. Staff are also working with our auditors on the finalisation of the Council's Annual Report and audit opinion for the year ended 30 June 2023 as well as the accounts for the year ended 30 June 2024, as both lenders require a copy of the annual report to complete their renewal processes.

8. INVESTMENTS AND BORROWINGS REPORT

9. Term Investments

Total term investments are recorded at $10.3m as at 28 February 2025.

Bank or Society	Interest Rate	Start Date	Maturity Date	Balance as at 28 Feb 25
NBS	5.90%	18-Jul-2024	18-Jul-2025	1,534,037.53
NBS	5.90%	1-Jul-2024	1-Jul-2025	1,000,000.00
NBS	6.00%	6-May-2024	6-May-2025	400,000.00
ASB	5.39%	13-Sep-2024	13-Sep-2025	1,325,000.00
ASB	4.59%	12-Dec-2024	2-Jun-2025	201,171.02
BNZ	6.00%	2-Jul-2024	27-Feb-2025	1,000,000.00
BNZ	5.30%	25-Aug-2024	25-Aug-2025	1,636,800.00
BNZ	6.00%	29-Jun-2025	29-Jun-2025	1,000,000.00
ANZ	5.45%	25-Oct-2024	22-Jul-2025	1,092,851.69
ANZ	5.45%	8-Oct-2024	8-Oct-2025	1,199,821.00
TOTAL Term Deposits				**10,389,681.24**



10. The Treasury Management Policy of Council is that all term deposits are held with New Zealand Registered banks with no more than $10 million with any one institution. The terms and maturity dates of investments are spread to minimise Council's exposure to interest rate fluctuations while still aiming to optimise interest earned.

11. Council has approved the investment in Nelson Building Society (NBS) which is a breach of the Treasury Management Policy. The policy limits investments in Building Societies to a total of 10% of the portfolio and an individual Building Society to be no more than the lower of $1m or 4% of its asset base. Currently investment $2.9m in NBS representing 28% of the total investment portfolio.

12. In addition to term investments the Council also has a loan to BHL of $1.6m and LGFA borrower notes of $500k.

Investment Type	Counterparty	Amount	Maturity Date	Floating Interest Rate
LGFA Borrower Note	LGFA	125,000	31-Mar-2025	5.81%
LGFA Borrower Note	LGFA	125,000	29-May-2026	5.85%
LGFA Borrower Note	LGFA	125,000	31-Mar-2025	5.82%
LGFA Borrower Note	LGFA	125,000	31-Mar-2027	5.98%

13. **Interest Revenue**
Interest revenue to the end of February is $396k.

14. **Borrowings and Net Debt Position**
Total borrowings of $41.3m is a small decrease from the previous month.
Net debt (borrowings less term investments and call account balance) at $31m.

	This Month 28-Feb-25	Last Month 31-Jan-25	Last Year 30-Jun-24
External Debt			
Westpac Loan Facility	21,338,860	22,163,860	14,243,860
LGFA Loan Facility	20,000,000	20,000,000	20,000,000
Total borrowings	**$41,338,860**	**$42,163,860**	**$34,243,860**
Less: Term deposits (including call account)	10,389,681	10,389,681	14,607,472
Net Debt	**$30,949,179**	**$31,774,179**	**$19,636,388**

15. The Treasury Management Policy sets fixed rate bands for term borrowings:

	Maximum fixed rate %	Minimum fixed rate %
0 to 2 years	100%	50%
2 to 5 years	80%	25%
5 to 10 years	60%	0%

16. Council is currently on the lower side of these limits and based on current debt will fall below the minimum fixed rate in Feb 2027 and again in August 2028.

17. Council will shortly enter onto some financial agreements to rectify the situation.

18. Council's policy also includes two liquidity and funding risk management limits that Council is presently in breach of, being:

    i. Council shall maintain committed funding lines of not less than 110% of forecast debt over the ensuing 12-month period as detailed in the Annual Plan.

    ii. No more than 40% of total borrowings is subject to refinancing in any financial year. The risk of having a large percentage of debt maturing or being reissued in the same period is credit margins in that period may be high. The intention of the 40% limit is to minimise this risk.

19. Council currently holds $41m of committed funding lines, $20m with LGFA and $21m with Westpac. Since the previous report, the Multi Option Credit Line/Wholesale Advance Facility (MOCL) with Westpac has increased from $21m to $26m to help Council meet its forecasted debt requirements. Council's forecasted debt to 30 June 2025 is $45.4m. Council's current committed funding lines at $41m represent 90% of this forecast debt.

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

21. **DRAFT RECOMMENDATION**
That the Investments and Borrowings report as at 28 February 2025 dated 16 April 2025 be received.

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 19

Prepared by	Bernard Murphy Contract Accountant
Reviewed by	Kaaren Phipps Manager Finance
	Paul Numan Group Manager Corporate Services
Attachments	1. Sundry Debtors Management Report 2. Rates Debt Management Report

Public Excluded: No

DEBT MANAGEMENT REPORT AS AT 28 FEBRUARY 2025

1. **REPORT PURPOSE**
The purpose of this report is to provide the Risk and Audit Committee (RAC) with an update on Council debt management and is provided for information.

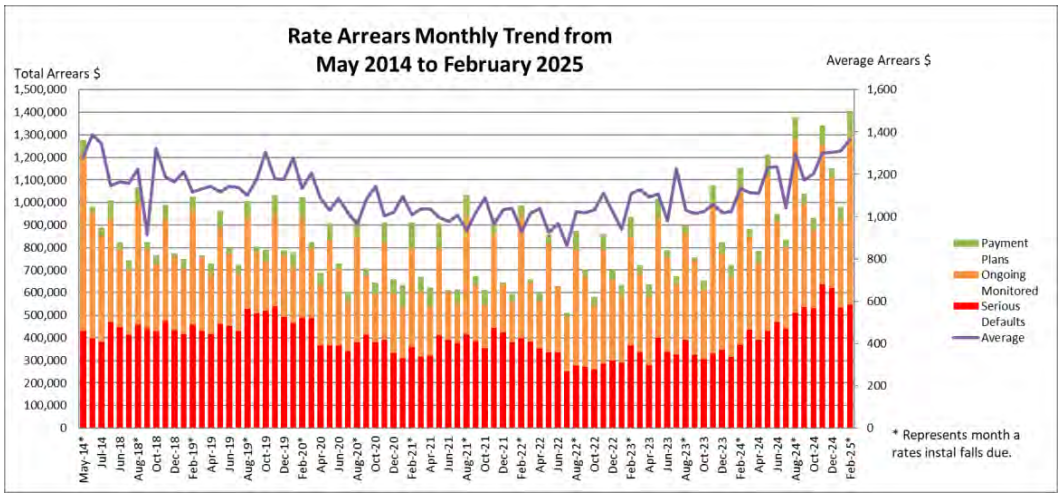
2. Please note that no decision is required in relation to this information.

3. **EXECUTIVE SUMMARY**
This report presents and classifies the outstanding balances of rates, debtors and sundry debtors as at 28 February 2025.

4. **ISSUES AND DISCUSSION**
This report is presented to provide information on debt trends for Council and provides a high-level overview of the debt owed to Buller District Council.

5. **Rates**
Council's rates debtors arrears in February have followed the upwards trend in arrears of the past 18 months. Total rate arrears stand at $1.408m excluding abandoned land. Despite the upward trend, progress in reducing serious defaults has been made in the last two months.

6. Ratepayers on payment plans has increased slightly to 281. There are indications of a persistent increase in the amount of arrears with common feedback on ratepayers struggling in the current economic environment.



7. Council staff use debt management software to assist with the process of collecting, monitoring and managing debt. Early intervention is applied to help keep the rate arrears from escalating and when ratepayers miss one or two instalments,

8. Council staff try to assist these ratepayers with signing up to a payment plan. When all attempts from the Council are unsuccessful, these ratepayers become categorised as serious defaults. Ratepayers in the serious defaults category are managed in one of two ways:

   a) Mortgage lenders are contacted where there is a mortgage on the rate-payers property; or

   b) Debt collectors are contacted where there is no mortgage on the rate-payers property.

9. Where consent is received from the ratepayer, Council works alongside the ratepayer and their bank (if relevant). Council staff provide relevant information to ratepayers on support services that could assist them with independent advice for paying their debt. Information in relation to the rates rebate scheme is also passed on – noting this information is also available on Council's website.

10. A programme of rates outstanding on disposal of abandoned land is about to commence. This category relates to 41 properties on the arrears report with the first property being readied for a tender land sale listing.

11. **Interest/Penalties Charged on Outstanding Debtors Accounts**

RAC raised a question regarding the amount of interest charged on overdue sundry debtor accounts at a prior meeting. Debtors accounts do not have penalty interest charged. For the interest to be collectable the terms of trade must be signed up to prior to customers placing orders with Council. However, rates accounts when unpaid as per the conditions of the rating act, are charged 10% penalties for non-payment.

12. **Sundry Debtors**

Sundry Debtors arears balances to date confirms a decrease of $649k since the last report. This reduction was largely the result of payments received from Government departments, Kainga Ora and DIA during the period.

13. **Debt Management Workshop**

Following on from an earlier RAC request - Council staff are formalising information in support of a debt management workshop covering debt recovery of outstanding rates, including more information on Council's current process and a debt recovery agency that primarily assists local government with debt recovery as well as abandoned land.

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

15. **DRAFT RECOMMENDATION**

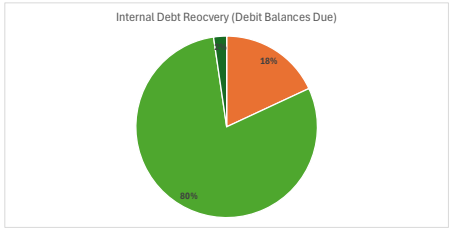
That the debt recovery report as at 28 February 2025 - dated 16 April 2025 be received.

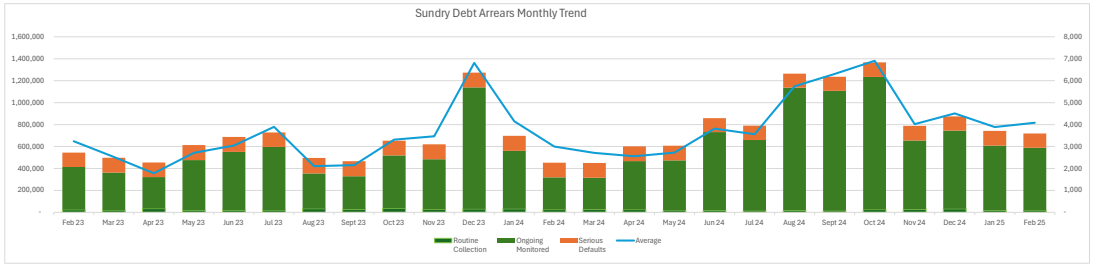
ATTACHMENT 1

Sundry Debtors - Debt Recovery Report

Report cutoff date 28 February 2025
Ageing cycle - current due 28 February 2025

Status Flag	Debtor Type	Age of Debt 28 February 2025		Age of Debt 31 October 2024		Variance Feb 25 vs Oct 24		No. of Account Holders per Debt Thresholds			Further Action to Commence					Comments
		No. of Debtors	Overdue	No. of Debtors	Overdue	No. of Debtors	Overdue	Less than $2,000	$2,001 to $10,000	Over $10,001	Formal Review	To Debt Agency / Mortgagee	Monitor Progress	Further Letter/ Meeting	Other Options	
	Leasehold Properties	19	129,872	17	132,939	2	(3,067)	13	2	4	✓			✓	✓	Rents invoiced 6 monthly in advance. Long standing arrears receiving increased collection measures and purchase discount option.
	Orowaiti Connection	1	3,375	1	3,375	0	0	0	1	0				✓		Long standing arrears collected when property transfers.
	Libraries	1	150	1	150	0	0	1	0	0						Small amounts monitored.
	Water	13	35,045	15	36,254	(2)	(1,209)	9	3	1	✓			✓		Payment plans promoted for those with long standing debt.
	Resource Management	10	40,839	14	79,295	(4)	(38,456)	6	2	2	✓	✓		✓		Long standing arrears receiving increased collection measures.
	Rentals	29	64,369	36	70,290	(7)	(5,921)	22	5	2		✓		✓		$27k debtor in Liquidation, this debt remains on Council records until final notification of wind up. The balance is under routine monitoring.
	Regulatory Licences e.g. Food Premises	16	5,877	26	12,466	(10)	(6,589)	16	0	0						Timing of Annual Licences billing.
	Sundry	37	390,454	42	978,837	(5)	(588,383)	30	3	4			✓			Instalment arrangements entered into for those with long standing debt.
	Westport Harbour	31	31,989	21	28,944	10	3,045	28	3	0						Annual payment plans in place. Rents,Berthage etc
	Trade Waste	7	8,487	7	8,487	0	0	5	2	0					✓	Annual invoicing cycle in August of each year.
	Airport Parking	1	40	1	40	0	0	1	0	0					✓	Small amounts monitored.
	Building Consents	6	6,744	10	11,458	(4)	(4,714)	4	2	0						Where overdue, this represents inspections not yet completed due to timing of building process.
	Swimming Pools	1	140	1	150	0	(10)	1	0	0						
	Cemetery	3	816	4	4,114	(1)	(3,298)	3	0	0						
	LIMs	1	300	2	600	(1)	(300)	1	0	0						
	Totals	**176**	**718,497**	**198**	**1,367,398**	(22)	(648,901)	**140**	**23**	**13**						





Rates Accounts - Debt Recovery Report

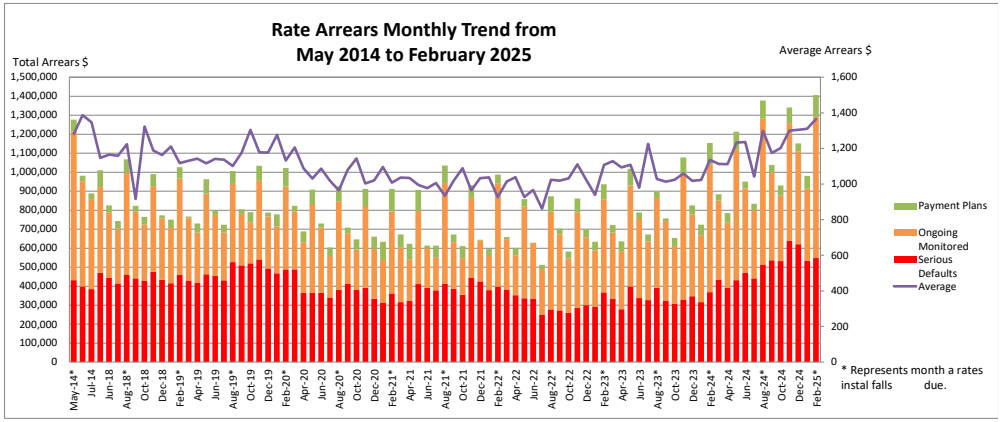
Report cutoff date	28 February 2025
Last rates instalment due date	28 February 2025
Next rates instalment due date	28 May 2025

Internal Debt Recovery Analysis

Status Flag	Category	No. of Ratepayers	Total Arrears Balance YTD	Current Year Arrears	Previous Year Arrears $	Previous Year Arrears %	Further Action to Commence: Formal Review	To Debt Agency	Title Search	Monitor Progress	Further Letter	Continue Sale Process	Comment
	Placed with External Debt Collection	12	133,826	29,425	104,401	18%				✓			Arrears placed with Credit Recovery Agency. Refer to the analysis below.
	No current mailing address	0	0		0	0%		✓					Tracing addresses through bank deposits & social media undertaken.
	Approach Mortgagee	7	40,256	20,812	19,444	3%							Ratepayers with mortgages are pursued for payment under the Rating Act provisions.
	Awaiting Decision	35	207,752	106,166	101,586	18%	√		√				More complicated cases, ie house uninhabitable / property on market etc require close monitoring.
	Missed more than two instalments	63	166,374	128,347	38,027	7%					✓		Reviewing for possibility of Mortgagee Action.
	Under Action - Short Term Monitored	15	30,121	16,480	13,641	2%	✓				✓		Reviewed systematically with each ratepayer.
	Payments Insufficient	67	77,577	75,936	1,641	0%				✓	✓		Reviewed systematically. Work through options to increase payments/resolve debt.
	Long Term Monitored	38	132,865	95,717	37,148	7%	✓						Financial hardship, paying minimum amounts. Reviewed 6 monthly (Aug/Feb), more frequently if in decline.
	No Payments - Property on Market	9	10,870	6,140	4,730	1%	✓						Annual Review.
	Missed November & February 2025 instals	138	257,652	255,938	1,714	0%					✓		Letters sent - monitoring.
	Missed one instalment only	366	234,089	234,089	0	0%					✓		Letters sent - monitoring.
	Payment plans	281	115,013	98,195	16,818	3%				✓			Reviewed annually and updated as required.
	Abandoned Land Tender Project	41	265,703	38,209	227,494	40%						✓	Report to June 2019 Council Meeting.
	Totals	**1,072**	**1,672,098**	**1,105,454**	566,644	**100%**							

Internal Debt Recovery

Red	548,208	32.8%
Orange	743,174	44.4%
Green	115,013	6.9%
Abandoned land	265,703	15.9%
	1,672,098	100.0%



C:\Users\gina.barrell\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\ZEEQ7K4A\20 Attachment 2 Rates Debt Management 10.03.25

RISK AND AUDIT COMMITTEE

16 APRIL 2025

AGENDA ITEM: 20

Prepared by Simon Pickford
Chief Executive Officer

Attachments 1. PMO Review Action Plan Update April 2025

PMO REVIEW: PROCESS IMPROVEMENT OPPORTUNITIES ACTION PLAN – UPDATE APRIL 2025

1. **REPORT PURPOSE**
The report is for information only and no decision is required.

2. **EXECUTIVE SUMMARY**
This report provides an update on progress against the Process Improvement Opportunities Action Plan arising from KPMG's Forensic Audit of the PMO.

3. **DISCUSSION**
The action plan has been divided into four sections: Procurement / Finance Issues (nine items), Conflict of Interest (two items), Protected Disclosures (two items), and Management / Governance (five items).

4. Further progress has been made since December's update, with 14 of the 18 of the items now complete. Updates are shown in red on the attached Action Plan.

5. The focus since the December update been development and rollout of procurement training to Tier Three staff. The first session was held in March and a further session is scheduled for April. Staff are trained in the new Procurement Policy and use of the Procurement manuals.

6. The new webpage which provides information for suppliers and contractors working with Council continues to be well used. The webpage can be found here: Working with us as a contractor

7. A review of payroll and creditors has been undertaken by PwC. A set of management actions has been delivered which are being worked through and reported through to the Risk and Audit Committee (RAC). A review of Holidays Act compliance has been undertaken, and further audits will be undertaken and reported through to RAC.

8. A clear process for the approval and sign off of funding claims has been agreed with NZTA and is working well.

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

10. **DRAFT RECOMMENDATION**

That the PMO Review: Process Improvement Opportunities Action Plan – Update April 2025 dated 16 April 2025 be received.